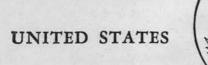
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PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, FIRST SESSION

SENATE

THURSDAY, JULY 27, 1939

(Legislative day of Tuesday, July 25, 1939)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, whose loving hand hath given us all that we possess: Grant us grace that we may honor Thee with our substance, and, remembering the account which we must one day give, be faithful stewards of Thy bounty; and support us all the day long of this mortal life, till the shadows lengthen and the evening comes, the busy world is hushed, the fever of life is over, and our work is done. Then, in Thy mercy, grant us a safe lodging, a quiet rest, and peace at the last. Through Jesus Christ, our Lord.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, July 26, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	La Follette	Schwartz
Andrews	Downey	Lee	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barbour	Gibson	McKellar	Stewart
Barkley	Gillette	McNary	Taft
Bilbo	Green	Maloney	Thomas, Okla,
Bone	Guffey	Mead	Thomas, Utah
Borah	Gurney	Miller	Tobey
Brown	Hale	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Tydings
Byrd	Hayden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hill	O'Mahoney	Wagner
Chavez	Holman	Pepper	Walsh
Clark, Idaho	Hughes	Pittman	Wheeler
Clark, Mo.	Johnson, Calif.	Radcliffe	White
Connally	Johnson, Colo.	Reed	
Danaher	King	Russell	

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. LXXXIV—640

Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Illinois [Mr. Slattery] are absent on important public business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

J. FRANK KUNER

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation for the relief of J. Frank Kuner, private, Uniformed Force, United States Secret Service, which, with the accompanying paper, was referred to the Committee on Claims.

PREVENTION OF COLLISIONS OF VESSELS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to amend laws for preventing collisions of vessels, which, with the accompany paper, was referred to the Committee on Commerce.

PAYMENT FOR LANDS CEDED BY SAN CARLOS APACHE INDIANS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 18) authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1936, ratified by the act of June 10, 1896, and reopening such lands to mineral entry, which were, on page 1, line 6, to strike out "at the rate of \$1.25 per acre"; on page 2, line 2, to strike out "\$277,966.37" and insert "\$33,725"; on page 2, line 5, to strike out all after "Provided," down to and including "act" in line 9 and insert "That no part of the amounts authorized in this act shall be paid or delivered to or received by any agent or attorney on account of services heretofore or hereafter rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000"; on page 2, line 10, to strike out "The" and insert "Upon appropriation and deposit to the credit of the San Carlos Apache Indians of the amount herein authorized the"; and on page 2, line 11, to strike out "are hereby" and insert "shall be."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Finance:

10135

Assembly Joint Resolution 29

Joint resolution memorializing the Congress of the United States to limit the broad authority vested in the President to enter into foreign-trade agreements

Whereas in June of 1934 the Congress of the United States passed an act to amend the tariff act of 1930, thereby delegating to the President of the United States, among other things, the power to enter into foreign-trade agreements with foreign governments, without the advice and consent of the Senate, which power was extended by joint resolution of the Seventy-fifth Congress to June 12, 1940; and

Whereas this act was one of the bitter fruits of the congressional subservience to the New Deal, during which the representatives of the people surrendered so many constitutional functions to the Executive, and bureaucracy became so firmly

functions to the Executive, and bureaucracy became so firmly entrenched in government; and
Whereas pursuant to such authority the United States has entered into reciprocal-trade agreements with a score of foreign countries, the last and most far-reaching having been concluded with the Dominion of Canada and Great Britain on November 17, 1938, providing, among other things, for reduction of import duties and increasing import quotas on certain agricultural products; and

Whereas Wisconsin ranks second among the States of the Union in the production of dairy products and stands among the leaders

Whereas Wisconsin ranks second among the States of the Union in the production of dairy products and stands among the leaders in barley raising; and

Whereas Wisconsin dairy farmers and barley growers have in recent years been hard pressed because prices of these products have been below the cost of production; and

Whereas notwithstanding these facts the trade agreement with Canada of November 17, 1938, provided for reduction of the import duty on cream from 35 cents to 28 cents per gallon; on whole milk, not exceeding 3,000,000 gallons, from 6½ cents to 3¼ cents per gallon; and on barley from 20 cents to 15 cents per bushel; and Whereas such modified import duties became effective as of January 1, 1939, and will continue in effect for not less than 3 years under the provisions of said trade agreement; and Whereas farmers of this State are vigorously protesting against such modified tariff rates and consequent further dropping in prices on barley and dairy products; and

Whereas the historic principle of a protective tariff by which American standards have always been maintained above pauper foreign standards, was thus undermined: Now, therefore, be it Resolved by the assembly (the senate concurring), That is legislature respectfully memorializes the Congress of the United States to enact legislation repealing the act of June 12, 1934, entitled "An eart to amond the Tariff Act of 1920" or restriction.

States to enact legislation repealing the act of June 12, 1934, entitled "An act to amend the Tariff Act of 1930" or restricting the President of the United States to reduce the import duty or increase the import quota on only such farm and dairy products on which the current market price is equal to or above the cost of production: Be it further

Resolved, That duly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate a petition of sundry citizens of the State of California praying for relief from various conditions affecting American citizens relative to hours, wages, working conditions, and so forth, under the operations of the W. P. A., which was referred to the Committee on Appropriations.

He also laid before the Senate the petition of the Sheepshead Bay Property Owners Association, Brooklyn, N. Y., praying that an extension of time be granted to those who hold mortgages with the H. O. L. C. to at least 25 years and that the interest rate be reduced to 3 percent, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the Young People's Religious Union, of Boston, Mass., protesting against the enactment of the so-called Dempsey bill, relative to the deportation of aliens, and also the so-called Hobbs bill, setting up a place of detention for aliens ordered to be deported who for various reasons cannot be returned to the country of their allegiance, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram in the nature of a memorial from Ralph H. Harris, of San Angelo, Tex., remonstrating against the construction of the Upper Colorado Dam for flood purposes in Coke County, Tex., which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. KING, from the Committee on Finance, to which was referred the bill (H. R. 7263) to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939, reported it without amendment and submitted a report (No. 982) thereon.

Mr. BARKLEY, from the Committee on Finance, to which was referred the bill (H. R. 1648) to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations, reported it without amendment and submitted a report (No. 983) thereon.

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (S. 2785) to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act, reported it without amendment.

Mr. ANDREWS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 538) for the relief of certain purchasers of lots in Harding town site, Fla., reported it without amendment and submitted a report (No. 984) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 2529. A bill for the relief of the Bell Grocery Co. (Rept. No. 985); and

S. 2531. A bill for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter (Rept. No.

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 2143. A bill for the relief of Michael M. Cohen (Rept. No. 987); and

S. 2561. A bill for the relief of Ina Jones (Rept. No. 988). Mr. BROWN, from the Committee on Claims, to which was referred the bill (S. 1962) granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds, reported it without amendment and submitted a report (No. 989) thereon.

He also, from the same committee, to which was referred the bill (S. 1638) for the relief of Thermal Syndicate, Ltd., reported it with an amendment and submitted a report (No. 990) thereon.

He also, from the same committee, to which was referred the bill (S. 1790) for the relief of the Eberhart Steel Products Co., Inc., reported it with amendments and submitted a report (No. 991) thereon.

Mr. PEPPER, from the Committee on Commerce, to which was referred the bill (S. 2735) authorizing the issuance to Orville Wright of honorary aircraft pilot's certificate No. 1, reported it without amendment and submitted a report (No. 992) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 6925) to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps, reported it without amendment and submitted a report (No. 993) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 1693) to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934, reported it with an amendment and submitted a report (No. 994) thereon.

Mr. MINTON, from the Committee on Pensions, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 161. A bill granting a pension to Grizelda Hull Hobson (Rept. No. 995); and

H. R. 6901. A bill granting increase of pensions to certain widows of veterans of the Civil War (Rept. No. 996).

Mr. MINTON also, from the Committee on Pensions, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 2875. A bill to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran if claim is filed within 1 year thereafter (Rept. No. 997);

H. R. 6898. A bill granting pensions and increase of pensions to certain helpless and dependent children of veterans

of the Civil War (Rept. No. 998); and

H. R. 6899. A bill granting pensions to certain veterans of

the Civil War (Rept. No. 999).

Mr. THOMAS of Utah, from the Committee on Education and Labor, to which was referred the bill (H. R. 4108) to provide for the transfer of United States Employment Service records, files, and property in local offices to the States, reported it with an amendment and submitted a report (No. 1000) thereon.

Mr. MEAD, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 2893) to provide for the local delivery rate on certain first-class mail matter, reported it without amendment and submitted a report (No. 1001) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2144. A bill providing for the conveyance by the Secretary of the Navy of Lockwoods Basin, East Boston, Mass., to the Commonwealth of Massachusetts (Rept. No. 1002);

S. 2284. A bill to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service (Rept. No. 1003);

H. R. 6320. A bill to establish the status of funds and employees of the United States Naval Academy laundry (Rept. No. 1004).

ENROLLED BILLS PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled

On July 22, 1939:

S. 1871. An act to prevent pernicious political activities. On July 26, 1939:

S. 2065. An act to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes;

S. 2139. An act to exempt from taxation certain property of the American Friends Service Committee, a nonprofit corporation organized under the laws of Pennsylvania for religious, educational, and social-service purposes;

S. 2666. An act providing for the exchange of certain park lands at the northern boundary of Piney Branch Parkway, near Argyle Terrace, for other lands more suitable for the use and development of Piney Branch Parkway; and

S. 2150. An act to amend section 8 of the act entitled "An act to supplement laws against unlawful restraints and monopolies, and for other purposes," particularly with reference to interlocking bank directorates, known as the Clayton

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRNES:

S. 2904. A bill to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation; to the Committee on Banking and Cur-

By Mr. CAPPER:

S. 2905. A bill granting an increase of pension to Tina Newlon (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH:

S. 2906. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Allen Pope against the United States; to the Committee on Claims.

S. 2907. A bill to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention; to the Committee on Immigration.

By Mr. JOHNSON of California:

S. 2908. A bill amending section 6 of the act entitled "An act granting to the city and county of San Francisco certain rights-of-way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes," approved December 19, 1913 (38 Stat. 242); to the Committee on Public Lands and Surveys.

NATURALIZATION OF CERTAIN ALIENS

Mr. WALSH. Mr. President, I ask consent to introduce for appropriate reference a bill which is a companion bill to H. R. 6443, entitled "A bill to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention." I ask that the letter of the Secretary of Labor to Congressman Clason, who introduced the bill in the House, recommending favorable action on this bill, be made a part of the RECORD.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred, and the letter presented by the Senator from Massachusetts will be printed in the RECORD.

The letter referred to is as follows:

Hon. Charles R. Clason,

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN CLASON: I have your letter of May 3, 1939, asking my attitude with respect to proposed legislation providing that the foreign-born children who have resided in this country for many years could file a final petition for naturalization upon reaching the age of 21, without the necessity of filing a declaration of intention.

This Department would have no objection to legislation of this character. There is already legislative precedent for it in a closely analogous field, since the Citizenship Act of 1934 permits the spouses of American citizens to apply for naturalization after a certain period of residence without the necessity of filing a declaration of intention (first papers).

Sincerely yours,

FRANCES PERKINS.

(See Senate bill 2907, introduced by Mr. Walsh, which was referred to the Committee on Immigration, and appears under the appropriate heading.)

FOR FINANCING RECOVERABLE EXPENDITURES-PROGRAM AMENDMENT

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which was ordered to lie on the table and to be printed.

WORKS ON RIVERS AND HARBORS-AMENDMENT

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (S. 2892) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

BLUE RIDGE PARKWAY-AMENDMENTS

Mr. BYRD submitted amendments intended to be proposed by him to the bill (S. 2626) to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes, which were ordered to lie on the table and to be printed.

CLAIMS FOR LOSSES SUFFERED BY FLOOD AT BEAN LAKE AND SUGAR LAKE, MO.—AMENDMENTS

Mr. TRUMAN submitted amendments intended to be proposed by him to the bill (H. R. 1693) to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934, which were ordered to lie on the table and to be printed.

CONTINUATION OF SPECIAL COMMITTEE ON THE TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES

Mr. BROWN submitted the following resolution (S. Res. 172), which was referred to the Committee on Finance:

Resolved, That Senate Resolution 303, Seventy-fifth Congress, third session, establishing a Special Committee on the Taxation of Governmental Securities and Salaries, agreed to June 16, 1938, is hereby continued in full force and effect until the expiration of the Seventy-sixth Congress, and the time for making the report required by such resolution is hereby extended to such date of expiration.

AIDS FOR EDUCATION-ADDRESS BY SENATOR LA FOLLETTE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the Record a radio address by himself, broadcast by transcription over station WHA, Madison, Wis., on June 1, 1939, on the subject Aids for Education, which appears in the Appendix.]

PROFESSIONAL WOMEN-SPEECH BY MISS EARLENE WHITE

[Mr. Harrison asked and obtained leave to have printed in the Record a speech on the subject of Professional Women, made by Miss Earlene White, president of the National Federation of Business and Professional Women's Clubs, Inc., at Kansas City, Mo., July 9, 1939, which appears in the Appendix.]

ISSUANCE OF BONDS TO COVER EXCESS SPENDING—STATEMENT BY WADSWORTH W. MOUNT

[Mr. Byrd asked and obtained leave to have printed in the Record a statement by Wadsworth W. Mount, assistant director of research of the Merchants' Association of New York, on the subject of Excess Government Spending Covered by Printing Government Bonds, which appears in the Appendix.]

GOVERNMENTAL PXEENDITURES, TAXATION, AND BUREAUCRACY—EDITORIALS FROM NATION'S BUSINESS

[Mr. White asked and obtained leave to have printed in the Record three editorials from the Nation's Business, which appear in the Appendix.]

RAILROAD REORGANIZATION ACT OF 1939

[Mr. Wheeler asked and obtained leave to have printed in the Record an editorial note in the June 1939 issue of the Columbia Law Review entitled "The Railroad Reorganization Act of 1939," which appears in the Appendix.]

OPERATIONS OF POST OFFICE DEPARTMENT

Mr. SCHWELLENBACH. Mr. President, at this time, when the press of the country is very assiduously trying to call attention to the political activities of the Postmaster General, I think it might be well to consider for a minute the ability and the accomplishments of the Postmaster General in his task as such.

At the conclusion of the past fiscal year the books of the Post Office Department showed that for the fifth out of the 6 years in which Mr. Farley has been in charge of the Post Office Department there was an actual surplus in the operation of that Department so far as actual postal affairs were concerned. For the past year it showed a surplus of \$10,-164,750.36. I appreciate the fact that the press of the country in the past has attempted to depreciate the successful efforts of the Post Office Department by saying that, in estimating the financial condition of the Post Office Department, there should not be considered the services which are rendered to the Government, Members of Congress, and other agencies for which no postal charge is made. If one will look back through the reports of Postmasters General through the

years, he will see that on all occasions a separation of the two functions was made. The difference is that other Postmasters General, after deducting the expenses which were involved for which the post office received no revenue, still had a deficit. Under Mr. Farley, during 5 of the 6 years, there has been an actual surplus.

I ask unanimous consent to insert in the Record the operating statement of the Post Office Department for the past fiscal year, and also a statement in explanation of the operating statement.

The VICE PRESIDENT. Without objection, it is so ordered

The statements are as follows:

POST OFFICE DEPARTMENT,
BUREAU OF ACCOUNTS,
Washington

DURANUE	OF ACCOUNTS,
	Washington.
Income:	
Stamps	\$514, 866, 925. 89
Permits	162, 039, 675. 64
Second class	21,890,401.24
Box rents	7, 676, 228, 06
Money orders	23, 403, 439, 30
Postal savings	
Miscellaneous	
	745, 098, 758. 48
Expenditures:	The same management
Salaries	569, 443, 627. 71
Special delivery	8, 564, 900. 14
Railway mail	
Star routes	
Foreign mails	11, 109, 891. 58
Air mail	
Stamps	4, 363, 713, 11
Rent, light, fuel	10, 851, 924, 04
Vehicle service	
Custodial supplies	
All other	
	784, 434, 008. 12
Gross nonpostal deficit	39, 335, 249. 64
Nonpostal credits (act June 9, 1930):	Branch Control
Government departments	35, 000, 000. 00
Congressional franks	750, 000, 00
Public welfare	1, 250, 000, 00
Air mail	
Public buildings and sundry	
	49, 500, 000. 00
Net postal surplus	10, 164, 750. 36
A net operating postal surplus of \$10,000,000	

A net operating postal surplus of \$10,000,000 for the fiscal year ending on June 30, 1939, was announced last night by Postmaster General James A. Farley, who also reported that postal revenues for this period of \$745,098,350 were the highest in the history of the Postal Service.

This revenue figure for the 1939 fiscal year represents a gain of \$17,000,000 over the same period a year ago, which in turn, represents the previous all-time high in the matter of postal receipts.

The \$10,000,000 surplus announced by the Postmaster General is the fifth in the 6 full years of Postmaster General Farley's administration of the Postal Service.

Mr. Farley pointed out that postal expenditures were still far below what they had been during the previous administration, this despite increased volume and receipts, and the additional cost of the 40-hour-week law for postal employees and the public-building program. This, the Postmaster General stated, reflected outstanding credit on the efficiency of the entire postal personnel, and was a source of great satisfaction to him.

In making public these figures the Postmaster General revealed that the gains in postal earnings started during the last Christmas season, and that each month since that time had been well ahead of the corresponding month a year ago. These gains came from all over the country and were evenly distributed among the metropolitan and rural areas of every section in the Nation.

The large increase of mailings under permit postage, which ob-

The large increase of mailings under permit postage, which obviates the use of postage stamps, accounted for most of the gains, and the Postmaster General said that this was almost wholly due to increased use of the mails by business and industry. As a sensitive barometer of business conditions, he said, the postal establishment was again seen as indicating a sharp upward trend in general prosperity.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. McNARY. Mr. President, I was advised this morning that some Members on both the Republican and the

Democratic sides would like to discuss the general purposes and philosophy of the pending bill. Personally I have no objection to taking a vote now on some of the amendments which are to be considered. One which I have in mind was referred to in the colloquy yesterday with the very able Senator from Kentucky [Mr. BARKLEY], the majority leader; namely, an amendment to be proposed to the highway provision.

Mr. BARKLEY. Mr. President, I will say to the Senator from Oregon that that amendment was offered to be printed and lie on the table. I have just been advised that the Government Printing Office has not yet printed it. The amendment will be here during the next 10 or 15 minutes. We cannot very well discuss it without having copies before the Senate.

Mr. McNARY. I appreciate that fact. I wanted to occupy a little time in the discussion of the highway problem. That was my purpose yesterday. I was informed by the able leader that he was to offer an amendment after consulting some of the Members on his side, particularly the Senator from Arizona [Mr. HAYDEN], who is conversant with highway legislation.

Mr. BARKLEY. And also the Senator from Nevada [Mr. McCarran].

Mr. McCARRAN rose.

Mr. McNARY. In view of that situation, I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I have an amendment which I desire to present to the Senate. By gentlemen's agreement I was to follow, with my amendment, the amendment which was to be offered by the Senator from Connecticut [Mr. Maloney]. I do not see the Senator from Connecticut in the Chamber. I am very sorry. I should like to carry out my agreement with him. At the same time. I do not want to hold up the Senate.

Mr. ADAMS. Mr. President, in the absence of activity, I have had a difference, though not very serious, with the provisions of the bill in reference to the question of interest which appear on page 15 of the bill. I wish to submit a word or two and an amendment in reference to that subject.

As was developed in the discussion on yesterday, the provisions of the bill in reference to interest practically mean that the Government will furnish money to certain private industries at considerably less than the money actually costs the Government. I have in mind particularly the railroad companies, which under the bill are to be furnished with money at a rate less than actual cost. If we are to seek out industries which could use money, and could use it at less than cost, we can find many such industries in the country. I do not believe, however, it is the business of the Government to do that. I therefore offer an amendment, to strike out from line 19 on page 15 down to and including the words "maturity thereof" in the first line of page 16.

Mr. McNARY. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Certainly.

Mr. McNARY. What words does the Senator start with on line 16?

Mr. ADAMS. I propose to strike out the last six lines on page 15, down to the period in the first line of page 16.

Mr. McNARY. But what words does the Senator start with?

Mr. ADAMS. I start with the words "but not to exceed" at the beginning of line 19 on page 15. As a necessary part of the same amendment, I wish to add at the end of line 18 on page 15 the words "plus one-half percent per annum." The effect of the amendment is to provide that money shall be furnished to the various agencies for the purposes of the bill at a rate of interest which may reasonably be expected to reimburse the Corporation for the cost to it of the capital required for expenditures under the act, plus one-half of 1 percent.

The one-half of 1 percent will not cover the cost. I inquired yesterday of the majority leader whether or not the word "cost" which was included in the bill, when it spoke of the return of the actual cost, meant anything in addition to the actual interest rate; and the majority leader said it did not.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. ADAMS. I yield.

Mr. BARKLEY. I did not mean to convey the impression that the language in the bill would not avail to recoup the Reconstruction Finance Corporation for its outlay in obtaining the money. Of course, that would mean the principal and the interest. I did not think it covered any administrative costs necessary by reason of the new activities in the way of increased personnel. We have taken care of that in another way, by authorizing appropriations for administrative costs for most of these agencies.

Mr. ADAMS. That is taken care of out of the Treasury. Mr. BARKLEY. That is correct.

Mr. ADAMS. It seemed to me that if we were to make these loans we should reimburse the lending agencies or the Government for the actual cost. The actual cost includes the interest which the R. F. C. must pay. Then there is the cost of printing the bonds; there are the legal costs: there are a multitude of costs. These loans cannot be made at a cost of one-half of 1 percent. So, if the rate is made onehalf of 1 percent it will not be sufficient to recover the costs for the R. F. C.

The other section I am seeking to have stricken out is a limitation on these provisions. It provides that the rate shall be expected to reimburse the Corporation for the costs to it. Then the limitation is "not to exceed the highest yield to maturity on the longest term outstanding issue of obligations of the United States."

The question of yield has nothing to do with the Government. The question of yield has to do with what the holder of the security receives and what he pays for it. What we are concerned with is what the Government has to pay for its money. If the Government pays 3 percent for its money it pays it to maturity, at each interest period, and it does not matter if the purchaser of the bonds or the assignee of the bonds buys the bonds on a basis that pays him only 2 percent, because the Government will be paying the full rate. So there is a limit under the bill, that the interest rate shall be such as to reimburse the costs, but shall not exceed the yield, which is the yield to the owner of the bond.

I am asking to have that stricken out so that the bill will merely provide that the Government will lend the money at its actual cost—that is, its interest cost plus one-half of 1 percent.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. MILLER. The words suggested by the Senator to be eliminated are the words suggested to the committee by Mr. Jones, I believe, as language which should be stricken out, after he had considered this section. Is not that true?

Mr. ADAMS. The Senator will recall that in the original bill which was before us there was a very intricate provision, and we asked Mr. Jones if he understood what it meant, and he said he did not. Then there was some discussion of that.

Mr. MILLER. That is true; but does the Senator remember, or does he not, that Mr. Jones placed in parentheses the very words the Senator is seeking to have stricken out, and suggested that they be eliminated?

Mr. ADAMS. That is correct. My suggestion really conforms to that. I will read the section. It provides that the loan shall be "at a rate or rates which may reasonably be expected to reimburse the Corporation for the cost to it of the capital required for its operations under this act." Mr. Jones said that if we would stop at that point we would meet the requirements. The original bill added this language:

Having due regard to the yield on obligations of the United States of comparable maturity or maturities to that of such loans and the rate and period of amortization of the cost of such works, projects, or undertakings, but not to exceed the multiple of one-eighth of percent next higher than the yield to maturity based on market prices on the longest term outstanding issue of obligations of the United States, direct or indirect.

Mr. Jones said he did not know what that meant,

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. KING. I read the bill with as much interest as I could command—being opposed to it, I will say—and it was so confusing with respect to who should bear the cost of administration as the administration proceeded that in the final result it seemed to me there was an attempt to evade a clear statement that the burden rested upon the organizations which were to receive the loans, and that they must pay out of any loans made to them, and that they could not pass on to the Government of the United States, to be paid out of the Treasury, the expenses of administration and the costs of the various organizations as they took over the obligations of the organizations that were formed.

Let me ask the Senator whether it is clear that the Government is to be free from the administrative costs, or are such costs to come out of the organizations which

are to be the beneficiaries of these lcans?

Mr. ADAMS. The bill as it now stands before the Senate would impose upon the Government all administrative expenses of getting the money, all expenses other than the actual interest paid. What I am seeking to do is to add a provision for one-half of 1 percent in order to carry the Government's administrative costs, its engraving costs, and its personnel cost, because I do not think that a railroad, for instance, in buying equipment—and we are lending them 100 percent of the cost of it—should get the money at the rate the Government pays less the cost to the Government of all administrative expenses. Personally, I think the rate should be higher than that, and I am suggesting merely that the Government lend the money at actual cost.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. BARKLEY. The Senator will recall that this formula originally provided that the rate of interest should not exceed the yield on the longest term outstanding Government obligations plus one-eighth of 1 percent, which was thought to be sufficient difference to take care of any possible losses or any costs to the Government in obtaining the money.

Mr. ADAMS. Under the provisions of the new bill the Government would have gotten less for its money than under the original bill.

Mr. BARKLEY. By one-eighth of 1 percent.

Mr. ADAMS. I think that is it. It speaks of a multiple of one-eighth of 1 percent, and some of us had a little difficulty in knowing what that meant.

Mr. BARKLEY. Let me make a suggestion to the Senator; we may be able to get together on the question. What we are anxious to do, and what I think we all desire, is that, based on the theory of the bill, that we are getting away from grants, are making loans, we want to make them at a rate of interest sufficiently low to induce those who want the money and can use it to make the loans; but we do not feel that the R. F. C. should make an overhead profit out of the transactions by being able to sell its bonds bearing 1½ or 2 percent and then lend the money at 3 or 4 percent interest. All I am anxious to do is to see that the R. F. C., in the rate it charges for these various activities, shall have returned to it the cost of obtaining the money without a profit.

If the Senator would agree to the suggestion to provide in line 17 "at a rate or rates which may reasonably be expected to reimburse the corporation for not more than the cost to it of the capital required plus one-fourth of 1 percent," instead of one-half, I would accept the suggestion. I think one-fourth will be ample. The bill provided one-eighth originally,

which might have been a little low.

Mr. ADAMS. Why does not the Senator say "any more than the cost"? Why not say that we will reimburse it for

the cost plus that?

Mr. BARKLEY. Under such a provision there would be no ceiling. They could require interest at a rate which would not only reimburse them for the cost of the money but give them more. They might be able to make a profit out of the

transaction. What we are trying to do is to provide that these rates of interest shall not be more than sufficient to pay the costs.

Mr. ADAMS. I may say to the Senator that between the two crimes, the crime of making a little profit and the crime of making a loss, I should prefer to have them commit the crime of making a profit.

Mr. BARKLEY. I do not know that we could call it a crime, but I believe this would do what both the Senator and I want to see done—that the R. F. C. would recoup the cost and no more; but in order to take care of its losses, whatever they may be, I think one-fourth of 1 percent would be sufficient.

Mr. ADAMS. Is not the Senator drawing a very close line? Mr. BARKLEY. No; one-half of 1 percent on the large transactions which may be involved would produce a considerable amount of money, and I cannot imagine how the increase in the personnel necessary would entail much expense. It may not be necessary for them to have any increase; very likely the R. F. C., with its present organization, can conduct all these activities without any additional personnel, and therefore there would be no additional cost involved. It may be that there would be some cost for the printing of bonds, but that would not be great.

Mr. ADAMS. I may say to the Senator that in the ordinary banking experience of those who are experienced in it, it costs them practically 1 percent to handle money. I do not believe that the R. F. C. can handle its money at a cost of one-half of 1 percent and meet the incidental expenses in addition to the interest costs. I think the Senator and I agree as to what we are trying to accomplish, but I think

the Senator is underfiguring the incidental costs.

Mr. BARKLEY. Of course, no one can be absolutely accurate about what the cost will be; it is all speculative.

Mr. ADAMS. I want to give the benefit of whatever doubt there is to the R. F. C.

Mr. BARKLEY. We have fixed one-fourth of 1 percent in other laws—

Mr. ADAMS. In what law?

Mr. BARKLEY. As the spread between the cost of the money and the rate at which it will be loaned to the borrower. We have even gone further than that in the farmloan situation by providing a rate which has resulted in an actual loss.

Mr. ADAMS. Is the Senator willing to accept my amendment with the mere change from one-half to one-fourth?

Mr. BARKLEY. I would be if I were certain that the R. F. C. under that language could not charge more than the actual cost to it plus the one-fourth of 1 percent. That is why I wanted to put in "not more than the cost, plus one-fourth of 1 percent."

Mr. ADAMS. I think the Senator's statement can be relied upon. The R. F. C. will be familiar with what the Senator from Kentucky has said on the floor, and the language of the bill is that they are to make an interest rate sufficient to reimburse them. That does not mean they are to go beyond that rate. Then when we say "the cost, plus one-fourth of 1 percent" or "one-half of 1 percent," it seems to me we have definitely fixed the ceiling.

Mr. BARKLEY. Of course, the Reconstruction Finance Corporation would pay a great deal more attention to language written in the bill than to what I would say on the floor.

Mr. ADAMS. I do not think so. I could not grant that. Mr. TAFT. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. TAFT. Does the Senator think that even one-half of 1 percent would reimburse the Government for the losses involved in this general program, taking the program as a whole?

Mr. ADAMS. I will say to the Senator that I have no idea that that is going to cover the losses. I am merely proposing to insert it so that the Government will not be a loser, assuming it gets back 100 percent of the principal and the interest.

Mr. TAFT. The Senator will notice the language of the preamble to section 2:

In order to provide a sound method of financing which, without burdening the national taxing power, will make it possible to increase employment-

And so forth. Could not the Senator at least make it 1 percent higher instead of one-half of 1 percent?

Mr. ADAMS. Many years ago I heard the word "euphemistic." It seems to me the preamble would have to be liberally construed.

Mr. TAFT. The Senator does not believe, does he, that the purpose of the bill can be carried out without burdening the national taxing power, even if his amendment shall be

Mr. ADAMS. No: I do not.

Mr. TAFT. Has the Senator called attention to Mr. Jones' testimony on page 218 of the hearings before the committee, when he was asked, with regard to the interest provision?-

The CHARMAN. Mr. Jones, then you would not fix a maximum?

Mr. Jones. No; why should you?
The Chairman. I am asking you.
Mr. Jones. I certainly would not. I would not fix a maximum,

o-or a minimum, either.

The people administering this law are going to do it largely under the direction of the President, and he is going to know what money is costing, through his Secretary of the Treasury; and they should be free to fix the rate without regard to a strait jacket imposed in

Does the Senator remember that testimony of Mr. Jones? Mr. ADAMS. I do.

Mr. TAFT. And does the Senator remember that Mr. Jones was in favor of eliminating everything-that is, all that the Senator was striking out-without putting in any limitation, as the Senator has proposed to do?

Mr. ADAMS. I am one of the humble followers of the majority leader here, and I naturally yield to him as far as my mathematical sense will permit me. Does the Senator from Kentucky think my amendment is all right?

Mr. BARKLEY. Not as originally offered. Mr. ADAMS. If we change it from one-half to onequarter, can we bargain with the Senator?

Mr. BARKLEY. And put in "not more." I think there ought to be a ceiling.

Mr. ADAMS. No.

Mr. BARKLEY. Because nobody wants the R. F. C. to make a profit.

Mr. ADAMS. I think that is an exaggeration.

Mr. BARKLEY. It may be able to borrow this money at 1 percent on short-term obligations, and refund them, and reissue them from time to time; and even under the bill as it is it could loan the money at 2% percent. If the program is to work, certainly no Government agency ought to make a profit out of interest. There ought to be a ceiling. And the suggestion I make would result in the Corporation being reimbursed for all that it costs it to get the money, plus onequarter of 1 percent, which, in my judgment, would take care of even administrative costs, such as the printing of bonds, and so forth.

Mr. ADAMS. Of course, the Senator and I approach it from different angles. I do not want the Government to lose, and, as between the railroad company which is buying equipment with Government money and the Government, I would rather they paid a shade more interest than that the Government should stand a loss. The Government is going to stand a loss anyway, I will say to the Senator, on its principal.

Mr. BARKLEY. Responding to the Senator from Ohio, I will say there is no way to put in the bill a spread in interest rates which might in a speculative way take care of any losses that might be sustained on the loans. The Senator from Colorado is not attempting to do that in his amendment.

Mr. ADAMS. I felt that would be useless, in view of the opposition of the Senator from Kentucky.

Mr. BARKLEY. No; it is not that. There is no way to estimate it. There may not be any losses. But if there should be any losses, we cannot tell what they may be. It might be years before they would develop. And we cannot fix any possible spread in interest rates that would compensate the R. F. C. for any individual losses which might occur in 10 or 15 years from now on loans it may make.

Mr. ADAMS. No; but sound financing would make some provision for that. Every banking institution in the land, every insurance company, everyone who handles money, would make some allowance in the matter of interest rates. If there were an absolute assurance that every loan would be paid back 100 percent, interest rates would be lower. But by the amendment which I have offered, we would fix an absolute minimum, based on the expectation of 100-percent interest and principal being paid.

Mr. VANDENBERG. Mr. President, will the Senator vield?

Mr. ADAMS. I yield.

Mr. VANDENBERG. In connection with the problem of interest rates, I wish to submit a question to the Senator, and I should also like to have the views of the Senator from Kentucky. My understanding is that these loans may be made for a period of 40 years. What I want to know is whether, when the loan is made for 40 years, this low interest rate contracted with the borrower is to remain effective for 40 years, regardless of whether during the intervening period the cost of money to the Government increases.

Mr. ADAMS. That is correct. Of course, if, as I assume it will do, the Government makes a 40-year loan, it will issue 40-year bonds so as to take care of the loan, so as to escape the hazard of increased interest costs.

Mr. BARKLEY. We could not afford to make a change in a 40-year obligation, simply because in the intervening period interest rates to the borrower may go up, because the period of the obligation is fixed, and the rate of interest is fixed at the time the loan is made. If 20 years later the Government should be obliged to pay more interest on money which it then borrows, it could not make a change in the previous obligation, because the money involved in the original transaction would have no relationship to the cost of money in the later transaction.

Mr. ADAMS. I will say to the Senator from Michigan that if the R. F. C. in making the loans proceeds on the theory that it will make 40-year loans, and then will borrow at 5-year periods or 10-year periods to get the money, it will be confronted with a loss, if we succeed in the efforts we are making to restore business activity and prosperity, because if we do succeed, interest rates will go up.

Mr. VANDENBERG. Precisely. And I was struck by the fact that the Senator from Kentucky a moment ago referred to the fact that the Government could borrow some of this

money on short-term paper.

Mr. BARKLEY. I said the R. F. C. could do it. But they do not borrow any money now for longer than 5-year periods. Under the bill, however, they can issue their obligations for as long as 30 years I think. So that when they issue their obligations for practically 30 years they fix a rate of interest in the loans they make. When they distribute that money among the various agencies they fix the rate of interest based on what they have to pay for the money over

Mr. VANDENBERG. If the R. F. C. borrows the money on short-time paper at a low rate of interest, and thereupon gives the benefit of that low rate of interest to the borrower in a 40-year contract, in the course of the 40 years the Government undoubtedly would lose a substantial amount of money on the interest alone, would it not?

Mr. ADAMS. I am quite sure it would. And, of course, there could be no change in the rate of interest charged the borrower as a matter of contract and as a matter of specific provision of the statute, because at the top of page 16 it is provided:

Nothing herein shall be construed to require the alteration or readjustment of any rate once the interest has been fixed for any

Mr. VANDENBERG. I submit to the Senator that this is another factor of doubt which justifies his very modest suggestion that a one-half of 1 percent element of safety be injected into the rate as between the Government and the borrower.

Mr. ADAMS. I think one-half of 1 percent is an inadequate amount, I will say to the Senator from Michigan.

Mr. BARKLEY. Mr. President, with particular reference to the P. W. A. activities, under which we have been making grants of 45 percent and loans of 55 percent, in order that public bodies may feel that they can afford to forego the grants, and make the loans provided for in the measure, they have to feel that they are getting something in the way of a reduced interest rate which, over the period, will absorb at least a part of what they would have gotten as a grant.

It has been figured out by the Treasury that on a 20-year maturity the amount of the grant at the rate of interest provided for in the bill would be 22 percent, for a 15-year obligation it would be 19 percent, and so on, depending on the length of the obligation. Now, if the rate of interest is raised so as to absorb these benefits which are offered as a substitute for grants, then we destroy the inducement to the public bodies, State, county, or municipal, to borrow the money, because they do not get anything, or get very little, as a substitute for the grants which they have been accustomed to receive.

Mr. ADAMS. The Senator from Kentucky speaks of foregoing the grant. When did railway companies ever have a right to a grant? They are not foregoing anything.

Mr. BARKLEY. I am not talking about that.

Mr. ADAMS. I am talking about making loans to private corporations at less than the cost of money to the United States Government.

Mr. BARKLEY. If the Senator had been listening he would know that I specified P. W. A. projects. The railroads have gotten no grants. The R. E. A. has gotten no grants.

Mr. ADAMS. That is the reason why I say the Senator's

argument has no bearing in this instance.

Mr. BARKLEY. But the P. W. A. situation has a bearing. In this measure we cannot fix a different rate for different activities. They should be uniform.

Mr. ADAMS. But we ought not to give the railroads what is equivalent to a 45-percent grant. It sems to me the Senator is arguing that we should give a rate to the railroads which is equivalent to a grant of 45 percent.

Mr. BARKLEY. No. The most they would get over a period of years would be approximately 20 or 22 percent.

Mr. ADAMS. They would receive the benefit of the difference between what we would have to pay for money on our own borrowings and the rate which the Government would give them. There is no element of grant. We are seeking to give to the railroads and the corporations which want to put in rural electrification money at a rate of interest lower than the cost to the Government of the United Sates, which has the finest credit rating of any government, corporation, or individual in the world.

Mr. CAPPER. Mr. President, the pending bill, Senate bill 2864, entitled "The Works Financing Act of 1939," is perhaps the most tempting piece of bait, and partly for that very reason the most dangerous piece of legislation, that has come before the Congress for some time.

Frankly, I am afraid of the bill. I am afraid not merely because of its loose fiscal policy but also because of its temptations and its implications.

It promises something for nothing to almost everyone and every group in the country. There are hundreds of millions in it for the construction industry, for farmers, for the railroads, for communities thirsting for public works, for all the people and businesses that want more highway construction, for the small-business man, for those who see foreign trade as a big factor in recovery, and even \$90,000,000 for reclamation. All these hundreds of millions and billions are without appropriations, without costing the Government anythingwithout costing anybody anything.

Mr. President, some of the claims made for the bill, including the claim that the projects are to be self-liquidating, are just too good to be true.

As I understand, the amended bill which we have before us authorizes the lending of some two and one-half billion dollars for projects described as self-liquidating.

As I understand the term "self-liquidating," it means that the projects will ultimately pay for themselves out of earnings of one kind or another.

As I read the measure and interpret the report of the Banking and Currency Committee, it provides that the Reconstruction Finance Corporation shall issue bonds to raise the money to make loans. The money so raised will be lent to Government-owned corporations for use or for relending, and ultimately the corporations will recover the money from the operation of the projects and return it to the Government.

The program looks very much like a spending program under the name of a lending program. It seems to me that the Federal Government would go further into debt without the additional debt being shown on the books at the present time. It is just as much a lend-and-spend program as those which have preceded it. I am not criticizing all the lendings and spendings which have occurred in the past. Some of the expenditures were absolutely necessary. Some of the lendings were in the public interest. Many of the R. F. C. loans will be repaid. However, I venture to suggest that not nearly as large a percentage of the funds lent under the new program will be repaid as was the case with the previous R. F. C. loans. I do not see how it can be.

What is really proposed under the program is that the Government shall use its credit to borrow more money. money will be spent through Government-owned corporations or other agencies. Perhaps some of it will be repaid.

However, the basic fact is that the two and one-half billion dollars-or however much of it is used-will be a burden upon the credit of the Federal Government. Actually, it will be added to the public debt, although through a bookkeeping fiction it will not be listed as part of the national debt for the present.

Mr. President, this session of Congress already has appropriated something like \$13,000,000,000, with another deficiency bill coming before we adjourn.

The public debt is more than \$40,000,000,000. Anticipated revenues for the curent fiscal year are little more than five and one-half billions. Figure it out for yourself.

Moreover, Congress already has authorized borrowings of some \$14,000,000,000 by and through various agencies, and these billions are a contingent liabilty of the Federal Government. I do not say that all of this amount ultimately will be added to the public debt, but part of it will be.

Mr. President, I say the time has come for Congress to call a halt to this endless borrow-and-spend, borrow-and-lend, lend-and-spend program. The fact that this one has a new name, coined for it outside of Congress-I believe the term is "splending"—does not change its inherent character. It is still borrow and lend and spend. That this program has a new designation does not change the fact.

I find myself to a certain extent in agreement with the statement issued by the Republican special committee on debt, though my opposition to this measure and the policy it carries out is not at all based on partisan considerations.

The committee declares that-

The whole premise is fallacious. The arguments for the bill e specious. The policy is utterly dangerous to the welfare of the are specious. Nation. Both the proposal and the underlying principles should be denounced and rejected by Congress.

Mr. President, this proposal is not advanced as an emergency measure. It is proposed that the Government go into the dangerous program of continuing to borrow and lend and spend as a permanent program.

Every one of such measures enacted by Congress catches us more certainly and more hopelessly in the vicious circle of borrow more and spend more. The more we borrow, the more we spend. The more we spend, the more we must borrow to keep up the spending. The more we spend, the more we must borrow, because when the artificial stimulant of Government spending is removed, or even lessened, an economic crisis is threatened; and more borrowing to make possible more spending to make necessary more borrowing will have to be carried on at an ever-increasing tempo and in ever-increasing volume.

I do not intend to go into the very apparent situation in which the additional two and one-half billion dollars, plus the other billions of dollars appropriated for spending during the coming year, can be used to influence votes in the

coming 1940 campaign.

I voted for the Hatch bill, a fine piece of legislation, to prohibit pernicious political activities by those charged with dispensing relief funds and by Federal employees generally. But what is the use of doing that and almost in the same breath providing another two and one-half billion dollars in addition to the already created slush fund of billions and billions of dollars of Government spending for communities

and for Government payments to individuals?

Mr. President, I am more than disturbed; I am alarmed as I look down the road on which we are traveling. It was bad enough when the Federal Government was spending from one and one-half to two dollars for every dollar it collected in revenue. It was bad enough to face a tenth year of deficit spending on that basis. But now, through the spurious device of calling two and one-half billion dollars or so lending instead of spending, we are proposing to make it possible in the coming year for the Federal Government to spend between two and one-half and three dollars for every dollar of revenue.

If those figures are questioned, I suggest that you figure it out yourself. More than \$13,000,000,000 will have been appropriated. Add to this two and one-half billion dollars. Then divide the total by the \$5,500,000,000 of anticipated revenues, and see what the result is. Unless my arithmetic is at fault, the result is nearly three times as much lent and

spent as the revenue receipts amount to.

Mr. President, if the bill honestly stated what it is proposed to do, I should be gravely concerned. But coming to us under a disguise, even though that disguise is almost transparent, I am seriously alarmed over where its passage will lead us. I feel constrained to vote against the bill, much as I favor some of the announced objectives proposed to be attained.

The PRESIDING OFFICER (Mr. Bilbo in the chair). The question is on agreeing to the amendment offered by the

Senator from Colorado [Mr. ADAMS].

Mr. BARKLEY. Mr. President, in lieu of the amendment offered by the Senator from Colorado, I think we have arrived at a compromise of language. I suggest that the Senator modify his amendment, in addition to striking out the words which he strikes out, by striking out, in line 17, on page 15, after the word "for", the words "the cost to it of the capital required for any expenditure under this act" and inserting "not more than the cost of the capital to it, plus three-eighths of 1 percent per annum."

Mr. ADAMS. I thought we said one-half. Mr. BARKLEY. Not more than one-half.

Mr. ADAMS. Not more than one-half.

Mr. BARKLEY. Very well; "plus not more than one-half of 1 percent."

The PRESIDING OFFICER. Does the Senator from Colorado accept the modification?

Mr. ADAMS. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Adams], as modified.

Mr. McNARY. Mr. President, let us have the amendment stated. I am a little in doubt as to how it reads.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado, as modified, will be stated.

Mr. BARKLEY. Mr. President, perhaps I can state it. The amendment as modified proposes, on page 15, line 17, after the word "for", to strike out down to and including

the words "the maturity thereof" in line 1 on page 16, and to insert in lieu thereof "not more than the cost to it of the capital required for any expenditure under this act, plus not more than one-half of 1 percent per annum", so that the language, beginning in line 16, would read:

At a rate or rates which may reasonably be expected to reimburse the Corporation for not more than the cost to it of the capital required for any expenditure under this act, plus not more than one-half of 1 percent per annum.

Mr. KING. The Senator from Kansas [Mr. Capper] has just delivered an address which should call for most serious consideration not only upon the part of Senators but of the country. He has condemned in forcible terms the spending policy of the Government and has indicated that this policy is a menace to our economic system as well as to the integrity of the Government. He would have been more accurate, in my opinion, if he had called the pending bill a waste bill as well as a spending bill. I recall a few days ago, when there was some floundering for a word descriptive of the measure, that I suggested that it should be denominated a "waste" bill rather than a measure for the "construction and financing of self-liquidating projects" or indeed the more recent name which has been given to the child-that of a "program for financing recoverable expenditures." Perhaps the new cognomen which has been attached to the bill has been adopted because there is not only doubts but a growing conviction that the projects to be carried out under the terms of the bill are not, and will not be, selfliquidating; and I am convinced that if the bill should be enacted into law the \$3,300,000,000 for which the Government will be liable will not provide "recoverable expenditures." In other words, the Treasury of the United States will be called upon to meet demands resulting from losses incurred under the bill.

Again referring to the Senator from Kansas, may I state that he is always very careful in his statements and approaches public questions in a manner that is commendable in a public servant. I believe that he was entirely justified in expressing apprehension because of the policies which are being pursued by the Government.

Mr. President, it is not a pleasant task for me to criticize measures and policies to which support has been given by the leading members of my party. However, I cannot accept the view that it is the duty of members of political parties to always support policies which their respective parties submit. There is much to commend in the British parliamentary system where, as we know, party lines are not always followed, and Liberals not infrequently vote for measures of the Labor or the Conservative Parties, and members of those parties give their support to policies of the Liberal Party. I should add, however, that in party government it is not always easy to determine to which political party a measure or policy belongs.

A number of years ago perhaps the most important political issue was connected with the question of tariff. It is apparent that both political parties have modified their views with respect to the tariff, and it may be further stated that persons who formerly were advocates of tariff for revenue only have moved to a different position.

I was a member of the committee which drafted the Democratic platform in 1932 and subscribed then, as I subscribe now, to the principles therein enunciated. As I have stated, political parties in a democratic government are not only important but necessary. There always will be many thoughtful and patriotic people with differences of opinion in regard to economic, political, and governmental questions. These differences result in the formation of political parties organized and maintained for the purpose of carrying into effect the views and policies of the parties to which the citizens respectively belong. Political parties do not always adhere to their platforms, or policies which they have been pledged to support, and in this changing world with its confusion, political issues are sometimes forgotten. Allegiance to a political party does not demand

blind support, or compel the renunciation of honest and sincere convictions.

As stated, parties come and go and political platforms are not infrequently departed from, if not abandoned. It is more important to be right than to blindly subscribe to any political dogma or political platform. There are certain fundamental principles in government as there are in the realms of philosophy and in the sphere of morals. I have always been a Democrat and helped to organize the party in my own State. I have been the recipient of honors at the hands of the Democratic Party, and I hope that it will adhere to the principles upon which it was founded and those fundamental precepts will lie at the basis of free government—of democratic institutions and of this Republic.

It is not expected that a political party will be right upon every question or that it will never deviate from platforms promulgated by it. This fact leads to the conclusion that if political parties depart from sound principles enunciated in their platforms and pursue policies inimical to the interests of the people and harmful to the Government, there is no requirement that such policies shall be regarded as

commands that must be obeyed.

Important as political parties are and desirable, they are not impeccable and may often attempt to carry out policies at variance with their platforms and in opposition to the views of many who desire to adhere to sound fundamental principles. To maintain genuine democratic government is a difficult task. It will be beset by many dangers, and efforts will be made to convert it into a socialistic state or into a powerful centralized and oppressive government. This Republic in its brief period of existence has encountered forces which menace its existence. The important task devolving upon all American citizens is to preserve this Republic and to keep it in the paths designed by the fathers.

Mr. VANDENBERG. Mr. President, will the Senator

Mr. KING. I yield.

Mr. VANDENBERG. May I suggest to the Senator that there is some very excellent democratic authority for the position which he now takes? I should like to read the following sentences:

The credit of the family depends chiefly upon whether that family is living within its income. And that is equally true of the Nation. If the Nation is living within its income, its

credit is good.

If, in some crises, it lives beyond its income for a year or two, it can usually borrow temporarily at reasonable rates. But if, like a spendthrift, it throws discretion to the winds and is willing to make no sacrifice at all in spending; if it extends its taxing to the limit of the people's power to pay and continues to pile up deficits, then it is on the road to bankruptcy.

I am quoting Franklin D. Roosevelt, speaking at Pittsburgh, Pa., on October 19, 1932, and I think the Senator from Utah finds himself entirely in tune with his distin-

guished Democratic leader of yesterday.

Mr. KING. The doctrine announced by President Roosevelt in the statement just read is sound, and it should be followed by this Republic. However, during the past few years we have departed from that doctrine and have engaged in spending policies that in my opinion have had injurious effects upon our economy as well as upon our political institutions; and there are evidences that the spending policies will be continued and, of course, this will result in continued unbalanced Budgets, and the stupendous national indebtedness will be magnified as time goes on. The bill before us, as I have indicated, is in line with the spending policies which have given us a public debt of approximately \$45,000,000,000 and contingent obligations to the extent of from five to ten billions of dollars additional.

The Democratic Party from the days of Jefferson has proclaimed its devotion to economy and efficiency in governmental affairs, and in various State platforms it has pledged itself to the support of a government which should be economically administered. And in national conventions it has declared for the maintenance of the States against all centralizing tendencies. It has pledged itself to constitutional

doctrines and traditions of the party as illustrated by the teachings and examples of Democratic statesmen and patriots. It has expressed opposition to centralization and to that dangerous spirit of encroachment which tends to consolidate the various departments of the Government into one and to thus create out of the form of government a real despotism. Democracy is the antithesis of policies which project the Federal Government into the States, and which seek to convert a republican form of government into a socialistic government. In my opinion, there are some in the Democratic Party who are abandoning many of the principles upon which it was founded, and advocating policies which, if triumphant, will undermine the republican form of government and impose upon the people a socialistic state.

There are today socialistic governments, and also people living under communistic and dictatorial governments. They should be an admonition to the American people to maintain and defend this Republic. We have the best form of government the world has ever produced, and any departure from its philosophy and spirit will inevitably bring to the American people some of the sorrows and evils found in other countries. I have, upon a number of occasions, challenged attention to the encroachments by the Federal Government upon the States and its intrusion into avenues leading to state socialism. The Federal Government is becoming a powerful national government. It is expanding its authority and engaging in many forms of private endeavor. Its intrusion into many of these fields has been most injurious to our economic, industrial, and political system. Capitalism and socialism may not go hand in hand, and as the Federal Government is moving into fields which under our form of government belong exclusively to private endeavor, our capitalistic system is being weakened and measurably undermined. There are evidences of movements to undermine our economy and to force upon the people a socialistic system. Demands are made for enormous expenditures upon the part of the Federal Government for activities that are clearly outside of the domain within which the Federal Government should operate.

It is contended by some persons that there must be further pump priming and a continuation of huge Government expenditures, notwithstanding the fact that the limitation upon bonded indebtedness has been reached and that obligations have been incurred by the Government which will incur additional appropriations in order to discharge the same.

Unfortunately we follow the unsound philosophy of Mr. Keynes, that public spending would aid in recovery. Efforts were made in Great Britain and some other countries to induce their people to embark upon a policy of public spending; but we know that those countries, refusing to accept such a program, more rapidly reached the highway of sound fiscal policies.

I recall that in the Ottawa Conference it was decided that the nations of the British Commonwealth should take all steps that lie in their power to increase public confidence, especially in the field of business enterprise. In other words, they repudiated the view that in order to recover from the depression governmental borrowing and spending were necessary. They took the view that to use the tax-payers' money by the government to compete with private enterprise would retard development and be a deterrent to public confidence. We pursued a different course, and the more the Government has expanded its activities into private fields, the more unsatisfactory has become our economic and industrial condition.

There are today perhaps 12,000,000 men out of employment, and public and national and State indebtedness has reached unprecedented heights. These enormous public expenditures have, in my opinion, been a deterrent to a revival in industry and, of course, will constitute a menace to the solvency of the Republic. The spending policy of the Government and its persistent intrusion into fields that under our system of Government should be occupied by private

enterprise, have prevented private enterprise from going forward. The savings of the people are not utilized, because of the uncertainty of the policies of the Government. In other words the spending program—the thrusting of the Federal Government into fields of private endeavor-arrests the flow of capital into channels of productivity. There are those who insist that the Government shall take over many activities that belong to the capitalistic system and to lead the way to wider socialistic activities.

The Assistant Secretary of State, Mr. Berle, recently stated in substance that there are cases in which the Government picked up a job, and itself issued its own bonds, thereby securing capital, more often bank credit than savings, and putting that capital into constructive work. And he further added:

That that presents a situation with which, I believe, we now have to deal, for if that process goes on indefinitely, obviously you are in for a very large expansion of the Government function.

He added also this sentence:

Whoever pays the piper eventually calls the tune over a period of

Obviously, this is true. Undoubtedly the Government has "picked up a job" and has issued its bonds and obtained bank credit and has "invested capital in constructive work."

It may be inferred from these statements that there will be a very large expansion of the Government function, which means a very large projection of the Government into state

I have been inclined to believe from some of the testimony which was presented before the so-called Temporary National Economic Committee that the hearings were to be used as a springboard to promote the cause of more Federal spending.

Mr. President, as I have indicated, I disapprove of the bill under consideration. In my opinion, there is no justification

It seems to me that it is a confession that we are about to abandon, if we have not already abandoned, those safe and sane democratic principles upon which this Republic was founded and that we are traveling more and more in the direction of state socialism.

The Senator from Kansas has just stated that during the present Congress more than \$13,000,000,000 have been appropriated. The authorizations and commitments made call for several billions of dollars additional. This bill, disguise it as we may, calls for Federal expenditures of several billions of dollars. It may be alleged that we are inaugurating an "investment plan," not a spending plan; but I make the prediction that this measure will greatly add to the liabilities of the Federal Government, and in the end will call for larger appropriations which must be met by imposing additional taxes upon the people. A day may come, if this spending mania continues, when inflation, with all its deadly consequencies, will result.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Colorado [Mr. Adams] as

The amendment, as modified, was agreed to.

MESSAGES FROM THE PRESIDENT-APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On July 17, 1939:

S. 661. An act for the relief of Ida A. Deaver;

S. 1291. An act for the relief of William Carl Laude;

S. 1385. An act for the relief of the Barkman Lumber Co.:

S. 1575. An act to provide that the annual registration of motor vehicles and the annual licensing of certain public vehicles in the District of Columbia shall be for the period from April 1 in each year to March 31 in the succeeding

S. 2197. An act authorizing Federal participation in the commemoration and observance of the four hundredth anniversary of the explorations of Francisco Vasquez de Coronado; and

S. 2336. An act to authorize an exchange of lands at the Fort Francis E. Warren Military Reservation. Wyo.

On July 18, 1939:

S. 289. An act for the relief of the West Virginia Co.:

S. 681. An act to give proper recognition to the distin-

guished services of Col. Ernest Graves;

S. 955. An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque. Iowa, and East Dubuque, Ill.;

S. 1907. An act to extend the times for commencing and completing the construction of a bridge across the Missouri

River, at or near Poplar, Mont.; and

S. J. Res. 118. Joint resolution to provide for the establishment and maintenance of the Franklin D. Roosevelt Library. and for other purposes.

On July 19, 1939:

S. 1109. An act to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds, and for other purposes; and

S. 1629. An act for the relief of the Canvas Decoy Co.

On July 20, 1939:

S. 26. An act to empower the President of the United States to create new national-forest units and make additions to existing national forests in the State of Montana;

S. 2163. An act to authorize an appropriation to meet such expenses as the President, in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in completing the construction of a national highway between Chorrera and Rio Hato, Republic of Panama, for defense purposes.

On July 25, 1939:

S. 1155. An act to provide for probationary appointments of officers in the Regular Army; and

S. 2805. An act to authorize the attendance of the United States Naval Academy Band at the New York World's Fair on the day designated as Maryland Day at such fair.

On July 26, 1939:

S. 504. An act to provide a right-of-way; and

S. 1796. An act to amend the Tennessee Valley Authority Act of 1933.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 522. An act to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 75 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes; and

S. 2482. An Act authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy.

The message also announced that the House had passed the bill (S. 2009) to amend the Interstate Commerce Act. as amended, by extending its application to additional types of carriers and transportation, and modifying certain provisions thereof, and for other purposes, with amendments in which it requested the concurrence of the Senate.

REGULATION OF MODES OF TRANSPORTATION

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2009) to amend the Interstate Commerce Act, as amended. by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes.

Danaher

Mr. WHEELER. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. Wheeler, Mr. Truman, Mr. Donahey, Mr. WHITE, and Mr. REED conferees on the part of the Senate.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. BARKLEY. I offer some technical, textual amendments to correct certain language in the bill, to which there will be no opposition.

The PRESIDENT pro tempore. The amendments will be stated.

The legislative clerk read the amendments, as follows:

On page 2, line 3, after "Agriculture", to insert "the Department

of the Interior."

On page 5, lines 6 and 7, to strike out "as miscellaneous receipts" and insert in lieu thereof "and carried to the surplus fund."

On page 6, line 4, to strike out "as miscellaneous receipts" and insert in lieu thereof "and carried to the surplus fund."

On page 9, line 21, after "contracts", to insert "for, or."

On page 12, line 17, to strike out "secton" and insert in lieu thereof "section."

On page 17, line 20, strike out "constucted" and insert in lieu thereof "constructed."

The PRESIDENT pro tempore. Without objection, the amendments will be considered en bloc, and, without objection, they are agreed to.

The question is on the third reading and engrossment of the bill.

Mr. VANDENBERG. I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Davis La Follette Schwartz Schwellenbach Andrews Downey Ellender Lodge Sheppard Ashurst Shipstead Austin Bailey Bankhead Lucas Frazier George Lundeen McCarran Smathers Smith Gerry Gibson McKellar Stewart Barbour Gillette McNary Barkley Green Guffey Thomas, Okla. Bilbo Maloney Mead Thomas, Utah Bone Miller Tobey Borah Gurney Hale Harrison Townsend Truman Minton Brown Murray Bulow Hatch Hayden Neely Norris Tydings Vandenberg Burke Byrd Herring Hill Nye O'Mahoney Van Nuvs Wagner Walsh Capper Chavez Clark, Idaho Holman Pepper Pittman Radcliffe Hughes Wheeler Johnson, Calif. Clark, Mo. Reed Russell Johnson, Colo.

The PRESIDENT pro tempore. Eighty-six Senators have answered to their names. A quorum is present.

King

Mr. MEAD. Mr. President, during the consideration of this bill I intend to offer an amendment which I trust will be understood by the membership of the Senate, and which I trust will receive the approval of this body.

From time to time there necessarily occur vast changes in the financial, business, and social order which necessitate the expansion of the authority of government, and which require the diligent application of the legislator in initiating and perfecting the needed changes. Governments which have failed to keep pace with the changes occurring in a changing world have been destroyed, and the same fate has fallen to the lot of an administration in this country in recent years. We have witnessed the demise of an administration which stubbornly resisted change, and we have likewise witnessed the rise of an administration which has accommodated itself to the changes necessary for the public good.

The changes which have taken place in this country in its financial, its industrial, and its social order, have been initiated by both political parties. Once conceived and approved and administered, they have, in most cases, remained

permanent fixtures of government. The Federal Reserve System, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission, are apt illustrations of the changes which have occurred in our financial set-up. The anti-trust laws, the regulation of holding companies, the Federal Trade Commission, are evidences of the changes which have been necessitated as a result of evolution in our business world. The coming of social security with its pensions, its unemployment insurance, and its retirement benefits, is an evidence of the changes that occur in our social

Mr. President, as a result of changes in the industrial and in the financial world, smaller enterprise, little business, the individual owner of store or shop or factory, have been isolated—quarantined, if you will—on an island from which they must be rescued by an interested government, by a legislative body concerned with their well being; and it is to that subject that I desire to address myself today.

Little business grew up with America. It is the backbone of our business life. Its heroic initiative, its courageous leadership, made possible the wealth and standing of America today. The coming of monopoly, however-a natural development in the competitive order-the coming of chain stores in the field of merchandising, the evolution in the banking world with the chain bank, the investment banker, the stock exchange and its activities, have all resulted in handicapping the little-business man in his desire for credit and capital in order that he might accommodate himself to the keen competition of the new order. Government regulation, necessary in the protection of society, witnessed in the administration of our banking laws, necessary in the conduct of the Federal Reserve System, required in the administration of our Federal Deposit Insurance Corporationall these regulations and necessary requirements have had a tendency to retard the progress of little business in its need for credit and capital to compete with its bigger brethren.

Mr. President, little business is still the backbone of the Nation. Little business represents 400,000 of our enterprises. Little business furnishes to thousands of communities in America their only hope for prosperity, for stability, and security. Little business today, quarantined on this island of credit isolation, can hope to secure only short-term credit for its current expenditures.

Congress recognized the plight of little business when it created the Reconstruction Finance Corporation. Congress recognized the destructive handicap of the new order on little business when it liberalized the Federal Reserve Act. and gave to that system the right to make direct loans to smaller enterprise. That capital is not available to little enterprise is easily ascertainable when once we realize the tremendous hoard of idle money bulging forth in the banks and depositories of the Nation. It has been said by reliable authority that we have \$25,000,000,000 of idle credit in the banks of America, and \$65,000,000,000 of idle credit in the aggregate in all the depositories of America. We are reaching the all-time limit and record in the accumulation of idle money, and, incidental to the establishment of that record, we have reached the all-time record in the number of our idle men and in the number of our idle machines.

Today, by reason of the idleness in the money market, our bankers, whose duty it is to protect the depositors of the country and to see to it that they are given a fair return on their deposits, are cutting interest rates, until only a few days ago the rate of interest on savings accounts in the State of New Jersey was cut to 1 percent. Bankers all over the United States are effecting economies, because they are operating on a very narrow and slender margin, are reducing salaries, increasing unemployment, and effecting mergers and consolidations in order to meet the situation which con-fronts them today. Bankers are in need of profits and profitable investments in order to rehabilitate all enterprise, in order to give the bankers an opportunity to pay their depositors fair and reasonable interest rates, which is a problem to my mind squaring with the important problems of today.

In those banks of the United States which are associated with and are members of the Federal Reserve System there are reserves which permit of a credit expansion of approximately \$30,000,000.000. When we consider that huge amount and realize that all of the loans made to business in the United States aggregate only \$21,000,000,000, we must of necessity realize that business is severely handicapped in its demand for credit and capital and that at the same time the financial system of the United States is impoverished because the banks are unable under existing circumstances to meet this profitable demand which would be beneficial to the banks, to the unemployed, to small enterprise, and to the national economy generally.

Mr. President, in the course of the debate, observations have been made as to the losses sustained by the lending agencies created by the Congress in order to meet what was apparent to them-a very essential, a very necessary, a very paramount need. Emphasis was laid on a statement recently made by the former head of the Reconstruction Finance Corporation, when it was said that he intimated that he would be ashamed to confess the losses which would be sustained by the R. F. C. In order that I might bring to the Senate the exact language quoted in the press with regard to that observation by the former head of the R. F. C., let me read from the Washington Evening Star of July 22 last:

"We think we have," Mr. Jones answered, "met the requirements of the law. We are not infallible. We make plenty of mistakes and plenty of bad loans."

"The liberality of the policy is going to show up in the losses you take?" interjected Senator Adams. "Yes," Mr. Jones responded, "we are going to have plenty of losses."

Senator Adams then asked whether the losses would "run as high as 10 or 20 percent," and Mr. Jones replied, "I am ashamed to tell you what I think it will be. It will be plenty."

Mr. President, one may deduct from that statement that the losses would be 1 percent or 99 percent, whatever in the estimate of the critic would be "plenty," insofar as his standard of measure was concerned. But I have here a letter of recent vintage, addressed to the President of the United States by the former Chairman of the Reconstruction Finance Corporation, in which Mr. Jones makes a statement which I take it, by reason of the fact that it is not a newspaper item, that it is not testimony offered before a committee, that it is not a casual observation, reflects the mature judgment of the man who affixes his signature to a statement which he has had opportunity to study. In the statement Mr. Jones said, in reporting to his Chief of the profits of the R. F. C .:

Mr. President, the Corporation is solvent, it has sound assets sufficient to pay all of its debts and return to the Trentire capital invested in it and something in addition. Treasury the

Mr. President, that statement indicates that the Reconstruction Finance Corporation actually has made money on its loans. Only the other day I learned through the medium of the press that the R. F. C. obtained a profit of a million and a half in the sale of securities as a result of a loan repaid by one of the southern railroad companies.

Recently two committees of the Senate, in the conduct of hearings, brought forth what, in my judgment, is the unanswerable demand that the country and its lawmakers take cognizance of the condition of small enterprise and of the inadequacy of its capital and credit requirements. Before the Senate Committee on Banking and Currency, presided over by the able senior Senator from my own State [Mr. WAGNER], came a representative from the Moody Investors' Service, and I assume that every Senator is cognizant of the importance and the reliability of that great service. That representative came before the Committee on Banking and Currency and in cold, hard, statistical studies which he submitted showed the contemporary trend, and that trend indicates that little business is rapidly losing its credit standing, and unless something is done to remedy the situation the condition of little business will grow progressively and rapidly worse, until a high state of demoralization and disintegration will set in. It was demonstrated with respect to small business that the ratio of their current assets to their current liabilities had shown a distinct and progressive tendency to decline since 1930.

With respect to big business, the ratio of their current assets to their current liabilities has shown a distinct tendency to rise. In fact, the working capital ratio of the larger companies is nearly twice as favorable as that of the smaller companies of the United States.

It was shown that from the year 1929 to 1932 the volume of working capital of the larger companies declined about 25 percent, while the volume of working capital of the smaller companies declined 40 percent.

Even more significant is the fact that since 1932 the larger companies have worked themselves back to a condition where they have now over 91 percent of the working capital they had in 1929, while the smaller companies, little business, if you will, have less than 70 percent of the working capital they had in 1929.

The same statistics show that the percentage of profit of the smaller companies on their gross sales is substantially less than half the percentage of profit of the larger companies on their gross sales. Since no such wide discrepancy existed between the profit ratios of the larger and the smaller companies in the twenties, it is fairly clear that the business and profits of the smaller concerns have been adversely affected as a result of inadequate working capital.

Mr. President, what does all this mean? It means that the average small-business man in the United States is facing a serious situation, a situation which, if allowed to develop normally, is going to mean the closing of many factories and plants, the impoverishment of hundreds of small communities, and the gradual impairment of our national economic health.

Little business is in trouble, and its difficulty is principally due to its rapidly diminishing credit standing. These people need credit. It is their lifeblood. Without it they cannot purchase equipment, expand their operations, solicit business, replenish inventories, or properly carry out their normal business operations. There is no use talking about business recovery if we are not going to predicate our activity on the proper premise. If, as abundant evidence would convince us, a very substantial element of this Nation's business is suffering through credit strangulation, then it should be our business to see what is wrong with our existing creditproviding agencies.

Mr. President, I take no joy in criticizing the bankers, and I hope a fair construction will be placed upon what I have to say about them. I really believe that the banks had a great deal to do with the building of this Nation. It is impossible to estimate the vast contributions that have been made to our national growth through the bankers, large and small. The banker loaned money for the creation, operation, and expansion of new business. He pumped the breath of life into small and struggling concerns because he had faith in his particular community and strong convictions respecting the future of that community. He was in the business of providing credit and capital and to provide a safe, profitable depository for his neighbor's savings. He had no other excuse for existence. That was his job, and he did it splendidly. He ran the banking business in a creditable manner. He made money for himself, and he earned respect for his profession. Now where is he today when we find small enterprise cramped for credit? Is he doing his job, or are the laws and rules and regulations, both of the Government and of his profession, impeding him in his natural inclination to extend credit and capital? Frankly, I do not know whether the banks are unwilling or whether they are unable to extend adequate credit and capital. But I do know this, and I think Senators will agree with me, that small business is still a sound risk. If it is not a sound risk, then no loan is sound.

Before the Senate Banking and Currency Committee hearings on my loan-insurance bill have appeared representatives of the banks and representatives of small business. They have not been in agreement with respect to the volume of unsatisfied credit demand on the part of small business.

Representatives of the Nation's bankers have appeared before the Senate committee and, without exception, asserted that private banks are today meeting every legitimate credit demand of legitimate business. These spokesmen for the banking profession denied that any sound small-business loans were being rejected. They declared that banking policies were being steadily liberalized, that adequate long-term loans at low interest rates were abundantly available and, indeed, that the banks were soliciting borrowers in an endeavor to extend loans to little business.

I pointed out to the committee at the time these gentlemen testified that, in my opinion, this evidence did not square with the fact that thousands of bank-rejected loan applications were being filed with existing lending institutions of the Federal Government.

I cited the exact up-to-date figures on the number of loan applications received by the Reconstruction Finance Corporation, the Federal Reserve banks, and the Farm Credit Administration.

I explained that these loans were considered unsound by private banks but that a large proportion of them were considered sound by the Government and that they are being repaid. In other words, these borrowers have turned out to be good risks, the judgment of the banks notwithstanding. This is concrete evidence—irrefutable evidence—that the banks, at present, cannot or are not taking care of all capital and credit demands of business and agriculture.

The Securities and Exchange Commission has recently completed a series of clinical studies of credit needs in various sections of the United States. These studies have offered convincing and conclusive proof that there is a real and growing need for easier credit. Mr. Jerome Frank, Chairman of the S. E. C., appeared before the Senate committee and publicly substantiated this conclusion and urged the enactment of legislation along the lines I am proposing.

The Department of Commerce and its Business Advisory Council have found similar conditions to exist. Four years ago that Department made a careful investigation of credit conditions throughout the Nation and submitted its findings in a report entitled "A Survey of Credit and Capital Difficulties Submitted by Small Manufacturers." The Department, in this report, revealed, through actual cases, the difficulties of small business concerns rated by Dun & Bradstreet as "good", and even as "high" in obtaining adequate credit and capital through local commercial banks.

The so-called Monopoly Committee, under the chairmanship of the Senator from Wyoming [Mr. O'MAHONEY], is currently conducting an investigation of big and little business problems. Before this committe have come a number of the Nation's leading experts and time and again evidence of the credit needs of small business has been emphasized.

Mr. President, in this connection let me explain to the Senate some of the salient points that were brought out by the committee headed by the Senator from Wyoming with regard to the credit needs of business and enterprise, and particularly the credit needs of small business.

The following is a brief summary of testimony adduced at the public hearings before the Temporary National Economic Committee on May 25 and May 26, 1939.

The first witness was Mr. Arthur D. Whiteside, president of Dun & Bradstreet, New York, N. Y. His testimony was a general coverage of small business, and begins on page 561. He said:

There are 1,680,000 business concerns with net worths of less than \$100,000; 280,000 are between \$10,000 and \$100,000; 90,000 are between \$100,000 are in excess of \$500,000. The figures relate to commercial concerns only.

Mr. Whiteside said that 30 percent of all commercial units have an investment of \$500 or less. Thirty-nine percent have between \$500 and \$10,000. Twenty-two percent have more than \$10,000, and that group was stressed by the witness. Six and two-thirds percent have more than \$75,000 and 2.5 percent more than \$500,000.

He said that in 1934 there were 12,091 failures. In 1935 there were 12,244 failures, in 1936 there were 9,607, and in 1937, 9,490. The ratio of voluntary liquidation—without loss

to creditors—to failures is 30 to 1, and of those that fail, not more than 10 percent swindle the creditors.

He further said that on a cross-sectional test, 25 percent of small concerns go out of business at or prior to the end of the second year. Forty-two percent have discontinued within 5 years. Sixty-three percent have discontinued within 10 years, 75 percent within 15 years, and 90 percent within 25 years. Five percent are left at the end of 50 years. The basic data for the foregoing are derived from a study of 6,026 concerns, half urban and half rural or semirural.

The worst years for failures according to available records was 1932.

The witness adverted to the lack of training or business qualifications on the part of many retailers, and to the inevitability of failures under certain conditions.

Mr. Whiteside further stated that moderate-sized concerns—between \$25,000 and \$750,000—are the stabilizers and the backbone of business. They are flexible and capable of rapid adjustment to changing conditions. On the "long swing" they will out-earn the larger units. They can operate on a smaller mark-up than big units. That condition does not prevail, however, where patents exist. The transition from small to moderate size is a matter of common sense and very hard work.

Seventy-five percent of the moderate-sized businesses, says Mr. Whiteside, are the outgrowth of the efforts of men who start with nothing to speak of. It is utterly impossible to expect to have a sound economy unless an individual can go into business with very little money, says Mr. Whiteside. On the other hand, it should not be made too easy to go into business, or too easy to stay in business. To do so handicaps the able and the efficient.

One example is the temptation to sell goods below cost for no reason other than the desire to buy goodwill. The result is demoralization in the trade affected, and unjustified destruction of the price structure. Such selling below cost is often the result of insufficient initial capital.

The witness suggested liberalization of restrictions on public offerings of securities so as to permit an offering up to \$250,000 with perhaps a simple questionnaire return in place of a formal registration statement. He also suggested the advisability of permitting commercial banks to originate small security issues for ultimate resale to strangers, to the banks.

In conclusion, Mr. Whiteside emphasized the character factor or moral risk in bank loans, almost unheard of in our modern-day banking as it applies to little business.

We have the testimony of Mr. Norman E. Gallagher, a businessman from Detroit, Mich. This testimony, like the testimony of Mr. Whiteside, was given before the so-called Monopoly Committee. Mr. Gallagher says that the Detroit Waste Works, of Detroit, Mich., established in 1893, a manufacturer and renter of industrial shop towels, with 70 employees and assets of \$142,000, reported the need of \$15,000 to \$20,000 additional working capital. The company has followed sound accounting practices, and during 1936 earned \$12,000. In 1937 it earned \$25,000. In 1938, after charging off \$9,200 for depreciation, it showed a loss of \$6,500. The profit for the 6 months ending March 31, 1939, was \$6,100.

This very successful company, a small enterprise, was unable to obtain the money which it required after applying at five different banks, including the Federal Reserve bank, because in the opinion of the banks the company was not liquid enough in its quick assets. The company obtained a line of credit amounting to \$6,000 from a local bank some years ago, which it ultimately repaid; but when an additional loan of \$5,000 was requested, the bank agreed provided the following collateral was furnished—and this is commonplace in negotiating loans today:

Five thousand dollars of accounts receivable were to be pledged. A mortgage on clear property worth \$15,000 was to be secured, and the personal note of the witness was to be given in the amount of \$5,000.

Mr. President, the company needed only \$6,000; and yet it was to be hamstrung in order that it might obtain the

needed working capital. It would have found itself in worse condition after it obtained the capital than before the loan was approved. In other words, the company had to prove that it did not need any money before the loan application met with the approval of the banking authorities.

We have the testimony of Mr. Ernest J. Hopkins, an investigator for the Securities and Exchange Commission. In a survey of Fall River, Mass., he found that lack of buying power of consumers dominated everything in that area. That city was at one time one of the foremost centers of the cotton textile industry, but the industry has shrunk to a fraction of what it once was. The remaining fraction is somewhat stable, but wages are low, and as a result of the dislocation there is widespread unemployment. Local authorities and interests have made a determined campaign to bring in new industries, and to some extent have been successful, although most of the new businesses imported are small garment shops, and the wages are somewhat small. As a consequence the retail services and distribution businesses in the town are in bad shape.

A summary of 40 small concerns shows the following; and this, I think, is very suggestive of the need of long-term capital if we are to rehabilitate the devastated industrial areas:

They have cash amounting to \$110,000; inventories amounting to \$979,000; receivables amounting to \$1,003,000; payables amounting to \$1,382,000; loans from banks amounting to \$149,000; and other loans—no doubt at higher rates—amounting to \$322,000.

The relatively small size of the bank loans is due to the ultraconservative banking policy prevalent in the city of Fall River, Mass. The investigator explains that the majority of the liabilities are in payables. Sixty-five percent of the payables are credit advances from supply houses, which today have become the real bankers of small business. The disadvantages in this system are many. A measure of control detrimental to free enterprise is often exercised by these suppliers. On the other hand, lacking bank credit, the only other resort of the small-business man is to a high-interest lender—or loan shark, if you will—many of whom exist in and around Fall River, Mass.

Mr. President, we have the testimony of Mr. S. V. P. Quackenbush, given before the same committee. Mr. Quackenbush is a businessman from Scranton, Pa. His testimony is most convincing, because he represents and is, at the present time, the president of the Scranton Chamber of Commerce, a conservative organization, always hesitant to criticize the banking world and its activities in the field of credit.

Mr. Quackenbush says that his business is warehousing and leasing industrial space. He manages several business properties in Scranton and Philadelphia, and comes in contact with a great number of small-business men. As I said, at the present time he is the president of the Scranton Chamber of Commerce, and in this connection has many contacts with small business. He has been able to solve all his own economic problems, but has observed many others who are not so successful. In his opinion, credit needs as such are amply taken care of; and what is needed is capital, or venture money. However, as regards credit, it is his opinion that organized banking has eliminated local competition, and that money rates for local borrowers are too high, inasmuch as out-of-town borrowers-and this, Mr. President, is significant—may obtain money from the same banks at lower rates of interest. This cutthroat competition for adequate capital is strangling little business and destroying industrial

The concluding statement of this representative of the chamber of commerce with regard to venture money is that there is great difficulty in his neighborhood in raising sums from \$10,000 to \$25,000 or \$100,000 in order to establish commercial and industrial developments which seem to have all the elements of a successful operation. As a specific example, he cited the case of a project to manufacture shaker chutes, which are extensively used in mining anthracite coal. These shaker chutes formerly came altogether from Germany, and are not available at the present time. Conse-

quently, there would be not only a ready market but an insured future for an industry of that kind, especially if it were established in or near the city of Scranton.

Mr. Quackenbush says about \$25,000 would be required to adapt an existing set-up to manufacture shaker chutes; but the witness—mind you, Mr. President, he is the president of the chamber of commerce—has been unable to find any one willing to advance the money.

Mr. President, in my judgment, that is a very serious indictment, reflecting its consequences not only on the banking world but on society's agent, the Government. We ought to pride ourselves on the fact that we believe there is opportunity in America for the development of an industrial system which will meet the recognized demands of every community, and permit the manufacture in our country of articles without which we know we cannot get along.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator of

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Alabama?

Mr. MEAD. I am glad to yield to the Senator from Alabama.

Mr. HILL. The Senator has spoken of the banking world. There was a most interesting editorial on July 13 last in the Birmingham (Ala.) News, which, among other things, had the following to say:

There is another extremely significant circumstance which must be borne in mind. It is that our pool of idle money has been growing rapidly. This fact can perhaps best be realized by reflecting on a few statistics. The banks, for example, are glutted with \$4,300,000,000 of excess reserves. This in itself is a staggering fact. It becomes more staggering when we know that these excess reserves are 56 percent higher than they were a year ago. The significance of this increase in idle money becomes still more pointed when we know that it has taken place notwithstanding the fact that general business conditions are 33 percent better than they were a year ago, according to Business Week's index of business conditions, one of the most reliable of all indexes.

I invite the Senator's attention to that statement from the Birmingham News. We have the money, and there should be some way to get the money into the hands of men who have the vision and the courage and the ability to go forward with the development of our economic life and to provide employment for the thousands and millions of people who cannot today find work to do. Is not that true?

Mr. MEAD. That is exactly the situation, and I thank the able Senator from Alabama for his contribution. I will say to him that the excess cash reserves, the amount of which he correctly stated, would make possible a credit expansion of approximately \$30,000,000,000, which is \$9,000,000,000 more than the total of all the loans made by all the banks to business enterprises in America today.

In my judgment, the Senator has put his finger on the difficulty which business in America is experiencing. If that situation could be remedied, I believe that we would make a salutary contribution to the solution of the unemployment problem that afflicts the Nation today.

Mr. President, in support of the contention advanced by the able Senator from Alabama, let me say that an investigator of the Tennessee Valley Authority, investigating the credit needs in that section of the country, makes an observation which I will quote. The testimony is that offered by Mr. John P. Ferris, of the Tennessee Valley Authority, stationed at Knoxville, Tenn. In commenting on the industrial situation of the South he makes this statement:

On the debit side, however, there is to be noted that capital facilities are almost entirely lacking. The region has no direct access to a stock exchange. Furthermore, the fact that a great majority of the industries are absentee owned tends to hamper the region.

I have the testimony of another man, who represents a chamber of commerce, a very conservative organization, which is located in the city of Wilkes-Barre, Pa. He goes on to relate before the so-called monopoly committee the difficulty experienced in that community by small enterprises eager to engage in manufacture and anxious to employ the unemployed.

Mr. Hicks testified that he is employed by the Wyoming Valley Chamber of Commerce at Wilkes-Barre, Pa. He is their industrial commissioner and is in charge of the indus-

trial development fund.

Mr. President, strange as it may seem, this community, in a desire to attract industry, found it necessary to create an agency which would step in and augment the activities of the banks in order that there might be made available credit and capital for the industries seeking to initiate operations in that section of the country. Mr. Hicks explained that this is a fund subscribed locally and used in varying ways to bring new business enterprises into the community. Mr. Hicks has been actively engaged in this work and has been intimately associated with many established businesses there. He has had much experience with the capital problems of these small businesses and divides these problems into three types.

The first type is the problem of financing industrial real estate. It is becoming increasingly difficult, he says—in fact, it is virtually impossible—to raise money by mortgage on industrial real estate at the present time. He was able to

cite several examples of this difficulty.

The second type, Mr. Hicks goes on to say, is the problem of financing machinery and equipment in the case of plants that wish to expand. Here the manufacturer is unable to borrow money with the machinery as collateral; the only way he can purchase new machinery is on the lease-purchase plan. The costs of this plan are high and tend to become prohibitive in highly competitive industries.

The third type, Mr. Hicks goes on to relate, of problem commonly met involves working capital. In many businesses it has been necessary to put all available funds into such assets as real estate, supplies, and machinery, and when they reach the stage that they need more working capital for working operations they are unable to get it at all or must get it by various methods, which involve very excessive costs. Then he goes on to relate that a business with fine possibilities for success, a business that recommended itself as one of the vital enterprises of the community, searched everywhere for money and found that ultimately the only recourse it had was to have the industrial fund, organized by this chamber of commerce, endorse its note in order that it might initiate operations and employ some of the community's unemployed.

Mr. President, we have the testimony of investigators for the Securities Exchange Commission, manufacturers from Detroit, Mich., businessmen from Seattle, Wash., executive officers from organizations in New York City and elsewhere, all relating, in indisputable language, the inadequacy of

present credit facilities.

To prove, Mr. President, that I am not the only one who realizes the immensity of this problem, let me say that the Senate Banking and Currency Committee only recently approved a resolution providing for a quiz of its own into banking and financing practices. The committee, without particular reference to my bill, has determined, on its own volition, that something is wrong when bank deposits have reached an all-time high and idle money is flooding our banks, yet reasonable credit for long terms at fair interest rates is not available.

Let me point out to the Senate that no less an authority than Dr. Jacob Viner—and I quote from a new book entitled "The New Wall Street," by Rudolph L. Weissman—makes this observation:

The seventh Federal Reserve district-

And that district embraces the city of Chicago-

The seventh Federal Reserve district, selected as a sample area because it embraces a wide variety of industrial and business conditions, containing a large industrial and a large commercial city, was studied. The situation was thoroughly examined as to availability of bank credit to small and moderate-sized business concerns.

Among the important findings of that careful survey were:

1. That there existed a genuine unsatisfied demand for credit on the part of solvent borrowers, many of whom could have made economically sound use of working capital. 2. That the total amount of this unsatisfied demand for credit was considerably smaller than is popularly believed but—

And this is significant—

was large enough to be a significant factor in retarding business recovery.

There is the finding of an unbiased expert who came to the conclusion that lack of adequate credit is sufficiently serious, Mr. President, "to be a significant factor in the retarding of business recovery."

Now, as proof that there is a widespread demand for credit, and that banks today are not satisfying every legitimate demand of small business, I have just brought to the attention of the Senate the testimony before the Senate Banking and Currency Committee, the resolution independently approved by that committee providing for its own investigation of banking practices, the findings of the clinical studies of the Securities Exchange Commission, the evidence brought before the Monopoly Committee, the studies of the Department of Commerce, and the findings of Dr. Viner, an expert on the subject. In addition to that, I may mention the fact that the Brookings Institution and the Junior Chamber of Commerce are also completing studies along the same lines.

Mr. President, I have introduced a bill which I believe will, at least in some degree, meet the credit demands of smaller enterprise; and I should like briefly to explain what the bill does. I desire to say, however, that it is not my intention to offer the bill as an amendment to the pending measure, because the bill authorizes the Reconstruction Finance Corporation to administer it, and for the reason that the former head of the Reconstruction Finance Corporation in his recent observations before the Banking and Currency Committeeobservations which were in opposition to observations made as the result of a White House conference only a few days prior to that time-did not express enthusiasm for the bill. Therefore, in view of the fact that these continuing studies are being made and because we shall have more information on the subject in the next session, I shall forego pressing for the passage of my bill at this time, and shall urge its approval early in the next session of the Congress. In the meantime, however, I intend to offer a very minor amendment to the present Federal Reserve Act which will authorize the Federal Reserve banks to negotiate loans to smaller enterprises, and in doing so I have the approval of the Chairman of the Federal Reserve Board. I had the cooperation of members of the Board and officials of that body in drafting the amendment; and, in my judgment, its administration will give to the Senate ample opportunity to study the needs for further legislation of this character.

I should like, however, to state very briefly for the RECORD what my bill aims to do.

It proposes that the Reconstruction Finance Corporation, with its wide experience in the field of finance, shall be authorized to insure business loans made by private banks, provided the private banks bear the first losses on such loans up to not less than 10 percent of the amount of the loans outstanding at the time of their default. For such insurance the Reconstruction Finance Corporation is authorized to exact moderate premium charges, flexibly adjusted according to the nature of the loans and the character of the risks involved. To be eligible for insurance, the loans to one borrower must not aggregate more than \$1,000,000, since the larger capital loans should be capable of placement privately, or through public issues distributed through the customary investment banking channels. To be qualified for insurance, the loans must bear interest at a rate not in excess of 4 percent per annum, exclusive of the insurance premium and a moderate service charge. Although the Reconstruction Finance Corporation is given some discretion in adjusting the maximum interest rate upward or downward on stated conditions, insured loans are made eligible for rediscount with the Federal Reserve banks for the full amount of the insurance, and the Reserve banks are empowered to buy and sell the notes and other obligations evidencing the insured loans. The lending banks should

also be in a position to find a ready market for the insured notes from private investors. In short, my bill seeks to make intermediate and long-term loans available to small-business men at 4-percent interest, exclusive of a modest insurance premium and a moderate service charge.

Mr. President, a great deal of talk has taken place on this floor with regard to the Reconstruction Finance Corporation and its activities. Very little has been said about the Federal Reserve Board and its activities in like circumstances, but we find from a review of the record that while we have every reason to be proud of the achievements of the Reconstruction Finance Corporation, its mighty contribution to the banks and the railroads and other giant activities in America, its help—somewhat inadequate—to sound and solvent small enterprise, we likewise have reason to be proud of the activities of the Federal Reserve banks, and I desire to pay tribute to the senior Senator from Virginia [Mr. Glass], whose vision and foresight and leadership aided immensely in bringing into being this modern system of regulation and of finance.

I desire to say in that connection, Mr. President, that my amendment to the Federal Reserve Act follows the philosophy contained in the amendment which permitted the Federal Reserve banks to make loans to enterprise, and I know, therefore, that able Senators, realizing that the amendment I offer squares with the amendment originally sponsored by the senior Senator from Virginia, will take time to give it their study and their consideration.

In comparing the record of the Reconstruction Finance Corporation with the record of the Federal Reserve banks, we find that in its 7 or so years of existence the Reconstruction Finance Corporation has actually disbursed in cash only \$168,000,000. Of this amount, \$52,000,000 has already been repaid, so that the Reconstruction Finance Corporation now has \$116,000,000 in loans outstanding. Of this amount, the former Chairman of the Board states that \$12,000,000 of loans are now under active foreclosure, and he states, as I quoted a while ago, "I would hate to state what the losses are going to be," although in a letter to the President of the United States he took considerable pride in explaining to the President that the Reconstruction Finance Corporation would show a profit on its gross enterprises.

Now let us look at the record so far as the Federal Reserve banks are concerned.

The Federal Reserve banks, under the restricted authority given to them through the amendment sponsored by the senior Senator from Virginia [Mr. Glass], have since 1934 actually disbursed \$125,000,000. Of this amount, only \$25,000,000 are now outstanding. Losses actually written off have amounted to only \$160,000—an almost incredibly small amount. Of course, they have had to take some collateral in cases where loans went bad, but the losses have been very small. This shows that the R. F. C. has actually disbursed a relatively small amount of money, in spite of the contention often made that the R. F. C. is making every good loan that has been requested. It also shows that the R. F. C. is having losses in some considerable amounts, especially when compared with the activities of the Federal Reserve banks. On the other hand, the Federal Reserve banks have loaned a considerable amount of money, in view of their limited authority, and have shown fine earnings and relatively light losses. This shows that the Federal Reserve banks are efficient, and that the handling of loans through the local Federal Reserve member banks is a preferable medium. Not only is it preferable but it is highly efficient, and it does not necessitate a long-distance handling from a Government agency in Washington.

Mr. President, I believe that we could accept an amendment to the pending measure which would expand the authority of the Federal Reserve Board and which would actually permit them not only to lend money as they have been doing in the past, under section 13B, adopted in 1934, for working capital loans to enterprise, but which would permit them, if necessary, to extend long-term credit to smaller as well as to larger enterprise, and to make commitments to member banks on

such type of loans. My amendment would permit of the use of the balance of the money earmarked in the Treasury to the Federal Reserve bank, a sum originally approximating a hundred and thirty-nine million dollars, which was put up by the Federal Reserve System to meet their contribution in initiating the Federal Deposit Insurance Corporation. That money is their money, only about \$27,000,000 of it has been used, and if we would, by the adoption of the amendment which I will offer-an amendment approved by the Chairman of the Board, an amendment which would not entail the appropriation of an additional dollar-if we would by the adoption of this amendment make possible short-term or long-term loans to smaller as well as to larger enterprise, we would, as a result of its operation and administration, be in a better position to determine not only the volume of the demand but the possibilities of effecting a permanent system which would meet the conditions which arise in this developing industrial and financial world, where little business has been left quarantined on an island where credit and capital are unavailable.

Mr. President, some observations have been published to the effect that the bill which I introduced, and which is pending before the Senate Committee on Banking and Currency, is opposed by the Chairman of the Reconstruction Finance Corporation. That is not true. I have here a release given to the press at the White House a few days ago by the former Chairman of the Reconstruction Finance Corporation, in which this thought is expressed:

The President expressed the hope that the R. F. C. under existing law might take steps to put into effect the substance of the Mead scheme for the insurance of bank loans to small business. Mr. Schram (present chairman of the R. F. C.) agreed that this should be possible with the aid of a few clarifying amendments to section 5 (d) of the R. F. C. Act.

That is what my amendment to the R. F. C. Act proposes to do.

Mr. Schram agreed that this should be possible with the aid of a few clarifying amendments to section 5 (d) of the R. F. C. Act, which both Senator Wagner and Senator Mean thought could be enacted at this session without much controversy.

So I say that the Chairman of the R. F. C. is in favor of the amendment which I have offered, which, if enacted, would give the Reconstruction Finance Corporation opportunity to initiate a system of insured loans, but which I will not press, because of the confusion which resulted from a statement made before the Senate Banking and Currency Committee by the former Chairman of the R. F. C.

I will, however, press for the adoption of an amendment which will give the Federal Reserve Board authority to initiate this system of insured loans. I will press for its adoption because it carries with it the approval and support of the Chairman of that agency, and for the further reason that it was prepared to a great degree by that agency, and because it follows the philosophy of the present law, which in itself is an amendment offered by the distinguished senior Senator from Virginia [Mr. Glass].

Mr. President, before the debate is over, before the conclusion of the consideration of the pending bill, I shall offer that amendment for the consideration of the Senate.

Mr. McCARRAN. Mr. President-

The PRESIDING OFFICER (Mr. Chavez in the chair). Does the Senator from New York yield to the Senator from Nevada?

Mr. MEAD. I yield.

Mr. McCARRAN. In keeping with some remarks the Senator has just made, and in keeping with the letter read from the head of the Reconstruction Finance Corporation, did the able Senator from New York receive any encouragement from the head of the Federal Reserve Board regarding his proposal as to loans to small business?

Mr. MEAD. The head of the Federal Reserve Board expressed his approval of an amendment which will permit loans to small business through the Federal Reserve System. That amendment is at the desk, and it will be pressed a little later in the debate on the bill.

Mr. McCARRAN. Is the Senator entirely correct that it was a letter, or was it a statement from the head of the Federal Reserve as distinguished from the head of the Recon-

struction Finance Corporation?

Mr. MEAD. It was an oral statement to me by the Chairman of the Federal Reserve Board that he favored the amendment which I have at the desk authorizing the Federal Reserve System to initiate this plan of loans and commitments to banks on loans to small as well as to large enterprises. The Chairman of the Federal Reserve System did not recommend the amendment which I have offered, which would authorize the R. F. C. to initiate a system of insured loans to little business. However, the present Chairman of the R. F. C. endorsed that amendment, but the former Chairman left the impression before the Senate Banking and Currency Committee that he did not, although I maintain, as a result of the news release given out after our conference at the White House a few days ago, that it is in keeping with his general ideas in the matter.

Mr. McCARRAN. If I may interrupt the Senator a little further, I have no doubt, as the result of my acquaintance with the present head of the Reconstruction Finance Corporation, Mr. Schram, that he is very sympathetic with the Senator's move, sympathetic with loans to small business, but I have grave doubt, based on my reading and experience and investigation, as to the present head of the Federal Reserve Board having any sympathy whatever with the movement sponsored by the able Senator from New York.

Mr. MEAD. From my experience, it is my opinion that the present head of the Federal Reserve Board is anxious to see the Senate Banking and Currency Committee consider a plan for the creation of a corporation within the system which will handle industrial loans of the character contemplated by the

legislation which I am presenting.

Mr. McCARRAN. Mr. President, I trust that the Senator from New York realizes that we have now in the R. F. C. a corporation capable entirely of handling such loans, if they are only given permission by the Congress, which, in my judgment, they have been given in the past; but I do not believe, based on my experience, that the Federal Reserve organization, and especially the present head of it, has any sympathy whatever with loans to small business.

Mr. MEAD. I believe that the head of the Reconstruction Finance Corporation is an able, sincere, energetic public official, and that the present Chairman of the Federal Reserve Board is likewise intensely concerned with the effective and efficient operation of the System over which he presides, and it is my hope that both these leaders of executive agencies will devote a great deal of their time and give freely of their sympathetic support to the legislative objective contained in the bill, as well as contained in the amendment which I am sponsoring.

Mr. President, I have here a report from one of our banks which is indicative of the condition of all the banks in the country. It is not an extraordinary or extreme illustration of the point I wish to make, but it is a conservative statement of the situation to be found in many banks throughout the

country.

I have here a statement of conditions at the close of business on December 31, 1938, and I shall withhold the name of the bank for obvious reasons. That bank has loans of \$5,000,000 and has deposits of \$11,000,000. It has approximately \$3,500,000 in idle cash on hand, cash which is not working, cash which belongs to the depositors, cash which

ought to be making at least 4 percent.

I have here, Mr. President, one of thousands of letters which I have received from all over the United States—from every State in the Union, from thousands of communities in the United States. I have not only one letter, but here I have the entire file of a businessman, setting forth his plight, showing his inability to secure adequate capital in order to conduct his business. He is a man of excellent reputation. His industry has an honorable earning record. After exhausting all his efforts, visting many banks, he received this trite comment concluding his negotiations, telling him not to bother to pursue them any further; that loans of

the character in which he is interested are impossible. This letter is signed by the assistant to the president of an oldestablished bank in my State. This is the last of a long series of letters received by a company, as I said, which has a good earning record, a company which is long established, which years ago had no trouble in negotiating loans of this character. Here is the answer which stopped them in their tracks:

We refer to your letter of June the 29th, and wish to advise that we are not interested in making any long-term loans.

Very truly yours.

Mr. President, I have a trunkful of similar letters.

I have here a chart prepared by Dun & Bradstreet which I exhibit in order to fortify the statements I have made. The chart and the statistics contained in it prove conclusively that small business in the United States is not only blighted so far as its present situation is concerned, but it has a black future before it, unless something is done to remedy and rectify present conditions.

The chart gives a list of the failures in May 1939, as compared with the failures in May 1938. Of concerns whose assets are under \$5,000 there were 514 failures in May of 1939 and only 418 in May of 1938. So, as I said before, failures are growing more acute as business recovery increases.

The failures of concerns having from \$25,000 to \$100,000 capital were 111 in 1939. They were 135 in 1938.

The failure of those enterprises whose capital ranged from \$100,000 to a million dollars were 35 in May 1938 and only 20 in May 1939.

The failures of those companies listed as having assets of a million dollars and over were 3 in 1939, and there were none in 1938.

So, as we see by the chart, the capital and credit facilities of little business are rapidly approaching the vanishing point. The day is not far distant when utter and complete demoralization will encompass little business everywhere and communities, endless in number, having only little business on which to rely for their stability, security, and employment, will become ghost towns in America unless we act.

Mr. President, the modern system of judging as to whether or not a loan is sound runs something like this. The individual appears at the bank for an interview with the president. He desires a long-term loan in order that he might expand his facilities, in order that he might modernize his plant, in order that he might install machinery, in order that he might be able to operate efficiently instead of operating as he has to today, on a hand-to-mouth system. The banker will invariably look over his balance sheet. He will then determine that after the loan is negotiated this man, the spark plug of this small industry, might die the next day. The worst possible eventualities are considered; and if death takes place, and we may assume that it will, the loan may never be paid. After that, Mr. President, the plant is theoretically junked to determine what its resale, under those unfavorable conditions, might bring. Then, Mr. President, if the applicant is willing to tie up every conceivable asset, and more, his loan may or may not-if it is for intermediate or long-term credit-receive approval.

Mr. President, whether it is because of the regulations of Federal and State agencies, or the fact that America is mature and the possibilities of expanding communities have given way to the realities of blighted areas—whether it is the coming of industrial monopoly or the menace of the chain store—whatever is the reason, the banker is very careful, exceedingly so, when it comes to the approval of a long-term loan. Fortunately or otherwise, the same orthodox methods have been adopted by agencies of the Government, and therefore I believe that I can say that, almost without exception, small local enterprises, with no connection with the larger banking institutions of the courty, are devoid of the capital and credit requirements necessary nection with the larger banking institutions of the country, tition.

My bill, in my judgment, approaches the answer to this problem. It will encourage the proper sort of business loan the banks must make if little business is to survive.

The philosophy contained in my proposed legislation will work, because by spreading the risk of loss as will result in the establishment of this insured-loan policy, limiting the banker's risk of loss, and that should be done, by limiting the banker's risk of loss it will make possible more liberal lending for business purposes at reasonable interest rates, and by limiting the banker's risk of loss it will make possible the rediscounting of business loans with the Federal Reserve, thereby insuring the banker of a high degree of liquidity to make possible the need for his business requirements.

Mr. President, the amendment I have sent to the desk is an amendment requested, if I may say so, by the head of the agency which will administer it. It is an amendment which will not require or authorize the expenditure of an additional dollar. It is an amendment which will give opportunity to the Congress and to the committees of the Congress to observe and study in its administration the needs of business. The amendment extends the authority of the Federal Reserve Board, authorizing that Board under the limitations of the amendment, to negotiate business and industrial loans within the limitations of the small sum of money earmarked to them in the Treasury of the United States.

Mr. President, I trust that this amendment will receive the approval of the Senate, that it will become part of the lending bill, and that through it small business located all over America, in rural America and in urban America, in our growing communities and in our blighted areas, will be given the consideration and the opportunity which little business, in my judgment, merits from the lawmakers of the

Mr. ASUTIN obtained the floor.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. AUSTIN. Is the Senator about to address the Senate?

Mr. McCARRAN. I merely wish to make one expression pertinent to the able speech which has just been delivered by the Senator from New York [Mr. MEAD].

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

Mr. AUSTIN. I yield.

Mr. McCARRAN. Mr. President, I am very grateful to the Senator from Vermont.

I wish to say that to the principle of the amendment offered by the Senator from New York I adhere. I shall support his amendment to the extent of my power. However, I believe that the whole machinery of his amendment should be transferred to the Reconstruction Finance Corporation, because I do not believe there is any response to the pulse beat of humanity in the Federal Reserve organization as it is now set up. However, if the Senator from New York thinks his amendment will afford relief to the lowly and the humble in this country who are trying to conduct honest and legitimate business, and who should have the support and encouragement of their Government, I am entirely content to go along with the able junior Senator from New York, and I shall support his amendment.

Mr. AUSTIN. I suggest the absence of a quorum.

Mr. MEAD. Mr. President, will the Senator withhold his suggestion for a moment?

Mr. AUSTIN. Certainly.

Mr. MEAD. I am informed by the clerk that my amendment is not at the desk, so I offer the amendment, which I have just discussed, send it to the desk, and ask that it remain there for consideration later in the debate.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will lie on the table.

Mr. MEAD. Agreeably to the observation made by the able Senator who has just relinquished the floor [Mr. McCarran], I shall offer for the consideration of the Senate an amendment which would authorize the Reconstruction Finance Corporation to make loans to small business.

Mr. McCARRAN. I am very happy that the junior Senator from New York has acceded to my suggestion. I think his

action will result in very much wider latitude and more sympathetic consideration for small business.

Mr. MEAD. The appeal of the Senator prompted my presentation of the amendment, which I had not originally intended to offer.

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. WAGNER. Mr. President, I call the attention of the Senator from Vermont [Mr. Austin] to the request which I am about to make. The Banking and Currency Committee has ordered reported two nominations, one of Mr. Leo T. Crowley for reappointment as a member of the board of directors of the Federal Deposit Insurance Corporation, and the other of Mr. Phillips Lee Goldsborough, a former Senator, for reappointment as a member of the board of directors of the Federal Deposit Insurance Corporation.

Both these nominations have on a prior occasion been unanimously reported and unanimously confirmed by the Senate. I am about to present the report from the Committee on Banking and Currency, as in executive session, and ask unanimous consent that the nominations be considered at

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Is there objection to the request of the Senator from New York?

Mr. AUSTIN. Mr. President, reserving the right to object, may I inquire of the Senator from New York if there is some special emergency?

Mr. WAGNER. There is no emergency. However, in view of the fact that heretofore the nominations of these gentlemen have been considered and confirmed by the Senate, and in view of the fact that they are well known, I thought perhaps we could dispose of the nominations today. If the Senator desires that they go on the Executive Calendar, I shall withdraw my request.

Mr. AUSTIN. Mr. President, the Senator from New York must know how willing I would be personally to have the nominations confirmed immediately. However, we experienced a little difficulty not long ago by allowing unanimous consent to take up executive business out of order. I think it is better practice to let such matters go until executive session.

Mr. WAGNER. Very well. I submit the reports.

The PRESIDING OFFICER. The reports of the committee will be received, and the nominations will be placed on the Executive Calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to each of the following bills of the House:

H. R. 5407. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto; and

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. GEORGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Georgia?

Mr. AUSTIN. I yield to the Senator from Georgia.

Mr. GEORGE. I desire to make some remarks. I do not care for the calling of a quorum.

I hope what I shall have to say will have some bearing on the pending bill. However, it will be devoted very largely to one phase of the bill. Let me say at the outset that I am not so much concerned with losses or gains by Federal corporations which have been created or used by the Government during a period of emergency for the purpose of providing relief or work relief, or in an effort to stimulate the recovery of business. I do not think it is a matter of very great consequence whether the Reconstruction Finance Corporation or any other corporation has made money or has some losses. I would anticipate losses, of course. In the course of events it would be but natural to anticipate losses through a Federal agency set up for any one of the purposes or all the purposes to which I have referred.

I cannot say that I am not disturbed by the size of the national debt, because I think any sane man must be disturbed by the size of the national debt. However, in my way of looking at it, Mr. President, the matter of utmost importance is not the loss or gain by the Federal agencies, resulting from Federal activities for the purpose of relieving the unemployed, stimulating industry and private enterprise, or the distressing and disturbing size of the national debt.

The real point of importance is whether we are going in the right direction or whether we are deliberately headed in the wrong direction. Since 1933, at least, we have been traveling in one direction. We entered upon our course before 1933, but in a limited way; and we have constantly kept the course since 1933.

What has happened? Has unemployment been reduced? Let us say that it has been reduced. It has not been materially or substantially reduced; but let us concede that there there has been a reduction in unemployment. Let us concede that great relief has been given to suffering and distressed persons. Let us concede that during the period of actual emergency the present course of the Government resulted in much good. I think that is about all anyone can claim. I do not think any one can claim that the course which has been pursued has solved our problems. I do not think anyone can for a moment contend that we have solved the problem of unemployment, the problem of agriculture, or the problem of general business. In fact, Mr. President, I know that those problems remain unsolved.

Yet we are now invited to follow the same course. We are not at all dismayed because the national debt has increased to more than \$40,000,000,000. We are not at all dismayed because the carrying charges, the interest upon the national debt, will next year amount to more than \$1,000,000,-000. We are not at all disturbed because, through the various corporations and lending agencies of the Government, we now have outstanding a secondary debt of more than five and a half billion dollars in addition to the fixed national debt of which the Treasury itself takes cognizance. These things make no impression on us. We are now asked to proceed along the same line, to follow identically the same course, and to increase our national obligation. Not only that, Mr. President, but we have come to the sorry plight of concealing the true character of the national obligation by taking a circuitous route around the Treasury itself in order that the obligation may not show as a national liability!

The bill before the Senate is a fraud, a palpable fraud, on its face, because it must result in an increase in the national debt without letting it show that an increased burden is to be imposed on the Treasury of the United States. To my way of thinking, Mr. President, it not only is a legal fraud but it is a moral fraud; it is a moral fraud on the American people; it has in it every element of moral fraud. We are to issue bonds and we are to sell those bonds. We are to take the money and place the money in various spending agencies of the Government, just as we would an appropriation if the appropriation had been authorized by Congress.

Oh, but we are going to "make loans." Granted that we are going to "make loans," granted that the loans will be repaid in large part—it is a very credulous person who believes that they will be repaid in large part, but concede that they will be repaid in large part—what are we doing? We are adding to the five and a half billion dollars-plus of money already borrowed, back of which stands the credit

of the Government of the United States, some \$3,000,000,-000—and probably before the bill gets through the amount may be \$4,000,000,000; no one can tell as to that—but some \$3,000,000,000 more of secondary debt, secondary liability of the Government, on top of the more than \$40,000,000,000 of direct obligations, on top of the national debt, which by the end of the next fiscal year will be \$45,000,000,000.

Let us assume that these are loans and that they will be repaid; let us assume that they will do some good; let us assume that they will take up some of the unemployment; let us assume that they will furnish some work for those who need work and that they will temporarily, at least, stimulate business and industry and enterprise; let us assume all those things, Mr. President, and then where are we getting; what are we accomplishing?

Has this course led us anywhere as yet? Has it solved any problems? Have the problems of the farmer been solved?

Mr. ADAMS. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. GEORGE. No; Mr. President, I do not want a quorum.

Mr. ADAMS. I really think the Senator should have a quorum called.

Mr. GEORGE. I beg the Senator not to ask me to yield for that purpose.

Mr. ADAMS. Very well.

Mr. GEORGE. Mr. President, have the problems of the miner been solved? Have the problems of the little-business man been solved? Not if the distinguished Senator from New York [Mr. Mead] is even partially correct in the address which he has just delivered to the Senate. Have business conditions greatly improved? Is there substantial improvement due to the policy of the Government in spending money, whether it be spent out of the Treasury or whether it be borrowed and then spent?

I have conceded that the expenditure of Federal money has produced much good; it has met many pressing problems; but has it solved the problems facing the country? That is the real question. I think we might as well dismiss from our minds whether governmental lending agencies have lost money in the past or will lose money in the future, whether or not the debt, staggering as it now is, will grow into more staggering proportions, as it will, and consider the question whether we are going in the right direction.

I know there are strange new doctrines in this country, Mr. President, and one of them is that a deficit is a blessing. That doctrine is contrary to all past teaching. It does not square with good morals. It does not have a single element of common sense in it. But I understand that we live in a new day, and, therefore, a deficit is a blessing; that if we borrowed sufficient money, we would increase the national income, and, ultimately and without altering the tax structure, the revenues, would be so increased that we would be able to take care of the deficit. That is one of the most consoling doctrines that was ever devised-I was about to say, Mr. President, in the empty heads of visionaries and dreamers. Certainly there is nothing practical in the judgment of any man who reaches any such conclusion as that, for if that conclusion be sound, all the problems of this Nation and every other would be solved simply by following it.

Then we are told that we are not spending but we are investing. Investing in what? Investing in nonrealizable assets; investing in things that will not pay the debt. Can a post-office building, can highways, the superhighways which it is proposed to construct under this bill, liquidate the debt? Every businessman knows, every man with common experience knows, that an asset is something that is in form to meet obligations outstanding against it or that may be converted into such form as to take care of those obligations. We are not lending; oh, no; we are "investing." It is not, however, an investment according to any rule of reason; it is not an investment according to any criterion that has been devised. It is a nonrealizable asset, if it is an asset at all. It cannot be drawn on to help pay the national debt. Let no taxpayer be deceived by such a contention. The national

debt, if it shall ever be paid; the public obligations, if they shall ever be met, will be met out of the pockets of the tax-payers, and not out of these assets in which it is now proposed that we invest.

Then there is another new, strange doctrine—that we owe this money to ourselves! At the base of that doctrine is the suggestion that we may repudiate the debt. Mr. President, when the Nation reaches that point, it is doomed. "Owe it to ourselves"!

Then the distinguished leader, for whom I have great respect, in offering this bill, which is the epitome of all these false and utterly unsound theories, said that the aggregate of the debt in the United States was not greater now or not out of proportion to the aggregate of debt, public and private, in 1932. Is that relevant at all as an argument? Is there any merit whatsoever in the suggestion? Oh, I know very well that it comes from high places; but suppose the public debt and private debts do aggregate today something like the aggregate in 1932—what is the situation? What is the business situation? So greatly increased has been the national debt, so greatly has the national income been circumscribed, that whereas 12 percent of the national income in 1932 took care of the carrying charges on the debt, now it takes more than 23 percent to do it. Is that leading us out of the woods? On the contrary, it is leading us down into the abyss.

Nations, Mr. President, in this post-war period have escaped from their difficulties through some sort of receivership; they have liquidated. We may continue on our present course; but if we do, while we may not liquidate immediately, eventually we will have to do it.

Granted that all the expenditures of money have served some useful human purpose, granted that all the borrowing and spending have promoted some private enterprise, temporarily at least, granted all that has been claimed for the program, are we out of the woods or are we moving out? How many unemployed have we? What is the farm income from produce made on the farm? I do not mean income coming out of the Treasury to the farmers. That is not the answer. Anybody could have answered the problem in that way. What is the condition of the miners, the merchants, the bankers, the businessmen? What is the condition in every line of industry in the United States? I do not mean what are they getting out of the Government by way of subsidies, by way of grants, by way of gifts, but I mean what are they getting out in the way of assets that mean an increase of the national income and of the national wealth?

Mr. President, taxes themselves are but an indirect method of spending. Every dollar levied for tax purposes, every dollar raised as revenue through taxation in any form is spent. It is not capitalized; it does not come back; it is not the basis of any future transaction.

Mr. Eccles, of the Federal Reserve Board, devised the comforting theory that what we borrow and spend might be capitalized; and now, Mr. President, I am coming to that.

Last night the Senator from Delaware [Mr. Townsend] read into the Record a statement by Mr. Berle, a high official of the Government, definitely saying that the United States Government had taken over many of the productive enterprises in whole or in part, and that ultimately it would take them all over. It will if we capitalize our Federal spending. There we are. On the one hand, payment of taxes, expenditure of moneys raised from taxation, the expenditure of Federal money for current expenses, is not capitalized. It cannot be used over again. It is true that it goes back into the channels of trade and commerce, but so far as the Government is concerned it is a one-way street. It is a one-time transaction. Very well. On the other hand, if the money we borrow is to be capitalized, what are we doing? We are establishing state socialism. When we establish state socialism, what is the answer? Private enterprise must die

What have we already done in this Nation? Build a ship, Mr. President. Go into any shipyard in the country and build a ship. Not a single ship of substantial tonnage can be constructed today in any American yard unless it is done entirely by Government money, or largely by Government loans.

Go into the insurance field and see how far Government has taken charge of the insurance field, not only under the social-security system—which, of course, has its strong points, its great advantages—but in various other ways the Government is entering and controlling all activities within this field. The Secretary of Agriculture, to whom we propose to give \$600,000,000, is setting up his own insurance, not on crops, not insurance on the wheat crop or the coton crop, but setting it up on stored commodities. What does that mean? It means that the private insurance companies, the private enterprises, the capital system, are doomed in that field.

Agriculture, the production of the soil, is justly admitted by all real economists to be the basis of our wealth. What has happened to agriculture in the United States? On the one hand we have restricted the production of real wealth, cut down the quantity of corn and of cotton and of all the products of the farm, and have enabled the farmer to live by giving him subsidies and grants out of the Federal Treasury. Today, when Mr. Wallace speaks anywhere in the Cotton Belt—and, so far as I know, in the Corn or the Wheat Belt—he will have a large audience of men who are under Mr. Wallace. I do not say that they are drawing a per diem while they are listening to Mr. Wallace's speeches, but I am inclined to think it is worth a per diem for them to go and listen to his speeches. [Laughter.]

What else has happened? Mr. Wallace has his own pet theories about a normal granary. He has his own pet theories about getting rid of a surplus of wheat and getting rid of a surplus of cotton and getting rid of a surplus of this, that, and the other product of the farm. Too much money in the hands of Federal agencies has been a curse to America, not a blessing. What have we done? On the one hand we have spent immense sums of money out of the Federal Treasury to restrict the actual production of wealth in wheat and in cotton, and on the other hand the Secretary of Agriculture now is spending immense sums of money to export our surplus of wheat and of cotton and of other products; and what is he doing? I do not care anything about his theories. I do not care anything about anybody's theories. What is he doing? When he pays a subsidy to export cotton to the world market, he drives down the world price of cotton. He drives it down until it practically offsets the subsidy he pays the American farmer out of the Treasury of the United States.

I am not complaining about the sudsidy. I am not complaining at all about any legitimate means and method of meeting the necessities of the farmer. He has to receive a subsidy. He cannot live on what he is making. There is perhaps not a wheat farmer anywhere who can live on what he is making out of his wheat. There are but few, if any, cotton farmers who can live on what they are getting out of their cotton produced and sold. They are living on the subsidy. They are living on what we must pay them. They cannot be blamed at all about it. We have asked them to restrict; we have compelled them to reduce; we have controlled them and regulated them; and, of course, we must see that they do not suffer. We must save them from bank-ruptcy if we can; but are we solving the problem? Are we solving it?

Why, today, at 1 minute past 12 a. m., Mr. Wallace's cotton subsidy went into effect. What does he propose to do? He proposes to pay to the foreign purchaser of cotton 1½ cents per pound for every pound of American cotton he will buy. That means \$7.50 per bale. Mr. Wallace has said that he hopes to export 6,000,000 bales. That means \$45,000,000 out of the Federal Treasury, paid to whom? Paid to the foreign purchaser of the cotton; paid to the foreign spinner, who, in turn, may spin the cotton into textiles, into cloth, and furnish it to foreign buyers. I am not complaining about that. But what is Mr. Wallace doing? He is driving down the world price of cotton. Cotton is a world commodity, and the world price practically controls when we

abandon artificial efforts to control it. He is driving down the world price of cotton a cent and a half. We may reason about it as we please, but that is where it will end. If the subsidy is a cent and a half per pound, and we are going to sell cotton all over the world at $1\frac{1}{2}$ cents per pound below the world price, paying the difference in cash to the buyer, naturally we are going to drive down the world market. This year the subsidy that we will pay the Georgia and the Texas cotton farmer is 1.6, \$8.06 per bale, \$7.50 per bale paid to the spinner in Manchester, England, about offsets the subsidy to our farmers by the lower world price.

But it is said, "We have put on a loan. We are going to stop the American market from going down." That is a beautiful device to deceive unthinking persons; but, after all, the cotton farmer is interested in a price for his cotton. His industry is not in a sound condition when his price is

not a living price, is not a profitable price.

We are going to fix a loan on American cotton and hold it above the world price. Then what happens? Let us inquire a moment as to what is going to happen in the case of jute. In the cotton-growing areas of the country we talk about jute. We have justly complained and repeatedly complained about the competition from jute, competition which the cotton producers suffered. What is the situation? If a loan of 8.6 cents, a little above 81/2 cents, is put on cotton for this year, the world market will be driven down a cent and a half by the subsidy to the foreign buyer, and the disparity between the world price and the American price will be widened and substitutes will flow into the domestic market. What is to be done about it? Can substitutes be embargoed? Not at all. Can tariffs be put on them? Not at all. Some tariffs can be put on cotton, an embargo may be put on cotton, we can prevent the reimportation of cotton and cotton goods, and can raise an embargo against a friendly South American Republic like Brazil. All that can be done, but under existing law the tariff on jute cannot be increased.

Not only that, Mr. President, but under the trade agreement between the United States and the British Empire, the United Kingdom, jute cannot be taxed except as now taxed for 3 years; the tariff cannot be increased; we cannot get any protection. We stand helpless while the importations and production of rayon increase and the importations of jute increase, jute cloths come into the country in a constantly increasing stream. The higher we peg artificially the home price for cotton, the more importations of every known substitute, natural and synthetic, will increase; and what will be the result? The result will be the destruction of the Ameri-

can cotton market.

Mr. Wallace says that he proposes to increase our exports of cotton possibly to 6,000,000 bales for 1939 and 1940. Suppose he does. What has been the average export of cotton? For 10 years, including 5 years of Mr. Wallace's administration, the average export of American cotton has been seven and a half million bales. For the 10-year period up to the fiscal year which has just closed, averaging them all, the exports have run seven and a half million bales. Even if Mr. Wallace gets the exports back to 6,000,000, they will still be a million and a half bales under what they were on the average.

He says we have helped the price. Helped it? Helped it based upon the intrinsic value of the product, the only basis upon which agriculture can ever survive in this or any other country, or helped it by getting money out of the Treasury, helped it by drawing money out of the Treasury and assisting those of us who grow cotton to live, to subsist, to pay our taxes; actually, Mr. President, to go along somehow.

We have exported more than eight and three-quarter million bales of cotton in 1 year. For 10 years, up until the beginning of the last fiscal year, the average export was seven and a half million bales. Mr. Wallace hopes to export 6,000,000 bales, at a cost of \$45,000,000 out of the

Treasury of the United States.

What nonsense! The whole program is one based upon economic illiteracy. He is going to recover that much of our lost ground; but how? By still restricting our production in the United States, still cutting down our acres. We

passed a bill a few days ago allowing him to cut the acres to ten million. He could not cut the acreage below twelve million until a few days ago. But he wants to cut still deeper.

Never, never can we regain our foreign markets by any manner of device unless we do it through increased production of our product at a decreased cost in producing it, if other countries and other producers are producing at a lower cost. We can cut down our acreage and restrict our production as much as we please, but we will not get back our markets.

Of course, we can pay the foreign purchaser to take the American cotton, and if we pay him enough he will take what we offer him up to the limit of his capacity. I dare say that the Secretary's program will not result, during the fiscal year beginning July 31, in any substantial or material increase in exports of raw cotton over what would have been exported in any event.

It is true that we exported only 3,400,000 bales last year, considerably less than half of the 10-year average. That was the lowest figure for exports of cotton from America in some 60 years. Naturally the exports will be increased barring the complete stoppage of international trade and commerce by war; naturally they will be increased. They will also be increased, because American stocks of cotton in Europe, in the great spinning countries, have been very largely depleted. So we would export the present crop, in any event, if we let that crop go on to the market at the world price, without the expenditure of seven and a half dollars a bale out of the Federal Treasury to make it move. In all human probability we will export from five to six million bales of cotton during the present crop year; that is, until August 1940. We would do so without any export subsidy.

Mr. President, let us take a practical look at the situation from the other side for just a moment. A few weeks ago we engaged in a barter transaction with Great Britain. Most of our trades nowadays are inspired somehow or other by our English brethren. And I am of English extraction. My natural sympathies are with the English. But we engaged just a little while ago in a barter arrangement with Great Britain. We had as an excuse for that bartering arrangement only one possible fact; we had a great deal of cotton which we had accumulated under a loan which was above the world market and which artificially pegged the price, and therefore the cotton slipped into the loan. We had a whole year's crop in the loan. We had a whole year's crop under a farm program which was intended to solve the agricultural problem, and which solved it by putting a whole year's crop into the loan. But we had a bartering arrangement. No one opposed it; and what happened? We bartered 600,-000 bales of cotton for so many pounds of rubber. What did we get for the cotton? We received about 834 cents a pound—roughly, 8% cents a pound. That is the cost of producing cotton; that is the minimum cost of producing cotton. That is not the highest cost of producing cotton.

What did we give for the rubber? We gave about 17 cents a pound, buying it through a cartel; it is a cartel-controlled product.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. GEORGE. In a moment. We gave about 17 cents a pound for the rubber. What does it cost to produce it? All the economists say that it costs about 6 cents a pound to produce rubber. We pretty nearly lost our shirt in that transaction. In the barter we gave cotton which cost us to produce more than we got for it for rubber which cost our British friends about 6 cents a pound to produce, according to my information.

Not only that, but our British friends were shrewd enough to have written into the agreement a promise that we would pay the subsidy of \$7.50 a bale if the Secretary of Agriculture subsequently fixed an export subsidy on cotton at a cent and a half a pound. What does that mean? It means that now, after having closed the trade with Great Britain for her rubber, for which we paid 17 cents, and which cost, let us

say, 6 cents a pound, cotton which cost us every cent we got out of it. Now we must pay to Great Britain also \$7.50 a bale on the 600,000 bales of cotton. Senators can figure it out for themselves. It means four and a half million dollars on a closed transaction.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. GEORGE. I yield. Mr. LUNDEEN. I have been listening with great atten-

tion to the able Senator, and I should like, if he will permit, to make merely one statement. It seems to me that the value of that rubber should have been applied on the war debt. I am not asking for an expression from the Senator on that point, but it seems that way to me.

Mr. GEORGE. I agree with the Senator, but we could

not have sold it on that basis.

Let us go a little further with this barter transaction. We are now to pay an additional sum or an additional number of pounds of cotton to the British of the value of four and one-half million dollars-all to gratify our Secretary of Agriculture in trying out his subsidy plan on cotton.

Not only that, but our British friends were sufficiently alert, Mr. President, to require delivery or tender of this cotton at the ports, of a certain grade and staple, or better.

Already the other House is in a struggle now over an amendment which has been placed on the bill to carry out this barter transaction-an amendment which, if the House does not eliminate it, will probably require the moving of some 3,000,000 or 4,000,000 bales of cotton to the American ports, adding freight, adding cost, all to carry out a barter

If the Secretary of Agriculture succeeds in making many more barter exchanges, he will lose not only his shirt but

he will lose his undershirt.

Yet in this very bill we are going to give to the Secretary of Agriculture \$600,000,000, with which to do what? Three hundred million dollars of it to carry out the Jones-Bankhead Farm Tenancy Act. I am not going to raise a question about that. Three hundred million dollars of it with which to do virtually whatever he may please. It is true he will only be required to do what has been done in connection with some of the various farm operations which we have undertaken in the past.

But now I come back to the proposition. Has the wheat problem been solved? What are the farmers getting for their wheat today?. A few days ago wheat on the Liverpool market, on the world market, sold for the lowest price in American money and in American measure at which wheat

has been sold on that market since 1592.

Cannot anyone see that as we subsidize the sale of our wheat to the foreign consumer we must necessarily drive down the world price of wheat? Cannot anyone know that as we subsidize our cotton to the foreign consumer, the foreign spinner, we must drive down the world price of cotton?

The same thing is true of corn. The same thing will be true of lard. Temporarily, yes, we can raise our price in the United States. We can do it in the case of cotton, but when we do it, the use of rayon will increase, jute and other substitute fibers will come in, and take more and more of the American cotton farmer's domestic market.

That is the story, Mr. President, and that will be the final chapter in the present agricultural program if it is followed.

In the meantime vast fortunes are spent out of the Treasury to enable the cotton farmer to live while he is reducing his cotton acreage and production, and vast fortunes are spent out of the Treasury to enable the foreign consumers to buy and use American cotton.

Mr. President, it is all very well to run the price up on our own mills, on our own people, on our people who need cotton textiles. They need bed clothes and sheets and towels, and the little children need clothing. It is all very well to run the price up on them, because the Secretary of Agriculture has the profound satisfaction that he is helping the farmer-helping the farmer! Helping the farmer when the world price of his product is going down, down, inevitably down as the result of his own program. Helping the American farmer when the only way he can live is on large grants from the Treasury of the United States. Helping the American farmer when the only way he can hold even a part of his foreign market, which is a part of his goodwill, his capital assets, is through the expenditure of other and further vast sums of money out of the Federal Treasury.

Are we getting anywhere? We are going to build roads. We are going to build superhighways. I dare say there is not any part of the United States today in which a toll road would pay, unless it should be from Washington City to New York or Boston. In no other part of the Nation would a toll road pay for the cost of policing it and keeping it in repair. Everyone should know that to be so; everyone is bound to know it if he will use his judgment; everyone is bound to know who will sit down and do a little figuring.

Besides, who wants a toll road? We fought here in the Congress year after year to get rid of toll bridges, to make them all free. We fought here year after year to abolish the policy of building and maintaining toll bridges, and even causeways-and now we propose to go back on all that and

try out a superhighway system.

Mr. President, let us say, however, that the highways are all right. Let us say that they may pay the cost of policing, oiling, and repairing them; let us grant that in a few instances they may return something on the investment over a long period of years; let us grant also that the expenditure of this money may temporarily help business, that the expenditure of this money will temporarily give some workers employment, and therefore reduce the number of the unemployed, and therefore aid in relieving suffering and in taking some people off relief. Yet is it an answer to the problem? Is it getting us out of the woods? We know how rapidly we have increased our national debt. We very well remember how rapidly it has climbed. At the end of the next fiscal year it will be at \$45,000,000,000. We all know, Mr. President, that today the secondary liability of the Government of the United States is more than five and one-half billion dollars for money loaned to help business so as to reduce unemployment. We know if the \$3,000,000,000 provided by the pending bill are added, that the indirect secondary debt-which is, nevertheless, a binding debt of the Government—will be over eight and one-half billion dollars shortly, to say nothing of the direct Federal debt.

And where is it getting us? We have already tried this plan. It is nothing new. If we were in the midst of the depression of 1933 I would do as I did before-I would take a chance on this program succeeding. As an emergency measure it was all right and, as such, is all right. As a measure to meet a crying, pressing present need it appeared to be one way out, the only way out. But when the policy results in state socialism essentially, when it destroys private enterprise, when it cuts under private industry, when it enters and ousts from the field of free enterprise the productive enterprise of this country, upon which we have always relied to furnish work for our laborers, then it becomes definitely and decidedly unwise.

Mr. President, a moment ago I was about to enumerate some of the fields in which State capitalism, if you please, State socialism in fact had already become supreme, and I call attention to shipbuilding. An American ship of any consequence cannot be built in any American yard today unless money aid is given, or unless it is built entirely out of Federal funds.

Take home building. In this field the Government's activities are practically as extensive as in any of the totalitarian States. The Federal Government has loaned more than \$3,000,000,000 to home owners in the United States. have provided the United States Housing Authority with \$800,000,000, and another bill is pending in the House which the House Members are now vainly trying to dislodge, which provides for another \$800,000,000. That will make a total of \$1,600,000,000 to build low-cost, slum-clearance projects.

Mr. President, the objective is admirable; the purpose is excellent; but where has private enterprise gone? It has gone out of the field of low-cost housing construction. It has vanished in the field of slum clearance. Practically the whole private construction industry has ceased to operate save on Government contracts.

Then, Mr. President, let us look at some of the other fields. I have already called attention to agriculture, but I want to repeat. Little by little State socialism or State capitalism has taken over one activity after another of the farmer, until today the export of practically all of our basic farm materials is subsidized and controlled by the Government, and the price levels for wheat, corn, cotton, tobacco, butter, lard, and almost every other farm product are no longer controlled by private enterprise or the operation of the capitalistic system; they are controlled by the State capitalism which has been set up.

Take the field of banking. Everyone knows that the banks have virtually become merely depositories for the Federal Government. The distinguished Senator from New York has complained about the banks. Certainly the banks will not loan money. Where is there a lawyer, Mr. President, who could advise an honest businessman what the law is upon any complicated question? Is there one? I presume there are good lawyers in this body; indeed, I know there are good lawyers in this body; there are as good lawyers in this body, perhaps, as are to be found anywhere; but is there a lawyer in this body who could confidently advise anyone even as to the existing status of the law, to say nothing of what the law will be tomorrow, the next day, or at the next session of Congress? If a businessman with a large enterprise came to a lawyer on a close question and said, "Advise me what the law is," the lawyer might say, "I cannot advise you what the law is now; I cannot tell you now what the Supreme Court will say the law is. I am not certain what it is going to hold." If he were a good lawyer he would certainly give that advice. Such advice, of course, would create much confidence in any businessman. He would go at once and invest all the money he could beg, borrow, or steal in some business enterprise when his own lawyer could not tell him what the law was upon a close or intricate question, one which had not been flatly, positively, and definitely decided by the present Supreme Court.

Mr. President, consider the question of hours and wages. Is there any private enterprise longer left free in this field? We have the Labor Relations Act and the Labor Relations Board. I favored the Labor Relations Act because I thought it granted certain fundamental rights. However, I did not think we should have a board which would deny free speech in America. It never occurred to me that we could have a board of Americans who would take an extreme partisan view of the law.

Maximum hours are fixed by law. Minimum wages are fixed by law, with a great bureaucracy in Washington to regulate hours, wages, and labor relations. Is there anything left for private initiative? Is there anything left for private enterprise to do but to fall in line and try to get what is coming, on the surface, as it were?

Take the case of the railroads. We know what is going on in that field. We have there virtually state capitalism.

I pass from the utilities field. It is one of those peculiar fields in which there is strong reason for State capitalism. There is no doubt of that. Yet the utility interests exist. They serve a good purpose. The State is not ready to take them all over. However, they are virtually all in the grasp of the State. I do not mean under proper regulation. I mean they must sell when somebody comes along and offers to buy, because they do not know what the policy of the Government will be tomorrow.

Take the matter of coal mining. It has passed entirely into the control of the State. Today there is no room for free enterprise in the mining of coal in the United States.

I have already spoken about insurance. Examples could be multiplied indefinitely.

When any government continues to borrow money and continues a program of deficit spending beyond the necessities to meet some pressing and immediate emergency, which I recognize as a governmental responsibility; wherever it goes

into the field of business, into the field of financing, in America at least, the government must become dominant. Private capitalism must pass out and a form of State capitalism must take its place.

It makes all the difference whether our debts are public or part of them public and part of them private. As we shift from private debt over to Government debt, and as we increase the amount of the Government debt in proportion to the private debt for the purpose of stimulating business, for the purpose of starting enterprise and keeping it moving forward, we narrow the base of any possible revenue with which we can take care even of the ordinary overhead interest rate and service charge on the public debt as it grows larger and larger. As the public debt grows larger, Mr. President, and the private debt smaller, though they aggregate the same, as in some past time, the public debt eats up more and more of our national income, to the point where the country cannot operate under a system of free enterprise, free business, and free industry. The public debt eats up national income to the point where the State must take over private enterprises.

Mr. Berle may have pronounced a harsh truth. It may have sounded strange to the ears of some new dealers as it was spoken out loud, and not in a whisper; but Mr. Berle spoke the eternal truth. He spoke the plain, unvarnished truth when he said that if we continue the program—and he favors doing so-the time will come when the Government must take over all the productive enterprises in the Nation and carry them on.

Therefore I am against the bill. I do not care if some of its purposes are good; I do not care if I personally favor some of its purposes; I stand eternally against this entire movement. I set my face now sternly against the whole trend. the final, inevitable result of this course of conduct on the part of the Government.

Oh, yes; the individual things provided for in the bill are good. They are fine. Some of them will liquidate. Some will not liquidate. However, it does not matter to me if they all liquidate. Whenever the Government capitalizes an investment it pushes out of the field free private investment. Whenever the Government capitalizes a dollar of its borrowings and makes it pay itself back it puts free enterprise that much deeper down into the cellar. That is the course and effect of the program.

It is an easy way for our Government to operate: it is an easy way for the governments of the world to operate; but the way leads to death none the less; and as certainly as a deliberately chosen program of monetary inflation would lead to death.

Mr. President, to my mind one of the very ablest thinkers in the world is Dr. J. A. Tripp. Everybody knows who Dr. J. A. Tripp is. Reporting to the stockholders of the powerful Netherlands Bank, of which he is president, just a few days ago he had this to say-and I wish the officials of our Government would listen to it, because it is common sense:

Various governments are borrowing almost 2,000,000,000 guilders (roughly \$1,060,000,000) a month.

Think of it, Mr. President, \$1,060,000,000 a month!-

to cover their budgetary deficits.

Economic revival, financial recovery, and monetary stability are unthinkable unless international political relations show improvement; the fear of war is banished and armaments are reduced.

Further in his report Dr. Tripp says:

In the beginning it was expected that a lowering of the gold value of monetary units would lead to a corresponding rise in commodity prices; while a policy of cheap money and expansion of credit was to stimulate private enterprise. When this expectation was not fulfilled and the said policy would apparently not yield the desired results, refuge was taken in the great increase in Government expenditures, which caused budgetary deficits to grow rapidly.

It was supposed that this would make private business revive in a relatively short time and that the government would then be able to reduce its intervention within the limits of its revenue. This expectation was not realized either, with the result that the level of government expenditure and budget deficits was maintained, and even raised, on the assumption that in this way the national income and prosperity would increase.

How like the philosophy which obtains in our country!

Remarking that this depreciation of currency, cheap money, increase of government expenditure and growing budget deficits were taking on a more and more permanent character, Dr. Tripp said he could not see that the development had led to any lasting improvement, nor that it was reasonable to suppose it could be carried on much longer. He discerned a growing tendency of governments to interfere in almost every branch of economic life, a process that he believed would result in increased rigidity, followed by higher costs and increased cost of production. The burden that is consequently placed on the consumer, he said, added to the influence of monetary and fiscal measures, will not fail to lead to impoverishment, a decrease in consumption, and the growth of unemployment.

Dr. Tripp continues:

Only cheaper and more extensive production, gradually increasing international trade, and liberation of economic life from the innumerable impediments which are constantly neutralizing the essential elasticity in prices and cost of production and from the excessive burden of taxation in various forms which is stifling private initiative and investment, can bring goods within reach of consumers on a larger scale and at lower prices.

Mr. President, he must have had his eyes on the United States.

Here is one of the world's greatest financiers, one of the world's great authorities, who says that this policy not only in other countries but in our country as well is leading directly away from the results we are now told will follow from this further undertaking to extend deficit spending in the United States.

We are told that this bill will afford the last final push that will put us over the hill and down on the other side toward the placid fields of prosperity and contentment and happiness. This eminent economist says directly to the contrary. Our own experience should be sufficient to convince us, our own cause, marked by an increasing burden of debt—should be sufficient to convince us that we are going the wrong way.

There is but one way to go, and that is to recognize what always has been true and what always must be true, that there cannot be economic regimentation and control without ultimately the loss of political and civil liberty itself. They are not separable qualities, Mr. President. Through all history among men striving for free government-through all of human history, I repeat—political and civil liberty has disappeared when economic control passed out of the hands of individuals into the hands of the state. However beneficent, however high-minded, however the state under its rulers may strive for the betterment of its people, it is an utter impossibility to have political and civil liberty, they cannot be retained through any long period of time, if there is economic regimentation, control of economy, of enterprise, and of business by the Government. Mr. Berle was right, he was eternally right, when he said that this thing meant that the Federal Government would have to acquire more and more, practically all, of the productive enterprises of this Nation. He is right, and on the basic theory, Mr. President, of human accountability under law, both human and divine, both civil and penal, I must assume that men like Mr. Berle understand and purpose this forward movement into state control and state capitalism to the point where free enterprise must go down and out.

I do not desire to criticize anyone unduly, but, Mr. President, all rational men are presumed to be responsible for the logical and natural consequences of their own deliberate and intentional acts. This course of continued repeated spending cannot lead anywhere but to State control of everything in America. And we may not be very far from it; indeed, we are so close to it, Mr. President, that so far as I am concerned, as long as my voice is heard in any public council I shall raise it against this tendency.

I do not need to be told about rural electrification. I have always supported it. It is useless to come to me with various sugar-coated proposals, even good proposals, attractive and seductive proposals, the very proposals I have supported, for grants out of the Federal Treasury. I have supported them

only in an emergency; I supported them only to meet a condition that was acute.

Now it is sought to establish permanently the doctrine of constant spending of public money, of constant increase of deficit financing, in order to keep moving the industrial and commercial machine and in order to keep it moving rapidly.

Mr. President, I prefer what perhaps may be called the hard way; I do not seek the easy way. When the darkest clouds of the depression into which we entered 6 or 7 years ago had been lifted and we could begin to see the sunlight, I had hoped that our Government would take even the hard way, the resolute way, but the way that leads to personal and national honor and not the way that leads to personal dishonor and national misery and degradation.

Mr. President, in the New York Times today the leading editorial is entitled "Collapse of Farm Planning." It is a scathing analysis of the whole program. I ask that it may be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times of July 27, 1939] COLLAPSE OF FARM "PLANNING"

It is a shocking picture that the world's agricultural "planners" look out upon when they survey the results of their handiwork in the crops that have been their particular concern.

the crops that have been their particular concern.

Let us begin with wheat. There is practically no important country in the world that has not got a government "wheat plan" of some sort. Statisticians have calculated that various governments are jointly spending more than \$2,000,000,000 annually in an effort to hold up grain prices. After all their activities in recent years the prospective world supply of wheat for 1939-40 is placed at 5,290,000,000 bushels, the greatest on record, while wheat has fallen in the Liverpool market to the lowest prices reached since Queen Elizabeth's time. It is small satisfaction that by a tariff and Government loans we have kept American wheat from falling quite as low. September wheat at 60% cents on Monday fell within three-fourths cent of the lowest price at which any wheat future has sold since April 1933.

any wheat future has sold since April 1933.

Some of our own Government's policies have certainly made the plight of the American wheat grower worse. It is futile for a country that grows wheat for export in a competitive market to adopt an acreage-restriction scheme. Our own restriction is not great enough materially to affect the world price, while it reduces farm income by reducing the amount of wheat we have to sell. It has not helped us to subsidize wheat for export. In combination with other countries doing the same thing, the result has merely been to push down the world price further.

been to push down the world price further.

In the 12 months ended on June 30 the United States Government sold 93,754,000 bushels of wheat in the export markets at a loss to the Government of \$25,700,000, or 27.4 cents a bushel. The foreign consumer, in other words, was able to get his wheat cheaper at the expense of the American taxpayer. That is hardly the path to national enrichment.

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Corn also is now selling at the lowest prices since 1933. For this our own governmental policy must again bear a large part of the blame. Last year and the year before the Government made "nonrecourse" loans to enable the farmers to hold large stocks of corn off the market. The loan rate was made so attractive that it even paid farmers to build extra cribs to store on their own farms the corn under Government loan. So the farmers withdrew from the market and stored in their own cribs some 257,000,000 bushels of 1937 and 1938 corn.

No doubt this helped to keep prices up for a time. But these loans fall due on August 1, and farmers want to free their storage space to make room for the new crop. Fears that the Government will be forced to take 100,000,000 bushels or more of this grain in satisfaction of the matured loans and sell it have been depressing the market. The price can be kept up, perhaps, by new Government loans so high that it would be profitable for the farmers to build still more cribs to hold still more unsold corn. Is this to be the outcome of Mr. Wallace's "ever-normal granary"? At present prices the Government already has a loss of about 25 cents a bushel on the corn under the present loan. The prospective carry-over of corn on October 1 next is already estimated to be at a record high level.

For the present plight of cotton the direct responsibility of our Government's policy is a very heavy one. The crop-restriction policy itself is indefensible on several grounds, but much worse in practiced effect has been the Government loan policy. Under that policy the Government has placed an entire year's American cotton crop in warehouses; the American price has been kept above the world price, and as a result, in the cotton year that ends with this month the United States will have exported only about 3.400.000 bales, the smallest export in 60 years.

3,400,000 bales, the smallest export in 60 years.

In the 1932 year the exports of cotton amounted to 8,766,000 bales. The difference is not to be accounted for by any decline in world demand. On the contrary, in the same period in which our

exports fell off by more than 5,000,000 bales, world consumption of all cotton rose by about 3,000,000 bales. Other producing countries have stepped into the place in world markets that we abandoned. As a cure for this, the Government does not propose abandonment of either the restriction policy or the more damaging loan policy. Instead, and in spite of the bad results in wheat, Secretary Wallace announces that beginning today the Government will subsidize the export of cotton to the extent of 1½ cents a pound. In other words, having artificially, and at great Government expense, held cotton off the world market, we are now artificially, and at further Government expense, to try to force some of it into the world market.

ne world market.
But the results will be much more serious than in the case of wheat. For cotton is a raw material that goes into manufactures. What we will be doing is to give foreigners cheaper raw cotton to compete against our own manufacturers in our own markets and in compete against our own manufacturers in our own markets and in world markets. To compensate, Mr. Wallace will also subsidize exports of finished cotton goods, and suggests limitations on imports of cotton goods. But this leads merely to the building up of a whole series of bureaucratic controls. And we are doing all this at the very time when we have placed countervailing duties on importations of silks from Italy and a whole range of products from Germany, on the ground that these importations are subsidized. In other words, we are deliberately undertaking what we officially penalize as unfair and demoralizing competition when it is done by other nations.

it is done by other nations.

This is the end result of the "orderly Government planning" that was to supplant the chaos of uncontrolled agriculture.

Mr. BARKLEY. Mr. President, I inquire if an amendment is now pending?

The PRESIDING OFFICER. There is no amendment now pending.

Mr. BARKLEY. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be

The LEGISLATIVE CLERK. It is proposed on page 6 to strike out lines 11 to 25, inclusive, and on page 7, to strike out lines 1 to 12, inclusive, and in lieu thereof to insert the following:

SEC. 5. Subject to the provisions of this act, the Public Roads

Administration shall have power—

(a) To make loans to States, municipalities, and other public bodies for highway improvements as defined in section (4) (1)

(a) To make loans to States, municipalities, and other public bodies for highway improvements as defined in section (4) (1) hereof;

(b) With the consent and cooperation of the State, municipal, or other public-highway agency within the territorial jurisdiction of which the facility is to be located, to construct, reconstruct, enlarge and maintain bridges, viaducts, and tunnels, and to fix, maintain, and collect tolls or other charges for the use of such facilities which shall be sufficient (after making reasonable allowances for operation and maintenance expenses, for depreciation to the extent not provided for by amortization and contingencies) to amortize the cost of such facilities with interest as hereinafter provided, but no tolls or other charges shall be collected for the use of any such facility after the construction cost thereof has been paid or liquidated;

(c) To construct, reconstruct, alter, extend, enlarge, improve, repair, and acquire highway improvements, with a view to promoting interstate commerce, alding in the national defense, facilitating the use of the mails, or promoting the general welfare and to acquire by purchase or condemnation any real property adjacent to any such proposed highway improvement, but no such work shall be undertaken until a contract has been entered into between the Administration and a State, municipality, or other public body, pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement and all real property acquired under this section. Upon certification by the Corporation that the cost of any such highway improvement and such other real property together with interest thereon as provided in this act has been fully repaid by any State, municipality, or other public body.

(d) To acquire in the name of the United States by gift, pur-

(d) To acquire in the name of the United States by gift, purchase, exchange, or by the exercise of the power of eminent domain or otherwise, and to hold, lease (as lessor with or without the option to purchase, or as lessee), use, sell, exchange, or otherwise dispose of highway improvements or other real property, adjacent to any such highway improvement or necessary or convenient for carrying out any of its functions hereunder.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kentucky.

Mr. KING. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. KING. Would the adoption of this proposed amendment preclude later on, if perhaps it should be amended in some respects, a motion to strike out the entire provision dealing with public roads?

The PRESIDING OFFICER. It would not.

Mr. BARKLEY. Mr. President, I will say, if such a motion should be in contemplation, that all perfecting amendments would have priority and would be considered before any motion of that kind should be made.

Mr. KING. That was my understanding. I have no objection to such perfecting amendments as may be desired, but subsequently, after the amendment has been perfected, I intend to submit a motion to strike out the entire provision.

Mr. McCARRAN. Mr. President-

Mr. BARKLEY. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, where I am we could not hear the reading of the amendment. I should like to have it understood that I am merely one of those who may have been unable to hear it. I should like to have the Senator from Kentucky explain the amendment.

Mr. BARKLEY. I shall be glad to do so.

Mr. McNARY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. BARKLEY. I yield. Mr. McNARY. As in the nature of parliamentary inquiry, I inquire if the Senator from Kentucky offered his amendment as a substitute for the section in the bill to which it refers?

Mr. BARKLEY. It is a substitute for a portion of section 5. It is not a substitute for all of section 5. It leaves three subsections as they are now.

Mr. McNARY. It is a very important matter, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	La Follette	Schwartz
Andrews	Downey	Lee	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barbour	Gibson	McKellar	Stewart
Barkley	Gillette	McNary	Taft
Bilbo	Green	Maloney	Thomas, Okla.
Bone	Guffey	Mead	Thomas, Utah
Borah	Gurney	Miller	Tobey
Brown	Hale	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Tydings
Byrd	Havden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hill	O'Mahoney	Wagner
Chavez	Holman	Pepper	Walsh
Clark, Idaho	Hughes	Pittman	Wheeler
Clark, Mo.	Johnson, Calif.	Radcliffe	White
Connally	Johnson, Colo.	Reed	
Danaher	King	Russell	

The PRESIDING OFFICER (Mr. Lucas in the chair) Eighty-six Senators having answered to their names, a quorum is present.

Mr. BARKLEY obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Kentucky yield to me for a question?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. Before the Senator begins to explain his substitute, I desire to ask him for an interpretation of some of the language in the roads section of the bill, on page 3. I am referring to line 21, page 3, which refers to "other transportation facilities." I desire to know whether the words "other transportation facilities" are limited by the fact that they are in a roads section, and refer only to roads.

Mr. BARKLEY. Where is the language referred to?

Mr. VANDENBERG. In line 21, page 3. Is that language limited to roads, or could "other transportation facilities" be water facilities? Could they be canals?

Mr. BARKLEY. No; they are other transportation facilities connected with road systems.

Mr. VANDENBERG. It is the Senator's judgment that the language is strictly limited by its location in the bill? Mr. BARKLEY. Absolutely; yes.

Mr. PEPPER. Mr. President, I know that the Senator from Michigan, always on the alert when anything about a canal comes up, will not miss any opportunity to refer to the subject of canals in his own peculiar way, but I should like to know what it was that he said.

Mr. BARKLEY. The Senator from Michigan asked me whether the use of the term "and other transportation facilities" is to be interpreted as limited to the roads section of the bill and transportation facilities connected with highway systems; and my reply was that it is.

Mr. PEPPER. I suppose the Senator from Michigan is not trying to have an interpretation here which would absolutely and positively prohibit the Florida ship canal, or the John Smith canal, or anybody else's canal, or any other kind of public work, providing an application in a proper way is made; is he? If so, let us fight out the matter while we are at it.

Mr. BARKLEY. I will say to the Senator from Florida that we are dealing now with the public-roads section of the bill, the public-works section. I shall be frank in saying that if such an interpretation is to be placed upon the language used in the bill in connection with this allotment of \$500,000,000 that it could be used by the Public Roads Administrator to go out over the country and dig canals, I should myself move to change the language, because it is not the object of this appropriation to be handled by the Public Roads Administrator to do things of that sort. These transportation facilities are all in connection with the highway system over which he has jurisdiction. He has no authority, and would have none under the bill, to go out and improve a river, or to construct a canal.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCarran. I say again, as I said before the quorum call just a moment ago, that we were unable to hear the reading of the Senator's amendment. In order to facilitate matters, let me ask whether it is contemplated that this money shall be expended on a basis of population in the several States, or on a basis of territory served.

Mr. BARKLEY. There is no provision in the bill which allocates this \$500,000,000 on the basis of population.

Mr. McCarran. Would the Senator object to an amendment providing that it might be allocated on the basis of territory served?

Mr. BARKLEY. Frankly, I will say to the Senator, I do not think the program contemplated under the amendment is of such a character that it can be circumscribed by a provision either as to population or territory in the various States, if that is what is in the Senator's mind.

Mr. McCARRAN. I have in mind that the greater population has the greatest demand, especially in a general-election year, and I am very much interested that a State which is cooperating in furnishing roadways across the Nation, which has a sparsity of population, shall nevertheless be recognized because of the fact that it has a great extent of territory; and I hope that the Senator will not overlook that fact.

Mr. BARKLEY. If I may explain the amendment somewhat, in order, I will discuss that feature of the Senator's inquiry.

Mr. McCARRAN. I shall listen to the explanation most carefully.

Mr. BARKLEY. Mr. President, in the committee which reported the bill there was very earnest discussion of the contemplated road program. For more than 20 years we have had a Bureau of Public Roads, during most of which time it has been presided over and administered by Mr. Thomas H. MacDonald, one of the ablest, most competent, and most devoted and sincere advocates of highway improvements, and I think, under all the circumstances, as great an expert in highway improvement as we have in the United States.

He made a survey and study, occupying 3 or 4 years, looking toward the recommendation and suggestion of a program of highway improvements going a little beyond the method adopted by the Federal Highway Act, taking into consideration the need for peculiar treatment of highway improvements in congested areas throughout the United States.

As the bill was originally drawn, it was feared in the committee, and by other Senators also, that it might authorize the Federal Government on its own account, and without consultation and cooperation with and without the consent of any State, to go into a State and build highways which would be Federal superhighways under the jurisdiction of the Federal Government alone, on which tolls would be charged with a view of repaying the cost of construction.

Of course, the Federal Government and the Public Roads Administration have not contemplated and do not contemplate any wholesale program of that sort, although I think the time may come when the Federal Government will have to consider what its contribution may be toward the solution of highway congestion in the densely populated sections of our country.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKellar. The Senator speaks of the report of Mr. MacDonald. The report was in response to a resolution, of which I believe I was the author, concerning what are known as superhighways. It will be remembered that several bills relating to superhighways were introduced, and Mr. MacDonald reported in regard to them. As I recall his report, although I have not read it in the last day or two, it expressed opposition to superhighways, and merely mentioned the fact that there was one possible superhighway which might be made to pay, that is, one between Washington and Boston. Otherwise, as I recall Mr. MacDonald's report, it does not stand as a reason for the amendment and the provision in the bill.

Mr. BARKLEY. I may say to the Senator that Mr. Mac-Donald in his report does not oppose superhighways. He states in the report that, with the possible exception of one or two such highways, he doubts whether they would be wholly self-liquidating under any toll system which would be probably appropriate to the construction. But, regardless of Mr. MacDonald's report, and regardless of his opinion about the matter, the superhighway, as it is in the mind of the Senator from Tennessee, is out of the bill under the amendment which I have offered.

Mr. McKELLAR. The superhighway may be out, but toll roads are still provided for in the amendment. Does the Senator believe that toll roads will be acceptable to the people of the United States? The Senator no doubt recalls that in his own State, as in many other States, toll roads and toll bridges are about as unpopular as any public work which has ever been undertaken, and as soon as a toll road or a toll bridge is established in any State, one of the first things that is done is to have a bill introduced to do away with the tolls and make it a free road or a free bridge. It seems to me to be very unwise to introduce into the pending bill provision for a system of toll roads, for, in my judgment, they would not be acceptable to the people of this country. I do not believe the people approve of toll roads anywhere in our country, and I think that part of the bill should be stricken out.

Mr. McCARRAN and Mr. GUFFEY addressed the Chair.

Mr. BARKLEY. If I may reply to the Senator from Tennessee, I do not believe a system of general toll roads, which the people of the United States would be compelled to travel because of lack of any other sort of facilities, would be popular. I do not think any kind of facility on which anyone has to pay is extremely popular, so far as that is concerned. But there are toll bridges in my State, which were built under an act of the legislature authorizing the issue of bonds for the purpose of building those toll bridges, and those bonds are to be retired and are being retired out of tolls collected on the bridges, and it is estimated that within a very short time the bridges will be free because the revenue collected from the traffic upon them will be sufficient to pay the cost of construction, and when that cost has been paid, the bridges will be free.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. McCARRAN. I take it that the Senator from Kentucky has been applying his answer to the Senator from Tennessee, who propounded a question, and made a statement in which I concur very wholeheartedly. I am wondering whether the leader of the majority in this body is now promulgating or fostering an entering wedge whereby this country is to have a system of toll roads from now on. I take it that the answer is no.

Mr. BARKLEY. Absolutely.

Mr. McCARRAN. Very well. Then, if it is not good as a promulgation for a general system, it cannot be good for a system which would apply specifically to some particular section. If that be true, then the whole proposition falls, because toll roads have been a failure due to their condemnation from the standpoint of public sentiment.

Mr. BARKLEY. Mr. President, I am not promulgating or fostering any proposal which could be construed as an entering wedge for the adoption of any general toll-road system in the United States. But there are special facilities, such as tunnels and bridges over navigable streams, or over estuaries, or across bodies of water, or bypasses in order to escape congestion in particular localities, for the use of which already, in parts of the country, tolls are being charged, where it may not be entirely inappropriate to use that method for repaying the cost of construction. But that does not apply in this amendment in the same way to roads themselves. It applies to the particular facilities mentioned in the first part of the amendment, and such facilities can be erected only with the consent and approval of and in cooperation with the State highway departments and the highways departments of the localities in which they are to be built.

Mr. McCARRAN. Mr. President, will the Senator yield again?

Mr. BARKLEY. I yield.

Mr. McCARRAN. I make this expression basic to my support or nonsupport of the bill, that the so-called toll roads are to be self-liquidating projects. Therefore, they are to be fostered, promoted, promulgated, as self-liquidating projects. The amendment of the able Senator from Kentucky fosters and supports that theme and theory which I have put forward. If that be the theme of this program, we are lost.

Mr. BARKLEY. If I get an opportunity to explain my amendment I think I can disabuse the Senator's mind on that proposition.

Mr. McCARRAN. The Senator cannot disabuse my mind on the proposition that a toll road is not self-liquidating.

Mr. BARKLEY. . The self-liquidation of a toll road under my amendment is out, unless it is a road constructed in cooperation with a State or local highway authority, in which the State or local highway authority agrees to take over and maintain and operate the highway facility, and return the money to the Government of the United States in any way that it sees fit to raise the money.

Mr. McCARRAN. That does not really answer the question, though it answers it directly in furtherance of my idea that a toll road is a lost project. If that is the policy, if that is the idea of the able Senator from Kentucky, as now expressed, then his whole idea has been lost.

Mr. BARKLEY. I hope we can find it again, even if it is entirely lost.

Mr. GUFFEY, Mr. BYRNES, and Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Pennsyl-

Mr. GUFFEY. For the information of the Senator from Nevada, the Senator from Tennessee, and the Senator from Ohio I will relate a little experience we have had in Pennsylvania in building a toll road. We are now building a toll road about 175 miles in length. It is a 4-lane road, 2 lanes in each direction. The road will shorten by about 40 miles the distance now necessary to travel over the existing road. A toll will be charged for traveling on that road. There will be no grade crossings, and there will be 7 miles of tunnels. The people who advocated the building of the road are those who will use the road.

Mr. ADAMS. Mr. President, I think the Senator from Pennsylvania should add to his statement that there was a grant of Federal money of 45 percent to the construction of the toll road referred to.

Mr. GUFFEY. I repeat, those who advocated the building of the road are those who will use the road.

Several Senators addressed the Chair.

Mr. BARKLEY. Mr. President, may we have order?

The PRESIDING OFFICER. If the Senate is to conduct business in the way it is accustomed to do so, we must have order, and Senators will obey the rules of the Senate.

The Senator from Kentucky has the floor.

Mr. BYRNES and Mr. ADAMS addressed the Chair.

Mr. BARKLEY. I yield first to the Senator from South Carolina, who has been on his feet for a long time.

Mr. BYRNES. I suggest to the Senator from Kentucky that there is a misunderstanding on the part of many Senators who believe that the language of the amendment as reported by the committee is to be considered by the Senate, and I think, if the Senator will ask permission to go ahead and explain the substitute he has offered, we might possibly save much discussion.

Mr. ADAMS and Mr. McCARRAN addressed the Chair.

Mr. BARKLEY. Mr. President, I will say that I am going to do what the Senator from South Carolina has suggested. I first yield to the Senator from Colorado.

Mr. ADAMS. Mr. President, I think the Senator from Pennsylvania should add a statement to his illustration. There was a grant of Federal money of 45 percent for the construction of the toll road referred to by him, and it could not have been built if the cost was to be repaid entirely from the tolls without the Federal grant having been made. If it had to be built at 100 percent cost to the State authorities, it would not have been a success.

Mr. GUFFEY. The people of the community were anxious and willing that the road be built, and are willing to use it and pay tolls for the use of it.

Mr. President, I ask to have printed in the RECORD at this point in connection with my remarks a telegram from Walter A. Jones, chairman of the Pennsylvania Turnpike Commission, addressed to the chairman of the House Committee on Banking and Currency.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegram is as follows:

JULY 25, 1939.

Chairman H. B. STEAGALL,

House Committee on Banking and Currency,
House Office Building, Washington, B. C.:
Your wire addressed to me at Harrisburg received here, New York,

too late to appear today before your committee. I had hoped to speak briefly on the subject of toll roads and urge the necessity of beginning at once the construction of a system of express high-ways, cost of which to be amortized by the traffic using them, especi-ally interstate trucks; such roads to circumvent all cities and towns. This can be done, I am convinced, after extensive study, by private capital if the Government will create a Federal Road Authority with power to issue bonds, which would be guaranteed by the Government. Under this plan private capital will be put to work immediately and go very far to relieve unemployment and stimulate business. This would also lessen the necessity of Government appropriations. The railroads need help, which can be obtained only from the Government, because of the loss of business to highway to the control of traffic. It is only reasonable that the great corporations, including the railroads, who are now using the highways should pay for the system of express highways. The construction of the tunnel highway by the Pennsylvania Turnpike Commission, of which I have the honor to be chairman, and which project is being financial. entirely by Federal money, has created a golden streak of prosperity and relief and also an uplifting encouragement to the citizens along the 160-mile stretch through the mountains of Pennsylvania. So I urge that this matter at least be started at this time by your committee, even if nothing more is done than the appropriation of a sum to enable the authority you would create to make necessary studies as to the initial location of such express highways.

WALTER A. JONES,

Chairman, Pennsylvania Turnpike Commission.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BARKLEY. I now yield to the Senator from Nevada.

Mr. McCARRAN. I wish to address my remarks to the Senator from Kentucky in order that he may clarify the expression just made by the Senator from South Carolina, who said that a misapprehension existed and that we should consider the language of the amendment of the Senator from Kentucky. What else would we consider, because that is the mater now before the Senate? And I say that the language of the amendment of the able Senator from Kentucky conveys the idea that toll roads are to come into the picture as self-liquidating projects.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BARKLEY. No, Mr. President, I will not yield until I make a start toward explaining the amendment. I will yield later on.

Mr. LODGE. Very well.

Mr. BARKLEY. We yield around here until the whole day is gone and we do not get anywhere. [Laughter.]

Mr. President, as I was saying an hour or two ago [laughter] when this language was in the Committee on Banking and Currency-I hope I may have the attention of my devoted friend the Senator from Nevada when I explain my amend-

The PRESIDING OFFICER. Will the Senators kindly take their seats while the Senator from Kentucky explains his amendment?

Mr. BARKLEY. Mr. President, as this bill was originally introduced it carried the idea which is in the mind of the Senator from Nevada, and because of that there was serious objection to it. We had Mr. MacDonald before the committee. The Senator from Arizona [Mr. HAYDEN], who, I think, knows more about public highways than any other Member of the Senate, came before the Senate committee and gave us the benefit of his experience. It was difficult to write language in the hurly-burly of debate in a committee that did just what we are trying to do. So the language of this amendment has been framed after consultation with the Senator from Arizona, the Senator from South Carolina [Mr. Byrnes], the Senator from New York [Mr. Wagner], the Senator from Colorado [Mr. Adams], and the Senator from Ohio [Mr. TAFT], who had offered in the committee an amendment dealing with the same subject. But while the Senator from Ohio may not entirely agree to the language in which the amendment is couched, I understand that it is fairly satisfactory to him.

The amendment takes the place of paragraphs (a), (b) and (c) of section 5, dealing with highways. Section 5 of my amendment begins:

Subject to the provisions of this act, the Public Roads Administration shall have power-

And, of course, the only other part of the measure dealing with highways is in section 4, where the allocation of the \$500,000,000 is provided for.

SEC. 5. Subject to the provisions of this act, the Public Roads

Administration shall have power—

(a) To make loans to States, municipalities, and other public bodies for highway improvements as defined in section (4) (1)

Section 4 (1) is to be found on page 3, where the allocation of the sum of \$500,000,000 for post roads, highways, parkways, grade crossings, underpasses, overpasses, viaducts, bridges, and tunnels, and so forth, is provided.

(b) With the consent and cooperation of the State, municipal, or other public-highway agency within the territorial jurisdiction of which the facility is to be located, to construct, reconstruct, enlarge, and maintain bridges—

Senators will bear in mind that that section does not deal with highways; it deals with bridges, viaducts, and tunnelsand to fix, maintain, and collect tolls or other charges for the use of such facilities which shall be sufficient

Omitting the parentheses, which merely makes provision for reasonable allowance for operation and maintenancewhich shall be sufficient to amortize the cost of such facilities with interest as hereinafter provided, but no tolls or other charges shall be collected for the use of any such facility after the construction cost thereof has been paid or liquidated.

That only applies to bridges, viaducts, and tunnels. It does not apply to roads in the ordinary acceptation of that term out through the country.

I now read subsection (c) of my amendment:

SEC. 5. Subject to the provisions of this act, the Public Roads Administration shall have power-

(c) To construct, reconstruct, alter, extend, enlarge, improve, repair, and acquire highway improvements, with a view to promoting interstate commerce, aiding in the national defense, facilitating the use of the mails, or promoting the general welfare and to acquire by purchase or condemnation any real property adjacent to any such proposed highway improvement, but no such work shall be undertaken until a contract has been entered into between the Administration and a State, municipality, or other public body, pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement and all real property acquired under this section. Upon certification by the Corporation-

That is the Reconstruction Finance Corporation-

that the cost of any such highway improvement and such other real property together with interest thereon as provided in this act has been fully repaid by any State, municipality, or other public body, title thereto shall be vested in such State, municipality. pality, or other public body.

That is the provision of this amendment which carries out the idea of constructing highways, highway improvements. and the acquirement of land necessary for rights-of-way and land adjacent thereto. However, before the Federal Government may go into a State and build a mile or a foot of such highway it must have a contract with the State, the municipality, or other public body, under the terms of which, at the conclusion of the construction of the highway, the State or locality shall take it over, operate and maintain it, and repay the Federal Government the cost of the construction, with interest. The local communities are at liberty to raise the money necessary to repay the Federal expenditure by any method which they see fit to adopt. They may do it out of general revenues. They may do it out of license taxes. They may do it out of gasoline taxes; or I presume, if the local highway authority wanted to do it or had the power to do it. they might themselves fix a toll. But the Government of the United States has no power to fix a toll on any highway constructed under the provisions of the subsection of the amendment which I have read. I dare say that no highway department in any State or city would levy a toll for that purpose; but if it did so, it would be doing it on its own responsibility and not through any coercion, cooperation, or any other authority or power vested in the Government of the United States to bring about the collection of any such toll. The local authority, whether it be State or municipal, is absolutely free to determine for itself how it shall raise the money to repay the Government of the United States for the expenditure necessary to carry out the program.

Mr. McCARRAN rose.

Mr. BARKLEY. Before yielding I should like to refer to an instance to which I referred earlier in the debate. In the city of Chicago, where traffic is congested in and out of the city and in Cook County, the local authorities now have a program involving the widening of streets and roads to avoid congestion and to enable traffic to go around the congested sections of downtown Chicago. Chicago has \$60,000,000 with which to carry on the improvement. Forty-five million dollars will be required to buy the rights-of-way. So if the city of Chicago were compelled to pay \$45,000,000 out of its available fund of \$60,000,000 for the rights-of-way it would have only \$15,000,000 left for construction, which would not be sufficient.

Under this program the Federal Government could go in and buy the rights-of-way, assuming that they would cost \$45,000,000. That would leave the city of Chicago and Cook County \$60,000,000 with which to build the highway. Then, under any plan adopted by the city of Chicago, Cook County, or the State of Illinois, either separately or together, they would repay the United States Government over a period of not to exceed 40 years. I think in that particular case the

plan would be to pay back in 25 years, out of current revenues-not out of tolls but out of current revenues-the entire amount involved in the expenditure by the Government of the United States, with interest. Under this provision, if the locality decided to set up a toll system to raise part of the money, at the end of the amortization period no more tolls could be charged, even by the community in which the facility is established. So there is nothing in the bill which authorizes, empowers, or in any way makes it possible for the Federal Government to build a highway and charge tolls upon it to those who use it.

Mr. McCARRAN and Mr. DANAHER addressed the Chair. The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I appreciate the courtesy and kind attitude of the Senator from Kentucky in this matter. I represent a rather peculiar section of the country-a section with 110,000 square miles of territory and a population of 100,000. The population is carrying a tax burden to maintain a State which is progressive to the "nth" degree, and at the same time to maintain its part in the Federal system. We are not inclined—and we never will be inclined-to tax those who pass over our territory by way of a toll to be paid for the use of the roads over that territory. The Federal Government has contributed, in keeping with its proportion of contribution and the principles of equity, toward the building of transcontinental and other highways over that State.

I use my own State as an example. It is not an isolated example. There are other examples. We have not heard about some of them, but they are, nevertheless, examples. All the sparsely settled States of the West are involved in this question. If there are benefits to come from the bill, and if we are to gain the benefits only by taxing the transient public which passes across our territory; if we are to say, "Yes; we will take advantage of the bill, but we will tax those who visit our community," then I say that some of us must be opposed to the proposal, because we are opposed to any proposal which involves a toll to pass across the territory of a

Mr. BARKLEY. Mr. President, there is nothing in the bill which remotely authorizes such a thing. The Federal Government may not even go into the State to help it build a road, bridge, tunnel, or viaduct unless the State itself consents to it.

Mr. McCARRAN. That is very true.

Mr. BARKLEY. The Senator's State is not different from many other States. I am as much opposed as is the Senator to any scheme by which we would establish toll roads all over the country and charge tolls for the people to travel over the roads, although it may be possible that in some densely settled sections of the country many persons who are in a hurry with trucks and automobiles might be willing to pay a reasonable toll in order to avoid such congested centers as Baltimore, Philadelphia, or New York in going on a long trip. However, that is neither here nor there. Such a thing may not be done under the provisions of the bill without the consent of the locality. The way the measure would operate would be that localities and States would make application to the Government of the United States through the Public Roads Administration. The operation does not involve the question of the United States forcing itself on some locality to build a road or establish a toll. Such roads are to be built in cooperation with and with the consent of the State or locality. As a matter of practice, it would be at the invitation, and usually at the urgent request of the State or locality, in order that the financing of the enterprise might be assisted with funds from the United States.

Mr. McCARRAN. Mr. President, will the Senator further vield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. There would be an inducement offered to the State to establish tolls. For example, in my State we would be asked, "By what process would you repay the ex-

penditure?" Having been taxed almost up to the limit, we would say, "We now have no available process." I am not speaking for Nevada alone. Senators from some of the Western States with sparsely settled communities may well listen to what I am saying. The Federal Government would then say, "There is another avenue. If we build this road for you, you may charge a toll." The natural inducement is to bring the public into our community. We would be induced to impose a toll upon those who pass across New Mexico, Arizona, Nevada, Wyoming, and other States of like sparseness of population.

Mr. BARKLEY. I do not think that result could ever happen unless we assume that the highway authorities of Nevada and the other States are totally oblivious to public opinion and would force a toll on their own people, which I do not believe would ever occur.

Mr. McCARRAN. The highway departments of Nevada and other Western States are never oblivious to public opinion. They are always sensitive to public opinion. However, the public opinion of the sparsely settled States is in favor of bringing the traveling public to those States.

Mr. BARKLEY. They would not want to bring them there if it would operate as a burden upon the States.

Mr. McCARRAN. It would not be a burden upon the States. It would be a burden upon the traveling public.

Mr. BARKLEY. It might be a burden of such size as to keep the traveling public from visiting the beauties of Nevada, but that is a matter which the people of Nevada would have to consider if they were to entertain the proposal to levy a toll. I think the Senator from Nevada can rely upon the sentiment and the attitude of the people of every State with respect to toll roads. A different question is involved in building a tunnel under a stream, or a viaduct of some sort to get away from congestion in a city or in the outskirts of the city. The local community might be willing to pay a small charge to enjoy that privilege. However, nothing could be done without the consent of the locality. No power on earth can force the Federal Government into a State, city, or county unless the locality wants it to come.

Mr. McCARRAN. I should like to make one further observation, and then I shall not interrupt the Senator any further. I have already interrupted him more than I intended. I am opposed to anything which carries out the principle of toll roads. That principle belongs to a century ago. It has been lost to America. It should never be revived. And I am opposed to anything that would revive it. I hope the Senator from Kentucky agrees to that view-

Mr. BARKLEY. I share the Senator's sentiment. There is no one who is more opposed generally to the existence of toll roads than I am. However, that question does not lurk in this amendment.

Mr. LODGE and Mr. McNARY addressed the Chair. The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Massachusetts, who has been on his feet for some time.

Mr. LODGE. I merely wish to ask one question. Under the terms of the Senator's amendment, is it correct to say that all road projects would have to be adopted with the consent of either the State or the subdivision of the State?

Mr. BARKLEY. Absolutely.

Mr. LODGE. I thank the Senator.

Mr. McNARY. Mr. President-

Mr. BARKLEY. I yield to the Senator from Oregon. Mr. McNARY. I do not desire to interrupt the Senator from Kentucky.

Mr. BARKLEY. I have concluded.

Mr. McNARY. He has made a very clear exposition of his amendment, but it appears to me, if I read his amendment aright, that it contemplates that the construction of roads shall be done exclusively by the Federal Government and not by the highway commissions of the various States.

Mr. BARKLEY. It makes it possible for that to happen, but it is not obligatory.

Mr. McNARY. That is the interpretation I place on it. According to the amendment, section 5 provides that the Public Roads Administration, which is the Federal Government, "shall have power to construct, reconstruct, highway improvements."

Mr. BARKLEY. Yes; that it shall have the power to construct, but it is not compelled to construct.

Mr. McNARY. And then only in the event that the highway commission shall enter into a contract to take the road off the hands of the Federal Government after it is con-

Mr. BARKLEY. That is correct. For instance, if a State had a sum of money that would enable it to make a contribution to the construction of the highway and the Federal Government put up the balance, that would leave, of course, a smaller amount to be paid by the Federal Government whenever the State and Federal Government, which they might do in partnership, should build a highway, but the road when constructed would be turned over to the State or to the locality, and would be maintained and operated by the locality, and the amount of the Federal contribution paid back over a period of years.

Mr. McNARY. I appreciate that; and the Senator's proposition is to transfer the final liability from the Federal Government to the State highway commission, which, of course, is the agency of the State.

Mr. BARKLEY. That is true. Mr. McNARY. I think it is an improvement over the bill as originally framed, but it occurs to me, even after the explanation, that the power is given to the Federal Government to construct, and then leave the State to take over the program after the construction period has been fulfilled.

Mr. BARKLEY. What we have all been trying to get away from is the theory that the Federal Government is going to build main highways or any other highways and charge tolls and itself operate the highway as a Federal highway free from any cooperation, jurisdiction, or connection with the State highway system. So, under this amended proposal, while the power exists for the Federal Government to incur the entire expense necessary to build a road, as soon as it is built it is turned over to State operation, just as if it were a State highway, except that the money must be paid back.

Mr. McNARY. I appreciate that, but let me state again my position. The highway commissions of the various States have facilities and equipment with which to construct roads and have long experience. The Federal Government has had no experience, and has no equipment, no facilities for the construction of highways. Would it not be better if all the power were removed from the Federal Government to construct roads and that power reserved exclusively to the State highway commissions?

Mr. BARKLEY. I do not think so, because I think the Federal Government might, in some cases, put up the entire amount, and while the Federal Government does not have a large amount of equipment it has had much experience in the building of highways. All highways in this country are built under specifications that have to be approved by the Federal Government.

Mr. McNARY. In part. There are three factors, as the Senator knows, namely, the State highway commission, the Forest Service in the case of forest roads, and the Federal Bureau of Roads. I only express my view when I say I fear the power conferred by the amendment. I think it would be better in the consideration of this measure if all the power for the construction of roads were taken away from the Government and placed in the States.

Mr. BARKLEY. I appreciate the Senator's opinion, but I do not think that would improve it. The other subsection of my amendment is practically the same as was in the bill authorizing the Federal Government to acquire title and take the property, and so on. I do not wish, however, to take any more time.

Mr. TAFT. Mr. President, will the Senator yield? Mr. BARKLEY. I yield to the Senator from Ohio.

Mr. TAFT. What concerns me about paragraph (c) is that it says:

But no such work shall be undertaken until a contract has been entered into between the administration and a State, municipality, or other public body, pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement and all real property acquired under this section.

Does the Senator think that that would permit the Federal Government to build \$40,000,000 of highway improvements in the city of Chicago and then lease them to the city for a dollar a year?

My amendment provided that there could not be such a lease unless a rental was paid under the lease which would pay all costs over a period of 30 years.

Mr. BARKLEY. The Senator's amendment would practically compel the locality to levy tolls.

Mr. TAFT. No; that is not correct.

Mr. BARKLEY. Of course, it would not be possible for the Federal Government to lease any such highway or improvement to the city of Chicago or any other municipality for a dollar a year, because that would not pay back the cost of construction in 30 or 40 years, the period provided for in the bill.

Mr. TAFT. In other words, the Senator relies upon section 17 in the making of lease?

Mr. BARKLEY. That section is to be considered, but there is a provision in the amendment that there must be a contract with the locality, State, municipality, or other public body in which locality covenants to pay the Federal Government the cost of construction and interest.

Mr. TAFT. I do not see that.

Mr. BARKLEY. I beg the Senator's pardon. I should have referred him to section 13, on page 15.

SEC. 13. The Department of Agriculture, the Public Roads Administration, the Public Works Administration, the Rural Electrification Administration, and the Corporation shall exercise their powers under this act so as to reasonably assure recovery of any expenditure under this act, with interest, at a rate or rates which may reasonably be expected to reimburse the Corporation for the cost to it of the capital required for any expenditure under this act, but not to exceed-

And so forth.

Mr. TAFT. The Senator is referring to section 17, I think, which reads that-

No project shall be constructed, nor any loan made directly or indirectly to construct any project unless, through its operations or from reasonable assurances or agreements, it is determined by the agencies making the expenditure or loan that the amount expended, or the loan, with interest, will be repaid within 40 years.

Mr. BARKLEY. That is right; it is section 17.

Mr. TAFT. That, of course, is entirely at the discretion of the Federal Road Administrator.

Mr. BARKLEY. He has to convince the Federal Loan Administrator that the terms of the contract and the whole contract are of such character and the revenues of the State or locality are of such character as reasonably to assure the repayment within that period.

Mr. TAFT. The Senator, then, would probably not object to the amendment I intend to offer to provide that the Federal Loan Administrator shall find or shall approve a finding that the improvement is self-liquidating and the cost will be paid back.

Mr. BARKLEY. The Senator has criticized the use of the word "self-liquidating" so much that I do not think that question ought to be injected into the bill.

Mr. TAFT. Very well.

Mr. BARKLEY. I would have no objection to an amendment that would require more specifically that the Federal Loan Administrator shall find that the contract with a State or locality is of such nature that the money will be

Mr. TAFT. I will submit such an amendment.

There is another feature. As I understand, in two places the amendment proposes the condemnation of property. Paragraph (c) authorizes the Road Administrator "to acquire

by purchase or condemnation any real property adjacent to any such proposed highway improvement." Again, in subsection (d), it speaks of acquiring "other real property, adjacent to any such highway improvement."

Then, in the old subsection (d), which now becomes (e), there is authority to improve "such real property in any

way authorized by this act."

It seems to me that that restores to the bill the feature the committee took out, which authorized the Federal Government to go into the business of excess condemnation of acquiring property on both sides of the right-of-way adjacent—and "adjacent" is a pretty broad term—and then to go ahead and build on that property garages or apartment houses or any other kind of construction which might be authorized under the P. W. A.

Mr. BARKLEY. The Senator is referring, is he not, to old subsection (d)?

Mr. TAFT. I am referring to old subsection (d).

Mr. BARKLEY. I will say to the Senator that the purpose of that section is to enable the Federal Government to do what it cannot now do. It cannot expend any money on a piece of property it has purchased until title has been certified by the Attorney General as being vested in the Government of the United States. So, under this section, if the Government goes in and starts condemnation proceedings, as it does now in the national parks and the Forestry Service, and has to wait until the condemnation suit is brought and compensation is fixed and title vested in the Government and the Attorney General certifies that fact, the Government may go in now and expend money upon the property, take possession of it, and when the compensation has been determined by the condemnation then, of course, the owner of the property is paid, but in the meantime the Government can go ahead and make improvements on it. That is the object of this provision.

Mr. TAFT. I will speak in my own time later, but I want to say that it seems to me the Senator has restored the excess-condemnation provision which the committee expressly struck out in the form of a bill. I do not think they are in the present (a), (b), and (c) paragraphs, and I do not think the committee approved of such excess-con-

demnation proceedings.

Mr. BARKLEY. The purpose of that section is to take these improvements out from under the prohibition of section 355, which compels the Government to delay the expenditure of any money on property until there has been a certification of title.

Mr. BYRNES. Mr. President-

Mr. BARKLEY. I yield to the Senator from South Carolina.

Mr. BYRNES. I only want to call the Senator's attention to line 22, page 2, of his amendment, where the word "section" appears. The fact has been called to my attention, as a matter of draftsmanship, that the word should be "subsection" instead of "section."

Mr. BARKLEY. What page is the Senator referring to? Mr. BYRNES. Page 2, line 22, of the Senator's amendment. The language is:

but no such work shall be undertaken until a contract has been entered into between the Administration and a State, muncipality, or other public body, pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement and all real property acquired—

The amendment says under this section.

The section provides for the acquirement of other property.

Mr. BARKLEY. I think that is all right; but it would also be necessary to say "this section and subsection (e)."

Mr. BYRNES. If the Senator would say "under this subsection in connection with such improvement," I think he would provide for just what was intended.

Mr. BARKLEY. I have no objection to that language.

Mr. McCARRAN. Mr. President, will the Senator from Kentucky and the Senator from South Carolina state what is intended?

Mr. McNARY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I have yielded to the Senator from South Carolina.

Mr. McCARRAN. I am addressing my question to the Senator from Kentucky and the Senator from South Carolina, in view of what has been stated. What is intended?

Mr. BYRNES. I have called to the attention of the Senator from Kentucky the fact that on page 2, line 22, there appears the word "section"; but I am satisfied that the intention of the Senator from Kentucky and the committee was that it should be "subsection", so that the provision would apply only to the real property acquired pursuant to the subsection. The draftsmen have called attention to it, and the Senator from Kentucky states that he realizes that it should be done.

Mr. McCARRAN. The Senator speaks of the intention of the committee. I do not understand what is meant by that. This matter was not before the committee.

Mr. BYRNES. The members of the committee to whom the Senator from Kentucky talked with reference to this matter had the intention which the Senator from Kentucky states.

Mr. McCARRAN. What was their intention? Please state it in the language of the Senator from South Carolina.

Mr. BYRNES. The intention was that no such work should be undertaken—

until a contract has been entered into between the Administration and a State, municipality, or other public body, pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement and all real property acquired under this subsection in connection with such improvement.

Mr. McCARRAN. What is meant by "and all real property acquired"?

Mr. BYRNES. The language means what it says—all real property acquired in connection with the construction of the road or bridge.

Mr. McNARY. Mr. President, still pursuing my inquiry, and again stating my objection to the Federal Government constructing these roads, and looking more closely to the language, I am confirmed in my conviction and expressed opinion that by this amendment the power to construct roads is vested, if not contemplated, in the Federal Government.

On page 2, line 20, the language of the amendment reads, referring again to the contract between the State or municipality and the Public Roads Administration of the Federal Government, that the State or municipality may enter into a contract "to purchase or lease and to maintain and operate the improvement." The clear deduction from that language certainly is that if the State or municipality is to lease the road, or if it is to purchase the road, the Federal Government must have constructed the road, because if the State or municipality constructs the road, it certainly would not purchase or lease the road; it would own the road, subject to the liability to return to the Government the amount of money advanced for the construction of the road.

I do not want any doubt thrown upon the matter. If this unfortunate bill should become a law, and if this section should remain in the statute in the fashion in which it is offered here by the able Senator from Kentucky, I should not want to have the Comptroller General or the Department of Justice construe this amendment to mean that in view of this rather ambiguous language the Federal Government only had the power to construct the road, and the State had the power to lease or purchase and maintain it. Therefore, to remove all doubt and to make it clear, I suggest that on line 20, page

2, before the word "purchase," we insert the word "construct," so that it shall read, commencing on line 16:

but no such work shall be undertaken until a contract has been entered into between the Administration and a State, municipality, or other public body, pursuant to which such State, municipality, or other public body covenants to construct, purchase, or lease—

And so forth. That will make it clear, in my opinion, that the State may construct the road; but if the Government itself does construct the road, it may be leased.

Mr. BARKLEY. I will say to the Senator that I have no objection to that amendment. I think the States, municipalities, and so forth, can do it anyway; but if they cannot, I want them to be able to do it. I accept the amendment.

Mr. McNARY. Very well.

The PRESIDING OFFICER. Is there objection?

Mr. BARKLEY. I desire to say, in that connection, that the reason why the word "lease" is used is that there may be some States and some localities which have reached their limitation of indebtedness, and they could not go into debt, but they could enter into a lease by which they could repay the Government over a period of years.

Mr. McNARY. I appreciate the intendments of the Senator. Mr. BARKLEY. I modify the amendment in the regard

suggested by the Senator from Oregon.

The PRESIDING OFFICER. Does the Senator from Kentucky also accept the modification of the amendment proposed by the Senator from South Carolina?

Mr. BARKLEY. Yes; I stated that I would modify the amendment as suggested by the Senator from South Carolina, and also as suggested by the Senator from Oregon.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Kentucky a question, if I may.

On page 2, lines 14, 15, and 16, the amendment reads:

And to acquire by purchase or condemnation any real property adjacent to any such proposed highway improvement.

That is known as excess condemnation. There are only seven States in the Union—possibly eight—which provide by their constitutions for excess condemnation of land.

Mr. BARKLEY. There are 15 States which, either by constitutional or by legislative authority, provide for the purchase or acquirement of excess land.

Mr. McKELLAR. Well, let us say 15. Then necessarily the benefits of this bill would be confined to 15 States, because there would be no way of condemning excess property in other States. I do not think that ought to be the case.

Mr. BARKLEY. Of course this condemnation and this acquirement are to be done by the Federal Government in connection with the construction of the highway. Then the highway is to be taken over by the State. The State does not have to engage in any condemnation proceedings.

Mr. McKELLAR. Unless the State's constitution or law provides for excess condemnation, is the Senator of the opinion that the Federal Government may step in and condemn any amount of land? And, by the way, this amendment as the Senator has drawn it, provides for the unlimited acquirement of such excess property.

Mr. BARKLEY. No; I do not think it is unlimited. The amendment says "adjacent."

Mr. McKELLAR. All property in the United States would be adjacent to the road if we should keep on widening it. We could widen it until we got it all.

Mr. BARKLEY. That certainly would be a broad interpretation. [Laughter.]

Mr. McKELLAR. That would be a very broad interpretation, and perhaps too broad; but there is no limit on this language. It really applies, if the Senator is right, to only about 15 States. The benefits provided in the bill would go to only 15 States.

Mr. BARKLEY. I do not agree with the Senator from Tennessee.

Mr. McKELLAR. I will state to the Senator what Mr. MacDonald has reported. Mr. MacDonald has reported that

in California, Massachusetts, New York, Pennsylvania, and Rhode Island a limited amount of excess property may be condemned. Ohio also authorizes a limited amount; Wisconsin likewise, and Michigan likewise. Mr. MacDonald says there are seven States in which such condemnation is permitted under the State constitutions. In the others it is not permitted. Necessarily, in my judgment, the benefits of the act would be limited to the States which have such provisions in their constitutions. I may be mistaken. I have not examined the decisions.

Mr. BARKLEY. This is the way that would work: The Federal Government, we will say, would buy or acquire in some way 100 feet or 200 feet on either side of a road. When the road was completed, the State would take over what the Federal Government had acquired, namely, the road and the adjacent property. No question of condemnation would be involved. The State would just take over and maintain the property which the Federal Government had taken in connection with the highway; and in that connection there is one advantage to the State which I think probably has been lost sight of-that the Federal Government would get back only what it had paid for the improvement of the property, with interest. If there should be any increase in the value of the property taken over it would accrue to the State, and the State would get the benefit of it, not the Federal Government.

Mr. McKELLAR. That may be so; but I find from the report of the Bureau of Public Roads that in the case of *Cincinnati* v. *Vester* (281 U. S. 439), a very late case, decided in 1929, this statement was made by our Supreme Court:

We conclude that the proceedings for excess condemnation of the properties involved in these suits were not taken in conformity with the applicable law of the State, and in affirming the decrees below upon this ground we refrain from expressing an opinion upon the other questions that have been argued.

That is a very clear implication that we must follow the State law, and, according to the report of Mr. MacDonald, there are only seven or eight States which have constitutional provisions permitting the acquisition of excess property by condemnation. Therefore the benefits of the act would be limited to those States. Under those circumstances it seems to me it would be very unwise to adopt such a provision.

Mr. BARKLEY. The case to which the Senator has referred involved the interpretation of a city ordinance of the city of Cincinnati, under the constitution of Ohio, which the circuit court of appeals held authorized condemnation for a nonpublic use. The Supreme Court affirmed the judgment of the circuit court of appeals, but expressly declined to consider the constitutional validity of excess condemnation. The circuit court of appeals held that the ordinance of the city of Cincinnati was constitutional; the case went to the Supreme Court, and they affirmed the decision, but did not pass on the question of whether the ordinance authorized the purchase of land for nonpublic uses.

Mr. HAYDEN. Mr. President, as I read the amendment proposed by the Senator from Kentucky, it in no manner interferes with or changes the existing Federal-aid highway policy of the United States, but does properly supplement it. The existing policy was initiated in 1916, and contemplated that the United States would not build roads, but that the Federal Government would aid the States in the construction of highways. The way in which the United States does that is by the appropriation of a lump sum of money, which is apportioned among the States according to area, population, and mileage of post roads.

The law provides that when a State has a project which meets with the approval of the Bureau of Public Roads, and it submits that project to the Bureau and it is approved, it becomes a contractual obligation of the United States to pay its share of the cost.

Mr. BYRD. Mr. President, will the Senator yield? Mr. HAYDEN. I yield.

Mr. BYRD. Under the proposed act there is to be no distribution among the States. All of the money, if the President of the United States so desired, could go to one State, and the other 47 States would not receive a dollar. Am I correct about that?

Mr. HAYDEN. I do not think the Senator is correct.

Mr. BYRD. What is there in the bill which makes provision for any distribution among the States? It is left to the President of the United States to say where the money shall be spent. Would it not be possible for him to spend all the money in Virginia, for instance?

Mr. HAYDEN. I say that the President of the United States could take all this money and spend it in Virginia, yes, if he desired; but after all, that is not a sound suppo-

Mr. McCARRAN. Mr. President, he could not spend it all in Virginia, could he, because Virginia has certain constitutional provisions, has it not, which would prohibit the application of the proposed law now being written?

Mr. McKELLAR. In furtherance of the statement made by the Senator from Nevada, is it not also true that the President would be limited to the seven States which authorize excess condemnation?

Mr. HAYDEN. Mr. President, I started to tell the Senate what our policy is, and how this program has been initiated. I do not desire to be diverted by questions which obviously answer themselves, or by legal arguments.

Mr. McCARRAN. Just a moment, if the Senator will yield. He imputes to me that I propounded a question which answered itself.

Mr. HAYDEN. I was looking at the Senator from Virginia when I said that. [Laughter.]

Mr. McCARRAN. I was not answering myself; but I realize that the able Senator from Arizona is the master of

Mr. HAYDEN. I am no master.

Mr. McCARRAN. He has made a very careful study of this matter. But there are some States which cannot meet the conditions imposed, of which I may say, without fear of contradiction from the able Senator from Arizona, his own State is one.

Mr. HAYDEN. Not at all. My State can meet all the obligations and conditions of the bill if it should desire to utilize its privilege. But let me proceed with my statement.

Mr. McCARRAN. If I may interrupt the Senator once more, this will be the last time.

Mr. HAYDEN. I yield.

Mr. McCARRAN. The pressure which would be brought to bear in order to acquire superhighways-

Mr. HAYDEN. There is no superhighway in this bill; there is no toll road in this bill.

Mr. McCARRAN. But they will be permitted.

Mr. HAYDEN. They cannot be permitted under this

Mr. McCARRAN. They will be permitted as highways.

Mr. HAYDEN. They cannot be permitted as highways under this measure. I am talking about toll roads and superhighways, and we both have the same idea. As I read the amendment, toll roads are completely out of the

Mr. BYRD. Mr. President, I do not want to interrupt, but the Senator from Kentucky has stated that a State may establish toll roads.

Mr. HAYDEN. Not a toll road.

Mr. McCARRAN. Then, there are no toll roads in the bill?

Mr. HAYDEN. That is correct. That is exactly the way I read it.

Mr. BYRD. The Senator from Arizona does not agree with the patron of the bill, the Senator from Kentucky.

Mr. McCARRAN. Will the Senator consent to strike out the term "toll roads" all through the bill?

Mr. HAYDEN. Certainly; because it is not in the bill.

Mr. McCARRAN. It is in the amendment.

Mr. HAYDEN. No; it is not in the amendment. The only thing in the amendment is that there may be constructed

viaducts, tunnels, and bridges, on which tolls may be paid. It does not include toll roads, and the whole idea of superhighways is out of the bill the way it is drawn. But I ask Senators please to let me state why I think this proposal fits in with our existing Federal-aid system.

The Federal-aid system is based upon applications made to the Bureau of Public Roads for the construction of projects. The projects are initiated by the States. All the Bureau of Public Roads does is to pass upon the merit of the project; and if it fits into the law, it approves it. Then the United States contributes its part of the construction cost. That is what would happen under this bill. Under the change which has been made in the bill, nothing can be done unless first initiated by a State.

What is the difficulty we are now having with our Federalaid system? The difficulty primarily is over rights-of-way. Every 2 years we appropriate money for Federal aid, and there is a long lag in its expenditure. It drags and drags and drags. It drags so that last year, when the Senator from Tennessee and I and others on the Committee on Post Offices and Post Roads came to make up the bill authorizing expenditures for the next 2 years, we found \$150,000,000 of authorizations which were unused. Realizing that this long lag had taken place, that the money was not going to be used, we determined that it would not be necessary to appropriate so much money for the present fiscal year, and so we cut the Federal aid for the fiscal year ending June 30, 1940, from \$125,000,000 to \$100,000,000, and made it \$115,000,000 for the fiscal year 1941

For the fiscal years 1938 and 1939 \$50,000,000 a year was authorized for the elimination of grade crossings. We cut that to \$20,000,000 for 1940 and to \$30,000,000 for 1941, because the money was not being expended. The authorizations were piling up.

In the same bill, as the Senator from Tennessee has stated, we placed a provision directing the Bureau of Public Roads to make an investigation of the highway situation throughout the United States. The report states that the reason why Federal funds are not being spent, and why roads are not being built, is the bottle neck over rights-of-way. That is the great difficulty. This bill clears that situation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. TAFT. Why can it not be cured in a much simpler way, by merely providing that Federal-aid money may be used for buying rights-of-way, instead of having an elaborate bill creating all kinds of power in the Federal Government to construct bridges, and highways, and other things of the kind?

Mr. HAYDEN. Let me suggest to the Senator where the right-of-way difficulty occurs. It does not occur in rural sections of the country, where we have been building most of our Federal-aid projects. Since 1916 we have been connecting up the different centers of population in the United States. Until 5 years ago not a dollar of Federal-aid money was expended in any town or city which had a population of more than 2,500. The result has been that we have fairly good highways between the cities, but when we get into the cities, we run into terrific traffic jams. It is the cost of rightsof-way inside the cities that is causing the great difficulty.

The pending bill permits a project to be set up by any municipality or by any State. It is theirs; they work it out, and then say, "In order to straighten out the traffic conditions the way they must be handled, we have to acquire rights-of-way."

There are two difficulties in securing rights-of-way. is the antiquated condemnation laws. A group of States, which the Senator from Tennessee has mentioned, have improved their laws and their constitutions so that they can handle the matter. In many cases, however, title must be acquired to the last tract of land before it is possible to proceed with the work, and perhaps a whole project may be tied up on that account.

The pending measure provides for a Federal statute, which is just the same as the statute we now have for the condemnation of Federal building sites. It is possible to take

the property, appraise it, and pay for it afterward, so that

the project may proceed. That is one big advantage.

The other feature that has held up the States is the lack of right-of-way money, and the pending bill provides for the funds to pay for the rights-of-way.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McKELLAR. I know how very enthusiastic the Senator is about roads, and how very helpful he has been in aiding in the establishment of the road system, which I think is second to none, and under which we have had most wonderful results.

When I first came to Congress, some 28 years ago, no road in my section of the country went through as much as two counties, much less through a State, but now we have many of the most highly improved roads.

I am very much in favor of appropriations for highway improvement. I should like to see such an appropriation go into this measure. I call the attention of the Senator from Arizona [Mr. HAYDEN] to the language on page 6 of the bill, line 11, under the heading "Highway Improvement"_

SEC. 5. Subject to the provisions of this act, and utilizing the services of and with the cooperation and consent of the States, municipalities, and other public bodies concerned, the Public Roads Administration shall have power—

(a) To make loans for highway improvements, or to construct, reconstruct, alter, extend, enlarge, improve, repair, and acquire

highway improvements-

I would add right there-

including viaducts, bridges, and rights-of-way-

Then the bill continues-

with a view to promoting interstate commerce, aiding in the national defense, facilitating the use of the mails, or promoting the general welfare.

And stop right there. That would enable cities, States, and towns to do what we may call extraordinary road work; to put in viaducts where they are necessary, if they want to take advantage of borrowing money as provided in the bill. Such a plan would apply to every State and would not apply to only seven States.

I wish to ask the Senator to accept such an amendment, which would apply to all the States and would not commit us directly or indirectly to a toll system either of bridges

Mr. HAYDEN. Mr. President, I do not claim to be a legal authority at all, but, as I read this measure, it would constitute a Federal condemnation statute, which, according to the brief which has been submitted to us, Congress has a perfect right to enact, and which would be entirely constitutional; so that we could go into any State and condemn a right-of-way for a highway and for property fronting on each side of it. Only a few States have the right kind of a statute to permit such a proceeding to be prosecuted promptly. I think there should be a Federal statute applicable to the 48 States.

Mr. BARKLEY. In addition to that, Mr. President, the Senator from Tennessee is suggesting practically that we simply loan to States and localities the money with which to do that.

Mr. McKELLAR. That is correct. Mr. BARKLEY. That would bar any city, county, or State that could not legally borrow more money, which had reached its debt limitation from participating in any of this program. But under this bill they can lease the highway facility, and over a period of years repay the cost of its construction. Without such a provision all those States, and all those counties, and all those cities that are constitutionally unable to borrow more money would be barred from participation in this program.

Mr. HAYDEN. I have a table before me which shows, as of June 30, 1939, the balances of Federal aid credit available to the several States, and it amounts to \$228,180,000. One large item is \$57,449,000 for the elimination of railroad grade crossings.

The railroad grade-crossing money is appropriated by Congress, and not one cent of it has to be matched. All the locality has to do, all that the State has to do is to provide the right-of-way. Why is it that that vast sum of money has accumulated, and we have not got rid of these death traps at which people are being killed all over the United States? It is because of the difficulty in getting the right-ofwav.

There is an illustration of this situation existing at Phoenix in my State. At the Union Station there the Southern Pacific and the Santa Fe come in together. The principal road leading out of the city to the south has to cross both sets of tracks. People have been killed on that grade crossing. Freight trains come in there and block the traffic for great distances on either side. There is no place anywhere in the country where an underpass is more needed. Money was made available, appropriated by Congress, but the city has to provide the right-of-way. The city was bonded to its limit. The only way in the world it could get the money was to levy a special tax on top of every other tax. The city authorities hated to do that, and they tried in every conceivable way to get around it. They tried to get the State to take it over. Finally, after some 2 years delay they did levy the tax. If it had been possible for them to have the United States acquire that right-of-way for them, pay for it, and then apportion the \$100,000, or whatever the amount necessary was, over a period of 8 or 10 years, they could have taken care of it in their budget. That is all there is to this proposal.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BYRD. Does the Senator from Arizona think that the Federal Government can acquire a right-of-way cheaper than can a State or a municipality?

Mr. HAYDEN. I should say, if a State had a good condemnation law such as that of the State of New York, which has an excellent taking statute, that it would be better to proceed under the State statute. I say, though, that when the State has a statute which is so antiquated that it cannot get possession of the entire property until it has brought the matter into court and taken the last parcel, then I would prefer to have the Federal Government take it.

Mr. BYRD. If the case were brought to court, would or would not a local jury assess a higher cost against the Federal Government than against the State or local governments?

Mr. HAYDEN. I know that juries in cases where the United States is to take, or a State or a county or municipality is to take, may argue, "Well, Uncle Sam, or the State, or the county, or the city is rich."

Mr. BYRD. I think what the Senator proposes would result in increased rather than decreased cost of the rightof-way. Most of the States have right-of-way laws to permit them to condemn property for public purposes and to pay for them later. I know we have such a law in Virginia.

Mr. HAYDEN. The Senator from Tennessee was quoting a statute-

Mr. BYRD. That statute related to excess condemnation, which is entirely different from condemning for public purposes.

Mr. BARKLEY. Mr. President, there are some States which have power to take possession of the property and pay for it later, but most of them do not have such authority.

Mr. BYRD. Let me say to the Senator from Kentucky that is a matter for the States. In this instance the Senator from Arizona is advocating that the Government of the United States perform by means of a Federal condemnation what the State should do and then transfer the property to the State for State use.

Mr. HAYDEN. What is the difference so long as the public obtains the service to which it is entitled? What is the difference in the net result?

Mr. BYRD. The difference in the net result is that the cost of the right-of-way would be greatly increased if the Federal

Government should acquire rather than have the State government acquire it.

Mr. HAYDEN. When a case is brought into court the jury fixes the value. Why would the jury place a higher value on the property simply because the Federal Government was condemning it?

Mr. BYRD. I think a local jury would undoubtedly be inclined to assess a higher cost to the Federal Government than it would to local governments. They know that if the local government were acquiring the property that government would have to pay for it out of the local taxes, whereas the Federal Government is regarded as a Santa Claus who gets its money out of thin air.

Mr. HAYDEN. The localities are obliged to tax in order to pay amounts assessed by juries for property acquired by them. I do not think there is much force to the Senator's argument

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DANAHER. I would be happy to have the Senator explain how the city of Phoenix would contemplate repayment, assuming that the government should obtain the right-of-way for the underpass to which the Senator referred.

Mr. HAYDEN. The city could pay it under the bill, according to a contract which they would make, by which it would pay the amount over a period of years.

Mr. DANAHER. How would the city get the money?

Mr. HAYDEN. The city would get it by local taxation. It would be paid back over a period of years, so the burden would not be so great.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ADAMS. Though the Senator from Arizona is not a member of the bar, I recognize him as one of the best lawyers in this body. I ask him how the city of Phoenix could make a valid contract unless it had adopted a provision with respect to payment of money under the contract?

Mr. HAYDEN. Under this bill the city of Phoenix would lease the property from the United States at an annual rental.

Mr. ADAMS. Does the city of Phoenix have such authority?

Mr. HAYDEN. I have not examined their charter, but if they do not have it, I think they would quickly fix the charter so they would have it.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BYRD. Is it not true—I know it is in the State of Virginia—that the legislature of a State cannot bind the State for financial payment beyond the term of the particular legislature, which is to last for 2 years? Virginia is prohibited under the constitution from issuing bonds. It is likewise prohibited from making contracts for payment that must be paid out of taxes beyond the life of the general assembly that creates the obligation. I think the Senator will find that many sections of the country would be prohibited from getting any benefits from the long-term leases of which he speaks.

Mr. HAYDEN. I know that that very identical constitutional question was raised with respect to Public Works loans, and leases were made and worked out in an entirely satisfactory manner. I do not know the details of the leases, but I know it is done in that way.

Mr. BYRD. The Senator thinks that the chief advantage of this proposal is in the matter of the purchase of the right-of-way. He does not expect, does he, the Federal Government to build the roads or the State to build them from the particular funds provided under the pending bill?

Mr. HAYDEN. No.

Mr. BYRD. But that then there will be another fund that the State would use to build the road?

Mr. HAYDEN. I say that the chief advantage which is going to accrue from the enactment of this proposed legislation is that it will clear up the right-of-way difficulty.

Mr. BYRD. Then, why not pass a simple statute giving the Federal Government the right to condemn property for roads?

Mr. HAYDEN. This is a simple statute to do that.

Mr. BYRD. But connected with it is an appropriation of \$500,000,000.

Mr. HAYDEN. What is the use of enacting a statute to condemn property and have no money with which to pay for it?

Mr. BYRD. The Senator called attention to some \$210,-000,000 of unused balance which could be used.

Mr. HAYDEN. No; I did not say that. I say those balances have been appropriated and made available to the States for the purpose of building Federal-aid highways, and for no other purposes. They cannot be used for rights-of-way.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. How much of the land of the State of Arizona belongs to the Federal Government?

Mr. HAYDEN. About 65 percent.

Mr. McCARRAN. In the State of Nevada 85 percent belongs to the Federal Government. In the Senator's State 65 percent is entirely available now, and no condemnation for Federal highways is at all essential. In the State of Nevada on 85 percent of the land no condemnation is essential at all; no condemnation proceedings are necessary. Why does the Senator camouflage his proposition?

Mr. HAYDEN. I am not camouflaging the situation. In my own city of Phoenix we had to buy a right-of-way for an

underpass.

Mr. McCARRAN. I am speaking of the State of Arizona and the State of Nevada, and not about the cities.

Mr. HAYDEN. On the roads and streets of the United States there are some 30,000,000 motor vehicles; and the congestion is in the cities and towns. That is where the underpasses and overpasses are located; that is where we are encountering the right-of-way difficulty; that is where the streets are narrow and have to be widened; that is where we must make improvements; and that is where property must be condemned to make the improvements, because the property is settled and in private ownership. I say that the enactment of the pending bill would do more to release the lagging impounded Federal funds than any other step which possibly could be taken.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. Has the Senator found any lagging, impounded funds during the past 6 years, during which time he has had almost exclusive control over the Federal highways of this country as a member of the Committee on Post Offices and Post Roads.

Mr. HAYDEN. I have just read to the Senate that \$228,-000,000 of Federal-aid funds are now available which are not used.

Mr. McCARRAN. Yes; but where were the lagging projects due to a lack of facilities for condemnation?

Mr. HAYDEN. I should like to read from Mr. MacDonald's report in that connection.

Mr. McKELLAR. What page?

Mr. HAYDEN. Page 114. It is under the heading "The Nature of the Right-of-Way Problem." I think this one paragraph will state it:

The most influential causes of delay in effecting the needed changes hitherto have been the inadequacy of available funds and the overpowering legal obstacles and inhibitions that stand in the way of obtaining essential rights-of-way. These will continue to retard action and eventually build up a formidable burden of construction expenditures unless early provision is made to deal adequately with the problem.

We asked Mr. MacDonald to investigate this problem. This is his finding, and the proposal made by the Senator from Kentucky [Mr. Barkley] is the answer. It will do the trick. It will do two things. Where we have legal obstacles, to which Mr. MacDonald referred, such as inadequate State condemnation laws, we will have a Federal statute which will

permit us to step in and take the property, just as we take the site for a Federal building. Then we will have the cash to pay for it. Those two things are required, and the bill provides them.

Mr. McCARRAN. Does the Senator mean to convey the idea that the Federal Government is to step into the confines of a sovereign State and condemn rights-of-way?

Mr. HAYDEN. On the application of the State.

Mr. McCARRAN. On the application of the State?

Mr. HAYDEN. That is all.

Mr. McCARRAN. But the State now has the power to

apply; and the State has had the power.

Mr. HAYDEN. Mr. MacDonald finds that the overpowering legal obstacles and inhibitions that stand in the way of obtaining essential rights-of-way have made it impossible for the States to do that. I have before me a statement with respect to \$228,000,000 worth of work which should be done, but which has not been done. I pointed out \$57,000,000 worth of grade-crossing eliminations with respect to which the Federal Government pays the whole cost, and the only thing that stops the work is the lack of rights-of-way.

Mr. McCARRAN. I take it that condition was not in the

State of Arizona or the State of Nevada.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BYRD. Does the Senator contend that the entire question has been held up because of right-of-way difficulties?

Mr. HAYDEN. We started in with \$50,000,000. The first money provided for grade-crossing elimination was back in.....

Mr. BYRD. I was speaking of the \$200,000,000 item to which the Senator referred.

Mr. HAYDEN. Highway work is lagging on the average in most of the States from a year and a half to 2 years; and the greatest single cause of the lag is, first, the difficulty about acquiring rights-of-way, and, secondly, the difficulty in finding the money to pay for the rights-of-way. This bill would cure both difficulties.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. Let me take the last statement of the Senator and divide it. The Senator referred to the difficulty of acquiring rights-of-way. The difficulty of acquiring rights-of-way is a matter of law.

Mr. HAYDEN. That is a matter of law. This bill corrects that.

Mr. McCARRAN. Does the Federal Government propose to step in and supersede the State law in the matter of acquiring rights-of-way?

Mr. HAYDEN. If a State highway department is operating under a State statute which is antiquated and is causing difficulty, it will have the option of applying to the Federal Government to use the Federal statute. If the State has a satisfactory statute, that will not be done.

Mr. McCARRAN. I am taking the statement of the Senator. If that be true, I shall, of course, oppose the bill, because I believe the sovereignty of the State to be paramount.

Mr. HAYDEN. How can the State sovereignty be impaired when the State makes application to invoke the Federal statute?

Mr. McCARRAN. The State will be forced to do it or it will not obtain any Federal aid whatever.

Mr. BARKLEY. It cannot be done without the consent of the State.

Mr. HAYDEN. No; it cannot be done without the consent of the State. If the Senator says that the State is being forced to do something for which the State applies, I cannot argue with him.

Mr. McCARRAN. I will argue from the standpoint of the able Senator's own State, which in some respects is comparable to my State. I say that the Federal agency can be used to force the State into a position in which it will do everything to bring into operation the power of the Federal Government for condemnation.

Mr. HAYDEN. My State does not need a condemnation statute. It has a very good one. However, we did need the money to pay for the property taken. The city of Phoenix could not obtain the property without levying a special tax and collecting it all in 1 year. There should be a place to borrow the money.

Mr. McCARRAN. The Senator is speaking of the city of Phoenix.

Mr. HAYDEN. Yes.

Mr. McCARRAN. He is speaking of a municipality.

Mr. HAYDEN. Yes.

Mr. McCARRAN. He is not speaking of a State-wide situation.

Mr. HAYDEN. Of course not.

Mr. McCARRAN. Because if he is, his whole argument fails.

Mr. HAYDEN. I have stated over and over again that the bottle neck, in acquiring rights-of-way, the place where the trouble is in the United States, is in the cities and towns. That situation has tied up the program more than has any other condition. The building of the proper kind of roads will do much toward saving human life. The proper kind of roads will enable people to get in and out of congested areas. If we look at the matter from a humanitarian point of view, the bill will become one of the greatest acts ever passed by the Congress.

Mr. McCARRAN. Of course, I am looking at it from a humanitarian point of view, and I do not think it would be anything of the kind. The able Senator from Arizona is using a very cogent argument. When a lawyer offers the last word to a jury to save the neck of his client, he uses such an argument. However, the argument does not apply

in this case. It is lost in this case.

Mr. HAYDEN. I know that more persons are being killed every year in the United States in highway accidents than were killed in the Meuse-Argonne offensive. I know that highway engineers can design roads which will save human lives. A case of this very kind was brought to my attention the other day by a gentleman who gave me information from the State of Michigan. He called attention to a twoway highway which was highly congested. Innumerable accidents have occurred on that highway, with resulting loss of life and property. What is needed is to have the highway made into a four-lane highway with separated traffic. The State Highway Department of Michigan will take immediate advantage of the act to borrow the money to obtain the right-of-way; and if it can obtain the right-of-way money, the State of Michigan has sufficient money of its own and sufficient Federal-aid money to establish a four-lane highway and stop the slaughter of human beings and the loss of property. The same thing is true all over the United States.

Mr. McCARRAN. Mr. President, will the Senator again yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. Has the State of Michigan been deprived of the right of acquiring right-of-way prior to this time?

Mr. HAYDEN. The State did not have the money.

Mr. McCARRAN. But it could have acquired right-of-way by condemnation.

Mr. HAYDEN. It could not pay for it.

Mr. McCARRAN. After acquiring the right-of-way it could have applied to the Federal Government to pay for it, could it not?

Mr. HAYDEN. It could do so under the provisions of this bill.

Mr. McCARRAN. Under the provisions of the bill the Federal Government steps in to condemn the right-of-way.

Mr. HAYDEN. Not unless the State requests it. If the State has a satisfactory statute, we are not bothered with condemnation at all; but if the State has not that kind of a statute the Federal statute can be used. It is a double-barreled affair. One barrel or both may be used.

Mr. President, I have concluded my remarks.

Mr. DANAHER. Mr. President, addressing myself to some observations made last night with reference to this particular subject, I crave the indulgence of the Senator from Kentucky [Mr. BARKLEY]. I know he has been exercising the greatest forbearance and patience, but I should like to impose further upon him if he will permit me.

I ask the Senator to direct his attention to page 3 of his

amendment, on which subsection (d) appears.

According to the Senator's amendment, the Public Roads Administration shall have the power to acquire in the name of the United States property within a State, by the power of eminent domain or otherwise.

Is it not the purpose, just as the Senator from Arizona [Mr. HAYDEN] has so frankly stated it to be his view, that under the provisions of this subsection the United States would acquire the power to go into any State which, as the Senator from Arizona put it, does not have a satisfactory statute, and condemn land?

Mr. BARKLEY. With the consent and cooperation of

the local authorities.

Mr. DANAHER. Will the Senator please point out the section of the amendment or the bill under which he finds

that qualifying language?

Mr. BARKLEY. The Federal Government may not go into a State for the purpose of building a tunnel, bridge, or viaduct without the consent of the State. It may not go into the State for the purpose of building a road or buying property in connection with the construction of a road, or improving it, widening it, and so forth, without a contract with the State or local community to take it over, operate it, and pay for it after it is constructed.

Mr. DANAHER. Let me point out to the Senator that I must respectfully disagree with him and, by way of illustration, direct his attention to the fact that the amendment does not say, in subsection (d), that it is for the purposes

of this section.

Mr. BARKLEY. Of course this whole allocation of funds is for highway construction, and it is necessary to read subsection (d) in connection with subsections (a) and (b). The words "Subject to the provisions of this act" apply to all the subsections, not only in this amendment but the following subsections of the bill; so I do not think there can be any doubt about that.

Mr. DANAHER. Has the Senator objection, then, to interpolating in subsection (d) language which definitely will limit it to the consent that is required under subsection

Mr. BARKLEY. If any clarification is needed there, I should have no objection to it. I should like to see the language before agreeing to it.

Mr. DANAHER. Then may I direct the Senator's attention to page 7 of the bill itself, the former subsection (d), which will now become (e)? Has the Senator it at hand?

Mr. BARKLEY. Yes; I have it. Mr. DANAHER. If the Senator will direct his attention to lines 19 and 20, he will find that the bill would, notwithstanding the provisions of section 355 of the Revised Statutes, authorize the action contemplated. If we examine section 355 we find that that is a section which has always required consent of the legislatures of the States before there is a taking of the land; but by the language of this bill it is obviously the purpose to do away with requiring the consent of the legislature. Is not that so?

Mr. BARKLEY. Of course, the consent of the highway department of any State or local public body is required before any expenditure, or any taking, or any activity under this bill can be undertaken by the Federal Government.

Last night the Senator called attention to the use of the word "act" in line 18. That was either a misprint or an oversight. It ought to be "section." I am glad he called attention to the word, and I propose to make that correction. But all this program, whether it is the acquirement of property or whether it is the condemnation of property, must be as a result not only of the cooperation but of the consent of the State authorities in charge of highways, and also of a contract with the State or local highway authorities that they will take over the highway, maintain it, operate it, and repay the Federal Government. But in order that the Federal Government may do these things, as the basis of the contract, either under the subsection pertaining to highways or the subsection pertaining to bridges, tunnels, and viaducts, it must have power to take the property by condemnation or gift or purchase.

Mr. DANAHER. I thank the Senator for his explanation.

Mr. McCARRAN. Mr. President— Mr. DANAHER. Does the Senator from Nevada wish me to yield to him for a question?

Mr. McCARRAN. Perhaps my question may not be apropos the matter or thought which the Senator from Connecticut has in mind. I want to concur in the statement made by the Senator from Connecticut just a moment ago; and I should like to propound what is probably a three-barreled question, because the Senator from Arizona [Mr. HAYDEN] may leave the floor.

I desire to know whether or not the bill, or the bill plus the amendment which is now offered by the able leader from Kentucky, proposes to do away with all control over high-

ways in the respective States?

Mr. BARKLEY. Mr. President, answering that question, I can say categorically that the answer is "No." We do not propose to do away with any control of highways in States.

Mr. McCARRAN. Does it mean, then, that there shall be an involvement between the Federal Government and the State governments as to the control or supervision of the highways in the respective States?

Mr. BARKLEY. No; it does not. It means that whenever the Federal Government builds a tunnel, bridge, or viaduct, or builds a road, the State takes it over, maintains it, and operates it, and the Federal Government is free of it, except that it does have the obligation of the State or

subdivision to repay the money.

Mr. McCARRAN. Now, just one more question, and I hope it may conclude the matter. I do not want to be captious about it. I now invite the attention of the able Senator from Arizona [Mr. HAYDEN], the able Senator from Kentucky, and the able Senator from Connecticut, who has yielded to me. Does this measure do away with Federal aid in highways, or the system by which and through which we have operated in past years?

Mr. HAYDEN. In no manner whatsoever does it impair or change or in any way affect the existing Federal-aid highway system. Upon the other hand, it assists it to

function in the way it should.

Mr. BARKLEY. That program, under which we have been operating since 1916, will continue to go forward just as it has, regardless of this act. This act supplements it.

Mr. McCARRAN. But may I say that under that program we have never borrowed a dollar, and now we are forced to borrow; otherwise, we get no highway system.

Mr. BARKLEY. Of course, that all depends. The Senator says "we have never borrowed a dollar." Whom does he mean by "we"?

Mr. McCARRAN. I mean the States of the Union. Mr. BARKLEY. They may not have borrowed any money from the Federal Government; but many of them have bonded themselves over a period of years to obtain money to build highway systems. One of the most progressive States and most forward States in the Union in the construction of highways is the State of North Carolina. The State of Illinois several years ago bonded itself. Nearly all the States have done that. They did not borrow the money from the United States, but they borrowed it from private lenders, those who were interested in investing money in State bonds. This bill only provides another way by which the States may obtain the facilities without in any way interfering with their jurisdiction to operate, maintain, control, and run the roads, subject to their own laws. There is nothing in the bill which gives the Federal Government jurisdiction over any violation of the traffic or other laws of any State or any city in the matter of control.

Mr. McCARRAN. I still am obligated to the Senator from Connecticut [Mr. DANAHER] and addressing my question to the Senator from Arizona. I hope I may be wrong in this contention. I want the Sentaor from Arizona to correct me if I am wrong. I shall still insist, however, that I am right. [Laughter.]

For the past 25 years we have gone on with Federal-aid roads through the Western States. Am I right in that state-

Mr. HAYDEN. One hundred percent.

Mr. McCARRAN. The Senator's State of Arizona, my State, and all the other Western States have been obligated to the Federal Government, because the Federal Government has contributed so as to make it possible for the public to travel in our part of the country. My contention is that if this bill goes into effect we shall have set aside the system under which and by which we have gone forward in the past 25 years, and we shall now obligate ourselves to borrow money from the Federal Government or from some agency backed by the Federal Government for the construction of these highways to which the Federal Government heretofore has been contributing, and to which the Federal Government should contribute.

Mr. HAYDEN. It is obvious that the Senator cannot be convinced against his will, because he would be of the same opinion still. I have just as keen an appreciation as has the Senator of all the Federal Government has done for the development of Federal-aid highways in the Senator's State and my State, which perhaps have benefited more than any other States in the Union. I assure the Senator that it is my considered judgment that there is nothing in the amendment proposed by the Senator from Kentucky which will in any manner interfere with, change, modify in any way, or do anything other than cooperate with and assist our States when we need help.

Mr. McCARREN. Why, then, the amendment?

Mr. HAYDEN. The amendment is necessary, as I stated to the Senator, because-

Mr. McCARRAN. Why the amendment as against the present system?

Mr. HAYDEN. It is not as against the present system; it is a supplement to it.

Mr. McCARRAN. It does not supplement it.

Mr. HAYDEN. Oh, yes; it does.

Mr. McCARRAN. It could not do that. The Senator is entirely in error about that.

Mr. JOHNSON of Colorado. Mr. President-

The PRESIDING OFFICER (Mr. Truman in the chair). The Senator from Connecticut has the floor. Does he yield; and if so, to whom?

Mr. DANAHER. Has the Senator from Nevada con-

Mr. McCARRAN. No; I desire to ask a question. Why do we substitute a new system for the system which has been tried out for 25 years, if the new system does not offer anything in the way of advantage? I address that question to the able Senator from Arizona.

Mr. DANAHER. Mr. President, if the Senator will permit my own interpretation of the matter, let me offer just this much: I heard the question discussed. I was on the committee. The old system does continue. This measure purports to supplement it. As the Senator from Arizona states, it provides a brand-new condemnation statute, and in States which do not have what the Federal Loan Administration thinks are satisfactory statutes this measure will supersede the State statutes requiring consent of the States before land is taken. In other words, in that particular it represents a brand-new innovation under which the Federal sovereignty will be superimposed upon the States and the title taken. whether they like it or not.

Mr. McCARRAN. Mr. President-

Mr. DANAHER. I yield to the Senator from Nevada.

Mr. McCARRAN. I am entirely in accord with the construction applied to this amendment and to the bill by the able Senator from Connecticut. What I fear is that there will be a supersedence of Federal control into the States; and we have relinquished State rights so far that I am reluctant to go much further.

Mr. DANAHER. I thank the Senator for his views, Mr. President.

I should like to direct to the attention of the Senator from Kentucky one question, as to whether or not he will accept an amendment to subsection (d) of his amendment on page 3, ahead of the word "To", in the first line, to insert "With the consent of the States."

I ask the Senator to accept that amendment.

Mr. BARKLEY. I am willing to put in the same language there that is in the previous subsection.

Mr. DANAHER. Let me call to the Senator's attention the fact that on page 1, in line 6, the Senator has written his amendment and included the words "With the consent and cooperation of the State." Is there any reason why a similar amendment should not be made at the point stated by me?

Mr. BARKLEY. I am willing to put the same language in subsection (d)

Mr. DANAHER. In line 3?
Mr. BARKLEY. Yes; "With the consent and cooperation of the State, municipal, or other public-highway agency."

Mr. DANAHER. "To acquire," and so forth? Mr. BARKLEY. "To acquire"; yes. I accept that amendment.

Mr. DANAHER. I thank the Senator. I ask the Senator to join me in a unanimous-consent request that we-

Mr. BARKLEY. Wait a moment. I want to clear up this matter. I am willing to modify my amendment, in order to simplfy the parliamentary situation, by inserting on page 3, before the word "To" in line 3, the words "With the consent and cooperation of the State, municipal, or other public-highway agency."

The PRESIDING OFFICER. Without objection, the amendment is modified as stated by the Senator from Kentucky

Mr. DANAHER. I thank the Senator. I ask the Senator to join me in a unanimous-consent request that we amend. on page 7 of the bill, in line 18, the word "act" to read "section."

Mr. BARKLEY. I am glad to modify the amendment to read "section," because that is what the language is intended to mean; and it could not apply to any other part of the bill anyway, because it is limited to the road provisions. I think it ought to be "section" instead of "act."

The PRESIDING OFFICER. Without objection, the word "act" in line 18, page 7 of the bill, will be changed to read "section."

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. AUSTIN. Would not the intent of the author of the bill be carried out better if there were a comma at the end of line 12 on page 7?

Mr. BARKLEY. After the word "hereunder"?

Mr. AUSTIN. No; after the word "condemnation."

Mr. BARKLEY. The Senator apparently does not have the same print of the bill I have. Line 12 on page 7 ends with the word "hereunder" and a semicolon.

Mr. AUSTIN. I will have to find it in Senate bill 2864. I had before me Senate bill 2759.

Mr. BARKLEY. That is the old print. What section and subsection is it?

Mr. AUSTIN. It is subsection (g) and would follow the proposed amendment of the Senator.

Mr. BARKLEY. That would be subsection (h), for the subsections are to be relettered.

Mr. AUSTIN. The text seems to be entirely different. Was the text changed? I can state what I fear. The language is "to acquire by purchase, but not by condemnation for investment purposes."

Mr. BARKLEY. That is not in the bill. That has all been stricken out.

Mr. AUSTIN. I thank the Senator.

Mr. DANAHER. Mr. President, I invite the attention of the Senator from Kentucky to line 13, on page 7, as to which there was a discussion last night. The Senator at that time said that he would like to think about the amendment I suggested at that time, and which I asked him to accept, in line 13, to strike out the word "purpose" and insert in lieu thereof the words "purposes of this section," so that the first line would read, "to expend moneys for the purposes of this section," and so forth.

Mr. BARKLEY. That is entirely acceptable. Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Kentucky modifies his amendment as suggested.

Mr. DANAHER. I shall conclude in just a moment. Last night I made references, reported at page 14110 of the RECORD, in which I stated I was paraphrasing a certain editorial comment, or newspaper article, and, that the reference may be direct, let me say that the Washington Post, on the front page, contains this item:

A complete break between President Roosevelt and Postmaster General Farley can be averted only by a full exchange of views concerning the 1940 campaign, says Ernest Lindley, probably the closest to the White House of all special writers. See his article on page 3 of the editorial section.

In the editorial section there was an article entitled "Parting of Ways," by Ernest Lindley, from which I quote:

Farley, on the other hand, greatly overemphasizes the importance of the Democratic Party politicians. He shares their belief that they "made" Rocsevelt and that they are entitled to cash in on Roosevelt's accomplishments.

The answer of Roosevelt's friends is that while the Democratic Party nominated Roosevelt, it did not elect him, either in 1932 or in 1936. Roosevelt is the leader of a movement of which the Democratic Party is only a part.

Mr. McCARRAN. Mr. President, is that what the able Senator meant by the term "new movement"?

Mr. DANAHER. Yes. It is distinctly what I referred to as the "new movement."

Mr. McCARRAN. I notice the Senator last night repeatedly referred to the "new movement."

Mr. DANAHER. I did. Mr. McCARRAN. I wondered whether it was a 17-jewel movement, or a Swiss movement, or what it was. I could not understand what the new movement was.

Mr. DANAHER. It is a movement which evolves itself in a mainspring fashion, from the center out, I will say to the Senator, and apparently ultimately is to be all-inclusive, and the pending bill is typical.

Mr. McCARRAN. I thank the Senator.

Mr. TAFT. I should like to offer an amendment to the amendment of the Senator from Kentucky, and I ask that it be stated.

Mr. McCARRAN. Mr. President, will the Senator kindly yield to me for a moment?

Mr. TAFT. I yield.

Mr. McCARRAN. Mr. President, there has gone forward in this body during the last 12 hours a propaganda-and I choose to term it a propaganda—whereby it is proposed that my amendment which is to come up, to revive and restate the prevailing wage amendment in America, shall be set aside so far as the pending bill is concerned, with the promise that it will be incorporated in the third deficiency bill.

I desire to set the Senate right on this matter. If that provision were to be incorporated in the third deficiency bill it would mean that it would have to come out of the Committee on Appropriations, and that would contemplate the necessity of setting aside a rule of the Senate, which would require a two-thirds majority. So let the Senate not be dissuaded, let it not be misled. I propose to offer the amendment-and to persist in the amendment until it is adopted or voted down by a record vote-so as to do away with that which has set America in a turmoil, by restating the prevailing wage amendment as it was stated when the relief bill was before this body, and was adopted by this body, and rejected by a conference committee. So, let it not be said with any consistency or cogency that we could set it aside

and incorporate it in the third deficiency bill, because that is out of the question.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Ohio.

The LEGISLATIVE CLERK. In the amendment offered by the Senator from Kentucky it is proposed on page 2, line 20, after the word "covenants" to insert "to pay a purchase price or rental sufficient in amount to reimburse the administration in not more than 40 years for the expenditures it has made in connection with such highway improvement and."

Mr. TAFT. Mr. President, I think I can state what the amendment of the Senator from Kentucky does. In one respect, in my mind, it is an improvement, because the bill introduced finally, and which we are now considering, authorizes the Federal Government to build its own roads, and maintain and operate those roads. I think it is most important that we get rid of that power, for if the Federal Government ever starts into the business of building Federal roads in the United States, whether they are supposed to be toll roads or whatever they may be, I do not believe we are going to stop short of a complete Federal system, adding to the Federal appropriations a vast additional expense over what we have today.

The amendment attempts to cut that out, and provide merely that the Federal Government may build a road providing they have a contract with the State or municipality concerned to take the road off their hands.

The amendment is offered because I do not believe the amendment of the Senator from Kentucky quite carries out the purpose intended. The amendment as I see it provides only that "no such work shall be undertaken"-and I suppose the word "work" may be considered to mean condemnation or acquisition of real estate, as well as the construction work:

No such work shall be undertaken until a contract has been entered into * * * pursuant to which such State, municipality, or other public body covenants to purchase or lease and to maintain and operate the improvement.

But a contract or lease does not mean much. A contract or lease means only that they may contract to lease the road for only 1 year, to pay \$1 rental, perhaps. It does not really bind the State to take the road off the Federal Government's hands, or to repay the Government. That is why I offer this amendment, and ask the Senator from Kentucky to accept it. The amendment proposes, after the term "covenants to purchase or lease", to insert the words "and to pay a purchase price or rental sufficient in amount to reimburse the administration in not more than 40 years" for the expenditure it may make. In other words, if we are going so far as to build a Federal road—and I personally disapprove of that policy, but I understand the argument made by the Senator from Arizona-if we are going that far, we certainly ought not to do it unless we make certain that the State agrees by contract to take the road off our hands, or to pay for it.

Mr. HAYDEN. What is the difference between what the Senator is proposing and what is already in the bill in sec-

Mr. TAFT. Section 17 is a very general provision. It does not apply to the contract involved. Someone may hopefully say that he thinks the State will lease the road for a year, and think that then they will lease it for another year. I think the general provisions of the section are not sufficient, in the light of its very indefinite language. If section 17 means that, why does the Senator object to putting it into this section also?

Mr. HAYDEN. Why does the Senator want to have us say the same thing twice?

Mr. TAFT. I do not think we would be saying the same thing twice.

Mr. HAYDEN. Section 17, it appears to me, makes it perfectly obvious that it is not possible to construct any project, unless, through its operations or from reasonable assurances or agreements, it is determined by the agencies

making the expenditure or loan that the amount expended, or the loan, with interest, will be repaid within 40 years.

Mr. TAFT. There is one very uncertain phrase, namely, "from reasonable assurances." What on earth is a "reasonable assurance" of a municipality? Can a mayor make a "reasonable assurance"? What is it? I do not know. It does not say a contract, but it says "a reasonable assurance."

Mr. HAYDEN. The amendment of the Senator from

Kentucky says a contract.

Mr. TAFT. It says a lease, but a lease is not a contract to buy. A lease would generally provide for taking the road off the hands of the Government for a while, and perhaps paying a dollar or so as rental.

Mr. HAYDEN. "A dollar or so" would conflict with section 17.

Mr. BARKLEY. A dollar or so a year would not pay anything back in 40 years.

Mr. TAFT. They may say, "We have not any tax money this year, but come around next year and we will give you a reasonable assurance"—whatever that may be, or whatever it may be worth-"that we will pay a bigger rental." I think the language is so wide open that there is no real assurance that the Federal Government would not get the road back on its hands as a Federal road.

Mr. BARKLEY. I agree with the Senator from Arizona that the language now proposed is not necessary, but I am willing to accept it. Of course, if the locality is able to buy the road outright, when it is completed, that ends the matter, and the question of 40 years does not enter. There may be in some States some sort of inhibition against a contract running for 40 years which would be interpreted as a contract which might require a vote of the people.

Mr. TAFT. Say "not more than 40 years." Mr. BARKLEY. After the word "or" in the Senator's amendment, why not insert the phrase "from year to year," so that it would provide that they should pay a purchase price or from year to year an annual rental sufficient to pay back in 40 years?

Mr. TAFT. That is all right. I accept that.

Mr. BARKLEY. With that modification, I have no objection to the amendment.

The PRESIDING OFFICER. The Senator from Kentucky modifies his amendment.

Mr. TAFT. Mr. President, I have only one other objection to the section. I myself think that the Senate Committee on Banking and Currency struck out the so-called excess condemnation provision. I cannot find in the bill as introduced by the Senator from Kentucky anything which authorizes anyone to think that the Federal Government can buy property on both sides of a right-of-way. I think the Senate Committee on Banking and Currency disapproved of that principle. I think they disapproved of the idea that the Federal Government could buy property on both sides of a right-of-way with the idea that they might make some profit on it.

The original bill I may say contained very elaborate language as to how the Government was to buy land if it thought that within 20 years it would be worth more than the price paid for it. In other words, a distinctly speculative proposition was contemplated. Those words are now all stricken out by the committee.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER (Mr. Truman in the Chair). Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator says the committee struck that all out. In subsection (c), line 11, the language is:

Use, sell, exchange, or otherwise dispose of highway improvements or other rail property necessary or convenient-

There was ambiguity about the word "convenient."

Mr. TAFT. No. no; that word "convenient" is all right. But convenient for what? For carrying out any of its func-

tions hereunder. The only functions hereunder are to build a road; not to make a profit on real estate.

Mr. BARKLEY. Of course, this amendment, which requires the Government to enter into a contract with a State or locality to take off its hands not only the road but the property which it has bought at the price which has been paid for it, so as to reimburse the Government for the amount, with interest, certainly eliminates the element of profit to the Federal Government. If there is profit it will accrue to the State, because it gets it at actual cost.

Mr. TAFT. Buying land on both sides of the highway is

a beautiful theory.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. RUSSELL. I have been disturbed because of this general language giving the right to condemn. The bill provides that the Federal Government has the power of condemnation of any real property adjacent to any proposed highway. I realize that the right of eminent domain is an essential attribute of sovereignty, in fact it is concomitant with sovereignty, but I had always throught that the right of eminent domain was in some way coupled with a public use. Unless the power of eminent domain has some relation to a very definite public use, I apprehend the rights of private property in this country are very insecure. Neither the Federal Government nor any governmental subdivisions should, without consent, divest an individual of his land unless it is for a public purpose, and this bill should contain some limitations and safeguards. I agree that the rights of an individual must yield where the public interest is involved, but this subdivision and development by the Federal Government scheme set forth in this bill does not embrace my idea of a public interest or use.

There would be nothing under this bill to prohibit the Federal Government from condemning land that any little bureau chief might decide was adjacent to public highways and devote it to the purpose of building stores, tourists' camps, or even hot-dog stands, or any other private use. I cannot see how that is impressed with a public interest. Has the Senator from Ohio, who is an able lawyer, given

any thought to that particular point?

Mr. TAFT. I think it has always been the rule that that is not a public use. Seven States have amended their constitutions because it was unconstitutional to give their municipalities or other public authorites or bodies the right to acquire adjacent real estate, but in the case of Vester against Cincinnati it was contended that, in spite of that provision of the Ohio Constitution, it was contrary to the United States Constitution to condemn such property.

Mr. RUSSELL. That is what I had in mind.

Mr. TAFT. While the Supreme Court opinion is not finally conclusive, it is sufficiently so that the city of Cincinnati abandoned its effort to carry out any excess condemnation, and constructed the improvement without it, and, so far as I know, the question has not been finally settled.

Mr. RUSSELL. It has been repeatedly said this afternoon that these properties would not be purchased or condemned without the consent of the State or local subdivisions of government, but it occurs to me that we might occasionally give attention to individual property rights and the rights of the individual that might have property in land adjacent to the highway that the Federal Government might seek to condemn. This amendment, if I have the proper construction of it, would give to the Federal Government the power to condemn lands in States where perhaps the State constitution did not give any such power, but then by a contract which the State or the subdivision of government might enter into with the Federal Government the State could circumvent the provisions of their own State constitutionif the Federal Government had the right to proceed under the Federal Constitution-and condemn the lands adjacent to the highway by taking lands for uses prohibited by the constitution of the State.

Mr. TAFT. I think the Senator states clearly the law with respect to the matter.

Mr. HAYDEN. Let me state the question not as a lawyer but as I view it as a layman. Take, for example, the city of Baltimore. Let us say it is necessary there to build a bridge across the Patapsco River, and in order to get to the bridge there must be an approach road at each end. Would it not be the part of wisdom for the city of Baltimore in condemning the right-of-way in order to get to the bridge to condemn not only the narrow strip of land for the roadway but also some property adjacent to it, which at some future time it could sell and thus recoup itself for some of the money expended?

Mr. TAFT. Mr. President, my answer is no. It would probably lose money on it. These things look very nice on paper, but they work out very poorly. The best thing I think is to leave it alone. I do not see why the United States Government when building a viaduct across the railroad tracks in the city of Phoenix should buy property on both sides of that right-of-way and hold it until it could sell it at some time in the future. I do not see why, if they are going to help the city of Phoenix to build a viaduct across the railroad tracks, they should not confine themselves to getting the right-ofway for that viaduct.

Mr. HAYDEN. Then, it is the Senator's contention that when a large sum of money is to be spent in a public improvement of this kind the owner of the property is entitled to all the unearned increment that comes from the improvement. and that the public has no interest in it at all? I can state to the Senator that Mr. MacDonald in his report shows us instances in England and in the United States where very substantial returns have been made by acquiring more land than was necessary for the right-of-way.

Mr. TAFT. At times the Government has engaged in successful real-estate speculation. I do not approve of the Government engaging in such speculation.

I offer an amendment to the bill which I ask to have stated. The PRESIDING OFFICER. The amendment will be

The LEGISLATIVE CLERK. On page 2, in lines 14, 15, and 16, it is proposed to strike out the words:

And to acquire by purchase or condemnation any real property adjacent to any such proposed highway improvement.

And on page 3, in lines 8, 9, and 10, to strike out the

Or other real property adjacent to any such highway improvement or necessary or convenient for carrying out any of its functions hereunder.

Mr. TAFT. In other words, Mr. President, I move to strike out the words which are conferring the power to acquire by purchase or condemnation the property adjacent to the improvement.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LUCAS. Does the Senator from Ohio know whether there is a constitutional prohibition against the acquisition by an agency of the State of excess lands adjacent to highways? In other words, does any constitutional prohibition exist against an agency of the State making a valid contract with the Government whereby it may turn over to the Federal Government the authority to condemn?

Mr. TAFT. No; I would question whether it could do so.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WALSH. Can the Senator give us any information as to whether or not any State or subdivision of any State ever experimented in this field?

Mr. TAFT. I stated that there have been, I think, a few instances, which are listed in Mr. McDonald's report. Seven States have authorized it, and I think one or two have done it. I know that in the city of Cincinnati, after carrying the case to the Supreme Court of the United States, the decision against the right of the city to do so, in spite of the Ohio constitutional provision, was so discouraging that the city abandoned the project and proceeded without it.

Mr. WALSH. Can the Senator give us any information as to the result of the experiments of the seven States to which he has referred?

Mr. TAFT. I am afraid I cannot do so at this time.

Mr. WALSH. I observe that the able Senator from Kentucky yesterday called attention to the fact that this plan had been undertaken and was in operation in England. Am I correct about that?

Mr. TAFT. It has been done in one or two cases, but I may say that incidentally it increases the net cost of the right-of-way about three times, because the property on each side is going to be just as expensive as the right-ofway itself. So, it results in piling up the cost on the Federal Government and adds to the difficulty of getting the money back. Sometimes the Government engages in successful real-estate speculation, but I am one who does not believe that the Government should engage in real-estate speculations, which may not be successful in many cases.

Mr. WALSH. I think the Senator's observations carry a good deal of weight. I think it may be a dangerous course to pursue, but I should like to hear what the Senator from Kentucky has to say with respect to how the experiment worked in England.

Mr. BARKLEY. In England they built a highway from London to the sea, and they paid for it out of the income from the use of the property which they bought adjacent to the highway, which they put to use in the way of concessions and rentals. They were able to control what went on on the adjacent property, and the entire cost of that project was paid for out of the property which they purchased on the adjacent sides of the road.

The Senator from New York [Mr. Wagner], who is not present, called attention to the fact that they did the same thing in New York. The State is operating gasoline stations on the adjacent property. Of course, there is no contemplation that that would happen under this bill. The fact that the State has got to make a contract with the Government to take it over and operate and maintain it at the conclusion of the construction, even eliminates from the Federal Government the possibility of making any profit, because it only takes it over at the cost of the Federal Government plus interest over the period of years for which the debt will be amortized.

Mr. WALSH. Is there any limitation on the amount of right-of-way that may be taken for this purpose?

Mr. BARKLEY. No. It merely must be adjacent, necessary, and convenient for carrying out the project.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. NORRIS. I wish to refer to what the Senator from Ohio said. Of course, we should be very careful that the Federal Government does not make any money anywhere. That ought to be the first thing we should make sure of, that in this great undertaking the Federal Government must never make any money. If it should have, by mistake, some property willed to it in some way or other, there should be a provision in the bill that any money made should be given to the State or to some corporation or some institution.

Mr. BARKLEY. Mr. President, if the Senator will yield I will say that that possible contingency has been amply taken care of.

Mr. NORRIS. It seems from the discussion that has taken place here that such a contingency has been taken care of. Mr. BARKLEY. Yes.

Mr. NORRIS. The Federal Government will furnish the money, but in no case shall it be entitled to get any money in return.

Mr. BARKLEY. Even where a property owner has given to Uncle Sam some property-

Mr. NORRIS. We must not take it. Mr. TAFT. I do not think the Senator from Nebraska need have the slightest fear that the Federal Government will make any profit out of it.

Mr. NORRIS. I do not think it will if the Senator from Ohio has his way.

Mr. HAYDEN. Mr. President, will the Senator yield? Mr. TAFT. I yield.

Mr. HAYDEN. I wish to refer to a condition in connection with State highway departments which has come up many times in the hearings on road bills. There is what is called in the common law the right of ingress-egress. If you condemn a right-of-way through a man's farm, you just have a bare right-of-way. He owns the land up to the edge of the road, and he has the right to come in and out of that road when he pleases. In the old days, when he had a barn on one side of the road and a pasture across on the other side of the road—

Mr. TAFT. Why does the Senator say "in the old days"? The same situation now exists. I have frequently seen such

conditions.

Mr. HAYDEN. What happens, though, when it comes to high-speed traffic, such as we now have? Today every State highway engineer will testify that it is absolutely imperative in order to protect that traffic and to safeguard human life to control not a mere highway but some land in each side of it.

Mr. TAFT. Do I understand the Senator is proposing not only to eliminate every railroad grade crossing but every farm crossing, every crossing over which a farmer drives his

cattle back and forth across a public road?

Mr. HAYDEN. I say that crossings where there is highspeed traffic must be regulated or farm animals will be killed, and people driving along the road will be killed. Take the fine bouleyard which the Government built from Washington, D. C., to Mount Vernon, Va. We acquired just the bare right-of-way. What do we find on the side of that road? Beer signs and almost everything imaginable which should not be there. Undoubtedly, if the Government had bought a little more land on each side it could have controlled the situation without great expense. I am merely repeating to the Senator what has been testified to by every State highway department representative who has appeared before the committee, that it is highly advantageous to have some excess taking of land adjacent to the The Senator would prohibit that by his amendhighway. ment.

Mr. TAFT. Absolutely, except for this fact: The courts give a liberal construction to the amount of land required for a road improvement. If it is claimed that a right-of-way 100 feet wide is necessary, but that only 60 feet will be used for the highway proper, as a rule the courts hold that there is a public use for the entire 100 feet. However, if it is perfectly clear that the purpose is to acquire the land for some other use, such as building hot-dog stands, that would not be a public purpose. I do not see any reason why the United States Government should go into that business. I think it is doubtful whether a State or city should do so. In the end, I do not believe they will make any money out of it. The only purpose is to make money. There is no other purpose that I know of.

Mr. HAYDEN. The Senator and I are in accord in one respect. I do not think the United States ought to do it.

Mr. TAFT. We propose to go a step further. We propose to go into many States which themselves are not permitted to do such things, and we propose to have the Federal Government do them, although the people in those States are protected by the State constitutions against the States doing such things. When we once allow excess condemnation, I am not certain whether or not the other subsection applies. I do not know exactly what the words mean. Even after it is changed by the amendment of the Senator from Connecticut [Mr. Danaher], subsection (d), which is now subsection (e), says:

To expend moneys for the purpose for which any real property has been purchased, in improving such real property in any way authorized by this section.

Of course, the real property has been purchased for the purpose of building things on it. That is the only reason it has been purchased. It has been purchased to make money out of it. When we add subsection (c) to subsection (d), if we leave those words in, I still am not clear as

to whether or not the Federal Government could go into a State, as it undoubtedly could under the terms of the original bill, and build any kind of building it thinks ought to be there, including apartment houses and garages. Mr. Carmody testified that we ought to finance public garages, and that the Government ought to build garages. Those who will administer the act are in favor of the Government going into every business; and if they can torture that power out of the words of the act they will do so. So it seems to me that if we keep this language in we shall be putting the Federal Government into every business in the world along the vast superhighways which the Federal Government is proposing to build and turn over to the States at a practically negligible rate of interest.

Mr. BARKLEY. Mr. President, a moment ago the Senator from Massachusetts [Mr. Walsh] asked me where such an experiment had been tried. Yesterday I referred to the so-called seven-States experiment in a number of the States, including New York. The Senator's own State has engaged in this activity. A number of years ago the State of Massachusetts reclaimed the so-called Back Bay Flats, which were lowlands washed by tides from the Boston harbor. The lands were absolutely unusable. In fact, their existence prevented the use and development of the harbor. The State condemned the area, drained it, and provided proper protection, with the result that usable land was created. A large portion of the land was sold at a profit to the State. In a test case the project was upheld as constitutional.

Mr. WALSH. I am very much pleased to have the information. That section of the city of Boston is known as Back Bay.

Mr. BARKLEY. I am familiar with it.

Mr. WALSH. It contains the residences of some of the most well-to-do families in Boston.

Mr. BARKLEY. That is true.

Mr. WALSH. Now that the Senator has called my attention to the matter, I think the State of Massachusetts also carried on a somewhat similar project in connection with filling in some of the low, flat lands in the harbor. I think the Army air base, which the Government now owns, was originally built by the filling in of land by the Commonwealth of Massachusetts.

Mr. BARKLEY. I am not as familiar with that project, but I have had it called to my attention.

Mr. President, I hope the amendment of the Senator from Ohio will not be adopted. The bill is now so restricted with respect to the purchase of adjacent lands that the Federal Government is compelled to turn the highway over to the State when it is completed. If we should adopt this amendment, all the Federal Government could do would be to acquire the actual strip of ground on which there would be traffic, and then it would be required to turn it over to the State. Even if the State then desired to acquire adjacent land in order to do the things to which the Senator from Arizona [Mr. HAYDEN] has called attention, and which the State had the power to do, it would have to pay the increased price brought about by reason of the construction of the highway. That would again involve the question of money.

Under the provisions of the bill the Federal Government may take the adjacent property, and when it turns the completed highway over to the State under a contract to pay for it in 40 years, it also turns over the adjacent property as a part of the highway system; and the State which operates and maintains and later will own the highway when it is paid for will have the power to protect its highway against any unsightly, unseemly, or obnoxious structure or enterprise or activity which ought not to be located on the side of the road.

The only way the State can protect itself is to allow the Federal Government, when it acquires the right-of-way, either by gift, purchase, or condemnation, to take enough land on either side of the road, not only to build the highway, but to provide ingress and egress along the highway for the convenience of the public. Otherwise, a concrete spur 10 or 15 or 20 feet out from the highway itself could not be

built in order that the public, looking over a long period of years, might be able to accommodate itself to such a thing by the building of feeder roads into the highway. If the Senator's amendment should be adopted, it would result in very great disadvantage in the operation of the measure, and inconvenience to the public.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield. Mr. McCARRAN. I do not wish to embarrass the able Senator from Kentucky. I am quoting a part of his statement, as I recall it. As I understood him, he stated that the amendment of the Senator from Ohio [Mr. TAFT] would provide against the Federal Government taking a part of the highway essential to a highway project. Am I correct?

Mr. BARKLEY. What I said was that under the provisions of the Senator's amendment all the Government could take would be the actual strip upon which it proposed to build a highway, but it could not take any ground on either side adjacent to the highway.

Mr. McCARRAN. That would be the situation under the provisions of the amendment offered by the Senator from Ohio?

Mr. BARKLEY. Yes.

Mr. McCARRAN. That leads me to this thought: Does the amendment of the Senator from Kentucky propose that the Federal Government may take anything within the confines of a sovereign State?

Mr. BARKLEY. Only with the consent and cooperation of the authorities of the State.

Mr. McCARRAN. Of course.

Mr. BARKLEY. Of course, these things will be done, as has already been explained, on the application of the authorities of the State. The Federal Government may not go into a State and do any of these things over the objection of the State authorities.

Mr. McCARRAN. The power of free money or easy money is a terrific power. I do not think the able Senator from Kentucky will deny that statement.

Mr. BARKLEY. I know. From time immemorial it has been said that the love of money is the root of all evil.

Mr. McCARRAN. Yes.

Mr. BARKLEY. However, I think that when the Senator intimates that the power of free money in the building of highways is so seductive as to destroy the moral stamina of a whole State he is doing what Edmund Burke once said could not be done. Edmund Burke said that you could not indict a whole state or a whole nation.

Mr. McCARRAN. I agree with Edmund Burke that you cannot indict a whole State or a whole nation, but you can indict the political power which controls a State. Edmund Burke did not have that situation before him when he uttered the words to which the able Senator from Kentucky refers.

Mr. BARKLEY. If the elected officers of any State, or the appointed or elected highway authorities of any State were so spineless, weak, and susceptible that they would cave in, in spite of the opposition of the people of the State, in order to get the Federal Government to build a bridge, tunnel, or viaduct, or to put up the money to buy the rightof-way and build a highway to turn over to the State, I think the people themselves could attend to that situation at the next election.

I do not share the Senator's suspicion with respect to State authorities. I realize that all the people of the country have lately learned to get all the help they can from the Federal Government. While that is true, they are very loath and stubborn when it comes to surrendering any of their authority over either the expenditure of the money while it is being expended or the project after it has been completed.

Mr. McCARRAN. I am very sorry the Senator from Kentucky continuously returns to the matter of tunnels, overhead bridges, and underpasses, because they are really not the spirit of the amendment. The spirit of the amendment is the building of highways. I am at a loss to understand

why the Senator from Kentucky should contend, on the one hand, that this program does not involve a relinquishment of State rights, and, on the other hand, that the Federal Government might step in where it wished to and condemn.

Mr. BARKLEY. It seems to be very difficult for me to make myself clear in respect to this matter. I have insisted, and I still insist, that the Federal Government may not engage in a single operation under the provisions of the bill without the consent of the State authorities, whether it applies to bridges, tunnels, viaducts, a highway, or a street.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment of the Senator from Kentucky, as

modified.

Mr. TAFT. Mr. President, I ask for a division.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lucas	Sheppard
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gillette	McCarran	Smith
Barkley	Green	McKellar	Stewart
Bilbo	Guffey	Maloney	Taft
Bone	Gurney	Mead	Thomas, Utah
Brown	Hale	Miller	Tobey
Burke	Harrison	Minton	Townsend
Byrd	Hatch	Murray	Truman
Byrnes	Hayden	Neely	Tydings
Capper	Herring	Norris	Vandenberg
Chavez	Hill	Nye	Wagner
Clark, Idaho	Ho!man	O'Mahoney	Walsh
Clark, Mo.	Holt	Pepper	Wheeler
Connally	Hughes	Pittman	White
Danaher	Johnson, Colo.	Radcliffe	
Davis	King	Reed	

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. TAFT. I call for a division.

The PRESIDING OFFICER. Those favoring the amendment will stand and be counted. [A pause.] Those opposing the amendment will stand and be counted. [A pause.] There are 20 ayes and 25 noes. The amendment to the amendment is rejected.

Mr. TAFT. Mr. President, a point of order. A quorum is not present.

The PRESIDING OFFICER. Seventy-eight Senators answered to their names on the roll call, and the Chair declared a quorum present. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY], as modified.

Mr. BYRD. Mr. President, a parliamentary inquiry. I have an amendment which strikes out all of the bill relating to the appropriation for public roads. I desire to make a parliamentary inquiry, as to whether my amendment would be in order in the event the amendment offered by the Senator from Kentucky should be first acted upon.

The PRESIDING OFFICER. It would be. The question is on agreeing to the amendment offered by the Senator from Kentucky, as modified.

The amendment, as modified, was agreed to.

Mr. BARKLEY. Mr. President, just a moment. The amendment makes necessary the relettering of the following subsections of the bill.

The PRESIDING OFFICER. Without objection, the clerk will be authorized to reletter and renumber the sections as they should be lettered and numbered to carry out the purposes of the amendment.

Mr. BARKLEY. Also, I desire to offer another perfecting amendment. I overlooked one correcting amendment to my amendment. I ask that the vote be reconsidered for the time being.

The PRESIDING OFFICER. Without objection, the vote will be reconsidered.

Mr. BARKLEY. In line 7, page 1, I move to strike out the word "agency" and insert the word "body", so that it will read "public highway body."

The PRESIDING OFFICER. Without objection, the amendment will be modified as requested; and, without objection, the amendment, as modified, is agreed to.

Mr. BYRD obtained the floor.

Mr. DANAHER. Mr. President, will the Senator from Virginia yield to me for a moment?

Mr. BYRD. Yes.

Mr. DANAHER. I thank the Senator. I had previously discussed with the Senator from Kentucky the substitution of the same words, "public highway body", for "highway agency" with reference to his amendment on page 3, line 3. I take it the Senator has no objection to that substitution there, instead of "public highway agency."

Mr. BARKLEY. I intended to have it apply to both.

The PRESIDING OFFICER. Without objection, that will be done.

Mr. BYRD. Mr. President, I ask that the clerk read the amendment offered by me with respect to the elimination from the bill of the \$500,000,000 made available for public roads, and to change the lettering of the amendment to comply with the amendment which has been adopted, offered by the Senator from Kentucky [Mr. BARKLEY].

The PRESIDING OFFICER. The amendment offered by

the Senator from Virginia will be stated.

Does the Senator desire to have all of the amendments reported together, or one at a time?

Mr. BYRD. Would it be in order to act on all the amendments at one time?

The PRESIDING OFFICER. If they pertain to the same subject, the Senate may act on them all at one time, by unanimous consent.

The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to strike out "the Public Roads Administration."

On page 2, line 22, it is proposed to strike out "\$2,390,-000,000", and in lieu thereof insert "\$1,890,000,000."

On page 3, beginning with line 16, it is proposed to strike out down to and including line 4 on page 4.

On page 6, beginning with line 10, it is proposed to strike out down to and including line 10 on page 9.

On page 11, lines 4 to 7, it is proposed to strike out the following: "the Public Roads Administration (after reserving when necessary sufficient funds to pay operating and maintenance expenses of any highway improvement)."

On page 15, lines 7 and 8, it is proposed to strike out "the Public Roads Administration."

Mr. BYRD. Mr. President, I have no desire to detain the Senate. This subject has been very fully discussed during the past 2 days. The purpose of the amendment is to eliminate from the bill the \$500,000,000 made available for loans for the purpose of constructing public roads, and other parts of the bill pertaining thereto.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the name of Mr. Adams, who voted in the affirmative.

Mr. BARKLEY. Mr. President, I simply wish to say that I hope this amendment will be voted down. This is one of the most important parts of the bill.

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it. Mr. McCARRAN. I understand that the call of the roll is not to be interfered with.

Mr. BARKLEY. But nobody had answered.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk resumed the calling of the roll.

Mr. GREEN (when his name was called). I have a pair with the Senator from Wisconsin [Mr. Wiley]. I transfer that pair to the Senator from Illinois [Mr. SLATTERY] and, being free to vote, I vote "nay."

Mr. BARKLEY (when Mr. Logan's name was called). My colleague [Mr. Logan] is unavoidably detained. If present, he would vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote if present, I transfer that pair to the junior Senator from Vermont [Mr. Gibson] and will vote. I vote "yea."

Mr. HARRISON. I have a pair with the Senator from Oregon [Mr. McNary]. I understand that my pair, if present, would vote as I intend to vote; so I vote "yea."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], and the Senator from Louisiana [Mr. Overton] are necessarily detained.

The Senator from Florida [Mr. Andrews], the Senator from North Carolina [Mr. Balley], the Senator from South Dakota [Mr. Bulow], the Senator from Arkansas [Mrs. Caraway], the Senator from Illinois [Mr. Slattery], the Senator from Oklahoma [Mr. Thomas], and the Senator from Indiana [Mr. Van Nuys] are absent on important public business.

Mr. AUSTIN. I announce the following general pairs:

The Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. Glass]; and

The Senator from New Hampshire [Mr. Bridges] with the Senator from Louisiana [Mr. Overton].

The result was announced—yeas 38, nays 40, as follows:

	YE	AS-38	
Adams Austin Balley Barbour Burke Byrd Capper Clark, Mo. Connally Danaher	Davis George Gerry Gillette Gurney Hale Harrison Herring Holman Holt	Hughes . King Lodge Lucas McCarran McKellar Miller Radcliffe Reed Russell	Smith Taft Tobey Townsend Tydings Vandenberg Wheeler White
	NA	YS-40	
Ashurst Bankhead Barkley Bilbo Bone Brown Byrnes Chavez Clark, Idaho Downey	Ellender Frazier Green Guffey Hatch Hayden Hill Johnson, Colo. La Follette Lee	Lundeen Maloney Mead Minton Murray Neely Norris Nye O'Mahoney Pepper	Pittman Schwartz Schwellenbach Sheppard Smathers Stewart Thomas, Utah Truman Wagner Walsh
	NOT V	OTING-18	
Andrews Borah Bridges Bulow Caraway	Donahey Gibson Glass Johnson, Calif. Logan	McNary Overton Reynolds Shipstead Slattery	Thomas, Okla. Van Nuys Wiley

So Mr. Byrd's amendment was rejected.

MESSAGE FROM THE HOUSE-ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 18. An act authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry;

S. 522. An act to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 75 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes; and

S. 2482. An act authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy.

PROMOTION OF NAUTICAL EDUCATION-CONFERENCE REPORT Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.
That the House recede from its disagreement to the amendment of the Senate numbered 1; and agree to the same.

MORRIS SHEPPARD, BENNETT C. CLARK, WALLACE H. WHITE, Jr., W. WARREN BARBOUR, Managers on the part of the Senate. S. O. BLAND,

JOSIAH W. BAILEY.

ROBERT RAMSPECK, FRANCIS D. CULKIN. Managers on the part of the House.

The report was agreed to.

AMENDMENT OF MERCHANT MARINE AND SHIPPING ACTS-CONFER-ENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the following amend-

On page 2, line 17, of the Senate engrossed amendment, strike out "ten" and insert "five".

On page 4, line 16, after the words "vessels and", insert a comma, the words "for instructional purposes only" and a comma; and the Senate agree to the same.

JOSIAH W. BAILEY, MORRIS SHEPPARD, BENNETT CHAMP CLARK, WALLACE H. WHITE, JR., W. WARREN BARBOUR, Managers on the part of the Senate. S. O. BLAND, ROBERT RAMSPECK, FRANCIS D. CULKIN, Managers on the part of the House.

The report was agreed to.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. MALONEY. Mr. President, I send to the desk an amendment I desire to propose, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new title, as follows:

TITLE II-PUBLIC WORKS ADMINISTRATION

SEC. 201. (a) In order to increase employment by providing for useful non-Federal public-works projects of the kind and character which the Federal Emergency Administrator of Public Works has which the Federal Emergency Administrator of Public Works has hereofore financed or aided in financing, pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the Emergency Relief Appropriation Act of 1936, the Public Works Administration Extension Act of 1937, or the Public Works Administration Appropriation Act of 1938, there is hereby appropriated to the Public Works Administration (herein called the "Administration") in the Federal Works Agency, out of any money in the Treasury not otherwise appropriated, the sum of \$300,000,000, together with the balance of the appropriation made under section 201 of such act of 1938, not reserved for administrative expenses of the Administration and not now or hereafter expended pursuant to allotments heretofore made, which ministrative expenses of the Administration and not now or hereafter expended pursuant to allotments heretofore made, which
amounts shall be available until June 30, 1941, and may be expended by the Commissioner of Public Works (hereinafter referred
to as the "Commissioner") for (1) the making of loans or grants,
or both, to States, Territories, possessions, political subdivisions,
or other public bodies (herein called "public agencies"); or (2)
the construction and leasing of projects, with or without the privilege of purchase, to any such public agencies.

(b) No amount available under this title shall be allotted for
any project which, in the determination of the Commissioner,

cannot be commenced prior to March 1, 1940, or the completion of which cannot be substantially accomplished prior to July 1, 1941: Provided, That this limitation upon time shall not apply to any

Provided, That this limitation upon time shall not apply to any project involved in litigation in any Federal or State court.

(c) Under the funds available in this title, no grant shall be made in excess of 30 percent of the cost of any project, and no project shall be constructed for lease to any public agency unless the Commissioner shall determine that the nonrecoverable portion of the cost of such project shall not exceed 30 percent of the cost thereof.

(d) No moneys for a non-Federal project shall be paid from the funds made available by this title to any public agency unless and until adequate provision has been made, or in the opinion of the Commissioner is assured, for financing such part of the entire cost thereof as is not to be supplied from Federal funds.

thereof as is not to be supplied from Federal funds.

(e) Not more than \$6,825,000 of the amount available under this title may be used for administrative expenses of the Administration during the fiscal year ending June 30, 1940, in connection with this title; such amount shall be available for administrative expenses thereof during such fiscal year for the purposes set forth for such Administration in the Independent Offices Appropriation Act, 1940. The Commissioner shall reserve from the amount available under this title an adequate sum for administrative expenses of the Administration in connection with this title for the fiscal

of the Administration in connection with this title for the fiscal year ending June 30, 1941, subject to authorization hereafter by annual appropriation acts for the utilization thereof.

(f) No funds made available under this act shall be allotted for any project undertaken pursuant to this act which will compete with a property and available under the same project undertaken pursuant to this act which will compete with a property privately covered or constant while utility whose presents. any project undertaken pursuant to this act which will compete with any privately owned or operated public utility whose rates are subject to public regulation on the date of enactment of this act (1) until such public utility has been notified by the Commissioner that a competing project of such character is proposed to be financed with such funds, and (2) until such public utility (A) has rejected, or has failed to accept within 30 days after it is made, a bona fide offer by a public agency, or by or on behalf of the United States, to purchase the property of such public utility at a price fixed by a board of arbitration appointed as hereinafter provided, or (B) has failed to appoint within the time specified a member of the board to be created for the purpose of fixing such price: Provided, That the board of arbitration in each such case shall consist of three members, of whom one shall be appointed by the public utility, one by the public agency which of fixing such price: Provided, That the board of arbitration in each such case shall consist of three members, of whom one shall be appointed by the public utility, one by the public agency which is to construct such competing project or to which such project is to be leased, and one by the two members so appointed, and all such appointments shall be made within 30 days after the notification by the Commissioner to the public utility as provided in clause (1) of this subsection: Provided further, That if the members of any such board appointed by the public utility and the public agency are unable to agree upon the third member of the board within such 30-day period, then the Governor of the State in which the competing project is proposed to be located shall, within 10 days after the expiration of such period, appoint a third member of such board: Provided further, That the price fixed by the board for the property of the public utility in any such case shall be a price which in its opinion is the fair and reasonable value of such property to the public agency, and such price shall be agreed upon by at least two members of the board, and shall be fixed within 60 days after the third member of the board is appointed: Provided further, That in any case in which the Governor of any such State fails to appoint a third member of a board of arbitration within the time specified for such appointment by him, and in any case in which any such board fails to fix the price for the property of the public utility within the time specified therefor, funds appropriated under this title may be allotted for the competing project.

(g) The rates of pay for persons engaged upon projects under the appropriations in this act shall be not less than the prevailing.

be allotted for the competing project.

(g) The rates of pay for persons engaged upon projects under the appropriations in this act shall be not less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Commissioner: Provided, That if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by the Fair Labor Standards Act of 1938, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in this title.

(h) No funds made available under this act, whether administered by the Federal Government or by the States or local government.

tered by the Federal Government or by the States or local govern-mental agencies from funds contributed in whole or in part by the Federal Government, shall be used by any Federal, State, or other agency to purchase, establish, relocate, or expand mills, factories, or plants, which would manufacture or produce for sale articles, commodities, or products in competition with existing

industries.

SEC. 202. Moneys realized from the sale of securities acquired by the Federal Emergency Administration of Public Works or the Public Works Administration, or the proceeds of such securities, may be used by the Commissioner for the making of loans in connection with projects under this title, notwithstanding any previous limitations on the total amount of such securities or proceeds thereof that may be used for loan purposes.

SEC. 203. The Public Works Administration is hereby continued to the close of the fiscal year ending June 30, 1942, and is hereby authorized to continue to perform all functions which it is authorized to perform on July 1, 1939. All laws, Executive orders, and other documents referring to the Federal Emergency Administration of Public Works shall be deemed to refer to the Public Works Administration, and all laws, Executive orders, and other docu-

ments referring to the Federal Emergency Administrator of Public Works shall be deemed to refer to the Commissioner of Public Works.

SEC. 204. (a) Section 206 of the Public Works Administration Extension Act of 1937, as amended by the Public Works Administration Appropriation Act of 1938, is hereby amended to read as

follows:

"Sec. 206. No new applications for loans or grants for non-Federal projects shall be received by the Administration after September 30, 1939: *Provided*, That this section shall not apply to applications amendatory of applications for projects received prior to October 1, 1939, and such amendatory applications shall be confined to projects which, in the determination of the Commissioner, can be started and completed within the time limits specified in section 201 (b) of the Public Works Administration Appropriation Act of 1939."

(b) That profition of section 201 (f) of the Public Works Administration appropriation and the public works administration appropriation appropriation and the public works administration appropriation appropriation and the public works administration appropriation appropriation appropriation and the public works are public works are public works and the public works are public works are public

(b) That portion of section 201 (f) of the Public Works Administration Appropriation Act of 1938 which reads "for the completion (except liquidation) of the activities of such Administration," is hereby repealed.

SEC. 205. (a) There is hereby appropriated to the Administration of the control of the contr

tion, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1941, the sum of \$50,000,000, to be expended at the direction of the Commissioner, \$50,000,000, to be expended at the direction of the Commissioner, for the making of allotments to Federal agencies for the financing of Federal construction projects (including projects for making surveys and maps) in continental United States outside of the District of Columbia, and the acquisition of land for sites therefor, such projects to be selected from (1) projects authorized by law and (2) projects for the enlargement, extension, or remodeling of existing Federal plants, institutions, or facilities.

(b) No Federal construction project, except flood control and water conservation or utilization projects now under actual construction, shall be undertaken or prosecuted with funds made available by this section unless and until moneys sufficient for appropriated therefor.

appropriated therefor.

SEC. 206. This title may be cited as the "Public Works Administration Appropriation Act of 1939."

Mr. MALONEY obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MALONEY. I yield. Mr. McKELLAR. I desire to call the Senator's attention, first, to page 2, line 1, where the language of his amendment is "there is hereby appropriated."

Mr. MALONEY. If that had been read as I have corrected it, the Senator would have found that I have changed the language to read, "there is hereby authorized to be appropriated."

Mr. McKELLAR. The Senator has corrected it?

Mr. MALONEY. I have corrected it.

Mr. McKELLAR. If the Senator will turn to page 7, line 24, he will find this language:

There is hereby appropriated to the Administration, out of any money in the Treasury not otherwise appropriated—

Mr. MALONEY. I ask unanimous consent that the amendment be amended so as to read "authorized to be appropriated."

Mr. VANDENBERG. Is the Senator offering an original section or is he offering a substitute for section 2?

Mr. MALONEY. Actually it is an additional section. As it will work out, in my opinion, it would prove to be a substitute for section 2.

Mr. VANDENBERG. Why does not the Senator offer it as a substitute for section 2, so the issue can be squarely drawn? The P. W. A. has an excellent record. If any such thing is to be done, I agree with the Senator from Connecticut it should be done under the P. W. A. Why does not the Senator offer it as a substitute for section 2, and thus let us have the issue squarely drawn?

Mr. BARKLEY. The provision for which it is proposed to be a substitute is to be under P. W. A.

Mr. VANDENBERG. Under a totally different method.

Mr. BARKLEY. A system of loans, not grants, but still · to be under the P. W. A.

Mr. VANDENBERG. The Senator has raised the issue, as I understand, which places the P. W. A. as the formula, as we know it, and I think the Senator ought to offer the amendment, if he will permit me to say so, as a substitute for section 2, so that we can have the issue squarely drawn before us.

Mr. MALONEY. I am a little bit in sympathy with the Senator, but because there are some in the Government who have the idea that a 100-percent lending plan might work, I am perfectly willing that it should be tried out, and I prefer not to offer my amendment as a substitute for section 2, although I think it will prove to be a substitute.

Mr. VANDENBERG. If it were not that it would result in an increase of \$350,000,000, I should be willing to vote for the inclusion of the Senator's formula in the bill.

Mr. MALONEY. If the Senator's proposal had come at an earlier time, perhaps the amendment could have been offered in line with that proposal.

Mr. President, I presume that the reason why the Senate is considering this so-called work financing bill is because the administration is anxious to find jobs for men who are unemployed. It seems to me that the most serious problem of the time is that millions of men are out of work. I am sorry to say that I think that in our attack on the unemployment problem we have lost our grip in these last few months. It does not seem to me that we have followed through.

I regret, as every sane Senator and American regrets, that the Budget is so out of balance. I am sorry that there is a need for unusual expenditure, but I am satisfied, Mr. President, that the sane and the safe way, and the American and the necessary way, is to provide Federal funds to take care of men who are out of work, and who might otherwise be cold and hungry.

I think we made mistakes as we passed the relief bill of this year. I think that the principal reason for these mistakes is the fact that the bill was passed hurriedly, and that there was misunderstanding on the part of some Members of Congress. I did not so much misunderstand it myself, Mr. President, because I then pointed out on the floor of the Senate that we were making those serious mistakes.

I said then, and I say again, that the proposal that men after 18 months of employment should be laid off was an extravagant step-a cruel and serious mistake-and generally a bad thing to do. I am satisfied that a majority of the Members of Congress now realize that it was a bad thing to do-that it was wasteful-that it was cruel that those who were marked to be laid off should be subjected to worry and suffering for a period of at least 30 days. It now has created a chaotic situation in some municipalities and States, and brought misery to a great many people.

At this point, Mr. President, I want to read an editorialnot a news story, but an editorial, and to mention that it appeared in one of the largest, if not the largest newspaper in my State. I want to point out that it is a part of a newspaper chain of Frank Gannett, a man who, in my opinion, is a conservative. I do not mean to say that this is a conservative newspaper, because I regard it as a reasonably liberal newspaper, and a splendid and fair newspaper. The title of the editorial is, "Trouble With the W. P. A. Order."

It appeared in last night's newspaper. I read:

TROUBLE WITH THE W. P. A. ORDER

Told of her dismissal from a W. P. A. sewing project under the new ruling, a woman fainted in New Haven and was taken to a hospital. Her friends said she had been the main support of her

hospital. Her friends said she had been the main support of her family since her husband became an invalid several years ago. That simple news item illustrates the strongest argument against the lay-off plan. The W. P. A. contains many men and women who have no other hope of sustenance other than the jobs on which they are employed. Some are physically or mentally unfit for private employment. Some are too old. A variety of reasons disqualify more and distinguish them from other numbers who have continued on W. P. A. because they are well expected. have continued on W. P. A. because they are well enough satisfied with its meager returns or too indolent to attempt to find private employment.

A sifting of the W. P. A. ranks probably would be highly desirable. But merely because a man or woman has been a project worker, even for 5 or 6 years, does not in itself prove that he should be required to seek charity for 30 days or starve.

Mr. President, I agree with that editorial. I think there are, without question, a number of people on the W. P. A. who could be better engaged in private employment. I think that out of millions there are some indolent men. I think in some instances the wages are too high.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Connecticut yield to the Senator from Nebraska?

Mr. MALONEY. I yield.

Mr. NORRIS. I also agree most heartily with that editorial, but it seems to me that there is an opportunity for misjudgment of one of the material things referred to in the editorial, because as I understand, the person who was discharged was discharged because of an act of Congress. The editorial says it was on account of a new ruling. The impression that may be conveyed-I do not know that it is intentional, and I do not accuse the writer of the editorial of intentionally doing so-but the impression that will result is that the discharge took place because of some activity of a person having charge of the work, or some new ruling made by the existing W. P. A. administration, when as a matter of fact it all occurred because Congress passed a law which made it imperative that such a thing take place. I think that ought to be said in reference to the editorial.

Mr. MALONEY. I am going to mention that.

Mr. NORRIS. I agree with the Senator most heartily that Congress made a serious mistake when it passed that provision of the law, and it has resulted in a great deal of misery. Illogical conclusions have been drawn from the results since that time. But Congress ought to, as it must, it seems to me, take the entire responsibility for whatever happens in regard to that action.

Mr. MALONEY. I am very grateful to the Senator from Nebraska, and he is, of course, entirely right.

The editorial writer is slightly in error in saying that this woman was dropped from the sewing project under the new ruling. I am glad the Senator from Nebraska made that point, and I am going to attempt to lay emphasis upon it. It is not the fault of the administration that this situation prevails. It is entirely the fault of Congress that there is confusion in the W. P. A. It was pointed out to the Congress, and the Members of the Senate, that this sort of situation would result, just as it was pointed out to the Congress that there would be confusion in other instances under the W. P. A. unless the proposed law was made more liberal and a greater care was exercised. I know that, because I, I presume rather feebly, pointed it out myself. And I am glad to have the chance to try to emphasize this, Mr. President, for while we are only going to be here for a little while longer, it seems to me that we might correct this 18 months' situation. I understand that such a proposal is to be offered in connection with the pending bill, and I shall be very pleased with the chance

One of the other serious mistakes of the relief act was the proposal which led the W. P. A. Administrator to believe that he had been directed to cut the security wage as of September 1. I have on several occasions during the past few weeks discussed that particular proposal in the Senate, and I am happy to be able to say that others have joined in the effort to clear the situation, and that it now appears that it has been made clear to the Administrator, and I say that on my own responsibility, that there is no need or direction that he cut the security wage. The law, if interpreted in accordance with the intent of Congress, and in accordance with the intent of the conferees, will make it unnecessary for the W. P. A. Administrator to cut the wages of these more than 1,000,000 men in the North and West who are certified workers and getting a meager pittance.

Mr. WALSH. Mr. President, will the Senator yield? Mr. MALONEY. I yield.

Mr. WALSH. I should like to inquire of the Senator, in order that the RECORD may be clear, in which branch of the Congress the 18-month furlough originated in the relief bill.

Mr. MALONEY. It is my understanding-and I should be glad to be corrected if I am in error—that it originated in the other branch of the Congress.

Mr. WALSH. That is also my understanding.

Mr. MALONEY. That does not excuse us, however, Mr. President, because we voted on it after that.

Mr. WALSH. I am not commenting on that. Of course. the Congress is blamable. The bill was given too brief consideration in the Senate.

Mr. MALONEY. I know the Senator is not.

Mr. WALSH. The Senator will recall that some of us voted against this provision. Now I should like to inquire whether or not the 18 months' furlough was recommended by the Administrator of the W. P. A.?

Mr. MALONEY. I am not in a position to say. I was not a member of the subcommittee, and I do not know.

Mr. WALSH. Neither do I. Does any member of the committee know? I am making these inquiries only for the record.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield. Mr. MURRAY. I have discussed the matter with Colonel Harrington, of the W. P. A .-

Mr. WALSH. I have also discussed it with him. I do want the information of the committee.

Mr. MURRAY. He points out—
Mr. WALSH. I want to know if anyone representing the Administration appeared before a committee of the Congress and made that recommendation?

Mr. MURRAY. I understand not. Colonel Harrington refers to the record and points to the testimony in the record, which would indicate that no such recommendation was made by the W. P. A.

Mr. WALSH. If that be so, the Senator from Nebraska is correct in stating that Congress is entirely to blame; but I have been under the impression that it may have been recommended or tacitly agreed to or at least approved by the Administrator. I merely wanted the record to be clear, because of the conflicting opinions expressed.

Mr. TYDINGS. The Senator from Colorado [Mr. ADAMS]

was chairman of the subcommittee.

Mr. ADAMS. I did not hear the question.

Mr. WALSH. In view of what the Senator from Nebraska [Mr. Norris] said a few minutes ago, to the effect that Congress was solely to blame for the furlough provision of 18 months, I asked whether or not the furlough was recommended at any time by the Administrator or whether it originated in the House committee.

Mr. ADAMS. I thought at first the Senator was speaking of the 130-hour provision and the prevailing wage. That recommendation came from Colonel Harrington.

Mr. WALSH. I was inquiring where the provision originated. I think we are all agreed it was in the House.

Mr. ADAMS. The 18-month provision was in the bill when it came to the Senate. The Senate changed the provision.

Mr. WALSH. We all agree upon that; but there seems to be a difference of opinion as to the next step. Was it or was it not recommended by the Administrator of the W. P. A.? Mr. BARKLEY. Mr. President, will the Senator yield

to me?

Mr. ADAMS. I can answer the question. The provision which the Senate put in the bill was a provision which Colonel Harrington gave to us. I know that because he brought us a typewritten statement and we substituted the typewritten paragraph which Colonel Harrington gave us for the House language. Colonel Harrington's amendment provided, in substance, that if any man had been in need of relief for 3 months and had been certified and could not get on relief, as between that man and a man who had been on relief for 18 months, preference should be given to the man who had been unable to get on the roll. House provision arbitrarily took people off at the end of 18 months, regardless of whether or not there was anyone to take their places. Instead of the House provision, the Senate merely said that there was provision for only a certain number, and that either a man who had been in need for 3 months and could not be taken care of had to be kept off, or a man who had been taken care of for 18 months would have to be taken off, and that the preference as between the two should be given to the man who had not been able to get on the roll.

Mr. WALSH. I think also Colonel Harrington added another proposal, namely, that the most needy of those on relief should be reinstated.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. MALONEY. I yield.

Mr. BARKLEY. I offered an amendment on the floor, not exactly in that language, which amendment was adopted. The language referred to by the Senator from Colorado, which was inserted by the Senate committee on the recommendation of Colonel Harrington, was an effort to soften the arbitrary provisions of the House bill, which automatically struck off everybody who had been on the roll 18 months. When the bill came on the floor of the Senate I offered an amendment which provided that preference should be given to those who had been certified for 3 months and could not get on the roll, as compared with those who had been on for 18 months, except that that provision should not apply in cases where undue hardship would result.

Mr. WALSH. I thank the Senator. I think it is conceded that the Senate made less severe and less drastic the

provisions of the House bill.

Mr. BARKLEY. That is correct.

Mr. WALSH. I think that is generally agreed.

Mr. BARKLEY. Colonel Harrington did not originally recommend the provisions in the House bill.

Mr. WALSH. I am pleased to know that, for it is but

just to him to have that a part of the record.

Mr. BARKLEY. I talked with him after the House bill came over to the Senate in an effort to arrange it so that the hardships resulting from automatic dismissal of everybody who had been on the roll for 18 months might be in some way assuaged.

Mr. WALSH. I have a very high opinion of Colonel Harrington. I think he is trying to do a good job and will do

a good job.

Mr. ADAMS. I did not know as to the origin of the House provision. I did know as to the origin of the Senate pro-

Mr. WALSH. I thank the Senator from Connecticut, and I wish to say that I concur in all that he has said in relation to the cruel and harsh effects of the administration of the 18 months' furlough provision of the law. My conversation with Colonel Harrington disclosed the fact that he was taking steps not to stagger the discharges over as long a period of time as he could under the law. He began earlier than the law required so that that could be done.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. I wonder if the Senator has received a satisfactory answer to the query which I know is in his mind if he has not propounded it. Why was it necessary for anybody to be cut off the W. P. A. who had been certified for relief by a competent and responsible agency? Did the United States Government profess to be so impoverished that it was willing to go back on the platform declaration that no one in this country would be allowed to go hungry? What answer has been given to the Senator's query as to why anybody has had to go off the roll at the end of 18 months or any other time?

Mr. MALONEY. Of course the Senator knows the answer, because he was on the floor. He was one of those who, like myself, made an attempt to overcome the threat at that time. However, the Congress is entirely responsible. The Congress decided. The Senate joined with the other branch

of the Congress in reaching a decision.

Mr. PEPPER. Did the Senator obtain the impression that the Senate and the House intended to represent that the United States did not have the money to afford jobs, or that

the United States did not want to provide jobs?

Mr. MALONEY. I will answer the Senator by saying that I think the bill was rushed through too hurriedly. I do not believe there is a single Member of the Senate who does not want to provide jobs for unemployed men who want work. I think some Members of the Senate conscientiously believe that the way to correct the unemployment situation is by another way than the expenditure of further relief funds.

I should like to believe that there is another way. Year after year in the Senate I introduced a bill which would do it in another way. I do not think that the W. P. A. method is the proper procedure, but this is the only road left open to us, Mr. President. The other proposals have been set aside; and we cannot sit idly by and maintain that private employment is the place for men to go.

In my opinion, we cannot satisfy ourselves by saying that if we let business alone men will be given jobs in private employment. That argument makes no impression on me. Mr. President, because in 1929, 1930, 1931, and 1932 there were no restrictions on business. There was no hampering governmental influence. Businessmen were riding wide and fancy. We dashed downhill toward ruin. So the only way we can do it, Mr. President, is by providing relief funds.

Although I should like to see the Budget balanced, and although I know there is danger in continuing expenditures, I am satisfied that that is the right way because, in my opinion, it is the only way left to us for the time being. I believe that there is a governmental responsibility so long as able-bodied and willing men are anxious to have a job and cannot find it in private employment. I believe that the true test of a nation is its care of the weak, and that the responsibility of providing assistance for the millions of men now terror-stricken because of the W. P. A. rules, and the passage of the Relief Act, is ours: I further believe. unless we take some steps before we go home, we shall be more seriously sorry before we come back in January.

Mr. President, I am quite satisfied from the standpoint of the record and of my conscience that I have not voted to cut a single relief bill or against a single relief bill. I know that some Members conscientiously and sincerely believe that such is the proper way. I do not think they are helping to hasten better times in our country.

Mr. President, I wish to read another article from one of yesterday's newspapers. I presume it is possible that the editorial which I just read and the brief item which I am about to read are to some extent indicative of conditions over the country. This article happens to be from the New York Sun of last night:

Persons on the Triborough Bridge observed a man leap from a guardrail of the Manhattan lift span, off One Hundred and Twenty-fifth Street, into the Harlem River, 65 feet below, and apparently drown, at 3 o'clock this afternoon.

In a pocket of the coat left behind by the man was a W. P. A.

work card. .

Mr. President, I do not like to inject this sort of thing into debate in the Senate. It is probably wrong. Perhaps I make a serious mistake when I do it. I hope it is not. However, the situation is serious; and I cannot forget that, in my opinion, we hurriedly and carelessly considered the relief bill. I do not want to miss the last chance we have this year to provide an opportunity for men to return to

During the past few days in the Senate I have obtained unanimous consent to have inserted in the RECORD newspaper articles showing that in the comparatively well-off State of Connecticut, as a result of the restricted relief appropriations, thousands of men were being dropped from the rolls, with no place to go. That is a sad state of affairs, Mr. President. And with that situation true in a State which is relatively as wealthy as mine, I dislike to think what the consequences may be in some of the other States of the Union.

Mr. President, unlike some of those who have expressed such an opinion, I do not think the present bill proposes a spending spree. I think it is too conservative a proposal. I should not handle the problem this way. I do not think too much will happen as a result of the bill; and I think very little will happen under the P. W. A. part of the bill. That is why I have offered an amendment which I hope may provide jobs for men in private employment.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. VANDENBERG. Does the Senator's amendment touch any of the problems to which he has recently been advertising, such as the furlough and the prevailing wage?

Mr. MALONEY. No. I will answer the question by saying that such amendments have been printed, and they will be called up in connection with the bill.

Mr. VANDENBERG. I was wondering whether or not the Senator's observations attached to his own amendment.

Mr. MALONEY. I think they do, Mr. President. I am making these observations because I want to make up for the errors of the relief bill, which is behind us. We cut down the amount of money to a considerable extent. As a result of the limitations of the relief bill, which I have been discussing, thousands of men have lost their jobs. Thousands more will lose their jobs; and more than 1,000,000 will have their wages curtailed on September 1 unless the Administrator follows the viewpoint of those Members of the Senate who have declared that the language of the law does not compel him to cut the wages of the certified relief workers. I know of no Senator who has a different opinion.

Mr. President, I answer the able Senator from Michigan by saying that I think there is a relationship; and I want to show that under my amendment jobs will be provided, because the P. W. A. section of my amendment makes certain the expenditure of at least \$1,000,000,000 on work to

Mr. VANDENBERG. I merely wish to get straight the answer to my original question. Of course, the Senator's contention is that by providing supplemental work he provides supplemental jobs.
Mr. MALONEY. That is correct.

be undertaken by private contract.

Mr. VANDENBERG. However, the Senator does not contend that his amendment is the direct answer to the other criticisms which he levels at the original relief bill. Is that

Mr. MALONEY. That is correct; and I am sorry the Senator seems not to have understood me. I know it is my fault.

I have been endeavoring day after day for a period of 2 weeks to gain the attention of the W. P. A. authority and the assistance of Senators for the purpose of trying to correct the situation which I have described. Perhaps we cannot entirely correct the situation by law, because it seems to me we are soon to adjourn. But a part of it can be corrected by interpretation of the language that we passed, and that is one of the reasons why I am discussing this matter just now.

Mr. President, the first part of this amendment relating to the P. W. A. Administration might be best and briefly explained by saying that it is substantially the same proposal which was offered to the Senate in connection with another bill a short time ago by the Senator from Arizona [Mr. HAY-DEN]. It is an appropriation of \$350,000,000 to provide a continuation of the P. W. A. as it existed when first created by Congress. Senators will recall that at that time grants in the amount of 30 percent and loans in the amount of 70 percent were available.

It proved not too tempting a proposal. The municipalities and States of the Union, despite the seriousness of the times, despite the great and widespread unemployment, did not take full advantage of that opportunity. So Congress, anxious to stimulate employment and return men to work, liberalized the P. W. A., and we made loans of 55 percent and grants of 45 percent. If I now thought there was the slightest chance that I could get such a proposal adopted at this time, I would offer an amendment continuing the P. W. A. as it last existed, with grants of 45 percent and loans of 55 percent. I would do it, because the municipalities and the States of this country, hundreds and hundreds and hundreds of them, have set out local programs, and by action of their boards of aldermen or courts of common council or town meetings have prepared plans and specifications and expended a considerable sum of money to take advantage of the P. W. A. 55 percent-45 percent plan. They are not responsible for the fact that the plan has died. They spent a great deal of money, and it seems

to me that there has been not a betrayal but a misleading suggestion on the part of the Federal Government.

I do not offer that liberalized proposal, because the Senate had a chance to vote on it through an amendment offered by the junior Senator from New York [Mr. MEAD] just a little while ago.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from Connecticut yield to the Senator from Illinois?

Mr. MALONEY. I yield.

Mr. LUCAS. I should like to ask the distinguished Senator from Connecticut whether or not he believes that his amendment will take care of a community, for instance, which has voted \$40,000 in bonds on the theory that the Federal Government was going to give it a grant of 45 percent. Will the Senator's amendment take care of that situation?

Mr. MALONEY. I cannot be sure that it will take care of it in all instances: but I assume that what a municipality has once done, it can do again; and while I know that they would prefer the increased grant of 45 percent, I believe that these States and municipalities and subdivisions of government which have indicated a willingness to take advantage of a 45-percent grant will in a great many instances be anxious to take advantage of a 30-percent grant. Perhaps all of them cannot do it, but I think most of them should be able to.

Mr. LUCAS. I do not agree with the Senator upon that proposition. In most of the cases in the State of Illinois I find that nearly all of the municipalities have done all they can do, so far as issuing bonds or raising funds is concerned, to meet a particular grant given to them under the present law; and I do not believe the Senator's amendment is going to have any material effect on obtaining relief for the people in the various communities and in the municipalities which have already voted bonds or have already raised money on the theory that they were going to get a 45-percent grant.

Mr. MALONEY. I am sorry the Senator misunderstands what is uppermost in my mind. I am trying to further expand the national economy at a time when business seems to be showing improvement. I do not want it to drop off. I am trying to provide jobs for men. I am not especially concerned with making it easy for the municipalities, although I feel that we have a responsibility in that direction, and I should like to do it; but I am recognizing a practical situation. I do not believe the Senate will vote a 45-percent grant. We tried it here 2 months ago, or less, and it did not work. We had a tie vote on such a proposal as I am now offering, but I am very hopeful that we may get this one passed. I am in sympathy with what appears to be the opinion and the desire of the Senator from Illinois, but I do not think it is possible, and I think we should be realistic about it.

Mr. LUCAS and Mr. HUGHES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. MALONEY. I yield first to the Senator from Illinois. Mr. LUCAS. Mr. President, does the Senator believe that any more men would be employed on the basis of 70-30 than would be employed on the basis of 45-55?

Mr. MALONEY. Of course not. That question answers itself. I do not think any men would be employed under this proposal if I offered it for 55-45. If we can pass the 70-30 amendment we are going to spend a billion dollars in this country, and it will employ a great many men.

I now yield to the Senator from Delaware.

Mr. HUGHES. Mr. President, I was not here when the Senator from Connecticut started his discussion and offered his amendment. As I understand, the bill itself provides \$350,000,000.

Mr. MALONEY. Yes.

Mr. HUGHES. The Senator's amendment provides an additional \$300.000.000. Is that the idea?

Mr. MALONEY. I will get to that, if the Senator will bear with me for just a minute. I will explain it right now,

if the Senator desires.

The proposal offered by the Senator from Kentucky [Mr. BARKLEY], insofar as the P. W. A. is concerned, indicates a desire to continue the P. W. A. by appropriating \$350,000,000, under the new idea that the municipalities and the States will borrow 100 percent from the Federal Government to undertake these public works, which they refused to undertake in the beginning, when times were much more desperate than they now are, on the basis of a 30-percent grant. I offer my proposal because I do not think the municipalities or the States will take advantage of the provision in the so-called works-financing bill as it now stands. I have served as a mayor. I know something about local problems and the viewpoint of municipal officials. I was a mayor during this administration while a Member of the House. I saw this situation from both sides, and I know the resistance against local borrowing, because of the heavy burdens of the small-home owners of the municipalities of the country, at least in the industrial part of the country.

Mr. LODGE. Mr. President, will the Senator yield? Mr. MALONEY. I yield to the Senator from Massa-

chusetts.

Mr. LODGE. Is there anything in the Senator's amendment which would confine the expenditure of these funds to projects which have already been filed? In other words, I have in mind a sewage-disposal district in my own State which has been recently interesting itself in a project but has not filed any application because there seemed to be no reason for doing so. Would its application be considered under the terms of the Senator's amendment, or is it going to be limited entirely to projects which have already been filed and approved?

Mr. MALONEY. I will read that part of my amendment to the Senator:

Sec. 206. No new applications for loans or grants for non-Federal projects shall be received by the Administration after September 30, 1939.

There is a limited leeway. There is not a need, insofar as providing jobs is concerned, that the doors be opened to any additional projects, because there are more than enough projects now available with plans and specifications approved. I presume, however, that when this amendment—and I will say that this language is not mine—was originally offered to the Senate it was felt that there might be some such situation as that suggested by the Senator from Massachusetts which might be important and ought to be considered under this new appropriation.

Mr. HUGHES. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Delaware?

Mr. MALONEY. I yield.

Mr. HUGHES. I am not quite clear about whether the Senator has answered my question.

Mr. MALONEY. I am going to answer it. I was in the middle of the answer to it when I was interrupted again.
Mr. HUGHES. What I have in mind is this: The bill originally provided for \$350,000,000.

Mr. MALONEY. Yes; on a 100-percent lending basis.

Mr. HUGHES. I wanted to know whether the Senator's additional \$300,000,000 was in any way connected with this provision, whether they were to be operated together, or whether they were separate and distinct provisions for the Public Works Administration.

Mr. MALONEY. They would both come under the Public Works Administration. I do not think the proposal in the bill as it came to the Senate is going to be operative. I do not think the municipalities are going to take advantage of it, though they might do so. I may be mistaken, but I do not want to run the risk; and I am sorry to hear the Senator from Michigan [Mr. Vandenberg] say that, because I did not offer this proposal as a substitute for the section in

the pending bill he would not vote for my proposal, but that otherwise he would. I think he might well give his vote to my amendment if he believes in the plan I have submitted, because, whether or not my suggestion prevails, I doubt that there is very much chance of the expenditure of \$350,000,000 on a 100-percent lending basis.

I do not think the municipalities will do it. They were badly enough off 2 months ago, but as a result of our action on the relief measure the situation in the cities of this country is serious. The heavy tax burden of every municipality now is largely that of relief. Heretofore the expenditure has been largely, at least in my part of the country, for education; but the relief expenditures have passed those for education, and have become a terrific burden on the cities, and a terrible drain on the local treasuries. While I think that under normal and ordinary conditions they might have taken advantage of such a proposal as this, I think that time has passed.

Unless someone wants to question me further about the matter I am anxious to hurry through the discussion of the bill, because weak as I think it is in some places, I think it is extremely meritorious in others, and I want to vote for it whether or not my amendment should be accepted. I think it will be a much better bill with the amendment. I think more men will be given work. I think it is extremely important that we now get into circulation the extra billion dollars which would be authorized by this proposal.

Mr. O'MAHONEY. Mr. President-

Mr. MALONEY. I yield to the Senator from Wyoming. Mr. O'MAHONEY. I understand the Senator's argument to be, in substance, that W. P. A. appropriations and made work paid for by such appropriations do not effect the stimulus that is really necessary to provide the force to carry on our economic system.

Mr. MALONEY. For this reason, let me say to the Senator from Wyoming that the big purpose of the W. P. A., and properly so, is to provide actual labor for men certified for relief work. The W. P. A. tries to avoid the purchase of material, and consequently there is not much contribution to private industry. The W. P. A. worker gets, for the most part, a subsistence wage. His pay is somewhat helpful to the national economy because, in addition to being able to keep his family alive and together, he contributes a little bit to the small-business man. But under the P. W. A. we contribute to private industry. We buy from the manufacturing plants of the country. We buy steel and concrete. We buy, under this plan, automobiles and machinery for every sort of building. We go into the hardware factories. We buy lumber and we buy brick, and things too numerous to mention that will give aid to the national economy, which, at least for the moment, seems to be properly on its way again to better times.

Mr. O'MAHONEY. In other words, the W. P. A. expenditures are practically dead expenditures. They turn over only once or twice.

Mr. MALONEY. I think that may be right.

Mr. O'MAHONEY. They serve only to give a little passing relief. They do not put the workers who are employed upon a self-supporting basis; but the money which is expended in public works will be reflected all through the economy, and therefore will be beneficial to everybody at every step of the economy.

Mr. MALONEY. It is helpful to the great number of unemployed who will go back to work as a result of the expenditure, and it makes more certain, if there is any such thing as certainty, positions held by men still at work. It adds to their security.

Mr. O'MAHONEY. I assume that the Senator means that the provision now in the bill for a 100-percent loan of \$350,000,000 will be an ineffective provision, because, in his opinion, the States and municipalities and other public agencies will not be in a position to take advantage of 100-percent loans.

Mr. MALONEY. That is my opinion.

Mr. O'MAHONEY. And the Senator feels that it is necessary, in order to promote this renewed activity throughout the economic system, for the Federal Government to stimulate public works by a grant of 30 percent of the cost.

Mr. MALONEY. I think it is an economical investment on the part of the Federal Government.

Mr. O'MAHONEY. I take it that the Senator believes that an investment of this kind is far more effective than an investment of twice that sum in W. P. A. expenditures.

Mr. MALONEY. From the standpoint of the national economy, yes. In addition to providing a sufficient amount of money to keep families together, the greatest benefit from W. P. A. expenditures is that they protect the natural American pride of men. Once the pride of Americans is destroyed, they are not the same kind of people, and giving them work instead of a dole is tremendously important to our whole national structure. But from the standpoint the Senator points out, it does not, in my opinion, provide very much assistance to general business.

Mr. O'MAHONEY. If I may ask another question, I understand that the Senator is not offering the amendment as a substitute for the 100 percent loan provision now in the bill.

Mr. MALONEY. For this reason, let me say to the Senator from Wyoming, there are those of this administration who seem to believe that this 100-percent lending plan can be made to work. I do not think it can. But the \$350,-000,000 provided in my proposal is aleady expended, insofar as the municipalities and States are concerned. They are ready to take it over. That means that there will thereafter be a further chance to find out whether or not the proposal already in the bill will work. I could offer this as a substitute, but I do not feel that it is fair to deny this new experiment.

Mr. O'MAHONEY. Would the Senator feel that it would be a proper thing to provide in the amendment, if it is not already provided, that no applicant which was actually able to accept a hundred percent loan should be permitted to take the grant?

Mr. MALONEY. Who would determine whether or not the applicant was able?

Mr. O'MAHONEY. I would say that the Public Works Administrator could easily determine that.

Mr. MALONEY. I prefer not to do that, although I should like to see it worked out if it were possible. I do not think it is possible. I do not think that any man, without great study and the expenditure of much time and money, could determine just exactly which municipality could afford the 100-percent basis and which was entitled to consideration on the 70-percent basis. If the Senator thinks it might work out, and he is willing to prepare such an amendment—and I cannot think of anyone who prepares amendments more efficiently and quickly than he does—I might be willing to add it to my amendment; and I am certain, in any event, that the Senate would be glad to have him offer it for consideration.

Mr. O'MAHONEY. I think it would be a valuable provision, because I have had the opportunity of examining statistics which have shown that there has been a practically complete transfer of the sponsorship of public works from States and municipalities to the Federal Government. Expenditures which, prior to 1930, were being made by States and municipalities for public works, have dropped off, and in lieu of those expenditures there has been a great rise in the amount of expenditures by the Federal Government for the same sort of work.

Mr. MALONEY. There are two reasons for that, I should like to point out to the Senator, at least two reasons appear to me.

The taxing opportunity of the municipalities and the States has been to a considerable extent lessened by several years of hard times. In my own State I think the State budget for this year is the largest in the State's history, though I may be in error about that. If the Federal Government was not pouring millions of dollars into my State, as it is into all the

other States of the Union, the people of my State would find the tax burden exceedingly heavy.

There is one additional reason—and I think this reason especially important—and that is that it is more reasonable to take the taxes from those who are best able to pay, for providing work and creating social values, than it is to take the money from the heavily oppressed small-home owners in the towns and cities of the country; and that is the reason, in my opinion, why there has been this willingness on the part of Congress and the majority of the American people to shift the heavier burden to the Federal Government and to get most of the money through the income tax. It is entirely a tax matter.

Let me add, at that point, that while those who clamor for State control and State rights in connection with relief have as clear an understanding of the situation as I have. They know the local folks cannot stand the tax burden; and if it were shifted to them, the States and the municipalities in this country, in my opinion—although I dislike to say it—would in some instances head toward bankruptcy.

Mr. O'MAHONEY. Mr. President, with the permission of the Senator, I shall offer a perfecting amendment to his amendment.

Mr. MALONEY. Will the Senator permit me to finish my discussion before he does that?

Mr. O'MAHONEY. Of course; I beg the Senator's pardon. I thought the Senator was about to conclude.

Mr. MALONEY. Oh, no. I would have been through except for the interruptions.

Mr. O'MAHONEY. I apologize for the interruption. Mr. MALONEY. No; the interruptions please me. I welcome them.

I should like to say, in connection with the P. W. A. proposal, that as I read the House hearings, and listened to the testimony in the Senate committee, it seemed to me that the P. W. A. authorities were in sympathy with the continuation of the P. W. A. in the manner I have suggested. It seemed to me that Governor Eccles, of the Federal Reserve Board, who has made a special study of this sort of program, is in sympathy with my method, or the method I suggest. I know that the mayors of the cities of the country are in sympathy with the proposal, and perhaps it is natural that they should be.

It is my impression that the majority, and perhaps nearly all, of the State and local officials are in sympathy with this way of procedure. They are in sympathy with it because there is a need for the building of many tremendously important projects—the creation of improved sewer systems and expanded water systems, the erection of new schools, and advancement of education, with which we are so much concerned—and these officials realize that there is no better way to expend public funds than in the creation of these kinds of projects under private industry.

It is not money lost; it is social values on one side to balance the expenditures on the other. The money we spend for these things now will be saved in another day. With improved business which I think would result from this further expenditure, I suggest there could be a more definite move toward the balancing of the Budget and the cutting down of Federal expenditures. But I am fearful, as Mr. Carmody seemed to be, that unless we make this P. W. A. expenditure at this time, or prepare to make it, there will come another lag a year hence, just as there was in 1937, and that we might lose the gains we made simply because we lack sufficient courage, and, in my judgment, foresight, to follow through.

Mr. President, in connection with the P. W. A. bill, I offered an amendment which would provide for the payment of prevailing wages. I wish to point out to the Senate that this prevailing-wage amendment is in connection with private industry, and simply carries out a policy which has been in effect in the Congress for some time.

Someone may suggest a little later that in the so-called Works Finance Act of 1939 there is a prevailing-wage amendment. That amendment was offered, I think, last Saturday at the final meeting of the committee. I was not present at

that meeting, because I had assumed that we concluded on Friday night, and I was out of the city on Saturday on important business.

The committee prevailing-wage section only provides for prevailing wages under the committee P. W. A. proposal, which, I maintain, may not work. That prevailing-wage amendment has nothing to do with the rest of the bill, and I insist that when the Federal Government expends money or provides money to assist industries, either by loans or by grant, it has the right to insist that the men engaged in plants using Federal funds and Federal help should receive the prevailing wage. It is not anything new. I mention this to show the difference between my proposal and the one that is in the bill as it came to the Senate.

I should like to point out one other part of the amendment, and if they are here, I should like particularly to call this to the attention of my colleagues who come from the North and the industrial Northeast.

I refer to subdivision (h), which reads:

(h) No funds made available under this act, whether administered by the Federal Government or by the States or local governmental agencies from funds contributed in whole or in part by the Federal Government, shall be used by any Federal, State, or other agency to purchase, establish, relocate, or expand mills, factories, or plants, which would manufacture or produce for sale articles, commodities, or products in competition with existing industries.

There is one part of that section with which I am especially concerned. I have the fear, and some of my colleagues from the North share the fear with me, that there might be a relocation of some northern industry as a result of loans made under the bill. While our hearts bleed a little for the stricken farmers of the West and the South, and while I have endeavored to give support to proposals which would be beneficial to them, and while I was glad to vote for the agricultural bill last year carrying a large appropriation, and while I realize that we cannot ever be happy unless they are happy, I should like to have them know that we suffer a bit from fear in these days of economic stress. We are losing some of our factories in the North to States in the South because of a special invitation, and we are paying for it in more ways than one.

I heard only last night of a Connecticut manufacturer who had opened a plant in one of the Southern States. He did not move his existing plant, but opened a new factory there. I may be in error about this, but I was advised not longer ago than last night that he moved to the South because wages were more favorable to business, because he would have no taxes to pay for a period of 10 years, and because he received other concessions from that particular State. Still, that State will come here and contend it cannot make a full contribution to the pension laws we pass. Representatives of that State and others like it tell us that the charge is too heavy a burden to bear. But they give tax-free plant locations in order to bring people down from the North. We tax our plants, and it does not seem to me at all fair that those States should give tax-free opportunities in the South at our expense.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. I wonder whether the Senator is aware of how violently the South has been discriminated against in the freight-rate structure of the United States; and if the Senator might not perhaps attribute inducements of the character he has described as being extended by Southern States to northern industry to a desire on their part to make up in the best way they could the burden under which industry was laboring in the South by having to pay the excessive freight rates that were imposed upon southern industry, which northern industry did not have to bear.

Mr. MALONEY. Mr. President, while I am here to represent in part the State of Connecticut, I hope I will never lose sight of the fact that I am a Senator of the United States, and I do not ever intend to cast a vote that will unfairly impose a hardship on any State. I prefer, however, not to discuss the freight-rate situation in connection with the

pending proposal. It is something entirely apart, and I would rather not be diverted at this particular time.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. DAVIS. I agree with what the Senator has stated about factories moving from the North to the South, because in my State of Pennsylvania we have lost a number of factories, and we have found that they go South because they are relieved from the payment of taxes in the South, and because they get other concessions.

And we find, too, that, as in our State, after the original factory got started in another State, it was only a question of a short time before we heard people in our State saying, "The taxes are too high, the wages are too high, and we cannot compete." First they pass the buck by contending that foreign competition is coming in, but now we know that it is because the materials are produced cheaper in other sections of the country than they are in our own State.

Mr. MALONEY. I will say to the Senator from Pennsylvania that it is not a political question until it comes here. These States are fighting for their lives. They are anxious to do things to protect themselves. But we in Congress have a responsibility when it comes to the matter of fixing wages and we have a responsibility when it comes to a matter of providing the contributions of Federal money. We have a responsibility when it comes to appropriations for aiding States in the advancement of education. I do not think any State, no matter how poor that State may be, has the right to come to the Government for educational assistance, for old-age assistance, or any other assistance, so long as it wipes out taxes for industries that might be making large profits.

Mr. PEPPER. Mr. President, will the Senator yield?
The PRESIDING OFFICER (Mr. Brown in the chair).
Does the Senator from Connecticut yield to the Senator from Florida?

Mr. MALONEY. I yield.

Mr. PEPPER. Is not the Senator aware of the fact that the Southern States, and particularly the Southeastern States contribute a larger portion per capita wealth, in proportion to their population, than the Northern States contribute?

Mr. MALONEY. The point I am trying to make is that their per capita wealth may not be a true picture of the situation. They are permitting some northern manufacturers to sweat their labor, and it does not seem to me entirely correct to say that they are contributing for education more than other States insofar as their per capita wealth is concerned. I say they should be taxing the northern manufacturer who goes down there instead of giving him a 10-year free rent.

Mr. PEPPER. Mr. President, will the Senator yield for one more question?

Mr. MALONEY. I yield.

Mr. PEPPER. Is the Senator not aware of the fact that the wage and hour bill was favored by a great many southern Members in the House and Senate and that it is now in effect in the South as well as in the North?

Mr. MALONEY. Oh, yes.

Mr. PEPPER. And that in the last few days, due to the efforts of the able Senator from Georgia [Mr. Russell] and the able Senator from South Carolina [Mr. Byrnes], with the cooperation of their colleagues, a provision has been written into the W. P. A. appropriation requiring that the same wages be paid for the same kind of work in all sections of the country, including the South, with only an allowance for the difference in the cost of living, which is negligible, and are we not in that way trying to raise the southern wage scale, and might we not be brought to the necessity in this very bill of trying to protect the efforts that were formerly employed to restore the southern wage scale?

Mr. MALONEY. Of course I am aware of it, and I have applauded it here in the past few days. Perhaps I went too far when I said what I did. But the Administrator of the Wage and Hour Division of the Department of Labor,

if I am correctly informed, has stated in the last few days that very serious violations of the law are being discovered, and has called attention to the fact that the law is being ignored in certain parts of the country.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BYRNES. I trust that the Senator will not make blanket charges against an entire section of the country.

Mr. MALONEY. I just said I thought I may have gone

too far in that statement. I am sorry.

Mr. BYRNES. I would ask the Senator, knowing his accuracy of statement always, whether the only State offering inducements of that kind were south of the Potomac. A Sentaor representing a State north of the Potomac who sat listening to the Senator told me his State offered an inducement, by way of exemption from taxation for 10 years, which the Senator has talked about. That situation does not exist in the State of South Carolina. It does not exist in many States. I hope the Senator from Connecticut will not say that such inducement is offered to industry only from southern States. If he will inquire, he will find that in many States of the Union outside of the South inducements are offered to industry.

Mr. MALONEY. What I referred to was one southern State, which was called to my attention last night, and which

took away part of a Connecticut company.

Mr. BYRNES. If the Senator says only one State—
Mr. MALONEY. I said only one State, I will remind the

Mr. BYRNES. It may be true. If the Senator says that he knows it I will agree, but I would advise him then that a Member of the Senate, representing a northern State, listening to the Senator, told me that tax inducements were offered by his State.

Mr. MALONEY. I trust the Senator from South Carolina will understand that I did not criticize the States for offering such inducements. What I did say was that it was unfair for the representatives of States which made special inducements in the matter of the remission of taxes, to ask for a special consideration because they did not have sufficient tax income.

Mr. BYRNES. Then the Senator and I would have no argument about it, and if I misunderstood him, and he said only one State I would have no question about that.

Mr. MALONEY. I will say to the Senator from South Carolina that so far as I know South Carolina has not done anything of that sort.

Mr. BYRNES. If the Senator would inquire he would find that some States in his own section offer inducements to industries to come to those States.

Mr. MALONEY. I must insist here that I have a further chance to make myself understood. The States have a right to do that if they like to, but they have no right to ask the Federal Government to pay the tax bill.

Mr. BYRNES. I agree with the Senator in that respect. When it is done the representative of the State would have little justification for asking for any special favors because of lack of tax-paying capacity. I agree with the Senator.

Mr. MALONEY. I certainly absolve South Carolina and its very able representative now on the floor who, while he represents his State better than especially well, does not seem to expect that it shall receive consideration at the expense of other States.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. The Senator perhaps overlooks the fact that the per capita wealth of a given State that may offer industrial inducements would be less without the industry that they induced to come there. So that the situation has been improved by the industry coming there, even though the State gives it tax inducements. So the States are better able to pay their share by having the industry there, even though they give it certain tax benefits, than if the industry were not there.

Is the Senator not aware of the fact that the South has labored under many burdens and disabilities in the last

50 years, and that it has had a Herculean struggle to pull itself back up to a position of even comparable advantage with certain other sections of the country? It has not had a decent freight rate system, and it has not had access to an adequate capital market. There was a political party in power which consciously discriminated in favor of other interests and other sections of the country, a party which was dedicated by its whole history to the service of the kind of special interests which had their lodgement in other sections of the country. So the Republican Party, which dominated this Government through the major part of the last 50 years, has a great deal of responsibility for the impoverishment and the conditions that made it desirable for the South to get industry at almost whatever price it had to pay for it.

Mr. MALONEY. Mr. President, I am in sympathy with the effort to rehabilitate the South. If there is one reason above others that makes me willing to vote for this proposal, it is the \$600,000,000 that the bill contains to provide relief through the Department of Agriculture by way of the lending of money to distressed farmers to repair their farms and farm properties and to acquire farm stock. I am pleased with it because it helps the tenant farmer to acquire a home. I do not think that the able Senator from Florida would now contend that the Congress has at all turned its back upon the stricken South, but that if it has been especially generous to any part of the country, to make up for the sins of another day, it has been generous to that part of the United States.

Mr. PEPPER. I want to say, Mr. President, in connection with that statement, that I believe that in the last few weeks and the last few months there has been less objectionable sectionalism manifested in this body than before in a long time. I certainly share the pleasure that the able Senator from Connecticut observed in seeing the abolition here of sectional tendencies, and the desire on the part of the United States Congress to legislate for the best interests of the whole country and the whole people.

Mr. MALONEY. Mr. President, we have always had a great representation from the South, and it has not lessened in brilliancy or militancy in the last few years.

Mr. President, I shall not take long. I think the reclamation proposal in this bill is a fine self-liquidating project and I think it is extremely important. We have done much for the agricultural parts of the country, but in the part of the bill providing money for loans to the railroads, with which to buy equipment, we find an isolated situation insofar as employment is concerned. It is not a provision which will be particularly helpful to the country as a whole.

Certainly it cannot be said that the export-import feature of this bill is going to provide a great help. I have some doubt about that. But I am hopeful that by the adoption of this amendment, and appropriation of \$350,000,000, and the expenditure of \$1,000,000,000, widely over the entire country, leaving no section untouched—creating splendid social values carefully selected and minutely scrutinized—we can do much to accelerate a national economy that is moving forward.

I have left to the last one section of the bill which seems to me important. I do not think that the Federal Government has a right to be loaning Federal funds or making Federal grants in instances that would permit a confiscation of property. So I have inserted a provision herein, Mr. President, that would prevent the expenditure of Federal funds for the establishment of a utility in competition with an existing utility unless a fair price was offered for that utility. It provides the price be fair to the public agency. I want to emphasize that point. The proposal is not just that it pay a fair price to the utility, but rather that the price be fair to the municipality or public agency. It seems to me to be an ironclad, fool-proof amendment-a protection to the municipality, a protection to the utility, a guaranty against confiscation, and at the same time permitting a nationalizing of power just as far and as fast as the Federal Government can fairly afford to go.

I should be glad to go into details about that amendment, but sometime ago I offered it here in the Senate, and I explained it in very careful detail. I shall not take a bit more time of the Senate, but I am going to ask for a yea-and-nay vote on the amendment, Mr. President. With that, I have

Mr. BARKLEY. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	Johnson, Colo.	Russell
Ashurst	Downey	La Follette	Schwartz
Austin	Ellender	Lodge	Schwellenbach
Bankhead	Frazier	Lucas	Sheppard
Barbour	George	Lundeen	Smathers
Barkley	Gerry	McCarran	Smith
Bilbo	Gibson	McKellar	Stewart
Bone	Gillette	Maloney	Taft
Brown	Green	Mead	Thomas, Okla.
Bulow	Guffey	Miller	Thomas, Utah
Burke	Gurney	Minton	Tobey
Byrd	Hale	Murray	Townsend
Byrnes	Hatch	Norris	Truman
Capper	Hayden	Nye	Tydings
Chavez	Hill	O'Mahoney	Vandenberg
Clark, Idaho	Holman	Pepper	Van Nuys
Clark, Mo.	Holt	Pittman	Walsh
Connally	Hughes	Radcliffe	White

The PRESIDING OFFICER. Seventy-six Senators have answered to their names. A quorum is present.

CORDELL HULL-EDITORIAL BY HUGH S. JOHNSON

Mr. MINTON. Mr. President, when tribute is paid to a man by one who has systematically scrutinized the actions of this administration for the purpose of laying bare its actions to criticism, one may properly feel that the tribute he pays is not only deserved, but may be entitled "high praise."

I find in the writings of Gen. Hugh S. Johnson a splendid tribute to a distinguished American, Cordell Hull. Everyone recognizes that General Johnson, since he severed his connections with this administration and became a columnist, has paid his respects to the administration; but in this article he approves most enthusiastically of Secretary Hull's handling of foreign problems.

Cordell Hull is deserving of this praise; and it is especially noteworthy as it comes from one who has looked askance at the administration. Secretary Hull is deserving of the good will, admiration, and gratitude of the American people.

It gives me pleasure to ask unanimous consent that General Johnson's article be placed in the Congressional RECORD, following my remarks.

Mr. BURKE. Mr. President, reserving the right to object, may I inquire of the Senator from Indiana if he has now changed horses and is supporting a different man for President?

Mr. MINTON. No. We are both going in the same

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> [From the Washington Daily News of July 26, 1939] ONE MAN'S OPINION

(By Hugh S. Johnson)

Hull and Hitler. Their names shouldn't be mentioned in the same breath but they are the only two consistent ministers in

same breath but they are the only two consistent ministers in diplomacy today.

Their policies are completely opposed but they are equally steadfast. Hitler has been consistently a heel. His policies are almost solely responsible for the hatred, danger, unrest, and uncertainty in the world. They have tended to dry up the channels of world trade, destroy so much of international good faith as ever existed, and keep the whole of humanity under the threat of war. He has encouraged similar policies in other gangster grabber nations and is extending all his resources to set half the world to tearing out the entrails of the other half.

and is extending all his resources to set half the world to tearing out the entrails of the other half.

But even including incidental frauds and lies, Mr. Hitler has never deviated from the course he promised in his book at the beginning. The nations do not know what British or French policy is or may be day after tomorrow, but they have never had the slightest cause to doubt what Hitler's policy is. It is to take whatever he wants of other people's property or freedom by threat or force of arms whenever and as fast as he can swing it.

Neither has the world had any cause to wonder about Mr. Hull's policy—to the extent that he controls policy. This column represents no interview with the Secretary of State. It does reflect impressions gained in many conversations, both recently and in past years, and my understanding of his published utterances.

He very early made it clear that, regardless of how far other nations might depart from the principles of international law, this country would never either condone such departures or let a single one pass without protest. He consistently opposed freezing the world's commerce into water-tight trade compartments or engaging in undercover war by economic assaults and batteries. done his best to break trade barriers down. He has

His policy has been to avoid commitments or entanglements with any European country because it happens to be of British or French or any other race. If the policies of other nations coincide with his, he counts it fortunate because he believes those policies to be the best hope of humanity. But, considering the erratic conduct of some of those nations and our traditional policy in that regard, he can be counted upon not to get us into harness with any. Regardless of rumor, I am convinced there are no secret agreements or "gentlemen's understandings" or undercover

secret agreements or "gentlemen's understandings" or undercover commitments with any nation.

He regards war as not probable but as possible. So far as Mr. Hull is concerned, if we are dragged in, it will not be to fight the battles of anybody else. It will be because our own rights have been assaulted beyond the point of American endurance.

This last statement is of supreme importance because it has been the foundation of Mr. Hull's policy since the beginning to leave no doubt in the minds of the gangster or any other nations that such a point exists. There has been no swaggering about leave no doubt in the minds of the gangster or any other nations that such a point exists. There has been no swaggering about that and there will be none. Mr. Hull's policy is to avoid that point as long as it is honorably possible—but no longer. For if Japan, the Nazis, and the Fascists were ever foolish enough to be convinced that there is no such limit, we could and probably would have war in the world immediately.

Cast your eye over the entire company of the world's "statesmen" in the past few years. If any measures up to the waistline of Cordell Hull, I don't know who he is.

MESSAGE FROM THE HOUSE-ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States." approved July 1, 1898, and acts amendatory and supplementary thereto, and it was signed by the President pro tempore.

TRUTH IN FABRIC

Mr. THOMAS of Oklahoma. Mr. President, I shall ask the attention of the Senate for a very few moments. Tomorrow at 12 o'clock a motion will be made to reconsider the vote by which Senate bill 162 was passed. That bill is known as the truth-in-fabric bill. Inasmuch as the debate tomorrow will be limited to 1 hour, I occupy this time to make a portion of the RECORD so that Senators who may be interested will have the advantage of the Record when the vote is taken at 1 o'clock tomorrow.

Mr. President, this bill is a bill in favor of raw wool, termed "virgin wool"; and to the extent that the bill favors raw wool or virgin wool to the same extent such bill discriminates against reclaimed wool and other textile products. By other textile products I mean cotton and rayon. So the bill is a wool bill, and is against rayon and cotton.

If I may apply terms of finance to the bill, the bill seeks to monetize wool and to demonetize cotton and rayon.

Mr. President, the record is as follows:

During the debate on the bill the distinguished Senator from Kentucky, the majority leader [Mr. BARKLEY], admitted that the bill would have a great effect upon cotton, and that a vast amount of cotton was used in connection with wool in the making of cloth. Wool and cotton are woven together. They are spun together in the form of yarn, and from the yarn various classes of wool products are made. That information is now in the RECORD.

After this issue was developed in the debate I sent a telegram to the National Association of Wool Manufacturers. I ask unanimous consent to have printed in the RECORD at this point a copy of such message.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JULY 21, 1939.

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,

386 Fourth Avenue, New York:
During consideration Schwartz wool bill it was admitted that vast
quantities of cotton were used, in conjunction with wool, for

making cloth. Please contact manufacturers making cloth from wool-cotton combination and advise estimate of amount cotton used annually in the manufacture of cloth containing both com-

Mr. THOMAS of Oklahoma. I shall not read the message. It will be in the RECORD for those who care to read it tomorrow.

I next ask unanimous consent to have printed in the RECORD at this point the reply to the telegram just referred to. The reply is signed by the National Association of Wool Manufacturers.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., July 24, 1939.

Hon. Senator Elmer Thomas, of Oklahoma, United States Senate Office Building:

Re your telegram July 21, beg to advise that vast amounts of cotton are combined with wool in the manufacture of various types of textile fabrics for many purposes. Despite the fact that our association represents a large majority of the textile mills classified as wool textile mills, it will be necessary to get information on com-bined use of wool and cotton from mills considered cotton textile mills in order definitely to estimate annual volume of cotton so used. We are undertaking a survey to get this definite information from mills of both classifications immediately. At the same time we are asking these mills to advise us their opinion of the effect the pending bill will have on their use of cotton; that is, whether or not the present proposal enacted into law will increase or crease the use of cotton by them and to what extent. We will immediately forward this information to you as quickly as received.

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

Mr. THOMAS of Oklahoma. One sentence of the reply reads as follows:

Re your telegram July 21, beg to advise that vast amounts of cotton are combined with wool in the manufacture of various types of textile fabrics for many purposes.

Mr. President, after this issue arose I made a search of the House hearings, and likewise of the Senate hearings. I found practically nothing in either regarding the relation of wool to cotton. The House hearings were on a similar bill. I do not complain that the hearings are silent as to the effect of this bill upon cotton because the subcommittee in the Senate was made up of members from Northern States, where no cotton is grown.

The distinguished Senator from Wyoming [Mr. Schwartz] was made chairman of the subcommittee. He comes from a wool-growing State and where no cotton is produced. The second member of the committee was the Senator from Minnesota [Mr. Lundeen], likewise from a wool-producing State, where no cotton is grown. I make no complaint at The third member of the subcommittee was the Senator from Vermont [Mr. Austin], likewise from a Northern State. I make no complaint about that. The subcommittee was selected from Senators from Northern States. There was no one on the committee to represent cotton, and because of that fact the cotton issue was not raised.

There was nothing in the Senate hearings about the relationship between wool and cotton in the making of any kind of cloth. I made a search of the House hearings, and I desire to place in the RECORD at this point all I could find, which was a question submitted by a Representative from my State, Mr. Boren, in interrogating another Representative from my State, Mr. Monroney. This testimony is found at page 373 of the House hearings on House bill 944. On that page we find the testimony of the Honorable Mike Monroney, a Representative in Congress from the Fifth Oklahoma District. Mr. Monroney was formerly a furniture manufacturer, and later expanded his business to include the retailing of furniture.

It is conceded that it was because of the testimony of Representative Monroney that articles going into the manufacture of furniture were excluded from the House bill. Such articles are floor coverings, upholstery, drapery fabrics, rugs, and mats.

In connection with Mr. Monroney's testimony he was asked the following question by Mr. Boren:

I understand that you indicate it is your belief that it would be injurious to the cotton raiser and the seller of cotton that moves into the manufactured article?

Mr. Monroney answered:

Very definitely. To me this sets up the word "sterling" or "carat" of the fabric.

That was the answer by Mr. Monroney, a Representative from my State.

In discussing the fabric known as mohair, on page 379 of the House hearings, Mr. Monroney is quoted as follows:

The face of the fabric being all mohair, 100 percent mohair, this bill, if enacted, would require the trade to place on its tag the information that the fabric was made of 50 percent mohair, for instance, and 50 percent jute or cotton.

Then on page 380 he stated:

But after the customer has been used to an article containing 100 percent mohair, on the face, and picks up a label and sees this same fabric now labeled 50 percent mohair and 50 percent cotton or jute, I am afraid it is going to have an adverse effect.

Mr. President, that is all the testimony in the hearings in the House document as to the relation of cotton to wool.

The PRESIDING OFFICER (Mr. Brown in the chair). The Senator has made a unanimous-consent request. Has he read in the RECORD whatever he wanted to have included?

Mr. THOMAS of Oklahoma. I asked unanimous consent that the telegrams be inserted in the RECORD, and I think consent was granted. I shall not ask for further unanimous consent with regard to the hearings. I have given the pages and the quotations which I desire the Record to con-

When I found nothing in the House hearings, I then made a search of the Senate hearings, and I found in the Senate hearings only one little item which gave any light whatever upon the relation of wool to cotton. On page 116 of the Senate hearings on Senate bill 162 we find a table compiled from the United States Census figures for the years 1914, 1919, 1929, 1931, and 1935. That table assumes to give the principal fibers consumed in the woolen and worsted industries.

In 1914, according to this table in the hearing, some 28,387,022 pounds, or 56,777 bales, of cotton were used in conjunction with the making of woolen and worsted fabrics. The table shows the amount of cotton used in each of the years mentioned in connection with the making of such fabrics. The table does not give the amount of cotton used in the making of woolen and worsted fabrics for any year subsequent to 1935.

That is all the information that the Senate hearings contain with relation to the amount of cotton that is used in conjunction with wool in the making of textiles.

Mr. President, because I could find no information in the hearings, I addressed a letter to the National Retail Dry Goods Association. I understand that this association represents 5,900 stores. It is not a fly-by-night organization. It is one of the largest organizations in America, an organization having membership representing 5,900 stores. Included among those stores is the Penney organization, which of itself has 1,800 stores throughout the United States. In addition to the Penney organization and these other stores, this number embraces the mail-order houses. So I sent a letter to the head of this organization; and in order that the Senate may be advised, I ask permission to have printed in the RECORD at this point a copy of my letter to such organization.

The PRESIDING OFFICER. Without objection, the request is granted.

The letter is as follows:

JULY 26, 1939.

To National Retail Dry Goods Association:

We have pending in the Congress a bill known as the truth-infabrics bill sponsored by Senator Schwarz, of Wyoming.

No doubt you have read the provisions of this proposed legislation. If not, I am enclosing copy for your inspection.

The subcommittee considering the bill was appointed from northern Senators; hence, the relationship between cotton and wool was not brought out in the hearings. At the last moment it has developed that a very large amount of cotton is used by the wool manufacturers in making yarn, consisting of both wool and cotton. and cotton.

The purpose of the legislation is to increase the demand for raw or virgin wool and to discredit the demand for reclaimed or shoddy wool. It is my fear that the bill will have the same effect upon cotton that its promoters want it to have upon reclaimed or shoddy wool.

I have just sent a telegram to Mr. Fred K. Nixon, sales manager for the Riverside and Dan River Cotton Mills, asking for an opinion as to the probable effect of the passing of the Schwartz bill upon the cotton industry. For your information I am enclosing copy of this message herewith.

I have the Schwartz bill held up in the Senate pending a motion

to reconsider. The vote comes up on my motion at 1 o'clock on Friday. I am desirous of securing all the information I can prior Friday. I am desirous of securing all the information I can prior to the vote; hence, if you will send me a memorandum by messenger, giving me your reaction to the effect of the Schwartz bill upon the cotton-textile industry, the favor will be appreciated.

Yours most cordially,

ELMER THOMAS.

Mr. THOMAS of Oklahoma. I have received a reply to this letter. I shall not take time to read the letter, because it will be in the RECORD in the morning if I obtain permission to make it a part of the RECORD; and I now ask permission.

The PRESIDING OFFICER. Without objection, the request is granted.

The letter is as follows:

NATIONAL RETAIL DRY GOODS ASSOCIATION, New York, N. Y., July 26, 1939.

Hon. ELMER THOMAS.

United States Senate, Washington, D. C.

Dear Senator Thomas: A great deal of attention and consideration is being given at the present time to the cotton-surplus problem, and there appears to be no question but that it requires solution in the interests not only of the cotton growers but of the general economic situation.

You are aware, of course, that there is a tremendous amount of apparel and household products, such as textiles, underwear, hosiery, blankets, etc., which are made of mixed wool and cotton. Under the provisions of S. 162 and H. R. 944 the percentage of cotton content of all these products must be revealed on the

label.

The use of cotton in these mixed products is often for very excellent purposes, too numerous to detail.

Ient purposes, too numerous to detail.

There has been such a huge amount of advertising of rayon and rayon products during the past year, particularly with respect to women's apparel, although to a lesser degree with respect to men's apparel, that inevitably, should it become necessary to label all merchandise containing wool as to fiber content, manufacturers of yarns, textiles, etc., will turn to rayon and eliminate cotton as far as possible. There is no real reason for doing this excepting the psychological one of minimizing sales resistance; and, of course, in these times, when increased sales and increased production are so vitally important, everyone will attempt to operate along the lines of least resistance.

The same is true in the matter of blankets. The tendency nat-

The same is true in the matter of blankets. The tendency nat-urally will be to use less and less cotton in blankets if the blanket be labeled as to the exact percentage of cotton contained

therein.

As you probably know, substitutes for cotton are being used

all over the world and are being continuously developed.

I believe that this country consumed over 325,000,000 pounds of rayon during the year 1938, and there isn't very much doubt but that the two bills before mentioned will increase the use of rayon as against cotton in mixed fibers.

In attempting to increase the sale of wool it is quite evident that it will undoubtedly be at the expense of cotton and the cotton surplus presents a far more serious condition than any wool surplus, and, in addition, contrary to the belief of the wool growers, this legislation, if enacted, will in our opinion not increase the use of virgin wool.

Our opposition to this bill is not based on any desire to misrepresent products to the consumer. Make no mistake about that. It is based primarily on the premise that the enactment of these bills

is based primarily on the premise that the enactment of these bills will simply open the door to further misrepresentation, to a sanctification of virgin-wool products without regard to the quality of such products, and will generally impede business at a time when no legislation should be enacted which would have this tendency. Importations of woolen goods, according to the Department of Commerce, have increased tremendously since the effective date of the reciprocal tariffs. It will be exceedingly difficult to enforce this law against such imports, and even if it could be enforced foreign exporters would have a further price advantage over American manufacturers, since this law would undoubtedly increase prices. Competition in the retail field assures consumers of the best possible value which is obtainable at the price the consumers desire to pay, and, of course, the Federal Trade Commission has ample and complete authority to eliminate misrepresentation.

This law would without question tend to largely nullify all the combined efforts of the Department of Agriculture and members of industry to promote the increased use of cotton.

Very truly yours,

Very truly yours,

HAROLD R. YOUNG, Washington Representative, National Retail Dry Goods

Mr. THOMAS of Oklahoma. I shall read the last paragraph of the letter. It is signed by Harold R. Young, Washington representative, National Retail Dry Goods Association. The last paragraph is as follows:

This law would without question tend to largely nullify all the combined efforts of the Department of Agriculture and members of industry to promote the increased use of cotton.

Then, Mr. President, after I had failed to get information from the hearings, I sent inquiries to the Department of Agriculture. I addressed a communication to Mr. Harry L. Brown, the Assistant Secretary; I addressed a communication to Mr. Milo Perkins, an expert in that organization; I addressed a letter to Dr. Mordecai Ezekiel, the economic adviser to the Agricultural Department; and I addressed a similar letter to Dr. Boyd, an economist in that organization. When my letters reached the Department of Agriculture, these gentlemen got together and formulated a reply. have the reply; and I now ask permission to insert in the RECORD at this point the reply, signed by Mr. Harry L. Brown, Assistant Secretary of the Department of Agriculture.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE, OFFICE OF THE UNDER SECRETARY, Washington, D. C., July 27, 1939.

Hon. ELMER THOMAS,

United States Senate.

Dear Senator Thomas: This will reply to your letters of July 26 concerning certain aspects of the truth-in-fabrics bill, S. 162, addressed to several individuals in this Department, including Dr. Ezekiel, Dr. Boyd, Milo Perkins, and myself.

Ezekiel, Dr. Boyd, Milo Perkins, and myself.

You ask whether the provision of this bill requiring labeling of the manufactured goods to show the amounts of reclaimed wool fibers and other fibers which are intended to "discredit the demand for reclaimed or shoddy wool" will have the same effect on the demand for cotton for combining with virgin wool in spinning wool-cotton yarn. Broadly speaking, this Department takes the view that all information helpful to consumers in making intelligent purchases is desirable. Aside from this consideration, however, we believe that there are other important points to be mentioned in regard to enactment of the bill referred to.

If passage of this bill should result in increased consumption of virgin wool, we do not see how this increase could fail to be at the expense of reclaimed wool and other fibers, among them cotton, now

expense of reclaimed wool and other fibers, among them cotton, now used in the wool and woolen industries. What the extent of this effect on cotton might be it is impossible accurately to estimate, but

that there would be some decrease in the use of cotton seems

Bureau of the Census data indicate that the wool and woolen industry used in 1935 about 20,300,000 pounds of cotton and cotton waste, which is equivalent to about 42,000 bales of cotton. In addition, this group of industries uses considerable quantities of cotton and part cotton yarns purchased from other industries. There are also considerable quantities of cotton-and-wool-mixed fabrics pro-

also considerable quantities of cotton-and-wool-mixed fabrics produced in mills primarily engaged in the manufacture of cotton goods. The total quantity of cotton consumed in worsted and woolen goods is probably in excess of 50,000,000 pounds, or the equivalent of about 105,000 bales of cotton.

It should be pointed out that the quantity of cotton consumed in the worsted- and woolen-goods industries referred to in the preceding paragraph is relatively small in percentage compared to the total amount of cotton consumed in this country. Also, we wish to make it clear that we do not infer that the use of cotton would be completely eliminated in the manufacture of worsted and woolen goods by enactment of this type of legislation.

woolen goods by enactment of this type of legislation.

Due to the urgency of your request, this letter cannot be cleared through the Budget Bureau, as is customary on all formal reports on legislation issued by this Department.

Sincerely yours,

HARRY L. BROWN, Assistant Secretary.

Mr. THOMAS of Oklahoma. I now desire to call attention to one or two sentences from the letter of the Department of Agriculture.

The sentences to which I call attention are as follows:

If passage of this bill should result in increased consumption of virgin wool, we do not see how this increase could fail to be at the expense of reclaimed wool and other fibers, among them cotton, now used in the wool and woolen industries.

The second sentence to which I desire to call especial attention is as follows:

The total quantity of cotton consumed in worsted and woolen goods is probably in excess of 50,000,000 pounds, or the equivalent of about 105,000 bales of cotton.

Mr. President, here is an official letter from the Department of Agriculture which makes the positive statement that this bill will have the effect of decreasing the demand for cotton, and it might decrease the demand for cotton to the

extent of the present amount being consumed, which is estimated to be 105,000 bales per annum.

Mr. President, in order that I might have further information, I sent a telegram to Mr. Fred K. Nixon, manager of the Riverside & Dan River Cotton Mills, 40 Worth Street, New York City. I ask permission to have this telegram inserted in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so

The telegram is as follows:

JULY 26, 1939.

FRED K. NIXON, Manager, Riverside and Dan River Cotton Mills,

Schwartz bill pending before Congress proposes to force manufacturers to label contents of cloth, especially wool. Am advised much cloth contains both wool and cotton. This fact will force manufacturers to label cloth, giving percentage of contents of both wool and cotton. Respectfully request your opinion as to how provisions of Schwartz bill will affect cotton industry. Theory of Schwartz bill is to magnify and increase importance of virgin or nonreclamed wool and to discredit wool that has been once woven into cloth and thereafter reprocessed and reclaimed. If such bill has effect wanted by promoters, reclaimed wool will be discredited, and I fear that cotton, when used with wool, will likewise be discredited; hence, if my interpretation is correct, Schwartz bill will place premium on virgin or unreclaimed wool and will likewise discredite otton, placing cotton on same status as reclaimed or so-called shoddy wool. Representing a large cotton-producing State, I do not wish to have Congress enact legislation which may have the effect of discrediting the demand for cotton. I shall appreciate any facts or opinion you will give me relative to effect of Schwartz bill upon cotton industry.

ELMER THOMAS.

Mr. THOMAS of Oklahoma. I am promised a reply to this telegram between now and tomorrow noon. At that time, if the reply is available, I shall submit same to the Senate.

Mr. CHAVEZ. Mr. President, I have listened with a great deal of interest to the statement of the Senator from Oklahoma pertaining to Senate bill 162. It appears that the objection of the Senator from Oklahoma to Senate bill 162 is based upon the fact that it may interfere with the use of cotton.

I happen to come from a wool-producing State. I also happen to come from a cotton-growing State. I cannot see one thing, nor did I see one thing, in Senate bill 162 which would in any way interfere with cotton. From what I was able to ascertain concerning that particular bill, the only thing that the sponsor of the bill had in mind, or those who would vote for the bill had in mind, was to try to keep honest those who deal in wool.

There is nothing whatsoever in Senate bill 162 which would prohibit a single soul in the entire country from using New Mexico or Oklahoma cotton; but we do insist that when a fabric is made of cotton, it should be so stated. All we ask in the particular bill is that when they say a fabric is wool, the housewife or anyone who makes a purchase of a particular commodity that is supposed to be wool shall get a commodity that is wool.

There is nothing deceptive about Senate bill 162. There is nothing which would in any way interfere with cotton. While we may not raise as much cotton as some of the other States raise, we still raise cotton in my State; but we do not want anyone in New England or elsewhere when he is selling New Mexico cotton combined with wool to say that it is wool. If they buy wool from Oklahoma, or wool from New Mexico, or wool from Wyoming, all we ask for in Senate bill 162 is that they be honest about it and tell us that it is wool, not with the idea of interfering in any way whatever with cotton, or prohibiting the marketing of cotton in any way at all.

I hope that when the motion to reconsider the vote by which the Senate passed Senate bill 162, the bill of the Senator from Wyoming [Mr. Schwartz], comes up, Senators will have in mind the fact that there is nothing at all in that bill that will prohibit in any way whatever buying 1 pound of cotton anywhere. It is designed only to keep wool honest, even if we cannot keep any other commodity honest.

Mr. SMITH. Mr. President, unfortunately I have been absent from the Chamber. The truth-in-fabric bill has come up from time to time. I merely want to remark that if the

use of cotton in the manufacture of woolen fabric lessened the value and comfort of the wool, I would not open my mouth about this bill; but, in fact, it improves the quality of the garment because of the peculiar character and tensile strength of the cotton.

When a man buys a woolen suit there is a certain amount of cotton in it. It does not detract one particle from the woolen effect. The fact is that with the modern loose weave and aniline dyes, it takes an expert to tell the difference between a woolen garment and a cotton garment. The dyes make the color fast. The comfort of the garment is just as great, and there is no kind of moth or insect that has ever been known to attack a cotton garment.

I am not here to try to discredit the use of wool, but I am here to state that if this bill passes and the use of cotton, which lessens the price of the woolen garment, is made impossible, and the use of absolutely virgin wool is enforced, the sale of woolen garments will be as disastrously affected as the Senator from Oklahoma is afraid that cotton will be disastrously affected.

Mr. President, that is one feature, the commercial feature. The other feature is the attempt to promote the industry of one section at the expense of the products of another section. I have only to refer to the oleomargarine tax. The product called oleomargarine was being extracted from cottonseed, and, of course, it entered into competition with butter. So there was a rush to Congress, and the butter interests had a bill introduced putting a prohibitive tax on oleomargarine—after awhile the Senate got a little more common sense—arare thing in this body—and modified the bill. They said, "You may sell that product as oleomargarine, and color it"—as they did butter—"but you must label it 'colored oleomargarine,' so as to inform the public what it is."

All this grew out of simple competition. There was no question as to the nutritive value of this edible fat, its wholesomeness, its palatableness, but it was a competitor, and therefore must be taxed out of existence. That was all there was to it. One section was devoted to the production of butter, another devoted to producing a substitute. Dr. Wiley, appearing before a subcommittee in 1911, of which Senator Lodge, the grandfather of the present Senator from Massachusetts, and I were members, testified that oleomargarine was just as palatable, just as wholesome, and just as nutritious as butter, and stated that when colored with the extract of carrot it was just as pleasing in its yellow appearance.

A Senator who was devoted to the butter industry asked me, "Do you pretend to say that this miserable vegetable stuff taken from cottonseed is as good as good Elgin butter?"

"Well," I said, "I do not know. I take my cow and feed her on cottonseed alone, and I milk from her the product of the cottonseed, as changed by the chemistry of her anatomy, and churn it into butter—pure cottonseed butter run through a cow." Science runs cottonseed through a machine and extracts butter. I believe I would just about as soon have the machine product, because it is not as subject to animal disease as it is when run through the cow. [Laughter.]

All sorts of unpatriotic measures are resorted to in an attempt to get a little advantage of another section. This truth-in-fabric bill should be labeled a bill to protect the wool growers of America, not the manufacturers; they are not the ones who are asking for the bill. It is the sheepmen who want to eliminate any use of cotton.

Mr. President, I deplore this kind of legislation, not because it would affect cotton, since 150,000 bales of cotton in a fifteen or sixteen million bale crop does not spell much, but the use of the cotton does help the poor to get woolen clothes, which are, in a way, more desirable under certain conditions than the cotton-fabric goods.

This bill is not worthy of the United States Senate or of the Congress. No one has suffered; no one has complained except the wool grower. No one has been denied a comfortable suit, no one has been denied any of the comforts of clothes, but the wool growers want a monopoly, and they are welcome to it, so far as I am concerned. I do not believe, however, that this

Ashurst

Russell

kind of legislation adds anything to the American spirit or to the spirit of fair play.

Mr. BARKLEY. Mr. President, may we not get back to the bill under consideration and have a vote on the pending amendment?

Mr. SCHWARTZ. Mr. President, I merely desire to observe at this time that I am not going to reply to what has been said, because I do not desire to delay the vote on the pending bill, but I hope to demonstrate to the Senate tomorrow that I know something about cotton, and I know what is driving cotton out of woolen textiles, and I will demonstrate that it is not new wool.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. Maloney].

Mr. LA FOLLETTE. Mr. President, the Senator from Connecticut asked for the yeas and nays.

Mr. BARKLEY. I am willing that he shall have the yeas and nays.

The yeas and nays were ordered; and the legislative clerk proceeded to call the roll.

Mr. MILLER (when his name was called). I have a special pair with the senior Senator from West Virginia [Mr. Neely]. I am advised that if present he would vote "yea," and if I were permitted to vote I should vote "nay."

The roll call was concluded.

Mr. AUSTIN. I announce the following general pairs: The Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. Glass]; the Senator from New Hampshire [Mr. Bridges] with the Senator from Louisiana [Mr. Overton]; and the Senator from Oregon [Mr. McNary] with the Senator from Mississippi [Mr. Harrison].

These Senators are necessarily absent.

Mr. DAVIS (after having voted in the affirmative). I have a pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote, I withdraw my vote.

Mr. GREEN. I have a pair with the junior Senator from Wisconsin [Mr. Wiley]. That pair has been transferred to the junior Senator from Illinois [Mr. SLATTERY], and I am at liberty to vote. I vote "nay."

Mr. HILL. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Illinois [Mr. Slattery] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Mississippi [Mr. Harrison], the Senator from Utah [Mr. King], the Senator from Oklahoma [Mr. Lee], the Senator from Kentucky [Mr. Logan], the Senator from West Virginia [Mr. Neely], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. Pittman], the Senator from New York [Mr. Wagner], the Senator from Montana [Mr. Wheeler], the Senator from North Carolina [Mr. Balley], the Senator from Washington [Mr. Bone], the Senator from Indiana [Mr. Minton], and the Senator from Iowa [Mr. Herring] are unavoidably detained.

I announce the following pairs: The Senator from Indiana [Mr. Minton] with the Senator from Iowa [Mr. Herring]; the Senator from Washington [Mr. Bone] with the Senator from Utah [Mr. King]; and the Senator from Montana [Mr. Wheeler] with the Senator from North Carolina [Mr. Balley]. I am advised that if present and voting, the Senator from Indiana, the Senator from Washington, and the Senator from Montana would vote "yea." The Senator from Iowa, the Senator from Utah, and the Senator from North Carolina, if present and voting, would vote "nay."

The result was announced—yeas 27, nays 44, as follows: YEAS—27

Lundeen

Frazier

Barbour Chavez Clark, Idaho Danaher Downey Ellender	Guffey Hayden Johnson, Calif. Johnson, Colo. La Follette Lodge	McCarran Maloney Mead Murray Nye O'Mahoney	Schwartz Schwellenbach Thomas, Okla. Thomas, Utah Truman
CONTRACT I	NA	YS-44	
Adams Andrews Austin Bankhead Barkley Bilbo Brown Bulow Burke Byrd Byrnes	Capper Clark, Mo. Connally George Gerry Gibson Gillette Green Gurney Hale Hatch	Hill Holman Holt Hughes Lucas McKellar Norris Pepper Radcliffe Reed Sheppard	Smathers Smith Stewart Taft Tobey Townsend Tydings Vandenberg Van Vuys Walsh White
-3		OTING—25	
Bailey Bone Borah Bridges Caraway Davis Donahey	Glass Harrison Herring King Lee- Logan McNary	Miller Minton Neely Overton Pittman Reynolds Shipstead	Slattery Wagner Wheeler Wiley

So Mr. Maloney's amendment was rejected.

Mr. NORRIS. Mr. President, yesterday the Senator from Ohio [Mr. Taft] made certain remarks in regard to a rural-route project in the State of Ohio. Much to the discredit of that particular project he read from a brief filed by the attorneys in some tax proceeding in Ohio, by which they undertook to reduce the taxation of that particular project. That was one of the first projects started by the R. E. A. when the law was enacted. I wish to say before I refer more particularly to the project itself, that no one, neither friend nor foe of the Rural Electrification Administration, expected that it would work altogether without mistake. It covered the entire United States. It undertook to bring electricity to the farm homes of America.

It was an experiment in that kind of legislation, especially in this country. I have no doubt the Rural Electrification Administration made many mistakes and will make many more in an undertaking of this kind, which is Nation-wide in its scope, and I think I can say without any fear of contradiction that the Rural Electrification Administration has improved very greatly and is doing a better job now than it did when it began.

The particular project referred to by the Senator from Ohio, one of the first started, was in his own State. It was started in 1936. The Senator referred to the income and the expenses of that particular project up to the end of the year 1937. It had been in operation only 1 full year and part of 1936. The financial statement shows that there was a deficit of \$717.76 in 1936, and that the net revenue for 1937—I speak of the net revenue—was \$849.06.

Of course, if that kind of a financial showing had extended during the life of the project it would have been a failure. There would not have been sufficient money to pay the interest and to make payments on amortization of the principal. The Senator from Ohio made much of that, and he stopped at the end of the year 1937. If he had gone just 1 year more he would have found that the net revenue in 1938, the next year, was \$24,805.27.

That brings us up to the present year. The Senator would have found, had he gone into the present year, that in the first 5 months of this year there was a net revenue of \$16,692.12.

I do not know whether the Senator, when he made his remarks, was informed of anything beyond the 2 years of failure, the 2 experimental years, the 2 beginning years.

I have a table here prepared by the R. E. A.. I presume it is correct and taken from the records. It sets forth that the gross revenue has shown a constant and satisfactory increase, as indicated by the following statement of monthly receipts taken at 6 months' intervals since the project was energized. The first figure is for October 1936, \$2,193.12; in April 1937, \$5,880; October 1937, \$8,794.35; April 1938,

\$9,341.08; October 1938, \$10,986.59; April 1939, \$11,225.97; in June, that is the last month, 1939, \$11,548.20.

The operating profit has shown a steady and satisfactory increase, as indicated by the following statement.

Mr. President, I ask that the entire statement be printed at the conclusion of my remarks and as part of my remarks. The PRESIDING OFFICER. Without objection, it is so

ordered

(See exhibit A.)

Mr. NORRIS. Mr. President, I will not read all of that statement. But in October 1936 the operating deficit was \$33.57. In April 1937 the profit was \$539.75. And so on, until April 1939, when there was a profit of \$3,403.37. In June, last month, 1939, there was a profit of \$3,775.84.

The average consumption per customer is now running nearly 20 percent ahead of 1938. The interest which has fallen due has been paid. For interest, \$26,992.56, or practically \$27,000, has been paid, and as yet no principal pay-

ments are due.

Mr. President, this was one of the earliest R. E. A. projects, and was constructed at a time when costs were running about 20 percent higher than present costs. It was a pioneer project, not only in name but in fact, and was very much lower in construction and in load building than the present experience of R. E. A. projects.

In view of these facts the favorable upward trend indicated by the statement, is particularly significant.

It is notable that the operating figures for the calendar year 1937, which was the only period involved in the tax case, constituted no criterion whatever concerning the future of this project as illustrated by the fact that the net revenue for the calendar year 1938 was nearly 300 percent higher than the net revenue for the year 1937.

Mr. TAFT. Mr. President, those figures cannot be right.

The net revenues?

Mr. NORRIS. Yes.

Mr. TAFT. What does the Senator include in "net" revenue? Does he include depreciation, the replacing of poles and lines, and so forth?

Mr. NORRIS. I am reading the statement issued by the R. E. A.

Mr. TAFT. The Senator does not know how they calculate their net revenue?

Mr. NORRIS. I suppose they are intelligent, probably as intelligent as is the Senator from Ohio, and probably much more intelligent than I am, and that they know how to do that business. I assume that they do it honestly.

Why did the Senator from Ohio stop with 1937? Why did he quit just when that project commenced to grow and

become useful and self-supporting?

Mr. TAFT. Because the statement I was reading from was a Government brief, a brief filed with the Tax Commission of Ohio by the R. E. A., the Government, and which covered that full year. I might say that I did not cover the year 1938, but this brief shows that they did have the figures for 8 months of 1938; and whereas in 1937 they told the tax commission they had an average monthly deficit of \$6,394, they told them that in the first 6 months of 1938 they had an average monthly deficit of \$6,194. In other words, the figures for 1938—

Mr. NORRIS. Now the Senator is quoting from a brief by

the attorneys-

Mr. TAFT. For the Rural Electrification Administration. Mr. NORRIS. I understand. They are Government attorneys.

Mr. TAFT. Yes.

Mr. NORRIS. But does the Senator expect attorneys in trying a lawsuit and trying to get, as they think, a reduction in taxation—does the Senator believe they used anything unfavorable to their view? So while I do not know whether they were telling the truth or not—I assume they were—the fact remains that the Senator was quoting from something that he knew was absolutely adverse to this project.

Mr. TAFT. If the Senator will yield—that is absolutely untrue. I am quoting from the figures filed, which are true figures. They are far more true than the figures presented

to the Senator, because here are included reserve for maintenance and for depreciation. Does not the Senator suppose they have to replace their poles after 20 years?

Mr. NORRIS. Why did the Senator stop with 1938?

Mr. TAFT. Because that is practically the same as 1937.

Mr. NORRIS. It is not the same.

Mr. TAFT. There is a \$200 difference.

Mr. NORRIS. There is increase of net revenue there of nearly 3,000 percent.

Mr. CONNALLY. Mr. President, a point of order.

Mr. NORRIS. The Senator was presenting the situation in just as unfavorable a light as he could. If he wanted to be fair with the project in his own State why did he not give the facts as they are given now? Why did he not give both sides?

Mr. CONNALLY. Mr. President-

Mr. TAFT. I asked the Rural Electrification— Mr. CONNALLY. Mr. President, a point of order. The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. The Senator from Ohio is interrupting the Senator from Nebraska without securing the permission of the Senator or addressing the Chair. The Senate has rules, and the Senator knows what they are.

The PRESIDING OFFICER. The point of order is well taken. The Senator from Ohio will address the Chair.

Mr. TAFT. Mr. President-

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield.

Mr. TAFT. The figure which the Senator has shown of net revenue left out the item of interest. It also left out depreciation. The figures which I presented show there was

an operating revenue in 1937 of about \$88,000.

The Government attorneys estimate that the real deficit in 1937 was \$76,000. The Senator is correct that in the first 8 months of 1938 the revenue, leaving out interest and depreciation, was apparently \$10,000; but they show that the net deficit for 8 months was \$50,000 in 1938, substantially the same deficit which existed in 1937. I do not object to the Senator presenting figures, but I object to his charging me with unfairness when all I have done is to read from the briefs of Government attorneys and from the figures of the balance sheet and the statement of operating expenses and operating receipts filed by the R. E. A. itself with the Tax Commission of Ohio and sworn to by its attorneys and supporters.

Mr. NORRIS. Mr. President, I do not think I have made any charge against the Senator from Ohio for which I have to apologize or which needs any defense. The Senator from Ohio in his speech was trying to throw as much dust as he could against the success of the Rural Electrification Administration. If anyone doubts that statement, let him read the speech.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. NORRIS. No; I will not yield at this time. Wait until I answer the first question.

At the same time, in almost every paragraph he was saying, "Oh, I am a friend of the Rural Electrification Administration." God knows, if we had many such friends we should not have any rural electrification! That is what I thought from reading his speech. I challenge anyone to read it for himself and see if he can draw any other conclusion.

The figures he gave he quoted from an attorney's brief. Of course, the attorney wanted to win his case. I do not mean to say that the attorney misstated anything; but he made the statement as unfavorable to the R. E. A. project as he possibly could. The presentation was of only one side. The attorney had the right to present that side. The Senator from Ohio had a perfect right to read from the brief and put it all in the Record if he desired; but when I read his speech, which I did not hear, it struck me that he was as one-sided as any attorney ever is in trying a lawsuit, and that he had put only one side in the evidence.

He had not put in anything as of the time when the project commenced to improve. It has been improving and

increasing in net revenue every year from the time it began. To start with it had a deficit. Many others have had deficits. No private company ever put in an electric distribution system, either rural or urban, in a territory where none was in existence before, without having to build up the load. Nine times out of ten there is a deficit, sometimes for 8 or 10 years.

As I understand the experts—of course, I do not understand them as well as does the Senator from Ohio; perhaps he knows more than I know about the subject—they do not commence to charge depreciation the first year. They recognize that they will have a deficit. They recognize that these projects, like any other projects, have to be built up.

From the day the project was put in there has been a constant increase, as the statement shows. I have not figured it out, but as the statement shows, there is an increase in net revenue in this particular project of more than 3,000 percent since it has been in existence. It has paid every debt it owed up to this hour. It does not owe a dollar to the Government or to anyone else, and it is still climbing up.

We cannot expect any project to be a success the first year, if we are to charge depreciation. If we are to charge up ordinary expenses, we will find a deficit to start with, either in private or public projects. There is no difference between them in that respect. They are all alike.

I do not think it is fair to the Senate for a Senator to give the results while the project was a failure and not give any of the results while it was a success.

It is not fair to the country. It is not fair to his own State. It is not fair to the farmers who are now making a success of the project which the Senator wanted the country and the Senate to believe was an abject failure.

EXHIBIT A

JULY 27, 1939.

STATEMENT RE PIONEER RURAL ELECTRIC COOPERATIVE LOCATED IN THE

The tax case referred to in the testimony related solely to the operations of this project for the calendar year 1937, which was the tax period at issue. This was the first full year of operation of this project, and the operating figures for that year, although of controlling importance in connection with this particular tax case, had no significance as an index of future income during the 20-year period of the Government loan.

The steady upward trend of net revenue available for debt service during the past 2½ years evidences the economic soundness and self-liquidating character of this project. The operating figures for the calendar year 1937, which was the only period involved in the tax case, constitute no criterion whatever concerning the future of this project, as illustrated by the fact that the net revenue for the calendar year 1938 was nearly 3,000 percent higher than the net revenue for the year 1937. The following statement is a record of the net revenue available for the debt service:

Five months, 1936	1 \$717.76
Full year, 1937	849.06
Full year, 1938	24, 805, 27
First 5 months, 1939	16, 692. 12
¹ Deficit.	

The gross revenue has shown a constant and satisfactory increase as indicated by the following statement of monthly receipts taken at 6 months' intervals since the project was energized.

October 1936	\$2, 193, 12
April 1937	5, 880, 30
October 1937	8, 794. 35
April 1938	9, 341. 08
October 1938	10, 986. 59
April 1939	11, 225, 97
June 1939	11, 548. 20

The operating profit has shown a similar steady and satisfactory increase as indicated by the following statement:

Operating deficit: October 1936	400 57
Operating profit:	\$33.57
April 1937	539.75
October 1937	1, 395, 09
April 1938	1, 126, 97
August 1938	1,567.97
September 1938	3,090.72
October 1938	3, 329, 80
April 1939	3,403,37
June 1939	3, 775.84

The average kilowatt-hour consumption per consumer is now running nearly 20 percent ahead of the year 1938. All interest that has fallen due totaling \$26,992.56 has been paid and as yet no principal repayments are due.

This was one of the earliest R. E. A. projects and was con-

This was one of the earliest R. E. A. projects and was constructed at a time when costs were running about 20 percent higher than present costs. It was a "pioneer" project not only in name but in fact, and was very much slower in construction and in load building than the present experience of R. E. A. projects. In view of these facts the favorable upward trend indicated above is particularly significant.

Mr. TAFT. Mr. President-

The PRESIDING OFFICER. The Senator from Ohio.

Mr. NORRIS. I now yield to the Senator if he wants to ask me something.

Mr. TAFT. I think I was recognized in my own right, Mr. President.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. The Senator from Nebraska has charged me with unfairness because I happened to present the only figures I could obtain. The figures are official figures, sworn to by the Rural Electrification Administration. They are correct. They must be correct. There is no alternative. So far as I know, the Senator has not presented a complete statement of operation in 1938. He merely presented the conclusion of some R. E. A. administrator, instead of the statements of attorneys. He draws conclusions.

The Senator does not even know whether or not depreciation and interest are included in his figures. As a matter of fact, we asked the officials of R. E. A. to present to us the operating figures of some of the cooperatives. They said they would do so, but they have not yet done so. Incidentally, it is their duty to present the figures to the committee if they have them, and not to the Senator from Nebraska, because we asked for them, and we have not been furnished with them.

In the second place, I did not really notice yesterday the figures for 1938; but if I had, they prove only what the figures for 1937 prove. The difference is almost negligible. All I had was the figures for 8 months of 1938, when the brief was filed.

The average deficit for the year 1937 was \$6,394 per month; and the average deficit for 1938 was \$6,194 per month for the months reported. In other words, in 1937 the cooperative had a gross deficit of \$75,000; and apparently from the figures its gross deficit would be something like \$65,000 or \$66,000. In other words, the figures for 1938 were not substantially different.

Furthermore, the brief says:

It is apparent that some deficit will continue for a period of years. Although there has been a slight improvement the trend is very slow. Three thousand two hundred and thirty-one customers have been connected, including almost all the profitable business.

The Senator emphasizes the increase in gross business. He does not say anything about expenses. Apparently there is some increase in business. The year before the project made only \$80 more than actual expenses. In 1938 it made a few thousand dollars, but not sufficient to begin to pay depreciation; not sufficient to pay any interest whatever; and, so far as I know, not sufficient to pay any amortization on the debt to the Government.

Mr. NORRIS. Mr. President, will the Senator yield? Mr. TAFT. Incidentally, the Senator said I was reflect-

ing on the Rural Electrification Administration.

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. TAFT. No; I will not yield to the Senator from Nebraska.

The Senator is mistaken in that statement. My whole effort yesterday was to prove that the R. E. A. was a spending and not a lending organization; that the debts are not good debts; that the debts cannot be paid back and will not be paid back beyond a certain percentage. I suggested that 50 percent of the total amount put into the R. E. A. might be paid back.

We asked the Rural Electrification Administration to present all the figures from 600 cooperatives. It has not done so; and I venture to say that if the figures were furnished it would be found that operating expenses have exhausted every cent of operating receipts and that today nothing is left to pay interest or amortization, to say nothing of depreciation on the equipment.

I did not criticize the Rural Electrification Administration. In fact, the Administration explained why it cannot pay the charges. I agree with the explanation. The lack of earning power is said to be due wholly to the thin character of the rural business. The property has been efficiently managed. The gross earnings are as large, and the operating expenses are as low, as is reasonably possible.

The Senator states that this project is one of the R. E. A. mistakes. I did not say it was one of the R. E. A. mistakes. So far as I know, it is as good a cooperative as there is in the United States. So far as I know it is well administered. I read this statement to the Senate last night:

The rates at which electric energy is sold to the members of the corporation are as high as the traffic will bear and comparable to the rates charged by power and light companies in adjacent territories.

It is reasonable to assume that higher rates would result in restricting the development. To have avoided a deficit for the year 1937 would have required gross revenue 87 percent greater than that actually received. It is obvious that no such result could be obtained.

Those are the figures. They seem to me to prove completely what I said yesterday, that the bill is a spending and not a lending proposal; that if we want to appropriate more money for the R. E. A. we ought to appropriate it out of the regular Budget, as we have done for the past 3 or 4 years. It ought not to be assumed to be loaned money, on the theory that in some way it is going to be paid back.

My whole objection to the Government going into business is illustrated by the Senator from Nebraska. He does not know what depreciation is. He has no idea of the figures from Government enterprises, or of the way in which any private enterprise has to figure. He has never figured correctly as to the T. V. A.; and if the Government goes into business men like the Senator from Nebraska and men of his point of view will run those businesses. That is why Government businesses are bound to fail. That is why we ought to stay out of private businesses.

Mr. BONE. Mr. President, will the Senator yield? Mr. TAFT. I shall be through in half a minute.

The Government ought to stay out of business. The Government ought to be engaged in governmental business. It ought to be interested in assisting the people; but when governments go into actual business my contention is that they always lose money, and are likely to lose money, and cannot be blamed for losing money. Therefore, it seems to me very clear that a bill which puts the Government into the lending business and which, through the lending business, goes into the control of all the companies to which money is loaned, as set forth by Mr. Berle before the Temporary National Economic Committee, is a bill which ought to be rejected unless we are prepared to go to the point of Government regimentation and regulation of all business, and finally actual operation of all business.

Mr. NORRIS. Mr. President, the Senator from Ohio in his speech, if one reads it through, was trying to do just what he is now attempting to do—that is, to show that this is a spending bill, and that we are going to lose on it. To demonstrate his point he used this particular illustration in his own State. He was trying to show, if one went no further than he did, that the project was an absolute failure; that the Government would have to take over all of the R. E. A. before it got through, and that it was going to fail.

The Senator has a perfect right to believe as he does. I do not find any fault with a man who so argues. I know that some men honestly believe such a thing, as probably the Senator from Ohio does. That does not do away with the fact that when he comes to prove his proposition he uses an illustration and tells only half the story. I previously stated, and I now repeat, that that is not a fair way to present any case in the Senate. That is the way an

attorney presents his case to a jury, but it seems to me it is not the way the Senator ought to have presented the case to the Senate if he wanted to be fair. He should have told both sides.

The Senator from Ohio charges me with much ignorance, to which I plead guilty. I do not claim to be a wise man. I do not claim to have the knowledge of the Senator from Ohio. With his superior knowledge he tells us what ought to be done.

No private corporation in the country ever started a project, either rural or urban, without having a loss at the beginning of the operation of the project. I am referring to a project which is started new, as the R. E. A. had to do in the case of this particular project.

That is probably true of every R. E. A. that is put into force. You have to build up a load. It takes time. You cannot charge depreciation, you cannot charge amortization, for the first year or two; and this project is going on now, at this moment, entirely out of debt. It does not owe a dollar for interest. It may not be able to meet the principal when it comes due. I do not know what may happen. A private company would not try to meet the principal. It would go in debt, and stay in debt, and get in debt further and deeper all the time; but this rural electrification statute provides for amortization for the payment of these debts, so that when the cooperatives get through they will not owe anything, but they will own the property, and will have only the operating expenses and depreciation to look out for.

Mr. President, I ask unanimous consent to have inserted in the Record, in connection with my remarks, extracts from a brief of the Rural Electrification Administration in the case of the Pioneer Rural Electric Cooperative, Inc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[The Tax Commission of Ohio. In the matter of the Pioneer Rural Electric Cooperative, Inc., taxpayer. Application to obtain a reduction in the tentative assessed valuation of its property for the year 1938. Memorandum submitted by the taxpayer and by the Rural Electrification Administration on behalf of the United States of America, a creditor of the taxpayer]

PRELIMINARY STATEMENT

It is respectfully submitted that the tentative valuation of the taxpayer's property for the year 1938 in the sum of \$887,080 should be very greatly reduced. This memorandum presents the reasons of fact and of law in support of the application for reduction.

STATEMENT OF THE INTEREST OF THE RURAL ELECTRIFICATION ADMINISTRATION

The properties of the taxpayer were wholly financed by the United States, acting through the Rural Electrification Administration. The taxpayer is now indebted to the United States in the total sum of \$1,184,272, evidenced by 20-year notes, bearing interest at 3 percent, and secured by a first mortgage upon all the property here involved. The notes are to be repaid in equal monthly installments, adjusted to retire the total principal amount, with interest, by December 1, 1956.

The taxpayer has not at any time earned enough even to pay its operating expenses, exclusive of the debt service and exclusive of

The taxpayer has not at any time earned enough even to pay its operating expenses, exclusive of the debt service and exclusive of essential reserves. The only source of repayment of the indebtedness which brought this taxpayable property into being is the net revenues after payment of all operating expenses. The United States, therefore, is vitually interested in the maintenance of the taxpayer's property as a going concern. It is not only interested as a creditor, but it shares with the rural population of Champaign, Miami, and Shelby Counties an interest in the successful maintenance of this electric service. The enterprise of the taxpayer represents much more to the people of Ohio than an addition to the taxable property in these counties. It represents the fulfillment of many years' desire on the part of this large rural area for a service that has become an essential commonplace in urban life. The increasing gap between urban and rural standards of life has become a great public problem in the solution of which the Federal rural-electrification program plays an important part.

for a service that has become an essential commonplace in urban life. The increasing gap between urban and rural standards of life has become a great public problem in the solution of which the Federal rural-electrification program plays an important part. The successful development of this enterprise is now jeopardized by the prospect of continuing deficits. This jeopardy may be relieved by an adjustment of the tax load to a level that reflects the true earning power and the true value of the property. The Rural Electrification Administration, therefore, for the reasons set forth above, joins in this memorandum.

RELEVANT FACTS CONCERNING THE BUSINESS AND PROPERTY OF THE TAXPAYER

The Pioneer Rural Electric Cooperative, Inc., is an organization of rural electric consumers, formed by a merger of three similar

cooperative associations. It operates wholly in rural areas, where, for many years, the farmers had tried in vain to obtain service from existing utility companies. Service was consistently denied on the sole ground that the business would be unprofitable. The business of the taxpayer in this proceeding became possible only through the program of the Rural Electrification Administration. It was only because of the willingness of these farmers and the Federal Government to take financial risks which private capital would not take that this taxable property came into being. Those concerned in the enterprise have faith that it will become self-sustaining, but this will be possible only by an adjustment of all items of operating expense, including taxes, to the business facts of the enterprise in its early years.

The fact which is chiefly relevant to this proceeding is the present earning power of the property. In the year 1937 the gross operating revenues were \$88,111.83. The operating expenses, including taxes, but exclusive of interest and exclusive of any reserves for depreciation and future maintenance, were \$88,084.35. Interest was \$26,190.89. Reserves for depreciation and maintenance, computed at 5 percent of the book value of fixed assets, amounted to \$50,567. It appears, therefore, that the first full year of operation showed a deficit of \$76,731.32, equal to 87 percent of its gross revenues. These facts as to the earning power of the property are set forth in the report heretofore filed by the taxpayer. The report, however, did not include any reserves for depreciation and maintenance which proper accounting practice and the decisions of the courts require. A summary of the profit and loss statement is shown in exhibit "A." attached hereto.

It is apparent that some deficit will continue for a period of years. Although there has been a slight improvement, the trend is very slow. Three thousand two hundred and thirty-one customers have been connected, including almost all of the profitable business. In ex

Before depreciation	\$2, 180
After depreciation	6.394
Year 1938, average monthly deficit:	- Cart
Before depreciation	1,702
After depreciation	6, 194

and in exhibit A indicates an unusually low ratio of operating expenses. Exactly the opposite is true. The break-down of operating expenses set forth in the taxpayer's report and in exhibit A indicates an unusually low ratio of operating expenses to the book value of the property. It is apparent that every item of expense has been cut to the bone. Such items as salaries, wages, rent, and office expense are very much lower than similar items in the current practice of electric companies. It must be assumed that the usual type of utility company, privately financed and operated for profit, would show a greater deficit in the operation of this property in this area.

Respectfully submitted.

On behalf of Pioneer Rural Electric Cooperative, Inc., Taxpayer.

VINCENT D. NICHOLSON, General Counsel On behalf of the Rural Electrification Administration.

EXHIBIT A

Profit and loss statement, Pioneer Rural Electric Coope Jan. 1, 1937, to Dec. 31, 1937	rative, Inc.,
Operating revenue	\$88, 111. 83
Operating expenses: Production expense: Power purchases Distribution expense: Distribution labor	26, 072. 56
Undistributed expense	22, 936. 76 416. 34

ed upkeep:	
eneral expense:	
Salaries and expense of administra-	
tive offices	\$3, 495. 44
Salaries and expense of office em-	
ployees	1, 919, 70
Rent	439.05
LXXXIV—644	

Deferred upkeep—Continued.		
General expense—Continued.	0 000 44	
Supplies and expense		
Miscellaneous	4, 325. 60	
Meter readings, salaries and expense_	686.04	
Consumers accounting, salaries and	2, 595. 10	
expense	780.00	
Advertising	63.48	
Insurance	1,939.12	
Uncollected accounts	71.28	
		\$20, 223, 22
Taxes		18, 038, 34
Interest on funded debt		26, 190. 89
Total operating expense	5 percent	
Total operating expense and reserves		164, 843. 15
Net income (deficit)		76, 731, 32
These figures do not include a net non \$456.95.	operating	revenue of
PLY SE INCOME AND A STREET OF THE		
EXHIBIT B		
Profit and loss statement, Pioneer Rural Elec Jan. 1, 1918, to Aug. 31, 15		rating, Inc.,

Profit and los	s statement,	Pioneer	Rural Electric	Cooperating,	Inc.,
200 111 11 00 00	Jan. 1,	1918, to	Aug. 31, 1938		

Operating expenses: Production expense; power purchases Distribution expense:		22, 695. 03
Labor	64 087 98	
Supplies and expense	1 186 40	
Mileage	355. 79	
		6, 529, 56
Maintenance expenses:		0,020.00
Labor	7, 567, 60	
Supplies		
Mileage	392.84	
	077277677	10, 381.91
Consumers billing and collecting expense	:	100
Salaries	824.00	
Miscellaneous	188. 52	
		1, 012. 52
General expense:	Tyre (been been	
Salaries		
Miscellaneous	5, 620. 40	
		10, 443. 05
Insurance		1, 084. 63
Transportation expense		1, 422. 14
Taxes		13, 584. 60
Interest on funded debt		24, 390. 62
Total operating expenses	1 100 , 25	91, 544, 11
teserves for maintenance and depreciation	(5 percent	31, 321. 11
per annum of book value of fixed assets.	Adjusted	
for 8-month period)		35, 937, 00
Tot o motion porton, and a motion porton		00,001.00
Total operating expenses and reserves		127, 481. 11
Net income (deficit)		49, 555. 88

EXHIBIT C

Rates for sale of electric energy by Pioneer Rural Electric Cooperative, Inc.

	Cents
First 30 kflowatt-hours	7.5
Next 30 kilowatt-hours	5
Next 140 kilowatt-hours	3
Over 200 kilowatt-hours	1.75
Rates of other power and light companies in rural are	as of Ohio
OHIO ELECTRIC POWER CO.	
	Cents
water to the test control to the control	-

First 4 Next 2 Over 6		
	OHIO ELECTRIC POWER CO. (SPRINGFIELD DIVISION)	
		Cents
First 3	kilowatt-hours	6
Next 4	kilowatt-hours	5
Next 1	30 kilowatt-hours	
Over 2	00 kilowatt-hours	2
	DAYTON POWER & LIGHT CO.	
		Cents
First 3	kilowatt-hours	8
Next 5	kilowatt-hours	
Over 8	kilowatt-hours	3.5

BROOKVILLE & LEWISBURG LIGHTING CO., BRADFORD & GETTYSBURG ELECTRIC LIGHT & POWER CO., BRATON LIGHTING CO.

First 40 kilowatt-hours	7 6 3
Comparison of rates	
Cost of 50 kilowatt-hours: Pioneer Cooperative Average of other companies Cost of 100 kilowatt-hours:	
Pioneer Cooperative	4. 95 5. 50

Note.—The average monthly bill for the customers of Pioneer Cooperative was less than \$3 and at this level its rates compare almost exactly with other companies. For higher consumptions its rates are about 10 percent lower than other companies. This is good management as an inducement to greater use in developing a strictly rural business where consumer buying power is relatively low.

Mr. LUCAS obtained the floor.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield to the Senator from Washington.
Mr. BONE. I think it were well for all of us to recall, in the light of the discussion which has been going on here for the past few minutes about the defects, if any, of the R. E. A. program, that before this administration came into power there was in existence in this country the most ruthless, cold-blooded business machine ever built in America—the American Power Trust. It had received no check at the hands of Congress. It dominated that particular field as wholly and completely as it was possible for any business organization in America to dominate a field. Is there any doubt of that in the mind of anyone? If it wanted anything, it got it. It got it from State legislatures, from municipal organizations, from every public body in America. It was handed power on a silver platter in plentitude, the like of which this country has never witnessed.

Now, what happened? There arose in this country a veritable stench in business. The Power Trust rooked and robbed everybody who was foolish enough, in good faith, to invest possibly his last nickel in its stock. Friends of mine out West lost every penny they had in the world in buying the stock of scandalous, thieving outfits like the Insuli combine in Illinois, and there was scarcely a murmur of protest from people in public life about that. In the city of Portland, Oreg., a peculiar stock manipulation went on which almost cost their whole investment to those who had invested their money.

I am not going to attempt to recall to your minds the investigation of the Federal Trade Commission, which revealed some things which actually stank to high heaven.

There has not been a private power utility company in this country that ever pioneered anywhere. Show me where a private company ever really pioneered? When they built a power line, they knew they had their hooks into the consumers in such a way that they were enabled to get back every cent of their money. They made the consumers sign 3-year contracts, tying on electric ranges. They fortified themselves against loss; and even in spite of that iron control, that cold-blooded, monopolistic control of that business, with all that graft sanctified by State regulatory devices, even then they could not make that rotten business make money for some of the people who were in it. One after another these monstrous financial frauds went down, down and out, and they took the savings of millions of people with them. This smelly mess we know as the Insull outfit is typical of such operations. So when we are talking about sacred private business in this country, let us recall that the monstrous abuses of the private power combines show what flattened America. We allowed such burglars to run loose in this country, and they cleaned America. Who challenged them before 1932? Let someone rise and tell me one effective challenge laid at the door of that gang. They got every law they wanted on the statute books. They got it up in my State, and in every sovereign State of the Union. You good lawyers rise and tell me where there was a real check, except a very brief one here and there.

Mr. REED. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. LUCAS. I have the floor. I want to get this amendment along.

Mr. REED. I beg the Senator's pardon.

Mr. BONE. I am going to conclude in a moment.

Mr. REED. With the permission of the Senator from Illinois, I want to offer Professor Ripley, of the Harvard staff, as exhibit A. He began, back in 1924, to point out the evils of holding companies in this country. The public-utility companies stopped advertising with my newspapers, in part.

Mr. BONE. They know how to put the heat on, all right. Mr. REED. I came to Washington in 1926 three times, at my own expense, to help Senator Walsh get his resolution in shape. The charts that he hung up in this Chamber were made in my office at Kansas City. I am offering as exhibit A a man who started 10 years before this administration started to point out the evil of the holding companies, if you please.

Mr. BONE. I want to say to the Senator from Kansas that I admire him very much as a Member of this body. I am glad that he contributed to Professor Ripley, and I hope he helped to write the chapter in Ripley's book headed "More light and power, too."

Mr. REED. Professor Ripley wrote his book, Main Street and Wall Street, and at that time the professor and I had some correspondence on the subject. The only thing I wanted to bring out was that Professor Ripley and I were early in this game. We had no monopoly upon purity or wisdom. We thought we did know something about the abuses. The only thing I object to, now and then, is the assumption on the part of this administration that it was the first to discover the evil, and that nobody else ever had any part in trying to stop it.

Mr. BONE. The Lord knows I would not arrogate to myself or this administration any assumption of virtue, or assert that this is the first time anything had ever been done; but this is the first time that I recall when any money was appropriated by the Federal Government in a practical effort to get at and correct some of these abuses. Any man who has had a bit of experience in utility regulation knows how this all adds up. I recall one outfit out west which collected from its consumers \$800,000 for depreciation and paid it out in dividends to the stockholders, and none of its officials went to jail. By that act they were violating every recognized canon of business decency. There was not a lawyer in public life who did not know precisely what it implied. That was an act for which they ought to have been challenged; but under this beautiful thing that we call State regulation they were not even rebuked. Public morals in the private power field were at a low ebb before 1932.

Mr. REED. The Senator means in Washington, not in Kansas?

Mr. BONE. Kansas is still Kansas, and not only has virtue in her outward parts but is clean inside.

I thank the Senator from Illinois and my friend from Kansas for his contribution.

Mr. LUCAS. Mr. President, I offer an amendment. I move to strike out paragraph (2) on page 4, and insert in lieu thereof the amendment which I send to the desk.

The PRESIDING OFFICER. Does the Senator desire to have the amendment stated?

Mr. LUCAS. I desire to have the amendment stated.

The PRESIDING OFFICER. The amendment will be

The CHIEF CLERK. On page 4, it is proposed to strike out paragraph (2), and in lieu thereof to insert the following:

(a) In order to increase employment by providing for useful non-Federal public works projects of the kind and character which the Federal Emergency Administrator of Public Works has hereto-fore financed or aided in financing, pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the Emergency Relief Appropriation Act of 1936, the Public Works Administration Extension Act of 1937, or the Public Works Administration Appropriation Act of 1938, there

is hereby authorized to be appropriated to the Public Works Administration (herein called the "Administration") in the Federal Works Agency, out of any money in the Treasury not otherwise appropriated, the sum of \$250,000,000, together with the balance of the appropriation made under section 201 of such act of 1938, not reserved for administrative expenses of the Administration and not now or hereafter expended pursuant to allotments heretofore made, which amounts shall be available until June 30, 1941, and made, which amounts shall be available until June 30, 1941, and may be expended by the Commissioner of Public Works (hereinafter referred to as the "Commissioner") for (1) the making of loans or grants, or both, to States, Territories, possessions, political subdivisions, or other public bodies (herein called "public agencies"); or (2) the construction and leasing of projects, with or without the privilege of purchase, to any such public agencies.

(b) No amount available under this title shall be allotted for any present which is the determination of the Commissioner.

(b) No amount available under this title shall be allotted for any project which, in the determination of the Commissioner, cannot be commenced prior to March 1, 1940, or the completion of which cannot be substantially accomplished prior to July 1, 1941: Provided, That this limitation upon time shall not apply to any project involved in litigation in any Federal or State court. (c) Under the funds available in this title, no grant shall be made in excess of 45 percent of the cost of any project, and no project shall be constructed for lease to any public agency unless the Commissioner shall determine that the nonrecoverable portion of the cost of such project shall not exceed 45 percent of the cost thereof.

thereof.

thereof.

(d) No moneys for a non-Federal project shall be paid from the funds made available by this title to any public agency unless and until adequate provision has been made, or in the opinion of the Commissioner is assured, for financing such part of the entire cost thereof as is not to be supplied from Federal funds.

(e) Not more than \$7,000,000 of the amount available under this title may be used for administrative expenses of the Administration during the fiscal year ending June 30, 1940, in connection with this title; such amount shall be available for administrative expenses thereof during such fiscal year for the purposes set forth for such administration in the Independent Offices Appropriation Act, 1940. The Commissioner shall reserve from the amount available under this title an adequate sum for administrative expenses

Act, 1940. The Commissioner shall reserve from the amount available under this title an adequate sum for administrative expenses of the Administration in connection with this title for the fiscal year ending June 30, 1941, subject to authorization hereafter by annual appropriation acts for the utilization thereof.

(f) The rates of pay for persons engaged upon projects under the appropriations in this act shall be not less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Commissioner: Provided, That if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by the Fair Labor Standards Act of 1938, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in this title. in this title.

in this title.

(g) No funds made available under this act, whether administered by the Federal Government or by the States or local governmental agencies from funds contributed in whole or in part by the Federal Government, shall be used by any Federal, State, or other agency to purchase, establish, relocate, or expand mills, factories, or plants, which would manufacture or produce for sale articles, commodities, or products in competition with existing

SEC. 202. Moneys realized from the sale of securities acquired by the Federal Emergency Administration of Public Works or the Public Works Administration, or the proceeds of such securities, may be used by the Commissioner for the making of loans in connection with projects under this title, notwithstanding any previous limitations on the total amount of such securities or proceeds thereof that may be used for loan purposes.

SEC. 203. The Public Works Administration is hereby continued

SEC. 203. The Public Works Administration is hereby continued to the close of the fiscal year ending June 30, 1942, and is hereby authorized to continue to perform all functions which it is authorized to perform on July 1, 1939. All laws, Executive orders, and other documents referring to the Federal Emergency Administration of Public Works shall be deemed to refer to the Public Works Administration and all laws, Executive orders, and other documents referring to the Federal Emergency Administration of Public Works.

referring to the Federal Emergency Administrator of Public Works shall be deemed to refer to the Commissioner of Public Works.

SEC. 204. (a) Section 206 of the Public Works Administration Extension Act of 1937, as amended by the Public Works Administration Appropriation Act of 1938, is hereby amended to read as follows:

"SEC. 206. No new applications for loans or grants for non-Federal projects shall be received by the administration after September 30, 1939: Provided, That this section shall not apply to applications amendatory of applications for projects received prior to October 1, 1939, and such amendatory applications shall be confined to projects which, in the determination of the Commissioner, can be started and completed within the time limits specified in section 201 (b) of the Public Works Administration Appropriation Act of 1939."

(b) That portion of section 201 (f) of the Public Works Administration of the Public Works Administration Appropriation (b) That portion of section 201 (f) of the Public Works Administration Appropriation (c)

(b) That portion of section 201 (f) of the Public Works Administration Appropriation Act of 1938 which reads "for the completion (except liquidation) of the activities of such administration," is hereby repealed.

SEC. 205. No Federal construction project, except flood control and water conservation or utilization projects now under actual construction, shall be undertaken or prosecuted with funds made

available by this section unless and until moneys sufficient for the completion thereof shall have been irrevocably allocated or appropriated therefor.

SEC. 206. This title may be cited as the "Public Works Administration Appropriation Act of 1939."

Mr. LUCAS. Mr. President, a parliamentary inquiry. I should like to ask whether the clerk read the original paragraph (f) on pages 3, 4, and 5 of the so-called Maloney amendment.

The PRESIDING OFFICER. The clerk did not read the paragraph to which the Senator refers. The Chair understands it is stricken out.

Mr. LUCAS. Mr. President, sometime ago the Congress of the United States considered a relief measure and when that bill came from the House of Representatives \$125,000,-000 had been earmarked for the use of the Public Works Administration. From reading the Congressional Record in connection with the debates which were held on this bill. it was easy to understand why the House included and earmarked a hundred and twenty-five million dollars for Public Works Administration projects. Various Members took an unusual interest in debating that bill when it was up before the House for consideration.

Mr. President, I dare say that there is not a Member of the House who has not some project in his district at this time which has been given encouragement by the agents of the Public Works Administration, to the point where many of the communities have voted bonds, or have raised the money in one way or another to meet the conditions of the law as laid down in the present act.

In Illinois we have a number of such projects, and all this amendment seeks to do is to appropriate \$250,000,000 to care for the projects in the various communities throughout the Nation which have been approved by the P. W. A. agency here in Washington.

It strikes me that it is filled with wisdom and a great deal of merit, because, as I see section 2 of the pending bill, and as I attempt to look into the future and visualize what is going to happen in the event the \$350,000,000 is appropriated for loans and for projects of the character outlined in that paragraph, I am compelled to say that in my humble judgment, even though there is a small rate of interest charged on the loans, we are going to find a tremendous amount of difficulty at this particular time in getting a municipality interested in any self-liquidating project, as contemplated under said section.

Mr. HAYDEN. Mr. President, will the Senator yield? Mr. LUCAS. I yield.

Mr. HAYDEN. I should like to understand the proposal. The way I do understand it is that the Senator prefers to give away \$250,000,000 rather than to lend \$350,000,000.

Mr. LUCAS. I will answer the Senator in this way: There is no one in the Senate more interested in the question of economy than the Senator from Illinois; however, this is not a question of giving any money away. This is not a question of economy. This, I am constrained to advise the Senator from Arizona and other Members of the Senate, is a question of a moral obligation to take care of those communities which relied upon the statements made by the representatives of the Public Works Administration. These Government officials met with the engineers, the architects, the boards of school directors, or the mayors of the cities. They approved and advised the holding of elections, employment of attorneys and architects. With such P. W. A. approval these communities voted and sold bonds in many cases, and now have the money deposited in the local banks, but can do nothing with it because it was voted for a specific, definite purpose, upon the recommendation and advice of the agents of the Administration here in Washington.

That is why I said to the Senator that I am interested in living up to what I contend is, if not a legal obligation, certainly a moral obligation on the part of the Government.

Mr. HAYDEN. I would have no quarrel with the Senator if he put his proposal on another ground, and urged it in addition to what is in the bill, but in making this suggestion he proposes to destroy the opportunity for the Government to make loans which, if they are made according to the provisions of the bill, will be good loans, and the Government will get the money back.

Mr. LUCAS. My theory about section 2 is, as I stated before, that in my humble opinion all of the cream of the Federal projects, insofar as the Public Works Administration is concerned, has been taken up now under the system of public grants.

Mr. HAYDEN. The Senator may be right; and if he is right, then the authorization for the lending of \$350,000,000 will not be utilized, and no money will go out of the Treasury under that provision, and no money will be borrowed under it. But I do not see the object of destroying that opportunity.

Mr. LUCAS. I have offered my amendment, and I have made my position as clear as I can. Of course the amendment will have to stand on its merit, notwithstanding the opposition of the Senator from Arizona.

Mr. President, in order to complete the case and demonstrate to the Senate just what went on prior to January 1, 1939, when, under the law, these communities had a right to bargain with the Public Works Administration insofar as these projects were concerned, I wish to read into the RECORD some evidence to show just what happened in my own State; and I submit what has happened there is typical of what has occurred in every State of the Union.

For instance, I pick up exhibit 1, and on the caption of this letter appears "Board of Education, Mendota Grade Schools, Mendota, Ill." The letter is dated July 18, 1939, and reads:

Senator Scott Lucas,

Havana, Ill.

DEAR SIR: Somewhat over a year ago our grade school board, district 289, made application for a Public Works Administration loan

for improving, remodeling, and equipping Blackstone School. This was listed under docket number Illinois 2193.

We were then informed by the Public Works Administration regional office that our request would be looked upon with more favor if we applied for more money and built an entirely new building. This procedure was followed. On September 7, 1938, a special election was held on bonding the district for \$30,000. This project This procedure was followed. carried 218 to 31.

Mind you, Senators, in the example I have cited the Federal Public Works Administration was not satisfied with condition No. 1 as it was promulgated by the school board, but they came along, through their representative, and said, "If you change your plan and your specifications, and if you will lay this out under a different theory and scheme, and provide a little more money, we will see that you get the necessary grant from the Government."

Upon that representation they called an election, upon that representation the school board and those who were friends to this type of project went out into the highways and byways and corraled votes, and the result of the election shows that the project was carried 218 to 31.

These people, today as of yesterday, are vitally concerned about this project. Does not that vote convince the Senate that this community at Mendota, Ill., emphatically wants this project? Were they sufficiently encouraged to believe that the Federal Government would give them the 45-percent grant? Most certainly they were.

The letter continues:

The entire cost of the building together with P. W. A. grant was to be \$52,000.

Nothing has ever come of this proposition. We are told that the money has all been allocated and no more is available. This Blackstone Building must be repaired before we can use it this This will take considerable money, which we can ill afford to spend at the present. When the regional office told us that a request for a grant on an entirely new building would be looked upon more favorably than a grant to rebuild the old one, we felt that we would have no trouble in getting our grant.

You can appreciate our position; repairs that must be made, if we must continue to use the building, on money that we should use in our current budget.

Mr. President, this presents one of the reasons why I voted against the Maloney amendment a little while ago. Here is a school district which could not comply with the provisions of that amendment. They were expecting a 45-percent grant from the Federal Government, and they are entitled to it by every rule of the game. The Senate will

be doing an injustice to every community in this country which has relied upon these representations if the amendment of the Senator from Illinois is not adopted.

The letter continues:

May we expect any assistance from P. W. A. in the near future? We would greatly appreciate any assistance you might be able to give us in this matter.

E. J. FEIK, President.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. LUCAS. I yield.

Mr. LUNDEEN. Is the Senator proposing to vote larger funds for public works; that is, are we to have more money for public works under his amendment than is proposed in the bill?

Mr. LUCAS. No. Under the bill \$350,000,000 is to be loaned. Of course, under the theory of the bill, the loans are presumed to be self-liquidating. Under the amendment to section 2, which I propose, \$250,000,000 would be appropriated to take care of communities just like the ones I have been discussing.

Mr. LUNDEEN. The Senator would iron out those differences?

Mr. LUCAS. That is correct. Now I turn to exhibit No. 2. The caption is:

MURRAYVILLE PUBLIC SCHOOLS.

Mr. SCOTT W. LUCAS

Washington, D. C.

DEAR SIR: In view of the recent relief legislation in Washington, we feel that our grant for \$14,000 from P. W. A. funds for a gymnasium and annex to our school building, costing \$30,000. should be allowed.

In other words, they were depending upon the Senate to confirm what the House did with respect to P. W. A., which we denied at the time it came before us.

The letter continues:

The election to construct the building and sell bonds has already been held and passed, but we are unable to proceed, as P. W. A. funds had been exhausted.

We are writing you urging you to use whatever means are at your disposal to secure such grant for us. No P. W. A. money has ever been expended in this vicinity, and we believe that our project merits favorable consideration. This construction is badly needed in Murrayville.

Our standards of recognition and accrediting for our school will be jeopardized unless our school plant is enlarged. The high-school be jeopardized unless our school plant is enlarged. The high-school visitor from the university severely criticized our plant in his last inspection. He especially called attention to our crude, "barnlike" gymnasium, our basement rooms, our crowded assembly, and our small classrooms. He said, "Your present building situation makes it impossible to offer a modern program of studies."

Our district has a low assessed valuation and has voted the maximum bonding capacity allowed, which is \$16,000. We need much more than this, but can construct a very desirable addition with P. W. A. support. We feel like now is the opportune time for Federal support.

The amount of our request (\$14,000) is a relatively small.

The amount of our request (\$14,000) is a relatively small amount, and we feel certain that you can secure it for a grateful community.

That \$14,000 is just as important to the individuals residing in that little community having children going to that school as many problems we consider in the United States Senate, because, after all, these communities are the real builders of American life. Unless we assist these school districts and communities, which have gone the limit in bonding their districts in order to get what they believe is sufficient for them to keep in step with progress in education, and all that goes along with it, then I say we are not keeping faith. They needed \$14,000, they are bonded to the limit, and, Mr. President, why? Because of the representations of the agents of the Public Works Administration.

Exhibit 3 is under the caption:

County superintendent of schools, Rock Island County.

Rock Island, Davenport, and Moline, the tri-cities, have a population of some 100,000. Rock Island is a city of 50,000 people.

Mr. SCHWARTZ. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator from Wyoming and the Senator from Illinois are justified in the complaint they make. There is too much confusion in the Chamber.

I trust Senators will give the Senator from Illinois the respectful attention to which he is entitled.

Mr. LUCAS. Following is the letter I received from the superintendent of schools of Rock Island County, Ill.:

> COUNTY SUPERINTENDENT OF SCHOOLS, ROCK ISLAND COUNTY, Rock Island, Ill., January 17, 1939.

Hon. Scott W. Lucas,

United States Senate, Washington, D. C.

Dear Mr. Lucas: I am writing you at this time in behalf of the Milan grade-school district, which is located immediately adjacent to the city of Rock Island. Milan is a village of approximately 800 inhabitants, and we have a very fine grade school located there. During the past 5 or 6 years our enrollment has increased from 80 to 154 pupils.

On July 18, 1938, the school directors held an election for the purpose of selling bonds to the extent of \$17,500, with the expectation of receiving approximately \$17,000. With the cash on hand and future revenue, it would allow us to enlarge our building to meet present and future needs. At the time of the election the Federal grant looked very promising, but, try as we did, little the Federal grant looked very promising, but, try as we did, little action was secured. In the meantime the city of Rock Island has received a great deal of money for various projects.

has received a great deal of money for various projects. I have written to Mr. Kennicott, regional director of the P. W. A., located in Chicago, and today I have received a letter stating that our application was approved as of July 28, 1938, and forwarded to the central office in Washington, D. C.

I realize that the Chicago subway allocation used a great deal of our Illinois allotment, but if the Senate and the House see fit to apportion more funds for P. W. A., the people of this district, including the teachers and myself, will greatly appreciate your looking into this matter for us. There might be a possibility, since this project is not so large, that enough funds are still available which would allow us to start remedial measures, which are needed so badly, for the development of this school district.

needed so badly, for the development of this school district.

In one of our schoolrooms we have 54 pupils, and I believe you realize, as well as I, the unfairness to the children in this room. The board of education is powerless to use the money voted already for bonds, since the proposition was submitted to the people that the project would be carried out providing the grant from our Federal Government was fortherening. people that the project would be carried out providing the grant from our Federal Government was forthcoming. As one Democrat to another, I would appreciate anything that you could do for us in regard to this matter.

[Laughter.]

Senators now know why I am interested in that fellow.

I sincerely hope your new work is enjoyable, and may I call your attention to the standing invitation you have to visit Rock Island County.

Very truly yours,

FLOYD A. SHETTER, County Superintendent of Schools.

The next letter is from the city of Oglesby, as follows:

CITY OF OGLESBY. La Salle County, Ill., June 27, 1939.

Hon. Scott W. Lucas,

United States Senator from Illinois,

Senate Office Building, Washington, D. C.

In re P. W. A. Illinois Docket 2212.

Dear Sir: The city of Oglesby has had pending before the Public Works Administration since August of 1938 an application for a 45 percent grant to aid in financing the construction of a system of intercepting sewers and a sewage-treatment plant.

On October 15, 1938, since the local financing was to be done

On October 15, 1938, since the local financing was to be done by general obligation bonds, a referendum was held at which the voters overwhelmingly approved the issuance of approximately \$60,000 in bonds to defray the local portion of this cost.

All engineering details including final plans have been prepared and are before the State sanitary board for approval by that agency. We have a commitment with H. C. Speer & Sons Co., of Chicago, by the terms of which they have agreed to purchase the city's bond issue for this improvement.

In company with most other industrial cities, however small, Oglesby has both a chronic and acute unemployment problem. We here know of no finer way to lessen the evil of unemployment, and at the same time secure for the local community a modern sewage-treatment plant, which is badly needed, than by favorable and at the same time secure for the local community a modern sewage-treatment plant, which is badly needed, than by favorable action on the part of P. W. A. at this time.

Our engineers inform us that within 3 weeks of favorable action by P. W. A. a contract for this improvement could be let. So far

as we know all preliminaries have been cared for. Very truly yours,

FOR THE CITY OF OGLESBY City Clerk.

So they go on, Mr. President, one after another. I have one more letter I wish to read. I have many others. No doubt every Senator has some such letters in his file. Here is one from Smith & McCollum, lawyers in Flora, Ill.:

FLORA, ILL., July 25, 1939.

Hon. Scott F. Lucas,

United States Senator, Washington, D. C.

DEAR Sin: We represent the board of education of the Noble community high-school district, of Noble, Richland County, Ill.

This school district in 1938 made application to the Public Works Administration for a grant to assist in the construction of a new school building. This district voted and sold bonds to the amount of \$100,000 and received bids for the construction of the new building prior to January 1, 1939, all in accordance with advice from the P. W. A. officials, who indicated that a grant would be made by the P. W. A. to make possible the financing of the proposed building. This project is on the approved P. W. A. list, the building site has been secured and paid for, and the district has cash in the bank to the amount of about \$100,000.

The district has cash in the bank to the amount of \$100,000, and what are they going to do with it? It has been voted upon the theory that the Federal Government would provide a grant-in-aid, as was represented by the agents of the Public Works Administration. Is the Senate of the United States going to stop at this point and refuse this relief? Are we going to keep faith with the individuals living in those districts? Are we to repudiate the pledges that have been made by individuals representing the Government? I regret the executive branch of the Government feels that these obligations should be forgotten, but we should not forget. It is with the utmost sincerity that I contend there is a moral reason, if not a legal one, for the Congress to make good this obligation and others which have been contracted throughout the country.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. VANDENBERG. And section 2 of the pending bill is no answer to the communications which the Senator presents.

Mr. LUCAS. Section 2 has absolutely nothing to do with the proposition that I am submitting here in behalf of these school districts which are in such peculiar financial straits.

Mr. DANAHER. Mr. President, will the Senator yield? Mr. LUCAS. I yield to the Senator from Connecticut.

Mr. DANAHER. I ask the Senator from Illinois if he knows that Mr. Ickes, who has been in charge of Public Works Administration throughout its entire experience, was never asked to testify before this committee.

Mr. LUCAS. I am not advised, I will say to the Senator from Connecticut, as to what happened before the committee. All I can say is that I did make some inquiries about the amount that was earmarked, that came from the House of Representatives, and got very little information from the Appropriations Committee which was handling the bill at that time as to just why the \$125,000,000 was stricken.

Mr. DANAHER. Is it not a fact, I will ask the very able Senator, if he will yield to me for another question-

Mr. LUCAS. I will yield to the Senator from Connecticut. Mr. DANAHER. That Mr. Ickes did recommend a program of P. W. A. loans and grants to Congress in the amount of \$500,000,000?

Mr. LUCAS. I think the evidence may disclose what the Senator from Connecticut says.

I read further from the letter written me by the lawyers in Flora, Ill.:

It now appears that the probability of a P. W. A. grant is very unlikely unless legislation is passed to take care of this sort of situation. The board of education of this school district is receiving much criticism for getting the district \$100,000 in debt and being unable to proceed with the building program.

Why, of course, they would receive criticism, but they should not receive criticism. They were acting in good faith upon the advice and the representation of an agency of government. Right or wrong, these men were put in the field, meeting with this board of school directors, this engineer, that architect, telling them to go ahead, to push forward, that "the Government is behind you." Shall we let them down under such circumstances?

The letter continues:

The amount of money which the district now has on hand is only about half enough to erect a building sufficient to take care of the needs of the district, and unless a P. W. A. grant can be secured, this district will be left with only about half enough money to erect a building and no means of securing the balance. Inasmuch as the actions of the board has been in good faith and in reliance upon P. W. A. help, we feel that every effort should be made by the Federal Government to help them out in this situation. The Honorable Lawrence Arnold, Representative from this district, and Senator Slattery have interested themselves in this district, and Senator SLATTERY have interested themselves in

this matter, and we sincerely hope that you will do everything possible to the end that a Federal grant shall be made available in connection with this project, which bears the docket number Ill. 2530.

Very truly yours,

SMITH & McCollum, Fred McCollum, Jr.

Those are examples of what has been going on in the State of Illinois. Whether they are the result of representations or misrepresentations does not alter the picture.

In conclusion, Mr. President, I hope the amendment will pass. I believe it is a meritorious amendment. I believe the people in my community and in your community who have acted in good faith upon these projects are entitled to this grant from the Federal Government. And I make bold to say that unless we act in the affirmative upon this amendment, a flagrant violation of good faith will result. Whether the executive branch of the Government wants to discontinue making these grants is beside the question. There is a moral if not a legal obligation involved in this premise that a grateful Government should not abandon with a wave of the hand.

I submit the legislative branch of the Government should take the initiative and supply the remedy for the wrongs committed by those representing the Public Works Administration.

Mr. BYRNES. Mr. President, I sympathize with the Senator from Illinois in the statements made by him with reference to the complaints from local officials as to projects which they hoped to secure but did not secure. But I cannot agree with him that there would be any breach of trust on the part of the Government of the United States or the Congress of the United States should we fail at this time to appropriate \$250,000,000 for the purpose urged by him.

The Senate is familiar with the fact that when in 1938 we provided for Public Works Administration appropriations, we provided that an application should be filed by October 1, and that actual work upon the projects must be commenced by January 1, 1939.

Pursuant to the provisions of that act applications were filed, not only in the State of Illinois, but throughout the Union. Those applications came here to Washington; they were considered, approved, and funds were allotted to the extent that the available appropriations made possible.

What happened? From the letters read by the Senator from Illinois it is evident that employees of Public Works Administration went into some communities and encouraged local officials to believe that they would receive an appropriation or allotment for projects in which they were interested.

I know in my own city that even after January 1, when there was not any chance on earth for a community to secure an allotment for a project, a representative of the P. W. A. encouraged officials to go to the legislature to secure enabling legislation to put up the sponsors' contribution toward a project. In Washington I read in my daily newspaper that some representative assured them that the application for a hospital had been approved by P. W. A., and that if the legislature would make available the necessary funds for the local contribution, the project was on the preferential list, and relying upon it, the legislature acted.

Right there I part company with my friend from Illinois. No employee of P. W. A. had the right to bind the Congress of the United States. No employee acting in the manner I have described, acting in order that he may induce Congress to make another appropriation, could ever bind me to appropriate more money of the people to carry out a promise by him.

Mr. President, we are confronted with a problem of this kind for the second time. Back in 1937 there was no program for P. W. A.; but when the relief measure was reported to the House, Representatives of districts cited instances such as those cited by the Senator from Illinois [Mr. Lucas], the Congress believed there was a moral obligation to carry out pledges made by some employees, and \$250,000,000 were appropriated for that purpose.

This year, employees of P. W. A. knew from experience the possibilities; and as late as March or April I received a letter from the regional headquarters of the district in which my State is located telling me that at a meeting of 23 field representatives it was agreed that they should go out into the field advocating the enactment of the Starnes bill then pending in the House of Representatives.

I do not think Congress can permit 23 men or 230 men who are on the pay roll of the Government, in order to make permanent their employment, to go out into communities and encourage local officials to believe that because their applications have been approved, if they will bring pressure to bear on us we shall have to respond and appropriate \$250,000,000 tonight because some school officials in Illinois or in South Carolina think that as a result their projects will be allotted funds.

How many applications are pending? Down in P. W. A. tonight there are approved applications to the extent of \$1,500,000,000. What would we do with the \$250,000,000? How would it be divided? We would divide the \$250,000,000 among the \$1,500,000,000 of approved applications; and on January 1 other communities would come in and say, "You divided it. Some communities received allocations and some did not. We now want \$1,250,000,000, which we should have gotten, in order to provide an allotment for every application which was approved."

Mr. BARKLEY and Mr. LUCAS addressed the Chair. The PRESIDING OFFICER. Does the Senator from South Carolina yields; and if so, to whom?

Mr. BYRNES. I yield first to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, would there not always be a considerable hangover of approved applications at the end of any period, no matter how often Congress extended it, and no matter how much money was appropriated under the plan theretofore in force to carry out the proposal under this amendment?

Mr. BYRNES. There is no doubt about it.

I wish to say, in fairness to the Secretary of the Interior, that when the action of the employees to whom I have referred was called to my attention, I called it to the attention of the Secretary of the Interior; and within 48 hours a statement was sent to every regional headquarters forbidding such action, and an announcement was carried by the press associations criticizing the employees of the Public Works Administration for their conduct. However, even without that action by the field representatives, whenever we pass a bill and give to every community the right to file an application by October 1, when those applications are investigated inevitably we shall have \$1,000,000,000 or \$1,500,000,000 approved, because it is not known how many of them will be withdrawn before the time fixed for the actual commencement of operations upon the projects.

Mr. LUCAS. Mr. President, will the Senator yield?
Mr. BYRNES. We should then have to go back and provide all the money for every application that was approved by P. W. A. No employee of P. W. A. has power to pledge the Congress to discharge that responsibility, either as a legal or a moral responsibility.

I now yield to the Senator from Illinois.

Mr. LUCAS. The distinguished Senator from South Carolina is continually discussing \$1,200,000,000 of approved projects down in the office of the Secretary of the Interior at the present time. I am sure the Senator does not want the Senate to understand that \$1,200,000,000 of bonds have been voted by the various communities.

Mr. BYRNES. No; I have not said so, and I would not. Mr. LUCAS. The \$250,000,000 which the Senator from Illinois is seeking to obtain through this amendment will take care of all the cases in which bond issues have been voted and floated on the representations referred to.

Mr. BYRNES. If the Senator has investigated the figures, I accept his statement; but what about the city of Spartanburg? It has not issued bonds, but its representatives have gone to the legislature and fought out quite a controversial

question as to whether or not money should be made available. The State has not been issuing bonds, but through its legislature it has made available the necessary funds. In other ways, in other States, funds have also been made available. There is a difference only in the degree of trouble to which local officials have gone in order to make funds available; but the situation is not changed. If the Congress takes the position, whenever we have a public-works program, that when applications are investigated and approved the Congress thereafter must appropriate every dollar, we never shall get through with appropriations for the Public Works Administration.

Mr. ADAMS. Mr. President, will the Senator yield? Mr. BYRNES. One moment.

I am astonished to hear Senators on the other side of the aisle, including the Senator from Michigan [Mr. VANDENBERG], asking whether or not section 2 would be taken care of. The Senator from Michigan may vote against this bill. I think he will, as will the Senator from Connecticut. They are opposed to lending a community money with assurances that it will be returned to the Treasury; but, in the name of economy, they would favor a proposal to give 45 percent to the communities of the country without any opportunity to get it back.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. LUNDEEN. I understood the Senator to say that we would never get through voting funds to meet these situations. Why not meet these situations? As long as we have 12,000,000 unemployed we should have public works and more public works, until we take up the unemployed. If private industry does not meet the situation the Government must meet it, or we will face serious trouble in

Mr. BYRNES. Mr. President, I have no argument with the Senator from Minnesota. He believes that so long as there are 12,000,000 unemployed we must appropriate billions; and it is immaterial to him whether it is on the 70-30 basis of the Senator from Connecticut or the 45-55 basis of the Senator from Illinois. As a matter of fact, a 95-5 basis would be satisfactory to the Senator from Min-

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. BYRNES. I know the Senator and I could not agree on the question.

Mr. LUNDEEN. Mr. President-

Mr. BYRNES. I understand the Senator's position.

Mr. LUNDEEN. I wish to say to the Senator that I demand jobs for our unemployed.

Mr. BYRNES. Yes.

Mr. LUNDEEN. Let private industry furnish these jobs, and if private industry is unable to meet the situation it is the duty of the Government of the United States to see that every man has a job. It is the divine right of every able-bodied American citizen to have a job.

Mr. BYRNES. Mr. President, I said that I knew I would have no quarrel with the Senator. If there is a divine right, he is receiving information from on high; and I cannot argue with the Senator.

Mr. LUNDEEN. I think the Senator must receive his information from the other place.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. ADAMS. The amendment of the Senator from Illinois not only deals with spending applications, but it opens the way for new applications until September 30 of this year; so it would renew the problem.

Mr. BYRNES. If the way is open to new applications, and we now have \$1,500,000,000, that would be true. I must say to the Senator from Colorado that I understood from the Senator from Illinois that he wanted to confine his amendment to cases in which bonds have been issued. However, if the way is open until September 30, there is an invitation to a community to issue bonds hereafter. If a community should issue bonds hereafter, it would have an advantage over all the other communities.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. CHAVEZ. So far as the repayment of anything that is presumed to be paid back under this bill is concerned, nothing like that will happen; so why not be honest about it, and give the communities 45 percent, and let them pay back 55 percent?

Mr. BYRNES. The Senator believes that when the securities of a State are presented nothing will be paid back. If that be true, there is no use in stopping at 45 percent. We might as well give them 100 percent. However, I do not

agree with the Senator.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield. Mr. BARKLEY. Would the bonds issued for the 55 percent be any better than the bonds proposed to be issued for the loans covered by the bill?

Mr. BYRNES. No.

Mr. BARKLEY. If one type of bonds would be no good.

how could the other type be collected?

Mr. BYRNES. I do not think my good friend the Senator from New Mexico is serious. As a matter of fact, we know that the securities of the State, county, and municipal governments which have come to P. W. A. under the P. W. A. appropriations have been negotiated in the markets, and in many instances at a profit to the United States Government. Instead of losing money, the Government has made money on the allotments covered by the securities of local governments.

I think the time has come to stop causing local governments to believe that if they pave streets or build waterworks the people of the United States outside the particular cities will pay 45 percent of the cost of constructing improvements within the cities. Many people who live without the city limits cannot participate and are entitled to some consideration at the hands of the Congress. Inasmuch as the Congress heretofore has voted upon this question. I do not think it should now be opened up, or that we should give away 45 percent instead of asking that the amounts loaned under the provisions of the bill be repaid.

Mr. DANAHER. Mr. President, I rise to speak in support of the amendment of the Senator from Illinois. I should like to have the attention of the Senator from South Caro-

lina [Mr. Byrnes], if I may have it.

When the Senator from South Carolina argues against the amendment of the Senator from Illinois on the ground that the people of the United States are to contribute 45 percent to local grants, I call his attention to the fact that when we had the highway amendment before us only a few minutes ago the Senator from Arizona [Mr. HAYDEN] pointed out that the city of Phoenix, Ariz., could not build an underpass unless the United States of America bought all the land for the right-of-way to permit the underpass to be built. Under the very theory the Senator talks about, the trunkline system of highways would be loaded on the taxpayers of the United States to the extent of 100 percent of the cost, and not 45 percent or any such amount. Moreover, there would be an appropriation rather than a spurious loan program such as we have before us; and that is the beneficent side of it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. HAYDEN. The Senator certainly has misquoted me. I made no proposal at any time today for a 100-percent grant in connection with the bill.

Mr. DANAHER. No. Did I not say that the Senator advanced the argument that the town of Phoenix, Ariz., could not buy the right-of-way for an underpass under the junction of the Southern Pacific and the Santa Fe Railroads?

Mr. HAYDEN. I said that the city of Phoenix, Ariz., had difficulty in financing the project, and that I wanted the city to have an opportunity to borrow the money.

Mr. DANAHER. Yes. Mr. HAYDEN. Not a grant.

Mr. DANAHER. Did not the Senator say that the city of Phoenix, Ariz., was bonded to its limit, and could not put a

dollar into the project?

Mr. HAYDEN. I said that the only way the city could do it, and actually has done it, was to levy a tax out of 1 year's revenue, and that if the city had had an opportunity to spread the tax over 10 years, there would have been no difficulty about it. However, I made no proposal at any time that the city should receive the money for nothing.

Mr. DANAHER. Without going into the question of whether or not the Senator said it, the proposal of the Senator definitely was that the funds of the United States should be used to acquire the entire right-of-way for the highway system.

Mr. HAYDEN. And that every dollar used in that way would be repaid by the city.

Mr. DANAHER. The Senator hopes it would be.

Mr. HAYDEN. I know it would be. Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Minnesota. Mr. LUNDEEN. Mr. President, a statement was made concerning 100-percent contributions where a community was practically bankrupt, as I understood it.

Mr. DANAHER. That is correct.

Mr. LUNDEEN. So far as I am concerned, I can see nothing wrong with that; and I am not engaging in any controversy with the able Senator. I should merely like to say that I can see nothing wrong about a 100-percent contribution to a community that is bankrupt, where American citizens are jobless. We shall have to face the guns on this proposition, legislatively speaking, one of these days with something besides speeches that are as clear as mud, so far as solving the unemployment problem facing us today [laughter], and I am certainly not now referring to the able Senator from Connecticut.

Mr. DANAHER. I thank the Senator for excluding me. Mr. BARKLEY. The Senator certainly did not mean—Mr. LUNDEEN. Oh, I am not referring to the distin-

guished Senator from Kentucky.

Mr. DANAHER. Mr. President, I yielded for a question.

Mr. BARKLEY. I hope the Senator from Minnesota does not mean that the speech of the Senator from Connecticut is not as clear as mud.

Mr. LUNDEEN. I wish to say that I was not referring to the speech of any Senator, but to some speeches that occasionally come to the attention of the Senate.

Mr. DANAHER. If I may just add my bit to that, I hope my speech is not so opaque that the Senator from Kentucky will not understand it. [Laughter.]

Mr. President, I want to call one thing to the attention of Senators. That is, when the Banking and Currency Committee met, and I asked the Senator from Illinois a question or two on the point, Secretary Ickes did not appear and testify. The one man who has had all the experience in Public Works development in this country was not called to speak, and why was he not called to speak, Mr. President?

Tonight one of Washington's most capable news commentators, a man with long experience in the field of journalism, broadcasting over the Mutual network from coast to coast, gave us the answer. I sent for and received a copy of the script. This is the reason why Mr. Ickes was not

I have talked with several individuals-

Says Mr. Fulton Lewis, Jr.

in the last few days, gentlemen who are absolutely reliable, who positively verified, without any qualifications, that Secretary Ickes did send a memorandum to the President. These gentlemen told me they saw the actual text of that memorandum, and they saw it with their own eyes. They said they read it, and that in the memorandum Mr. Ickes told the President he was vigorously opposed to the lending program. He said the bill should not go through, and he grave extensive research when he considers the programs the he gave extensive reasons why he considers the program to be unjustified.

That, I may say to the Senator from Illinois, is the reason why I wanted to lay, through him, the foundation for the questions I asked him, and thus to tell the Senate why it was that the Administrator of the Public Works Administration, who has spent millions and millions under this administration's program in the past, was not called to comment upon the lending provisions of section 2 of this bill.

Mr. LUCAS. Mr. President-

Mr. DANAHER. I yield to the Senator from Illinois.

Mr. LUCAS. Under the program as administered by Mr. Ickes there was never, during the years of his experience in that office, a word of scandal in connection with all the millions that he spent. I think those on this side of the aisle as well as on the other will agree that he has done a No. 1 job in connection with the projects.

Mr. DANAHER. I have not the slightest question that every word the Senator says is absolutely accurate. The fact of the matter is that when we stop and think back of those who did appear before the Banking and Currency Committee in favor of a bill which later was entirely superseded by the one we now have, we had a group there who were not in favor of the program of Mr. Ickes. They were in favor of this siphon arrangement of short circuiting the Congress of the United States; and I may add, by way of conclusion, that they did it on the theory that Mr. Ernest Lindley told us about in the Sunday Post, when he said:

Roosevelt is the leader of a movement of which the Democratic Party is only a part.

Mr. BARKLEY. Mr. President, no importance whatever may be attached to the fact that Secretary Ickes did not appear as a witness before the Banking and Currency Committee. While it is true that in the past Mr. Ickes has administered the Public Works Administration, he is not now the Administrator and would have had no duties under this bill; but Mr. Carmody, who is the new Administrator of the Public Works Administration, did come before the committee, because he is to be charged with responsibility for administering the \$350,000,000 that is provided in the bill for loans. In his testimony before the committee he said that, in his opinion, every dollar of the \$350,000,000 would be absorbed in the loans provided for in the bill at the low rates of interest which we are providing.

The amendment of the Senator from Illinois strikes out this \$350,000,000; it strikes out the loans at the low rate of interest which we are providing and substitutes an appropriation out of the Treasury of \$250,000,000 for 45-percent grants, which changes the entire theory of the Public

Works Administration.

We might as well under this bill say that we will change the rural-electrification provisions for loans and, instead of providing for 100-percent loans, such as they are making now, grant 45-percent, and permit them to have rural electrification on the basis of 55-percent loans and 45-percent grants. We might as well say to the farmers of the United States who are tenants, who are to borrow money under the bill. "We will not loan you 100 percent, as we are now doing, but we will give you 45 percent."

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes. Mr. DANAHER. Is it not a fact, therefore, that we had Mr. Carmody before us testifying with reference to a bill as to which we had assurances of a program which has been completely operated upon, as compared to the bill we now have?

Mr. BARKLEY. Oh, no!

Mr. DANAHER. And he was predicting on the basis of experience that he had not even had?

Mr. BARKLEY. That is not accurate?

Mr. DANAHER. What is not?

Mr. BARKLEY. What is what? [Laughter.]

Mr. DANAHER. What is accurate?

BARKLEY. What I am saying is accurate. [Laughter.]

Mr. DANAHER. I thank the Senator. I fail to recognize the pontifical status. [Laughter.]

Mr. BARKLEY. I am not responsible for the failure of the Senator to understand. His understanding is too keen, however, to convince me that he cannot understand even a pontifical statement. But, Mr. President, the cities of our country have no moral right now to expect any more in the way of grants or gifts than we are providing for anybody else in the United States. More than \$4,000,000,000 has been expended under a provision and a program of grants of

45 percent and loans of 55 percent.

Of course nobody could tell how many of these applications would finally be approved and be carried out. Everybody knew, when we provided this program, that there would be more applications than could ever be approved and completed. No matter how many times we may extend the time for making applications and extend the time for the completion of these projects, no matter how many times we may increase the appropriations for P. W. A. on a loan-and-grant basis, there will always be a time at the end of that period when there will be a billion or a billion and a half dollars of applications which cannot be carried out; and if we are to adopt this program, we never would finish. We might as well adopt it in perpetuity. The theory of this legislation is that we have gone as far as we ought to go in giving to communities money that the Government of the United States can never get back.

Mr. LUNDEEN and Mr. LUCAS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Minne-

Mr. LUNDEEN. But we did have \$100,000,000 a ship or thereabouts for building meddling battleships and dreadnaughts, now being dispatched by the administration, it seems, to get us into trouble all over the earth. We had plenty of money for that-nearly \$2,000,000,000 in all.

Mr. BARKLEY. No: we did not.

Mr. LUNDEEN. We had the money for that, but we have not enough money to take care of the unemployed of America.

Mr. BARKLEY. Oh, no, Mr. President; we did not have \$100,000,000 or any other amount to build "meddling" battleships to go around all over the world. We did have \$100,-000,000, and we will have \$500,000,000 if necessary, to build enough battleships to protect the United States and our interests and our people from attack by any power in the world. There is no relationship between the expenditure of money for defense purposes and giving money to every city and town in the United States to enable them to build non-Federal public buildings.

Mr. LUNDEEN. Will the Senator yield at that point?

Mr. BARKLEY. I yield.

Mr. LUNDEEN. Then let us bring the battleships home from foreign waters and Chinese rivers. Bring them home from Europe and Asia and Africa. Let us bring them home to protect the coasts of the United States, which they were built to protect. They belong here, not over there.

Mr. BARKLEY. All right; bring them home. I commission the Senator from Minnesota to go and get them.

[Laughter.]

Mr. LUNDEEN. Mr. President, will the Senator yield.

Mr. BARKLEY. I yield; yes. Mr. LUNDEEN. On that question you will get a commission from the people of the United States that the Democratic Party will understand.

Mr. BARKLEY. All right.

I now yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I want to say to the very able majority leader of our party-

Mr. BARKLEY. Thanks for the compliment.

Mr. LUCAS. That I do not disagree with the philosophy of the Senator. I will say to him that if these very peculiar cases did not exist, I would not be here offering this amendment; but I do not think the Senator from Kentucky or any other Senator can overlook the fact that these communities have voted bonds, sold them, and placed the money in the bank, and the only thing they can use the money for under the referendum is one particular purpose.

Mr. BARKLEY. I appreciate the Senator's position. I

have the same situation in my own State. There is nothing

peculiar about it in Illinois. The same condition may exist in other States; but I think the time has come when we have to take into consideration the fact that we have already gone a long way in the expenditure of \$4,000,000,000 to enable cities and towns in this country to build public improvements.

I agree with the Senator from South Carolina [Mr. BYRNES]. It may be that some subordinate away down in some county in Illinois or in Kentucky went out and encouraged the local authorities to issue bonds; but in his testimony before the committee the Secretary of the Interior, Mr. Ickes, emphatically stated that he had neither entered into any legal nor any moral obligation to carry out. any such program as that, because he knew, as we all knew, that there would be a number of these projects approved that could never be carried out, and that the time would come when there would be hang-overs; and there always will be hang-overs. We never can cut it off like sawing off the butt end of a log, and say we are through.

Mr. LUCAS. Mr. President, irrespective of what the distinguished Senator may have understood, the Senator from Illinois cannot be made to believe that the Secretary of the Interior did not know, or at least the assistants in that office did not know, that back in August and September of 1938 the communities were voting these bond issues in my

part of the country.

Mr. BARKLEY. I had a community in my State say that the promise had been held out to them that if they would vote bonds or make some arrangement for 55 percent, the grant would be made. I took up that individual case with Secretary Ickes and with Mr. Gray, his subordinate, who was the active head of the P. W. A., and they emphatically stated that nobody had any right to bind them either legally or morally.

Mr. LUCAS. I never heard of any one being discharged as a result of misrepresentations on this particular issue.

Mr. BARKLEY. I never did, either. I do not suppose anybody was discharged; but, Mr. President, the adoption of this amendment will uproot the entire theory and philosophy of this bill. It will deny communities the right to borrow money at low rates of interest, all of which will be absorbed and repaid to the Government of the United States, and substitute gifts.

I should like to try out this method and see if it will not work. The man who is going to administer it says it will work, in view of his experience as an administrator in this

For that reason I hope the amendment of the Senator from Illinois will be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. Lucas].

Mr. VANDENBERG and other Senators called for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote if present, I withdraw my vote.

Mr. GREEN. I have a general pair with the junior Senator from Wisconsin [Mr. WILEY], which I transfer to the Senator from Arkansas [Mrs. Caraway], and vote "nay." am not advised how the Senator from Wisconsin or the Senator from Arkansas would vote if present.

Mr. AUSTIN. I announce the following general pairs: The Senator from Oregon [Mr. McNary] with the Senator from Mississippi [Mr. Harrison]; the Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. GLASS]: and the Senator from New Hampshire [Mr. Bridges] with the Senator from Louisiana [Mr. Overton]. These Senators are necessarily absent.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of illness in his family.

The Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. Balley], the Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Mississippi [Mr. HARRISON], the Senator from Oklahoma [Mr. LEE], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from Montana [Mr. Wheeler] are unavoidably detained.

The Senator from Arkansas [Mrs. Caraway], and the Senator from Illinois [Mr. SLATTERY] are absent on important public business.

The Senator from North Carolina [Mr. BAILEY] has a general pair with the Senator from Montana [Mr. WHEELER].

The result was announced—yeas 35, nays 43, as follows:

YEAS-35

Hale Holman Holt Johnson, Calif. Johnson, Colo. La Follette Lodge Lucas Lundeen	McCarran Maloney Mead Neely Norris Nye O'Mahoney Pittman	Russell Schwartz Schweilenbach Thomas, Okla. Thomas, Utah Townsend Vandenberg White
The second secon		
Clark, Idaho Clark, Mo. Connally George Gerry Gillette Green Guffey Gurney Hatch Hayden	Herring Hill Hughes King McKellar Miller Minton Murray Pepper Radcliffe Sheppard	Smathers Smith Stewart Taft Tobey Truman Tydings Van Nuys Wagner Walsh
NOT V		
Davis Donahey Glass Harrison Lee	Logan McNary Overton Reynolds Shipstead	Slattery Wheeler Wiley
	Holman Holt Johnson, Calif, Johnson, Colo. La Follette Lodge Lucas Lundeen NA' Clark, Idaho Clark, Mo. Connally George Gerry Gillette Green Guffey Gurney Hatch Hayden NOT Vo Davis Donahey Glass Harrison	Holman Maloney Mead Johnson, Calif. Neely Johnson, Colo. Norris La Follette Nye Lodge O'Mahoney Lucas Pittman Lundeen Reed NAYS—43 Clark, Idaho Herring Clark, Mo. Hill Connally Hughes George King Gerry McKellar Gillette Miller Green Minton Guffey Murray Gurney Pepper Hatch Radcliffe Hayden Sheppard NOT VOTING—18 Davis Logan Donahey McNary Glass Overton Harrison Reynolds

So the amendment of Mr. Lucas was rejected.

Mr. McCARRAN obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield so that I may offer a technical clerical amendment?

Mr. McCARRAN. I yield.

Mr. BARKLEY. I offer an amendment which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 5, line 1, it is proposed to strike out the words "as provided in said act" and to insert the words "and pursuant to and subject to the provisions of

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send an amendment to the desk and ask that it be reported. I think the Senator in charge of the bill will accept it.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 10, line 21, before the period, to insert a colon and the following:

Provided further, That no project involving the taking of waters out of any lake situated in two or more States shall be undertaken with moneys made available under this act unless and until the consent of all such States shall have first been obtained.

Mr. BARKLEY. Mr. President, the amendment is offered to the reclamation provision in the bill, and while I do not think any such project would be attempted even without the language, I am glad to accept the amendment and let it

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCarran].

The amendment was agreed to.

Mr. WAGNER. Mr. President, I offer an amendment which is purely technical.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed on page 18, line 5, after the word "determined", to insert the words "or adopted (subsequent to a determination under applicable State or local law)."

Mr. BARKLEY. The amendment is entirely acceptable. The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. NORRIS. Mr. President-

The PRESIDENT pro tempore. The Senator from Nebraska.

Mr. McCARRAN. A point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McCARRAN. Who has the floor?

The PRESIDENT pro tempore. The Senator from Nevada really has the floor.

Mr. NORRIS. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NORRIS. Can a Senator get the floor and retain it while we are voting and adopting amendments and still have the floor? I understood I was recognized by the Chair.

The PRESIDENT pro tempore. The Senator from Nevada by unanimous consent yielded to two Senators to offer perfecting amendments.

Mr. NORRIS. I did not understand that.

Mr. BARKLEY. The Senator from Nevada obtained the floor and offered an amendment, which was agreed to and the Senator from New York was recognized to offer an amendment. But I will say to the Senator from Nevada and to all other Senators that it is my purpose to move a recess now. I had hoped we might finish the bill tonight, but apparently that will not be possible.

Mr. NORRIS. Mr. President, before the Senator moves a recess I desire to offer an amendment, which I think will

not be objected to and will not take any time.

Mr. BARKLEY. Very well.

Mr. NORRIS. I send the amendment to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 5, line 1, it is proposed to strike out the words "as provided in said act", and to insert the words "and pursuant to and subject to the provisions of said act."

Mr. BARKLEY. Mr. President, I offered that amendment a moment ago and it was agreed to.

Mr. NORRIS. Very well.

VARIABLE PAYMENT OF CONSTRUCTION CHARGES ON RECLAMATION PROJECTS—CONFERENCE REPORT

Mr. O'MAHONEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6984) to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 5, and agree to the same.

ALVA B. ADAMS JOSEPH C. O'MAHONEY, CHAN GURNEY, Managers on the part of the Senate. COMPTON I. WHITE, KNUTE HILL, Managers on the part of the House.

The report was agreed to.

SETTLEMENT OF DISPUTES WITH THE UNITED STATES

Mr. MINTON. Mr. President, there has been a great deal of interest in Senate bill 915, to provide for the more expeditious settlement of disputes with the United States, and owing to that great interest throughout the country the supply of the bill has become exhausted. I therefore ask unanimous consent that Senate bill 915 as voted upon in the Senate be reprinted.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

VALUE OF FLOOD-HEIGHT REDUCTION FROM T. V. A. RESERVOIRS TO ALLUVIAL VALLEY OF LOWER MISSISSIPPI RIVER (H. DOC. NO. 455)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

I transmit herewith for the information of the Congress a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority, submitting a report entitled, "Value of Flood Height Reduction From Tennessee Valley Authority Reservoirs to the Alluvial Valley of the Lower Mississippi River."

The Tennessee Valley Authority believes that this report is a contribution to the theory of valuation of the benefits of flood control, and as such will be useful to the legislative and executive branches of the Federal Government in considering flood-control problems in general.

The attention of the Congress is invited to the suggestion of the Board that the report be printed as a Senate or House document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 27, 1939.

[Note.—Report accompanied similar message to the House of Representatives.]

ADDITIONAL REPORTS OF COMMITTEES

Mr. WHEELER (for himself and Mr. Truman), from the Committee on Interstate Commerce, to which was referred the bill (S. 2903) to amend the Interstate Commerce Act, and for other purposes, reported it without amendment and submitted a report (No. 1005) thereon.

Mr. BILBO, from the Committee on the District of Columbia, to which was referred the bill (S. 2745) to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases, reported it without amendment and submitted a report (No. 1006) thereon.

Mr. McCARRAN, from the Committee on the District of Columbia, to which was referred the joint resolution (H. J. Res. 340) providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes, reported it without amendment and submitted a report (No. 1007) thereon.

Mr. AUSTIN, from the Committee on the District of Columbia, to which was referred the bill (S. 2778) to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, reported it without amendment and submitted a report (No. 1008) thereon.

Mr. HOLMAN, from the Committee on the District of Columbia, to which was referred the bill (H. R. 5516) for the relief of Charlotte E. Hunter, reported it without amendment and submitted a report (No. 1009) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau (Rept. No. 1010); and

H.R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau (Rept. No. 1011).

Mr. TYDINGS, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc. (Rept. No. 1012); and

H.R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes (Rept. No. 1013).

Mr. KING, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 7086. An act to provide for insanity proceedings in the District of Columbia (Rept. No. 1014); and

H.R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes (Rept. No. 1015).

Mr. HUGHES, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2779. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the "Healing Arts Practice Act, District of Columbia, 1928," approved February 27, 1929 (Rept. No. 1016); and

H.R. 4434. A bill to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia (Rept. No. 1917).

Columbia (Rept. No. 1017).

Mr. MURRAY, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 1214) to provide for a more permanent tenure for persons carrying the mail on star routes, reported it with an amendment and submitted a report (No. 1018) thereon.

ADDITIONAL BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MEAD:

S. 2909. A bill for the relief of Dexter and Elizabeth Shiomi; to the Committee on Immigration.

By Mr. WALSH:

S. 2910. A bill to authorize the construction of new buildings for the Navy Department in the District of Columbia; to the Committee on Public Buildings and Grounds.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES—ADDITIONAL AMENDMENT

Mr. La Follette (for himself and Mr. Wheeler) submitted an amendment intended to be proposed by them to the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which was ordered to lie on the table and to be printed.

DISCHARGE OF RELIEF WORKERS IN WEST VIRGINIA

[Mr. Holt asked and obtained leave to have printed in the Record a copy of a letter written by him concerning the discharge of relief workers on W. P. A. projects in West Virginia, which appears in the Appendix.]

PREVENTION OF PERNICIOUS POLITICAL ACTIVITIES

[Mr. Guffey asked and obtained leave to have printed in the Record an editorial from the Fort Worth Star-Telegram of July 25, 1939, entitled "Hatch Bill Motive," which appears in the Appendix.]

[Mr. HATCH asked and obtained leave to have printed in the RECORD, immediately following the editorial submitted by Mr. Guffey, editorials from the Atlanta Constitution and the Washington Daily News, and an article from the Washington Daily News on the same subject, which appear in the Appendix.]

DUR PRESENT ECONOMIC STATUS—STATEMENT BY ROBERT M. HARRISS

[Mr. Thomas of Oklahoma asked and obtained leave to have printed in the Record a statement on the subject Our Present Economic Status, by Robert M. Harriss, of New York City, which appears in the Appendix.]

THE DU PONT CO .- EDITORIAL FROM PHILADELPHIA RECORD

[Mr. Guffey asked and obtained leave to have printed in the Record an editorial from the Philadelphia Record entitled "E. I. du Pont and the Government," which appears in the Appendix.1

THE SPENDING PROGRAM

[Mr. Townsend asked and obtained leave to have printed in the Record an editorial from the Journal-Every Evening of Wilmington, Del., on July 26, 1939, on the subject of the ineffectiveness of the administration's spending program, which appears in the Appendix.]

BLOCK BOOKING AND BLIND SELLING IN MOTION PICTURES

[Mr. Neely asked and obtained leave to have printed in the Record an editorial printed in the Seattle Star of July 21, 1939, entitled "Antidote for Box Office Poison," which appears in the Appendix.]

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Henry J. Willingham, of Florence, Ala., to be collector of internal revenue for the district of Alabama in place of Harwell G. Davis, resigned.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of several officers for promotion in the Coast Guard.

He also, from the same committee, reported favorably the nomination of Chief Boatswain (L) Charles R. Peele to be a district commander, with the rank of lieutenant, in the Coast Guard.

Mr. ASHURST (for Mr. Logan), from the Committee on the Judiciary, reported favorably the nomination of Howard L. Doyle, of Illinois, to be United States attorney for the southern district of Illinois.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Francis M. Shea, of New Hampshire, to be Assistant Attorney General in charge of the Claims Division of the Department of Justice, vice Sam E. Whitaker, resigned.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

He also, from the same committee, reported favorably the nominations of sundry officers for promotion in the Marine Corps, and also the nominations of sundry citizens to be second lieutenants in the Marine Corps.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the following nominations, with the recommendation that they be rejected:

James Walter Morrow to be postmaster at Iberia, Mo., in place of Walter Morrow; and

Amy Foster to be postmaster at Warrensburg, Mo., in place of A. T. King, removed.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, reported favorably the nomination of Francis Bowes Sayre, of Massachusetts, to be United States High Commissioner to the Philippine Islands, vice Paul V. McNutt, resigned.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state nominations on the calendar.

INTERSTATE COMMERCE COMMISSION

The legislative clerk read the nomination of William J. Patterson, of North Dakota, to be Interstate Commerce Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask unanimous consent that the President be notified of the confirmation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be notified.

POSTMASTER-NOMINATION PASSED OVER

The legislative clerk read the nomination of Charles A. O'Donnell to be postmaster at Frackville, Pa., which had been adversely reported from the Committee on Post Offices and Post Roads.

Mr. DAVIS. Mr. President, I ask unanimous consent that the nomination of Charles A. O'Donnell to be postmaster at Frackville go over.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

POSTMASTERS-NOMINATIONS CONFIRMED

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters, with the exception of the one which has been passed over, be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters, with the exception noted, are confirmed en bloc.

Mr. AUSTIN. Mr. President, during the day the Senator from New York [Mr. Wagner] reported certain nominations. I do not see them on the calendar, and I wish to ask what the nominations were.

The PRESIDENT pro tempore. The Chair is informed that they were nominations to the Federal Deposit Insurance Corporation.

Mr. AUSTIN. Under the rules, would they appear on today's calendar, or on the calendar for tomorrow?

The PRESIDENT pro tempore. They have to lie over, and they will be on the printed calendar tomorrow.

That concludes the nominations.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 10 o'clock and 26 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 28, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 27 (legislative day of July 25), 1939

FEDERAL COMMUNICATIONS COMMISSION

James Lawrence Fly, of Tennessee, to be a member of the Federal Communications Commission for the unexpired portion of the term of 7 years from July 1, 1935, vice Frank R. McNinch, resigned.

UNITED STATES DISTRICT JUDGE

Campbell E. Beaumont, of California, to be United States district judge for the southern district of California, to fill a position created by the act of Congress of May 31, 1938.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

Capt. Ernest Starkey Moon, Air Corps, to be major, from July 26, 1939.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO AIR CORPS, EFFECTIVE AUGUST 25, 1939

First Lt. William Denton Cairnes, Field Artillery, with rank from June 12, 1939.

First Lt. Robert Thomas Crowder, Infantry, with rank from June 12, 1939.

First Lt. Nicholas Tate Perkins, Coast Artillery Corps, with rank from June 12, 1939.

Second Lt. Glenn Preston Anderson, Jr., Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Harvey Pettibone Barnard, Jr., Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Merrick Bayer, Cavalry, with rank from June 14, 1938.

Second Lt. William Hugh Blanchard, Field Artillery, with rank from June 14, 1938.

Second Lt. George Arthur Bosch, Signal Corps, with rank from June 14, 1938.

Second Lt. Joe Reese Brabson, Jr., Infantry, with rank from June 14, 1938.

Second Lt. Robert Allen Breitweiser, Corps of Engineers, with rank from June 14, 1938.

Second Lt. William Peek Brett, Cavalry, with rank from June 14, 1938.

Second Lt. Robert John Bruton, Infantry, with rank from June 14, 1938.

Second Lt. Sherwood Ernest Buckland, Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Nicholas Horace Chavasse, Cavalry, with rank from June 14, 1938.

Second Lt. Louis Edward Coira, Jr., Field Artillery, with rank from June 14, 1938.

Second Lt. John Boddie Coleman, Infantry, with rank from June 14, 1938.

Second Lt. Castex Paul Conner, Infantry, with rank from

June 14, 1938. Second Lt. Fred Murray Dean, Infantry, with rank from

June 14, 1938. Second Lt. Edward George DeHart, Infantry, with rank

from June 14, 1938.
Second Lt. Carter Eugene Duncan, Coast Artillery Corps,

with rank from June 14, 1938.

Second Lt. Wallace Stafford Ford, Infantry, with rank

from June 14, 1938.

Second Lt. William Henry Frederick, Jr., Infantry, with rank from June 14, 1938.

Second Lt. Felix Moses Hardison, Infantry, with rank from July 1, 1938.

Second Lt. Bertram Cowgill Harrison, Infantry, with rank from June 14, 1938.

Second Lt. Philip Robert Hawes, Coast Artillery Corps, with

rank from June 14, 1938.

Second Lt. John Bennet Herboth, Jr., Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Gregory Hoisington, Jr., Infantry, with rank from June 14, 1938.

Second Lt. John Robert Hopson, Field Artillery, with rank from June 14, 1938.

Second Lt. Henry Charles Huglin, Field Artillery, with rank from June 14, 1938.

Second Lt. James Horace Isbell, Infantry, with rank from June 14, 1938.

Second Lt. Lloyd Earl Johnson, Jr., Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Howard Doan Kenzie, Infantry, with rank from June 14, 1938.

Second Lt. William Brett Kieffer, Corps of Engineers, with rank from June 14, 1938.

Second Lt. William Keith Kincaid, Cavalry, with rank from June 14, 1938.

Second Lt. Omar Ellsworth Knox, Cavalry, with rank from

June 14, 1938. Second Lt. Leland Oscar Krug, Field Artillery, with rank

from June 14, 1938.

Second Lt. Maurice Raymond Lemon, Cavalry, with rank from June 14, 1938.

Second Lt. Milton Edward Lipps, Infantry, with rank from

June 14, 1938. Second Lt. Ralph Brown Lister, Infantry, with rank from

June 14, 1938. Second Lt. James Rhea Luper, Infantry, with rank from

June 14, 1938. Second Lt. Clifford Field Macomber, Infantry, with rank

from June 14, 1938.

Second Lt. Robert Carleton McBride, Field Artillery, with rank from June 14, 1938.

Second Lt. Vincent Morgan Miles, Jr., Infantry, with rank from June 14, 1938.

Second Lt. John Dean Moorman, Field Artillery, with rank from June 14, 1938.

Second Lt. Harry Cornelius Morrison, Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. William Folwell Neff, Infantry, with rank from June 14, 1938.

Second Lt. Ashley Burdett Packard, Cavalry, with rank from June 14, 1938.

Second Lt. Shelby Young Palmer, Jr., Infantry, with rank from June 14, 1938.

Second Lt. Littleton James Pardue, Infantry, with rank from June 14, 1938.

Second Lt. Alexander Bruce Pendleton, Infantry, with rank from June 14, 1938.

Second Lt. Douglas Clinton Polhamus, Field Artillery, with rank from June 14, 1938.

Second Lt. Paul Theodore Preuss, Corps of Engineers, with rank from June 14, 1938.

Second Lt. Joseph Claude Reddoch, Jr., Infantry, with rank from June 14, 1938.

Second Lt. James Willis Rhymes, Infantry, with rank from June 14, 1938.

Second Lt. Harris Edward Rogner, Infantry, with rank from June 14, 1938.

Second Lt. Robert William Rulkoetter, Cavalry, with rank from June 14, 1938.

Second Lt. Gabriel Caldwell Russell, Infantry, with rank from June 14, 1938.

Second Lt. John Dale Ryan, Field Artillery, with rank from June 14, 1938.

Second Lt. Donald Ward Saunders, Field Artillery, with rank from June 14, 1938.

Second Lt. Charles Winfield Sherburne, Cavalry, with rank from June 14, 1938.

Second Lt. Albert Peterson Sights, Jr., Signal Corps, with rank from June 14, 1938.

Second Lt. Gibson Emerson Sisco, Jr., Infantry, with rank from June 14, 1938.

Second Lt. William Kenneth Skaer, Field Artillery, with rank from June 14, 1938.

Second Lt. Robert Lee Snider, Signal Corps, with rank from June 14, 1938.

Second Lt. John Herbert Spangler, Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Prescott Miner Spicer, Coast Artillery Corps, with rank from June 14, 1938.

Second Lt. Frank Pleasants Sturdivant, Field Artillery, with rank from June 14, 1938.

Second Lt. Morris Frederick Taber, Field Artillery, with rank from June 14, 1938.

Second Lt. Benjamin Marcus Tarver, Jr., Signal Corps, with rank from June 14, 1938.

Second Lt. Hugh Douglas Wallace, Infantry, with rank from June 14, 1938.

Second Lt. Joseph Breece Wells, Infantry, with rank from June 14, 1938.

Second Lt. Laurence Edward Wernberg, Field Artillery, with rank from June 14, 1938.

Second Lt. Edward Joseph York, Infantry, with rank from June 14, 1938.

Second Lt. Charles Mathis Young, Infantry, with rank from June 14, 1938.

Second Lt. Robert Alan Zaiser, Field Artillery, with rank from June 14, 1938.

Second Lt. Virgil Lee Zoller, Coast Artillery Corps, with rank from June 14, 1938.

QUARTERMASTER CORPS

Maj. Rohland Andrew Isker, Cavalry, with rank from August 1, 1935.

First Lt. Carleton Merritt Clifford, Infantry, with rank from August 1, 1935.

PROMOTION IN THE REGULAR ARMY

Capt. Leonidas Lee Koontz, Air Corps (temporary major, Air Corps), to be major, from July 21, 1939.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Capt. Arthur L. Bristol, Jr., to be a rear admiral in the Navy, to rank from the 1st day of August 1939.

The following-named commanders to be captains in the Navy, to rank from the 1st day of July 1939:

Sherwood Picking
Frederick L. Riefkohl
Oliver M. Read

Single State of Sury 1935.
Herman E. Fischer
Ellis M. Zacharias
DeWitt C. Ramsey
Roscoe E. Schuirman

The following-named commanders to be captains in the Navy, to rank from the 1st day of August 1939:

Charles A. Lockwood, Jr.

Aaron S. Merrill

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

John H. Cassady, January 1, 1939. Walter C. Ansel, February 13, 1939.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1939:

Dixie Kiefer Roscoe F. Good
Spencer H. Warner Benton W. Decker
Roland G. Mayer George A. Seitz
Stewart S. Reynolds James H. Chadwick
William W. Behrens Lunsford Y. Mason, Jr.

Lt. Murray J. Tichenor to be a lieutenant commander in the Navy, from the 13th day of February 1939.

The following-named lieutenants to be lieutenant commanders in the Navy, from the 1st day of July 1939: George C. Montgomery Edwin V. Raines

George C. Montgomery Charles W. Oexle Wallis F. Petersen Frank H. Ball Elery A. Zehner George B. Evans Alfred R. Boileau Arthur D. Murray John G. Cross William A. Lynch Joseph A. Ouellet Herbert H. Taylor Charles H. K. Miller Edward R. J. Griffin Albert L. Prosser Asel B. Kerr John P. Curtis

Albert L. Prosser
Asel B. Kerr
John P. Curtis
Stanley E. Martin
Robert C. Warrack
Melvin H. Bassett
Raleigh B. Miller
Bailey Connelly
Orville G. Cope, Jr.
Joseph H. Gowan
George L. Richard
Thomas O. McCarthy
Daniel N. Logan
Morgan C. Barrett
Delamer L. Jones

James E. Baker Kenneth O. Ekelund Harry R. Carson, Jr. Harry T. Chase Richard M. Oliver Charles H. Walker Francis L. Robbins Robert E. Cofer, Jr. Frederick A. L. Dartsch Thomas H. Dyer John R. Ruhsenberger Homer B. Wheeler Hubert M. Hayter Solomon F. Oden George W. Evans, Jr. Lawrence J. McPeake Neill Phillips Joseph F. Dahlgren Dewey H. Collins Elliott W. Shanklin John M. Sweeney Neville L. McDowell James C. Landstreet Henry Plander Paul S. Crandall Henry Crommelin Thomas B. McMurtrey Martin R. Peterson Robert L. Adams Austin W. Wheelock George L. Purmort

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of August 1939:

John H. Long

James A. McNally

Herbert A. Tellman

Walter S. Keller

George F. Watson

Edward I. McQuiston

John R. van Nagell

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:

James O. Biglow, October 1, 1938. Elliott M. Brown, January 1, 1939. Henry A. Renken, January 20, 1939. James R. Z. Reynolds, March 1, 1939. Howard J. Abbott, April 1, 1939. The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of July 1939:

Edward L. Robertson, Jr. Russell
Claude V. Hawk Charles
Albert D. Gray Thoma

Schermerhorn Van Mater Raymond P. Hunter Bruce L. Carr Russell C. Williams Charles B. Brooks, Jr. Thomas R. Kurtz, Jr. Victor H. Soucek William J. Sisko

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June 1939:

Alfred W. Brown, Jr.

John M. Oseth

Robert C. Sleight

John W. Hays

Jonathan L. W. Woodville, Jr.

Gordon Fowler

Forrest W. Simoneau

John W. Hays

Passed Asst. Surg. Bruce E. Bradley to be a surgeon in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1938.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1939:

Irwin L. Norman Rupert H. Draeger Robert S. Simpson Dirk M. te Groen William E. Carskadon Jesse G. Wright

Asst. Paymaster Sidney A. Freeburg to be a passed assistant paymaster in the Navy, with the rank of lieutenant, to rank from the 1st day of July 1939.

Chaplain Stanton W. Salisbury to be a chaplain in the Navy, with the rank of commander, to rank from the 1st day of July 1939.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 15th day of June 1939:

Neil M. Wilson Jack M. Sutton

Pay Clerk Gerald C. Anderson to be a chief pay clerk in the Navy, to rank with but after ensign, from the 15th day of June 1939.

MARINE CORPS

First Lt. Theodore C. Turnage, Jr., to be a captain in the Marine Corps from the 1st day of July 1939.

Corp. Harland E. Draper, a meritorious noncommissioned officer, to be a second lieutenant in the Marine Corps from the 30th day of June 1939.

The following-named citizens to be second lieutenants in the Marine Corps from the 1st day of July 1939:

James R. Anderson, a citizen of Oregon.
Royce W. Coln, a citizen of Arkansas.
Robert O. Dirmeyer, a citizen of Indiana.
Harry F. Rice, a citizen of North Dakota.
Randall L. Stallings, a citizen of Arkansas.
John I. Williamson, Jr., a citizen of Montana.

POSTMASTERS

ALABAMA

Alton N. Runyans to be postmaster at Ashville, Ala., in place of A. N. Runyans. Incumbent's commission expires August 27, 1939.

Dewey D. Prater to be postmaster at Millport, Ala., in place of D. D. Prater. Incumbent's commission expired January 22, 1939.

ARIZONA

Linnie N. Smith to be postmaster at McNary, Ariz., in place of L. N. Smith. Incumbent's commission expired May 29, 1939.

CALIFORNIA

Leon L. Allen to be postmaster at Agnew, Calif., in place of Carla Egan, removed.

COLORADO

Rose Richards to be postmaster at Buena Vista, Colo., in place of Rose Richards. Incumbent's commission expired July 22, 1939.

CONNECTICUT

Clifford E. Brooks to be postmaster at Moodus, Conn., in place of E. B. Thomas, removed.

Edward McElwee to be postmaster at Westport, Conn., in place of J. J. Murphy, deceased.

FLORIDA

Hal Hoffman to be postmaster at Apalachicola, Fla., in place of Hal Hoffman. Incumbent's commission expired January 17, 1939.

George H. Stokes to be postmaster at Callahan, Fla., in place of G. H. Stokes. Incumbent's commission expired March 23, 1939.

Vivan L. Roberts to be postmaster at Lynn Haven, Fla., in place of V. L. Roberts. Incumbent's commission expired January 17, 1939.

GEORGIA

Flora G. Hicks to be postmaster at Clarkesville, Ga., in place of G. C. Oliver, removed.

ILLINOIS

Jay R. Cooper to be postmaster at Chapin, Ill., in place of J. R. Cooper. Incumbent's commission expired February 20, 1939.

Lois M. La Tourette to be postmaster at London Mills, Ill., in place of W. R. Cale. Incumbent's commission expired March 22, 1936.

Clem Wiser to be postmaster at Martinsville, Ill., in place of Clem Wiser. Incumbent's commission expired March 8, 1939.

Conrad W. Knuth to be postmaster at Ohio, Ill., in place of J. R. Sheehan, resigned.

William E. Hollerich to be postmaster at Spring Valley, Ill., in place of W. E. Hollerich. Incumbent's commission expired February 7, 1939.

Eric Donoven Stover to be postmaster at Western Springs, Ill., in place of E. D. Stover. Incumbent's commission expired January 16, 1939.

INDIANA

Rena Zehr to be postmaster at Berne, Ind., in place of Rena Zehr. Incumbent's commission expired January 18, 1939.

Lester C. Leman to be postmaster at Bremen, Ind., in place of L. C. Leman. Incumbent's commission expired June 18, 1939.

Beatrice Bales to be postmaster at Dana, Ind., in place of Beatrice Bales. Incumbent's commission expired January 18, 1939.

Alfred E. Pate to be postmaster at Dillsboro, Ind., in place of A. E. Pate. Incumbent's commission expired June 9, 1938.
Ray Dills to be postmaster at Farmersburg, Ind., in place

of Ray Dills. Incumbent's commission expired May 2, 1939.

Thomas R. Teegardin to be postmaster at Hamilton, Ind., in place of T. R. Teegardin. Incumbent's commission expired March 15, 1939.

Ralph F. Yeoman to be postmaster at Hanna, Ind., in place of R. F. Yeoman. Incumbent's commission expired February 18, 1939.

Walter R. Meinert to be postmaster at Silver Lake, Ind., in place of W. R. Meinert. Incumbent's commission expired

March 23, 1939.

Charles O. Hall to be postmaster at Sullivan, Ind., in place of C. O. Hall. Incumbent's commission expired May 30, 1938.

John E. Robinson to be postmaster at Waynetown, Ind., in place of J. E. Robinson. Incumbent's commission expired June 18, 1939.

Lawrence J. Etnire to be postmaster at Williamsport, Ind., in place of L. J. Etnire. Incumbent's commission expired June 18, 1939.

Charles A. Wall to be postmaster at Winchester, Ind., in place of C. A. Wall. Incumbent's commission expired May 15, 1939.

IOWA

Anna Reardon to be postmaster at Auburn, Iowa, in place of Anna Reardon. Incumbent's commission expired February 9, 1939.

KANSAS

William E. Love to be postmaster at Bronson, Kans., in place of Os. Love, deceased.

Archie D. Spillman to be postmaster at Buffalo, Kans., in place of A. D. Spillman. Incumbent's commission expired July 9, 1939.

James H. Sandifer to be postmaster at El Dorado, Kans., in place of J. H. Sandifer. Incumbent's commission expired June 26, 1939.

Walter C. Reeder to be postmaster at Kinsley, Kans., in place of W. C. Reeder. Incumbent's commission expired May 16, 1939.

Joseph H. Schneider to be postmaster at Nortonville, Kans., in place of J. H. Schneider. Incumbent's commission expired March 23, 1939.

Robert J. Pafford to be postmaster at Salina, Kans., in place of R. J. Pafford. Incumbent's commission expires August 26, 1939.

Elton L. Pounds to be postmaster at Smith Center, Kans., in place of E. L. Pounds. Incumbent's commission expired April 27, 1938.

KENTUCKY

Nannie G. Woodson to be postmaster at Eddyville, Ky., in place of N. G. Woodson. Incumbent's commission expired March 27, 1939.

Darwin N. White to be postmaster at Hazel, Ky., in place of D. N. White. Incumbent's commission expires August 14, 1939.

Peter T. Colgan to be postmaster at Middlesboro, Ky., in place of P. T. Colgan. Incumbent's commission expired January 30, 1938.

William Tyler Smith to be postmaster at Taylorsville, Ky., in place of W. T. Smith. Incumbent's commission expired February 18, 1939.

Coy B. Reynolds to be postmaster at Waynesburg, Ky., in place of C. B. Reynolds. Incumbent's commission expired April 6, 1939.

LOUISIANA

Thomas L. Hardin to be postmaster at Sicily Island, La., in place of T. L. Hardin. Incumbent's commission expired January 9, 1936.

MAINE

Lewis W. Haskell, Jr., to be postmaster at Auburn, Maine, in place of L. W. Haskell, Jr. Incumbent's commission expired May 17, 1939.

Harold C. Collins to be postmaster at Bingham, Maine, in place of H. C. Collins. Incumbent's commission expired January 17, 1939.

Ervin O. Hamilton to be postmaster at Chebeague Island, Maine, in place of E. O. Hamilton. Incumbent's commission expired January 17, 1939.

Ava P. Galusha to be postmaster at Clinton, Maine, in place of A. P. Galusha. Incumbent's commission expired April 30, 1939.

Adelbert L. Mains to be postmaster at Mechanic Falls, Maine, in place of A. L. Mains. Incumbent's commission expired March 27, 1939.

Louis N. Redonnett to be postmaster at Mount Vernon, Maine, in place of L. N. Redonnett. Incumbent's commission expired May 9, 1938.

Velorus T. Shaw to be postmaster at Prouts Neck, Maine, in place of V. T. Shaw. Incumbent's commission expired May 29, 1939.

Aubrey Kelley to be postmaster at Solon, Maine, in place of Aubrey Kelley. Incumbent's commission expired April 30, 1939.

MASSACHUSETTS

Henry L. Pierce to be postmaster at Barre, Mass., in place of H. L. Pierce. Incumbent's commission expired February 8, 1939.

James D. Sullivan to be postmaster at Danvers, Mass., in place of J. D. Sullivan. Incumbent's commission expired July 18, 1939.

John H. Gilboy to be postmaster at East Brookfield, Mass., in place of J. H. Gilboy. Incumbent's commission expired June 26, 1939.

Robert P. Sheehan to be postmaster at Harvard, Mass., in place of R. P. Sheehan. Incumbent's commission expired June 17, 1939.

Edward Thomas Murphy to be postmaster at Hyannis, Mass., in place of E. T. Murphy. Incumbent's commission expires August 12, 1939.

Mary E. O'Toole to be postmaster at Leominster, Mass., in place of M. E. O'Toole. Incumbent's commission expired March 18, 1939.

William F. Goodwin to be postmaster at Plymouth, Mass., in place of W. F. Goodwin. Incumbent's commission expired July 18, 1939.

Timothy W. Fitzgerald to be postmaster at Salem, Mass., in place of T. W. Fitzgerald. Incumbent's commission expired July 22, 1939.

William E. Brennan to be postmaster at Whitman, Mass., in place of W. E. Brennan. Incumbent's commission expired June 26, 1939.

MICHIGAN

Ozro K. Hess to be postmaster at Akron, Mich., in place of O. K. Hess. Incumbent's commission expired April 26, 1939.

Bernie C. McLeish to be postmaster at Bay Port, Mich., in place of B. C. McLeish. Incumbent's commission expired April 26, 1939.

Cornelius Oosta to be postmaster at Caledonia, Mich., in place of Cornelius Oosta. Incumbent's commission expired April 26, 1939.

Kay Rice to be postmaster at Camden, Mich., in place of Kay Rice. Incumbent's commission expired April 26, 1939.

John A. Yagley to be postmaster at Dearborn, Mich., in place of J. A. Yagley. Incumbent's commission expired July 26, 1939.

George B. McIntyre to be postmaster at Fairgrove, Mich., in place of G. B. McIntyre. Incumbent's commission expired April 26, 1939.

Stuart J. Haddrill to be postmaster at Lake Orion, Mich., in place of S. J. Haddrill. Incumbent's commission expired April 26, 1939.

Frank E. Moore to be postmaster at Lakeview, Mich., in place of F. E. Moore. Incumbent's commission expired April 26, 1939.

Emmett E. Scofield to be postmaster at Leslie, Mich., in place of E. E. Scofield. Incumbent's commission expired April 26, 1939.

Clare E. Bishop to be postmaster at Millington, Mich., in place of C. E. Bishop. Incumbent's commission expired April 26, 1939.

James F. Jackson to be postmaster at Mohawk, Mich., in place of J. F. Jackson. Incumbent's commission expired April 26, 1939.

James J. Harrington to be postmaster at Painesdale, Mich., in place of J. J. Harrington. Incumbent's commission expired April 26, 1939.

Glenn Davis to be postmaster at Rockford, Mich., in place of Glenn Davis. Incumbent's commission expired April 26, 1939.

Victoria S. Nye to be postmaster at Rose City, Mich., in place of V. S. Nye. Incumbent's commission expired April 26, 1939.

Hazel A. Graham to be postmaster at Whittemore, Mich., in place of H. A. Graham. Incumbent's commission expired April 26, 1939.

MINNESOTA

Herman J. Ricker to be postmaster at Freeport, Minn., in place of H. J. Ricker. Incumbent's commission expired March 27, 1939.

Lester A. Helweg to be postmaster at Fulda, Minn., in place of L. A. Helweg. Incumbent's commission expired May 29, 1939.

Bertha T. Bot to be postmaster at Ghent, Minn., in place of B. T. Bot. Incumbent's commission expired March 12, 1939.

Charles B. Seipp to be postmaster at Hanley Falls, Minn., in place of C. B. Seipp. Incumbent's commission expired March 12, 1939.

Irene G. Almquist to be postmaster at Harris, Minn., in place of I. G. Almquist. Incumbent's commission expired March 23, 1939.

Michael E. Tompkins to be postmaster at Hector, Minn., in place of M. E. Tompkins. Incumbent's commission expired March 12, 1939.

William V. Kane to be postmaster at International Falls, Minn., in place of W. V. Kane. Incumbent's commission expired March 12, 1939.

Byron B. Maddy to be postmaster at McGregor, Minn., in place of B. B. Maddy. Incumbent's commission expired May 29, 1939.

James V. Sweeney to be postmaster at Mahnomen, Minn., in place of J. V. Sweeney. Incumbent's commission expired March 12, 1939.

Justin I. Brown to be postmaster at Nevis, Minn., in place of J. I. Brown. Incumbent's commission expired March 12, 1939.

Raymond A. Linnihan to be postmaster at Red Lake Falls, Minn., in place of R. A. Linnihan. Incumbent's commission expired March 12, 1939.

Edward M. Swanson to be postmaster at Russell, Minn., in place of E. M. Swanson. Incumbent's commission expired March 12, 1939.

Herman E. Kent to be postmaster at Sanborn, Minn., in place of H. E. Kent. Incumbent's commission expired March 27, 1939

MISSISSIPPI

William Frank Irving to be postmaster at Ackerman, Miss., in place of W. F. Irving. Incumbent's commission expired July 26, 1939.

John B. Glenn to be postmaster at Brookville, Miss., in place of J. B. Glenn. Incumbent's commission expired June 18, 1939.

Pink H. Morrison to be postmaster at Heidelberg, Miss., in place of P. H. Morrison. Incumbent's commission expired July 11, 1939.

Anice N. Graves to be postmaster at Houlka, Miss., in place of A. N. Graves. Incumbent's commission expired July 18, 1939

Billie B. Boyd to be postmaster at McCool, Miss., in place of B. B. Boyd. Incumbent's commission expired July 18, 1939.

Samuel P. Carter to be postmaster at Quitman, Miss., in place of S. P. Carter. Incumbent's commission expired May 17, 1939.

Olive Alexander to be postmaster at Rolling Fork, Miss., in place of Olive Alexander. Incumbent's commission expired February 20, 1939.

Erma L. Morris to be postmaster at Seminary, Miss., in place of E. L. Morris. Incumbent's commission expired March 27, 1939.

John L. Owen to be postmaster at Utica, Miss., in place of J. L. Owen. Incumbent's commission expired May 2, 1939.

MISSOURI

William A. Barton to be postmaster at Alton, Mo., in place of W. A. Barton. Incumbent's commission expired March 28, 1939.

Felix P. Wulff to be postmaster at Argyle, Mo., in place of F. P. Wulff. Incumbent's commission expired July 1, 1939.

Ezra W. Mott to be postmaster at Armstrong, Mo., in place of E. W. Mott. Incumbent's commission expired February 20, 1939.

Jesse D. Burwell to be postmaster at Browning, Mo., in place of J. D. Burwell. Incumbent's commission expired June 26, 1939.

George W. Shelton to be postmaster at Dixon, Mo., in place of G. W. Shelton. Incumbent's commission expired February 20, 1939.

Roy M. Burchett to be postmaster at Elsberry, Mo., in place of R. M. Burchett. Incumbent's commission expired May 9, 1939.

Claud W. Boone to be postmaster at Gainesville, Mo., in place of C. W. Boone. Incumbent's commission expired June 18, 1938.

Mary E. Woody to be postmaster at Golden City, Mo., in place of M. E. Woody. Incumbent's commission expired February 20, 1939.

Champ C. Ray to be postmaster at Middletown, Mo., in place of C. C. Ray. Incumbent's commission expired June

Clyde E. Walker to be postmaster at Mountain View, Mo., in place of C. E. Walker. Incumbent's commission expired May 9, 1939.

Lloyd M. Weaver to be postmaster at New London, Mo., in place of H. F. Yeager, deceased.

Mary G. Kenton to be postmaster at Norborne, Mo., in place of M. G. Kenton. Incumbent's commission expires August 27, 1939.

Helen T. Meagher to be postmaster at Oregon, Mo., in place of H. T. Meagher. Incumbent's commission expired June 25, 1939.

Fred A. Lambert to be postmaster at Princeton, Mo., in place of F. A. Lambert. Incumbent's commission expires August 21, 1939.

Dayton A. Street to be postmaster at Purdin, Mo., in place of D. A. Street. Incumbent's commission expires August 27, 1939.

Charles E. Logan to be postmaster at Spickard, Mo., in place of C. E. Logan. Incumbent's commission expired March 23, 1939.

Thomas W. Withrow to be postmaster at Troy, Mo., in place of T. W. Withrow. Incumbent's commission expired June 5, 1939.

Carl A. Baldwin to be postmaster at Vienna, Mo., in place of C. A. Baldwin. Incumbent's commission expired May 17.

Fay B. Swicegood to be postmaster at Weaubleau, Mo., in place of F. B. Swicegood. Incumbent's commission expired June 26, 1939.

Blanche E. Tucker to be postmaster at Westboro, Mo., in place of B. E. Tucker. Incumbent's commission expired May 17, 1939.

Mabel Smulling to be postmaster at Wyaconda, Mo., in place of Mabel Smulling. Incumbent's commission expired March 19, 1939.

MONTANA

Forrest L. De Rosia to be postmaster at Libby, Mont., in place of M. K. Kedzie. Incumbent's commission expired December 18, 1934.

James J. Price to be postmaster at Three Forks, Mont., in place of J. J. Price. Incumbent's commission expired March-20, 1939.

NEBRASKA

Gladys G. Rockhold to be postmaster at Comstock, Nebr., in place of G. G. Rockhold. Incumbent's commission expired July 24, 1939.

George J. Scott to be postmaster at Crawford, Nebr., in place of G. J. Scott. Incumbent's commission expired March 21, 1939.

John H. Hutchings to be postmaster at Falls City, Nebr., in place of J. H. Hutchings. Incumbent's commission expired May 8, 1939.

James Melvern West to be postmaster at Herman, Nebr., in place of J. M. West. Incumbent's commission expired June 18, 1939.

Herman Stahly to be postmaster at Milford, Nebr., in place of Herman Stahly. Incumbent's commission expired March 21, 1939.

Thomas Glen Roberts to be postmaster at Sterling, Nebr., in place of T. G. Roberts. Incumbent's commission expired February 9, 1939.

NEVADA

Dora E. Kappler to be postmaster at Carlin, Nev., in place of D. E. Kappler. Incumbent's commission expired January 18, 1939.

Mabel L. Andrews to be postmaster at Hawthorne, Nev., in place of M. L. Andrews. Incumbent's commission expired May 31, 1939.

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Linwood W. Campbell to be postmaster at Pioche, Nev., in place of L. W. Campbell. Incumbent's commission expired June 18, 1939.

NEW HAMPSHIRE

Gustave A. Lanoix to be postmaster at Gonic, N. H., in place of G. A. Lanoix. Incumbent's commission expired May 31, 1939.

Elizabeth J. Varney to be postmaster at Littleton, N. H., in place of E. J. Varney. Incumbent's commission expired May 31, 1939.

Raymond J. Carr to be postmaster at Lancaster, N. H., in place of R. J. Carr. Incumbent's commission expired June 18, 1939.

NEW JERSEY

Cameron M. McCurdy to be postmaster at Fair Lawn, N. J., in place of C. F. Rooney, removed.

Albert P. Troy to be postmaster at Palisade, N. J., in place of A. P. Troy. Incumbent's commission expired May 2, 1938.

NEW MEXICO

Robert S. Sanchez to be postmaster at Estancia, N. Mex., in place of V. B. Davis. Incumbent's commission expired May 29, 1939.

Thomas N. Lawson to be postmaster at Tucumcari, N. Mex., in place of E. J. Corn. Incumbent's commission expired February 12, 1939.

NEW YORK

Verner Sharp to be postmaster at Altamont, N. Y., in place of Verner Sharp, Incumbent's commission expired June 25, 1939.

Eber T. McDonald to be postmaster at Cayuga, N. Y., in place of E. T. McDonald. Incumbent's commission expired June 25, 1939.

Guy C. Hazelton to be postmaster at Coeymans, N. Y., in place of G. C. Hazelton. Incumbent's commission expired July 9, 1939.

George W. Caldwell to be postmaster at Lake George, N. Y., in place of F. H. Wood, removed.

Earl F. Sebald to be postmaster at Lake Luzerne, N. Y., in place of H. J. Grogan, deceased.

Harry D. Hickey to be postmaster at Lewiston, N. Y., in place of H. D. Hickey. Incumbent's commission expired May 8, 1939.

James T. Crotty to be postmaster at Monroe, N. Y., in place of J. T. Crotty. Incumbent's commission expired January 29, 1939.

Charles S. Donnelley to be postmaster at Utica, N. Y., in place of C. S. Donnelley. Incumbent's commission expired July 24, 1939.

Stewart A. Farrar to be postmaster at Warrensburg, N. Y., in place of S. A. Farrar. Incumbent's commission expired January 22, 1939.

Herbert D. Carlton to be postmaster at West Chazy, N. Y., in place of H. D. Carlton. Incumbent's commission expired January 22, 1939.

NORTH DAKOTA

Coral L. Ware to be postmaster at Amidon, N. Dak., in place of C. I. Ware. Incumbent's commission expired May 13, 1939.

Anna Holkesvik to be postmaster at Carson, N. Dak., in place of Anna Holkesvik. Incumbent's commission expired April 30, 1939.

Harry L. Morrow to be postmaster at Drake, N. Dak., in place of H. L. Morrow. Incumbent's commission expired May 13, 1939.

Agnes S. Reynolds to be postmaster at Edmore, N. Dak., in place of A. S. Reynolds. Incumbent's commission expired March 23, 1939.

Evelyn L. Swank to be postmaster at Egeland, N. Dak., in place of E. L. Swank. Incumbent's commission expired May 13, 1939.

Winfield S. Hooper to be postmaster at Fargo, N. Dak., in place of W. S. Hooper. Incumbent's commission expired May 29, 1939.

Cecil Wigness to be postmaster at Fortuna, N. Dak., in place of Cecil Wigness. Incumbent's commission expired May 13, 1939.

Jeannette A. Siegel to be postmaster at Goldenvalley, N. Dak., in place of J. A. Siegel. Incumbent's commission expired May 13, 1939.

Peter L. Freund to be postmaster at Hope, N. Dak., in place of P. L. Freund. Incumbent's commission expired May 29, 1939

Hulbert L. Olsen to be postmaster at Van Hook, N. Dak., in place of H. L. Olsen. Incumbent's commission expired May 13, 1939.

John P. Mohr to be postmaster at Wimbledon, N. Dak., in place of G. W. Veach, removed.

OKLAHOMA

Laura A. Plunkett to be postmaster at Gould, Okla., in place of L. A. Plunkett. Incumbent's commission expired June 1, 1939.

Joseph R. Reed to be postmaster at Lawton, Okla., in place of J. R. Reed. Incumbent's commission expires August 27, 1939.

Helen A. Coulter to be postmaster at Wakita, Okla., in place of F. A. Rhoades. Incumbent's commission expired June 13, 1938.

Robert D. Taylor to be postmaster at Webb City, Okla., in place of R. D. Taylor. Incumbent's commission expired May 28, 1939.

OREGO

Burt E. Hawkins to be postmaster at Klamath Falls, Oreg., in place of B. E. Hawkins. Incumbent's commission expired May 13, 1939.

Richard J. Collins to be postmaster at Oceanlake, Oreg. Office became Presidential July 1, 1938.

Harold R. White to be postmaster at Wasco, Oreg., in place of H. R. White. Incumbent's commission expired March 8, 1939.

PENNSYLVANIA

Mabel G. Collins to be postmaster at Austin, Pa., in place of M. G. Collins. Incumbent's commission expired May 28, 1939

George R. Meek to be postmaster at Bellefonte, Pa., in place of G. R. Meek. Incumbent's commission expired May 28, 1939.

George Ramsey to be postmaster at Cheltenham, Pa., in place of George Ramsey. Incumbent's commission expired June 10, 1939.

James H. Sinclair to be postmaster at Falls Creek, Pa., in place of T. J. McCausland, deceased.

Howard Walter Stough to be postmaster at Grapeville, Pa., in place of H. W. Stough. Incumbent's commission expires August 22, 1939.

George W. Smith to be postmaster at Mauch Chunk, Pa., in place of Emma Zanders. Incumbent's commission expired June 4, 1934.

Kate H. Haydon to be postmaster at Midland, Pa., in place of K. H. Haydon. Incumbent's commission expired March 18, 1939.

Samuel B. Miller to be postmaster at Mifflinburg, Pa., in place of S. B. Miller. Incumbent's commission expires February 21, 1939.

George E. Lay to be postmaster at Monaca, Pa., in place of G. E. Lay. Incumbent's commission expired April 6,

Edward F. Januszewski to be postmaster at Monessen, Pa., in place of E. F. Januszewski. Incumbent's commission expired April 6, 1939.

Roy Peiffer to be postmaster at Mount Gretna, Pa., in place of C. G. Hauer, resigned.

Sylvester L. Rothenberger to be postmaster at Oley, Pa., in place of S. L. Rothenberger. Incumbent's commission expired January 29, 1939.

Perry A. Tschop to be postmaster at Red Lion, Pa., in place of P. A. Tschop. Incumbent's commission expired June 19, 1939.

Howard O. Boyer to be postmaster at Rural Valley, Pa., in place of H. O. Boyer. Incumbent's commission expired March 22, 1938.

John L. Considine to be postmaster at Sharon, Pa., in place of J. L. Considine. Incumbent's commission expires August 2, 1939.

John A. Maurer to be postmaster at Tremont, Pa., in place of J. A. Maurer. Incumbent's commission expired February 21, 1939.

Maurice J. McGee to be postmaster at Troy, Pa., in place of M. J. McGee. Incumbent's commission expired March 18, 1939.

David C. Chamberlin to be postmaster at Turbotville, Pa., in place of T. M. Shade, removed.

Lincoln G. Nyce to be postmaster at Vernfield, Pa., in place of L. G. Nyce. Incumbent's commission expired May 2, 1939.

John M. Braden to be postmaster at Washington, Pa., in place of J. M. Braden. Incumbent's commission expired February 9, 1939.

John W. Doyle to be postmaster at Waymart, Pa., in place of J. W. Doyle. Incumbent's commission expired May 28, 1939.

Samuel W. Spayd to be postmaster at Womelsdorf, Pa., in place of L. S. Filbert. Incumbent's commission expired January 29, 1939.

Edward L. Middleswarth to be postmaster at Yeagertown, Pa., in place of E. L. Middleswarth. Incumbent's commission expired April 6, 1939.

PUERTO RICO

Alberto Bravo to be postmaster at Mayaguez, P. R., in place of Alberto Bravo. Incumbent's commission expired February 13, 1939.

George P. DePass to be postmaster at San Juan, P. R., in place of G. P. DePass. Incumbent's commission expired June 18, 1939.

TENNESSEE

Rebecca J. Thomas to be postmaster at Alamo, Tenn., in place of R. J. Thomas. Incumbent's commission expired February 9, 1939.

Marvin McKnight to be postmaster at Bemis, Tenn., in place of Marvin McKnight. Incumbent's commission expired January 31, 1938.

Maurice Wilson to be postmaster at Middleton, Tenn., in place of Maurice Wilson. Incumbent's commission expired May 10, 1939.

John W. Simmons to be postmaster at Moscow, Tenn., in place of J. W. Simmons. Incumbent's commission expired June 17, 1939.

William T. Latham to be postmaster at Niota, Tenn., in place of W. T. Latham. Incumbent's commission expired July 1, 1939.

John L. Vann to be postmaster at Watertown, Tenn., in place of J. L. Vann. Incumbent's commission expired January 16, 1939.

Roey D. Shoulders to be postmaster at Westmoreland, Tenn., in place of R. D. Shoulders. Incumbent's commission expired May 29, 1939.

TEXAS

William G. Bryan to be postmaster at Avery, Tex., in place of W. G. Bryan. Incumbent's commission expired July 18, 1939.

Luther G. Porter to be postmaster at Bangs, Tex., in place of L. G. Porter. Incumbent's commission expired March 21, 1939

Hugh B. Edens to be postmaster at Big Lake, Tex., in place of H. B. Edens. Incumbent's commission expired March 15, 1939.

Lawrence C. Galbraith to be postmaster at Big Sandy, Tex., in place of L. C. Galbraith. Incumbent's commission expired January 25, 1939.

Harvey L. Pettit to be postmaster at Bloomburg, Tex., in place of H. L. Pettit. Incumbent's commission expired July 18, 1939.

Joseph Edward Johnson to be postmaster at Brownwood, Tex., in place of G. W. Kidd, deceased.

Arthur K. Tyson to be postmaster at Calvert, Tex., in place of A. K. Tyson. Incumbent's commission expired May 29, 1939.

Harry McDonald Thomson to be postmaster at Coleman, Tex., in place of H. M. Thomson. Incumbent's commission expired June 26, 1939.

Nadyne McGehee to be postmaster at Collinsville, Tex., in place of Nadyne McGehee. Incumbent's commission expired July 1, 1939.

Clarence H. Nobles to be postmaster at Deport, Tex., in place of C. H. Nobles. Incumbent's commission expired May 13, 1939.

Leland B. Doshier to be postmaster at Edcouch, Tex., in place of L. B. Doshier. Incumbent's commission expired August 26, 1939.

William H. Wheeler to be postmaster at Eustace, Tex., in place of W. H. Wheeler. Incumbent's commission expired July 1, 1939.

James F. Atkinson to be postmaster at Florence, Tex., in place of J. F. Atkinson. Incumbent's commission expired March 12, 1939.

Emmett W. Pack to be postmaster at Garrison, Tex., in place of E. W. Pack. Incumbent's commission expired July 18, 1939.

Spencer Boyd Street to be postmaster at Graham, Tex., in place of S. B. Street. Incumbent's commission expired July 18, 1939

John Dunlop to be postmaster at Houston, Tex., in place of J. S. Griffith. Incumbent's commission expired February 12, 1939.

Baxter Orr to be postmaster at Idalou, Tex. Office became Presidential July 1, 1933.

Lula J. Moreland to be postmaster at Lindale, Tex., in place of L. J. Moreland. Incumbent's commission expired January 25, 1939.

Ralph W. Ford to be postmaster at Linden, Tex., in place of R. W. Ford. Incumbent's commission expired August 7, 1939.

Sam H. Amsler to be postmaster at McGregor, Tex., in place of S. H. Amsler. Incumbent's commission expired March 12, 1939.

J. William Dyer to be postmaster at Mabank, Tex., in place of J. W. Dyer. Incumbent's commission expired January 25, 1939.

Edward F. Springer to be postmaster at Matador, Tex., in place of E. F. Springer. Incumbent's commission expired May 13, 1939.

Effie Viola Haden to be postmaster at Megargel, Tex., in place of C. C. White. Incumbent's commission expired May 2, 1939.

Benjamin T. Tucker to be postmaster at Mercedes, Tex., in place of B. T. Tucker. Incumbent's commission expired August 27, 1939.

Stephen E. Fitzgerald to be postmaster at Miami, Tex., in place of S. E. Fitzgerald. Incumbent's commission expired July 18, 1939.

Augustus S. Hightower to be postmaster at Millsap, Tex., in place of A. S. Hightower. Incumbent's commission expired July 1, 1939.

Alva O. Dannelley to be postmaster at Mirando City, Tex., in place of A. O. Dannelley. Incumbent's commission expired May 13, 1939.

William E. McClintock to be postmaster at Mount Pleasant, Tex., in place of W. E. McClintock. Incumbent's commission expired July 18, 1939.

Grace M. Barnett to be postmaster at Palacios, Tex., in place of G. M. Barnett. Incumbent's commission expired May 2, 1939.

Mansel R. Coffee to be postmaster at Perryton, Tex., in place of M. R. Coffee. Incumbent's commission expired June 18, 1939.

Walter S. Martin to be postmaster at Port Arthur, Tex., in place of W. S. Martin. Incumbent's commission expires August 27, 1939.

Adlai C. Breustedt to be postmaster at Seguin, Tex., in place of A. C. Breustedt. Incumbent's commission expired March 15, 1939.

Edmund Herder to be postmaster at Shiner, Tex., in place of Edmund Herder. Incumbent's commission expired July 18, 1939.

Grady W. Hodges to be postmaster at Whitesboro, Tex., in place of G. W. Hodges. Incumbent's commission expired July 18, 1939.

Oscar W. Stone to be postmaster at Wolfe City, Tex., in place of O. W. Stone. Incumbent's commission expired July 18, 1939.

UTAH

Jabez W. Dangerfield to be postmaster at Provo, Utah, in place of J. W. Dangerfield. Incumbent's commission expired May 7, 1938.

VERMONT

Berne B. Titus to be postmaster at Fairlee, Vt., in place of B. B. Titus. Incumbent's commission expired February 15, 1939.

George H. St. Pierre to be postmaster at Island Pond, Vt., in place of G. H. St. Pierre. Incumbent's commission expired June 6, 1938.

VIRGINIA

Ruth K. Northington to be postmaster at Lacrosse, Va., in place of R. K. Northington. Incumbent's commission expired January 18, 1939.

John P. Kelly to be postmaster at Pennington Gap, Va., in place of J. P. Kelly. Incumbent's commission expired June 18, 1938.

Pauline H. Duncan to be postmaster at Riverton, Va., in place of P. H. Duncan. Incumbent's commission expired July 1, 1939.

WASHINGTON

Jessie A. Knight to be postmaster at Shelton, Wash., in place of J. A. Knight. Incumbent's commission expired June 25, 1939.

WEST VIRGINIA

Robert Lake Bailey to be postmaster at Bluefield, W. Va., in place of R. L. Bailey. Incumbent's commission expires August 27, 1939.

William R. Kincaid to be postmaster at Cameron, W. Va., in place of W. R. Kincaid. Incumbent's commission expired January 29, 1939.

George J. Carter, Jr., to be postmaster at Fort Gay, W. Va., in place of C. R. Crabtree, resigned.

Glenn A. Fowler to be postmaster at Harrisville, W. Va., in place of G. A. Fowler. Incumbent's commission expires August 16, 1939.

Roscoe Cook to be postmaster at Lorado, W. Va., in place of Roscoe Cook. Incumbent's commission expired May 29, 1939.

WISCONSIN

John J. Steiner to be postmaster at Mauston, Wis., in place of J. J. Steiner. Incumbent's commission expired April 28, 1938.

Clarence G. Schultz to be postmaster at Neenah, Wis., in place of C. G. Schultz. Incumbent's commission expired June 18, 1939.

Mary Hanley to be postmaster at Roberts, Wis., in place of J. W. Hanley, deceased.

Joseph P. Wheir to be postmaster at Wisconsin Rapids, Wis., in place of J. P. Wheir. Incumbent's commission expired January 18, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27 (legislative day of July 25), 1939

INTERSTATE COMMERCE COMMISSION

William J. Patterson to be an Interstate Commerce Commissioner.

POSTMASTERS

ARKANSAS

Edward E. Dewey, Decatur.

NEW YORK

Louis Grenier, Faust.

OHIO

Clarence N. Greer, Dayton.
Marion D. Freeders, Fairfield.
Milan E. Croul, Killbuck.
Glenn C. Swartz, Polk.
Clare S. Myers, Roseville.
Grover C. Speckman, Warsaw.
Howard W. McCracken, Zanesville.

OKLAHOMA

Jack H. Kneedler, Kaw. Ernest J. Winningham, Sentinel. Robert R. McCarver, Wister.

PENNSYLVANIA

William Glenn Rumbaugh, Avonmore. Theodore C. Lamborn, Berwyn. James Robert McClure, Dillsburg. Stephen R. Stefanik, Elmora. Herbert H. Park, Gibsonia. Theodore K. Hagey, Hellertown. Earl S. Warmkessel, Laureldale. Leon E. Shepherd, Malvern. Homer C. Kifer, Manor. Franklin M. Rorke, Meadowbrook. Alexander Grafton Sullivan, New Kensington. Charles L. Wagner, Paperville. Mary E. Stewart, Petersburg. John Edgar Schmidt, Ringtown. Bertha M. Kintzer, Robesonia. Irvin F. Mayberry, Schwenkville. Joseph E. Staniszewski, Shamokin. Wilson C. Reider, Shickshinny. John N. Zimmerman, Sunbury, Bessie S. Ferrell, Westtown.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 27, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou great Jehovah, our God and our Father, we praise Thee that the essence of life is divine. Blessed Lord, it is an inspiration to see visions, greater to do, but greatest of all to be; therefore let this be our canticle of character; let it go singing along the paths of space:

Lo, I come: in the volume of the book it is written of Me: I delight to do Thy will, O my God: yea, Thy law is within my heart. The Lord bless thee and keep thee; the Lord make His face shine upon thee and be gracious unto thee; the Lord lift up His countenance upon thee and give thee peace.

Both now and ever. In the name of our Saviour who forgot Himself, even in death. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On July 17, 1939:

H. R. 3576. An act to make effective the provisions of the Officers' Competency Certificates Convention, 1936.

On July 18, 1939:

H. R. 733. An act for the relief of S. A. Rourke;

H. R. 4370. An act authorizing the city of Chester, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Chester, Ill.;

H.R.4499. An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky;

H.R. 5288. An act to amend section 691-a of the Code of Law of the District of Columbia, approved March 3, 1901, and of any act or acts amendatory thereof relating to foreign building and loan associations doing business in the District of Columbia; and

H. R. 5479. An act granting annual and sick leave with pay to substitutes in the Postal Service.

On July 19, 1939:

H. R. 1882. An act for the relief of Otis M. Culver, Samuel E. Abbey, Joseph Reger, and August H. Krueger;

H. R. 2296. An act to restore certain benefits to World War veterans suffering with paralysis, paresis, or blindness, or who are helpless or bedridden, and for other purposes;

H.R. 5452. An act to provide certain benefits for World War veterans and their dependents, and for other purposes; and

H. R. 6836. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

On July 20, 1939:

H. R. 5748. An act to amend the Second Liberty Bond Act, as amended; and

H. J. Res. 329. Joint resolution consenting to an interstate oil compact to conserve oil and gas.

On July 25, 1939:

H.R. 2168. An act to authorize the Secretary of War to make contracts, agreements, or other arrangements for the supplying of water to the Golden Gate Bridge and Highway District:

H.R. 3081. An act for the relief of Margaret B. Nonnenberg;

H. R. 3364. An act to transfer the control and jurisdiction of the Park Field Military Reservation, Shelby County, Tenn., from the War Department to the Department of Agriculture;

H. R. 3614. An act for the relief of Frank M. Croman; H. R. 4391. An act for the relief of H. W. Hamlin;

H.R. 4617. An act for the relief of Capt. Robert E. Coughlin; H.R. 5494. An act for the relief of John Marinis, Nicolaos Elias, Ihoanis or Jean Demetre Votsitsanos, and Michael Votsitsanos:

H. R. 5523. An act authorizing the States of Minnesota and Wisconsin to construct, maintain, and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.;

H.R. 5785. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Georgetown, Miss.;

H. R. 5786. An act granting the consent of Congress to the State of Mississippi or Madison County, Miss., to construct, maintain, and operate a free highway bridge across Pearl River at or near Ratliffs Ferry in Madison County, Miss.;

H. R. 5963. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5964. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 5984. An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate free highway bridges across the Monongahela River, in Allegheny County, State of Pennsylvania;

H. R. 6045. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the

city of Seattle, King County, Wash., with improvements thereon;

H.R. 6065. An act to authorize major overhauls for certain naval vessels, to authorize the acquisition of two motor vessels for the Navy, and for other purposes;

H. R. 6070. An act to amend section 5 of the act of April

3, 1939 (Public, No. 18, 76th Cong.);

H.R. 6079. An act granting the consent of Congress to the Arkansas State Highway Commission to construct, maintain, and operate a free highway bridge across the Black River at or near the town of Black Rock, Ark.;

H. R. 6111. An act to extend the times for commencing and completing the construction of a bridge across the Red River at or near a point suitable to the interests of navigation from a point in Walsh County, N. Dak., at or near the terminus of North Dakota State Highway No. 17;

H. R. 6205. An act to provide for additional clerk hire in the House of Representatives, and for other purposes;

H. R. 6502. An act granting the consent of Congress to the State of Minnesota or the Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Little Falls, Minn.;

H. R. 6527. An act granting the consent of Congress to the commissioners of Mahoning County, Ohio, to replace a bridge which has collapsed, across the Mahoning River at Division Street, Youngstown, Mahoning County, Ohio;

H.R. 6578. An act granting the consent of Congress to Northern Natural Gas Co. of Delaware to construct, maintain, and operate a pipe-line bridge across the Missouri River:

H.R. 6672. An act to amend the act entitled "An act to create a new division of the District Court of the United States for the northern district of Texas," approved May 26, 1928 (45 Stat. 747):

H. R. 6748. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Winona, Minn.;

H.R. 6928. An act to extend the times for commencing and completing the construction of a bridge across the Niagara River at or near the city of Niagara Falls, N.Y., and for other purposes; and

H. R. 7052. An act to provide a posthumous advancement in grade for the late Ensign Joseph Hester Patterson, United States Navy.

On July 26, 1939:

H. R. 1883. An act for the relief of Marguerite Kuenzi;

H. R. 2967. An act to grant to the State of California a retrocession of jurisdiction over certain rights-of-way granted to the State of California over a certain road about to be constructed in the Presidio of San Francisco Military Reservation:

H. R. 3305. An act for the relief of Charles G. Clement;

H. R. 4155. An act for the relief of Mary A. Brummal;

H. R. 5036. An act authorizing the State highway departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crockston, Minn.:

H.R. 5064. An act to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System:

H.R. 5525. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex., to amend the act of June 18, 1934 (48 Stat. 1008), and for other purposes;

H.R. 5735. An act to authorize the acquisition of additional land for military purposes;

H. R. 5781. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Ala.;

H.R. 6577. An act to provide revenue for the District of Columbia and for other purposes;

H.R. 6876. An act to make uniform in the District of Columbia the law on fresh pursuit and to authorize the Commissioners of the District of Columbia to cooperate with the States;

H. J. Res. 247. Joint resolution to provide minimum national allotments for cotton;

H.J.Res. 248. Joint resolution to provide minimum national allotments for wheat;

H. J. Res. 342. Joint resolution relating to section 322 of the Agricultural Adjustment Act of 1938, as amended; and H. J. Res. 343. Joint resolution to amend section 335 (c) of the Agricultural Adjustment Act of 1938, as amended.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. Luplow]?

There was no objection.

[Mr. Lublow addressed the House. His remarks appear in the Appendix.]

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include a letter from Mr. McNutt.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. Ludlow]?

There was no objection.

EXTENSION OF REMARKS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record at this point.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR].

Mr. RAYBURN. Mr. Speaker, reserving the right to object, it was the understanding that we would not do that. If remarks were extended on a bill under consideration and they were germane to the bill, they could go in the Record at this point. We agreed that extension of remarks would not go in the front of the Record, Mr. Speaker, but in the Appendix.

Mr. O'CONNOR. Mr. Speaker, I have no objection to that. I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

Mr. RICH. Mr. Speaker, reserving the right to object, may I call the attention of the gentleman to the fact that the daily Congressional Record states on the front page each day that it is the proceedings and debates of the Seventysixth Congress, first session. I quote from yesterday's Record, which contained 175 pages, a large volume, over 30 percent of which consists of requests made by Members of the House to extend their remarks in the RECORD. Mr. Speaker, that is quite a volume and the heading of the Record is not exactly what it says it is. It is not the truth. It states that it is the proceedings and debates of the Congress, which is not the case. It contains much other matter than what happens in the House or Senate. We ought to change the heading of the CONGRESSIONAL RECORD or the majority leader should try to get the Senate to make it a record of Congress. That body promised to do that, but it has not fulfilled its promise. hope the Democratic Party, that is in power and responsible for these large RECORDS, will assume its responsibility.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I may say to the gentleman from Pennsylvania [Mr. Rich] that he gets his remarks in at the beginning of the Record usually and is not called upon to extend his remarks. Other Members do not take as many minutes in the beginning of the session as the gentleman does. Furthermore, the gentleman is a member of the Joint Committee on Printing and I keep on calling his attention to that fact.

Mr. RICH. I cannot do a thing with the committee. That is the trouble. They should confine it to the work of Congress or change the title page.

Mr. RAYBURN. I do not know how much power the gentleman has, but he does have some responsibility.

Mr. RICH. That is the reason I am calling upon the gentleman from Texas.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There was no objection.

GOVERNMENTAL EXPENDITURES

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. Cannon]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, my friend, the gentleman from New York [Mr. TABER], usually accurate and always interesting, states on the floor that the total appropriations for the last session amounted to \$13,371,-000,000 and that in this session, up to this time, they aggregate \$13,836,000,000.

In order to alleviate any trepidations which may have been occasioned by the statement, may I call attention, first to the fact that the actual appropriations for the third session of the Seventy-fifth Congress were \$12,182,073,028, a discrepancy of approximately \$1,600,000,000.

Mr. TABER. Will the gentleman yield? Mr. CANNON of Missouri. With pleasure, if the gentleman will permit me to have time to answer him.

Mr. TABER. I will try to get the gentleman an additional minute.

Mr. CANNON of Missouri. Mr. Speaker, the same situation prevails with reference to the statement of appropriations for the current session. Instead of \$13,836,000,000, the actual figures compiled up to this time show the amount to be definitely under \$13,000,000,000, a difference in the two figures considerably in excess of \$2,000,000,000.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I gave some figures day before yesterday with reference to the actual appropriations of the last session of Congress and of this session. The gentleman from Missouri has given figures today that do not agree with mine. My figures agree with the figures that the clerk of the Committee on Appropriations has over at the committee room. Last year I submitted an itemized statement. This year I shall submit an itemized statement. The reason the gentleman's figures do not agree with mine is that he does not include reappropriations of funds which would expire if they were not reappropriated. I do, because I feel that the money would not come out of the Treasury without the reappropriation.

[Here the gavel fell.]

CIVIL AERONAUTICS AUTHORITY

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, In 1938 over 81,000,000 airmiles were flown for profit by commercial air lines; 1,536,111 passengers were carried. To do this splendid job 13,309 employees were required. Of this number, 4,724 work in air-line offices.

To supervise these operations the Civil Aeronautics Authority uses almost 3,600 persons. Something must be peculiar in an arrangement which requires 3,600 bureaucrats to regulate 4,724 office workers, or even 13,000 employees. [Applause.]

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short newspaper article on the spending-lending program.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial concerning the Honorable Hamilton Fish.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief series of resolutions by the McKeesport Council.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address by Senator Taft, of Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Christian Science Monitor with reference to the salmon industry on the Columbia River. I also ask unanimous consent to extend my remarks in the RECORD and include an article appearing in today's Washington Post entitled "Money Goes Begging."

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, next Monday is the fifth Monday of this month. Every other Monday the calling of the Consent Calendar and motions to suspend the rules are in order. So many Members are interested in the Consent Calendar, the Private Calendar, and in motions to suspend the rules with regard to certain measures that I ask unanimous consent that on next Monday it shall be in order for the Speaker to recognize Members to move to suspend the rules, and that it shall also be in order to call the Consent Calendar and the Private Calendar, not for omnibus bills but for individual bills on the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONSTRUCTION CHARGES ON UNITED STATES RECLAMATION PROJECTS

Mr. WHITE of Idaho. Mr. Speaker, I call up the conference report on the bill (H. R. 6984) to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. RICH. Reserving the right to object, Mr. Speaker, will the gentleman explain the effect of this conference report?

Mr. WHITE of Idaho. I may state to the gentleman that this is to bring money into the Treasury that is not coming in now. I will state further that the statement of the managers will better explain the conference report, and I think it will be satisfactory to the gentleman.

CALL OF THE HOUSE

Mr. SECCOMBE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 146]

Alexander	Crowther	Hartley	Reed, N. Y.
Andresen, A. A.	Cummings	Hennings	Rodgers, Pa.
Bolton	Curley	Holmes	Routzohn
Boren	Dies	Hook	Sasscer
Bradley, Mich.	Dingell	Kennedy, Martin	Secrest
Buckley, N. Y.	Douglas	Landis	Shafer, Mich.
Burdick	Duncan	Lanham	Short
Byron	Eaton, Calif.	McMillan, Thos. S	S.Smith, Ill.
Caldwell	Eaton, N. J.	Maciejewski	Smith, Maine
Cannon, Fla.	Fernandez	Magnuson	Stearns N. H.
Cluett	Fish	Massingale	Stefan
Cole, Md.	Fitzpatrick	Mitchell	Sumners, Tex.
Cole, N. Y.	Flannagan	Osmers	Thomas, N. J
Connery	Flannery	Patman	Weaver
Cooley	Ford, Thomas F.	Pierce, N. Y.	Welch
Courtney	Gifford	Rabaut	Woodruff, Mich

The SPEAKER. On this roll call 364 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

CONSTRUCTION CHARGES ON UNITED STATES RECLAMATION PROJECTS

The SPEAKER. The gentleman from Idaho asks unanimous consent that the statement may be read in lieu of the report.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I am not going to object to this unanimousconsent request, with the understanding that the gentleman from Idaho will take a little time to explain the Senate amendments when we reach the conference report itself.

Mr. WHITE of Idaho. I will be perfectly willing to do that; and I may say for the information of the gentleman from Massachusetts that the Senate amendments have been gone into in some detail in the statement of the conferees, but I shall be pleased to enlarge upon the statement or explain it further, as the gentleman may desire.

Mr. FADDIS. Reserving the right to object, Mr. Speaker, I would like to inquire of the gentleman from Idaho just what provision will be made with respect to time on this

Mr. WHITE of Idaho. It is not expected there will be any controversy over the report. I believe an agreement has been reached with both sides of the House that a brief explanation will be made, and then the previous question will be ordered and we will vote on the matter.

Mr. FADDIS. I think the gentleman is taking quite a good deal for granted in making that statement.

Mr. MARTIN of Massachusetts. I think the gentleman from Idaho is going too far when he states there is no controversy concerning the conference report, and I do believe he should yield a reasonable time to anyone who wants to discuss the conference report.

Mr. WHITE of Idaho. I shall be perfectly willing to do

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6984) to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 5, and agree to the same.

COMPTON I. WHITE, KNUTE HILL, Managers on the part of the House. ALVA B. ADAMS, JOSEPH C. O'MAHONEY, CHAN GURNEY. Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6984) to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying con-

ference report as to each of such amendments, namely:

On amendment No. 1: This Senate amendment adds clarifying language to explain the purposes of the bill. It does not change any of the objectives of the measure as it passed the House.

On amendment No. 2: This Senate amendment is also clarifying

in its effect and makes no substantial change in the effect of the bill as it passed the House.

On amendment No. 3: This Senate amendment reduces the minimum rate of interest on the share of construction cost attributed to power construction which may be considered by the Secretary as a factor in determining the rates at which electric

power may be sold.
On amendment No. 4: This Senate amendment grants a prefer-On amendment No. 4: This Senate amendment grants a preference in the sale of power from reclamation projects to municipalities and other public corporations or agencies; and also to cooperatives and other nonprofit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 and any amendments thereof. As the bill was originally introduced it contained a clause granting a preference right to "municipalities and other public corporations or agencies and to cooperatives." The Senate amendment limits the preference to such cooperatives and other nonprofit organizations as may be financed in whole or in part by loans made pursuant to the Rural

financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 and any amendments thereof.

On amendment No. 5: This Senate amendment was introduced as a saving clause to preserve the rights now held by certain particular projects. It does not change the effect or purpose of the bill.

The House conferees agreed unanimously to recede from amend-

The House conferees agreed unanimously to recease in ments 1, 2, 3, and 5.

With respect to amendment No. 4, which reads as follows:

"Provided further, That in said sales or leases preferences shall be given to municipalities and other public corporations or agencies; and also to cooperatives and other nonprofit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 and any amendments thereof," the House conferees agreed to recede by a vote of 2 to 1, the negative vote having been cast by Mr. Hawks.

COMPTON I. WHITE, KNUTE HILL, Managers on the part of the House.

The SPEAKER. The gentleman from Idaho is recognized for 1 hour.

Mr. WHITE of Idaho. Mr. Speaker-

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry. Is there not a typographical error in this conference report?

Mr. WHITE of Idaho. Yes; and I want to explain that. That mistake is only in the statement and the language of the amendment is correct. The first line of the amendment states "that in said sales or leases preferences shall be given to municipalities." That is the way the language is in the amendment, but there is a typographical error in the statement accompanying the report.

Mr. RANKIN. In the statement the word "no" is used instead of the word "to."

Mr. WHITE of Idaho. Yes.

Mr. MARTIN of Massachusetts. The gentleman realizes when this bill was here before it was passed by unanimous consent and that it was reported out by the committee unanimously because a so-called power amendment was not included. The intent of the House to have this amendment eliminated was quite plain. The other branch of the Congress inserted it. Now, the gentleman, I presume, naturally went into this conference to uphold the position of the House and I want to ask the gentleman if he worked very diligently to bring that about.

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. WHITE of Idaho. I would like to answer the question

of the gentleman from Massachusetts.

Mr. RANKIN. First, I want to correct the gentleman with respect to his question.

Mr. WHITE of Idaho. I have yielded to the gentleman from Massachusetts and I will state for the information of the gentleman from Massachusetts that this bill, in its present form, is practically in the form in which it was prepared by the Department to effectuate the recommendation of the Repayment Commission. It was considered and amended in the committee and the amended bill was reintroduced. When the new bill came up for approval it was again amended, and, as the gentleman states, when it went to the Senate they restored the provision giving preference to municipalities and cooperatives. This was discussed at length in the conference and finally an agreement was reached with the Senate and the bill is brought back here in its present form.

Mr. MARTIN of Massachusetts. I believe the conferees from the House should uphold the viewpoint of the House, and I would like to know whether the gentleman made any effort in that direction.

Mr. WHITE of Idaho. The managers on the part of the House, naturally, would sustain the position of the House.

Mr. MARTIN of Massachusetts. Yes or no, did you try to have the House viewpoint prevail?

Mr. WHITE of Idaho. We did.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. HILL. I call the attention of the gentleman from Idaho to the fact that this amendment is different from the one that came before the House. The last part of the amendment states, "financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936, and any amendments thereof"; and since that was different from what we acted on in the House, we thought it was only fair to bring it back here for the Members of the House to act on, because this amendment is different from the one rejected by the House.

Mr. MARTIN of Massachusetts. I understand that, but the point I am making is, we passed this measure unanimously in the House and, of course, with that fact in mind, I think the gentleman from Idaho should have made an effort to uphold the viewpoint of the House, and I under-

stand he states he did that.

Mr. HILL. I just wanted to call attention to the fact that this is a different amendment.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from

Mississippi.

Mr. RANKIN. I call the attention of the gentleman from Massachusetts [Mr. Martin] to the fact that when this bill was first agreed on by the committee of which the gentleman from Idaho [Mr. White] is chairman, the full committee agreed a bill should be reported out with a similar provision to that now in the bill.

Mr. WHITE of Idaho. That is correct.

Mr. RANKIN. Then when they went back to ratify what the full committee had done, only a few members were present, and that provision was stricken out. When the gentleman from Massachusetts says that the House unanimously agreed to that, I think he should correct his remarks, for this reason. When the bill was brought here, it was brought to the House, under unanimous consent, and passed, because when a bill is taken up under unanimous consent, it is usually agreed that it goes on through without amendment, but when it went to the Senate, the Senate put in this amendment, which in effect is the provision agreed upon by the full Committee on Irrigation and Reclamation.

Mr. WHITE of Idaho. Mr. Speaker, I yielded only for a question. I think I can explain the proceedings of the committee.

Mr. MARTIN of Massachusetts. Mr. Speaker, I think we are all genuinely interested in promoting proper irrigation and reclamation. I believe the West needs a program, and there is no disposition on my part to oppose anything which is reasonable. I would like to inquire if it is the purpose of the amendment to give preference to power over reclamation?

Mr. WHITE of Idaho. It is not. Power is subsidiary to reclamation. It is only available where the storage dam raises the water to a sufficient level. This is a conservation

measure that utilizes the power created in connection with the reclamation project. The main thing in this bill is reclamation, and, further than that, it is designed to bring into the Treasury the money that has been expended on these reclamation projects, to insure repayment on some practical plan. It is the most practical plan that could be devised, and I hope the House will agree to it.

Mr. MARTIN of Massachusetts. I am very glad to be reassured upon that point. There is one thing more that I do not understand. Why is it the Senate should insist on the amendment, when in the report it says it does not materially

change the present status?

Mr. WHITE of Idaho. If we had deleted the amendment we would still have the existing law. This only qualifies it and extends it. These projects are financed by money appropriated by this Congress.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Pennsylvania.

Mr. RICH. The statement of the managers on the part of the House says this of amendment No. 3:

The Senate amendment reduces the minimum rate of interest on the share of construction cost attributed to power construction which may be considered by the Secretary as a factor in determining the rates at which electric power may be sold.

What reduction was made in the rate of interest?

Mr. WHITE of Idaho. One-half of 1 percent, and the Government still makes a big profit, because it borrows money at a lower rate than the rate fixed in this bill. The Government is making a profit on the interest, and we have extended those benefits to these reclamation projects.

Mr. RICH. What rate of interest are they now bearing?
Mr. WHITE of Idaho. Under the bill it is a minimum
of 3 percent. Different amounts are fixed.

Mr. RICH. Who has the authority to say what amount of the construction shall be attributed to power?

Mr. WHITE of Idaho. That is determined by the Bureau of Reclamation and the engineers that make the examination, who set up the plan. Nobody can know in advance of the estimates made by the engineers what part of the

cost of a project is chargeable to power development.

Mr. RICH. Has the Reclamation Bureau made any changes in any of these projects for the amount attributed to power and the amount attributed to reclamation?

Mr. WHITE of Idaho. It has not, It proceeds under well-defined rules.

Mr. HAWKS. Mr. Speaker, several members of the committee want some time on this, and I ask the gentleman from Idaho whether he will yield this side 20 minutes.

Mr. WHITE of Idaho. Mr. Speaker, a parliamentary inquiry. How much time have I remaining?

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. WHITE of Idaho. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. Hawks] 5 minutes.

Mr. HAWKS. I would like to have 20 minutes for the rest of the committee.

Mr. WHITE of Idaho. I will give the gentleman 20 minutes if he will allocate it on his side.

The SPEAKER. It is contrary to the usual practice for the chairman of a conference to yield time to other Members to be in turn yielded by them. The gentleman may yield such time as he desires to individual Members.

Mr. WHITE of Idaho. Then I withdraw that, Mr. Speaker, and I yield 5 minutes to the gentleman from Wisconsin [Mr. Hawks].

Mr. HAWKS. Mr. Speaker, in answer to the gentleman from Mississippi [Mr. Rankin] I would like to make the statement that it was the desire of the chairman of this committee [Mr. White] that this bill, which was designed primarily for the relief of water users, be reported out of the committee unanimously. Naturally the fight in the committee was over the proviso that has been put back into the bill by the Senate amendment. There was no compromise in the committee on the part of those opposed to this particular power clause in this water-relief measure. The

minority and those opposed to this power clause in the bill were determined that they were going to make a minority report on the bill and that they would not sign the report of the committee as being a unanimous statement.

That is contrary to the statement of the gentleman from Mississippi [Mr. RANKIN]. In the matter of the vote that was originally taken that vote was divided 7 to 6, as I recall it, for the bill

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman vield?

Mr. HAWKS. I yield.

Mr. WHITE of Idaho. Is it not a fact that this question was put in the committee by a majority of the committee, and the amendment was disagreed to, and the provision in the original bill stayed there?

Mr. HAWKS. The original provision?

Mr. WHITE of Idaho. Yes.

Mr. HAWKS. No.

Mr. WHITE of Idaho. It was not in the original bill?

Mr. HAWKS. In the original bill, yes; that is right; but not by unanimous agreement.

Mr. WHITE of Idaho. I did not say by unanimous agreement. I said it was by a vote of the committee.

Mr. HAWKS. That is right. That is exactly what I said.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. MAY. I would like to ask the gentleman for some information with respect to the authority to make contracts, under the report as it comes in here, as the legislation will be written. I would like to ask whether or not they can make them even to the extent of 40 years?

Mr. HAWKS. That is right.

Mr. MAY. A 40-year contract?

Mr. HAWKS. As I understand it; yes. Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. HAWKS. I will be glad to yield. Mr. TABER. The result of this amendment is that those who already have been favored by the Federal Government having granted them loans would get more special privileges;

Mr. HAWKS. That is the design of this legislation. Mr. TABER. The reason it is opposed is because it hands out special privileges to one group of people rather than to

the people generally?

Mr. HAWKS. I would like to remind the gentleman from New York that that has been the philosophy of the New Deal power program throughout. This amendment, which was placed in the bill by the committee of conference, I was not opposed by the two Democratic conferees. I opposed this amendment and refused to sign the report. I do not believe that this bill with the Senate amendment represents the will of the House of Representatives. I believe that by receding and concurring in the Senate amendment we are giving in to the Senate. I had hoped that the two Democratic conferees would make a fight, but they are excusing this on the ground that the Senate amendment does not compare with the original power provision in the bill. However, if you will analyze the amendment as it is put into the bill on page 22, line 11, I think you will agree that there is not a great deal of difference between that language and the language in the original bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. RICH. Does it grant any particular extension of time for the collection of reclamation rents?

Mr. HAWKS. It only extends it to this extent: They disregard the moratorium period, but go right on with the original 40-year plan.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 5 minutes to

the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker and Members of the House, the primary purpose of this bill is stated in the conference report:

The committee find that the proposed legislation is adequate to provide flexibility in the annual construction charges under repayment contracts, so that repayment obligations of the reclamation projects each year will move up or down contemporaneously with increases or decreases in the crop returns realized by the farmers.

In other words, it gives the farmers some chance, in case of a complete loss, so that their rights will not be imperiled or in any wise foreclosed.

Other provisions of the proposed legislation provide for simplifications and economies in administration of the reclamation program and provide a sound basis for undertaking new construction.

Now, with reference to this amendment about which there has been so much talk, it really is not of much importance one way or the other. The bill as originally presented to the committee, which I think a majority of the committee agreed upon, contained substantially the same language that is now the subject of controversy before the House.

The original bill before the Committee on Reclamation provided that in such sales of leases preference shall be given municipalities and other corporate corporations or agencies, and also to cooperatives and other nonprofit organizations, and then it stopped at that. The Senate added these words:

Financed in whole or in part by loans made pursuant to the Rural Eelctrification Act of 1936 and any amendments thereof.

Mr. Speaker, the purpose of placing that language in the bill was simply to legalize a practice that the Reclamation Bureau has been following for years; in fact, since the basic act was passed. Preferences were given to cooperatives for the purpose of assisting rural electrification. Commissioner Page testified before the Committee on Irrigation and Reclamation that that was the practice generally followed. He said it did not make much difference to him whether it was in the bill or out if the practice of the past was not interfered with. This information came out as the result of a question by the gentleman from Texas [Mr. Thomason], asking if a court had ever passed upon the right to pursue that policy under the original act. He said the policy had never been questioned, and as long as it was not questioned he was not particular about whether the amendment was in there or not.

So, what I want the House to understand is that this has been a practice of the Reclamation Bureau to give preference to just such organizations as are named in this amendment. It is not anything over which the House should become disturbed; it does not alter anything that has been done in the past nor does it establish any new policy on the part of the Bureau. It does not add any additional burden to the power companies of the country; it does not take anything away from them. So, as I said before, there is no occasion for any disagreement about this.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. LEAVY. In addition to carrying out what has been the policy of reclamation since the basic act was passed in 1902—that is, of favoring municipalities in the sale of surplus power-this assures that rural electrification projects shall be included in that class, and that is all it does.

Mr. O'CONNOR. That is all it does. I want to thank the gentleman from Washington for his very valuable contribution, because that is the identical thing the Reclamation

Department has been doing.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MAY. Does the gentleman believe it is a wise policy for the Government to be a party to contracts running as long as 40 years?

Mr. O'CONNOR. That always depends upon the circumstances of the case. For instance, the Boulder River Dam project contracts run for 50 years. So there is nothing to get excited about. We are not taking a thing away from the power companies or giving them anything.

Mr. MAY. I did not have any reference to power companies. I simply asked about the wisdom of these longterm contracts.

Mr. O'CONNOR. What we are trying to do by this bill is to legalize a practice that has been followed since the inception of building up these irrigation projects.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. HAWKS. Will the gentleman please tell the House just why a similar amendment was taken out of the House bill?

Mr. SHEPPARD rose.

Mr. O'CONNOR. I will tell the gentleman why. First of all, the committee voted the amendment in by a majority vote. I think there were several votes against it, but the majority voted for it. It was taken out upon the theory of legislative expediency in that we did not want to have any trouble with the bill's passing the House. We thought we might secure the passage of the bill easier with the amendment stricken out than if it were retained in the bill, because we anticipated somebody might object to it upon the ground that we might be giving preference to power over reclamation.

I now yield to the gentleman from California.

Mr. SHEPPARD. The only question I was going to ask was in response to the gentleman from Kentucky as to the necessity for the 40-year contracts. It is almost imperative that they be spread over a long period of years to give them a chance to liquidate on a reasonable basis.

Mr. O'CONNOR. I thank the gentleman from his contri-

As I say, I ask the Members of the House to approve this amendment because as I said before, and it cannot be repeated too often, it simply legalizes a practice that has been indulged in since the basic act was passed.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RANKIN. Since we are lending hundreds of millions of dollars for the purpose of building rural power lines is there any reason on earth why we should not at least put rural-electrification projects on a par with the municipalities?

Mr. O'CONNOR. That is it exactly.

Mr. RANKIN. We should let them have this preference. Mr. O'CONNOR. Exactly, they should have this right.

Mr. RANKIN. I can see no objection to it.

Mr. O'CONNOR. Mr. Speaker, I yield back the balance of my time.

Mr. WHITE of Idaho. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. WINTER].

Mr. WINTER. Mr. Speaker, the controversial questions that have arisen under this bill were threshed out in the Committee on Irrigation and Reclamation, and this particular amendment, although not exactly in the terms in which it is now couched was stricken from the bill.

I repeat, this particular amendment was stricken from the bill for the reasons stated by the gentleman from Montana [Mr. O'CONNOR]. We discussed this problem and we had a vote on it in the committee. With the proxies that the chairman of that committee had in his pocket, the proposi-

tion was defeated by one vote.

Those of us who are opposed to this amendment are not opposed to irrigation and reclamation, but we are opposed to bringing the power question into an irrigation and reclamation project. The primary purpose of irrigation and reclamation, as I understand it, is to bring relief from the water-users' standpoint and reclamation of the lands to the people of the various States who participate in such a program. The purpose of power is a secondary proposition.

We have this power question brought into this bill, and I say to you in all candor and fairness I think the amendment changes the entire power policy of the Irrigation and Reclamation Department of the United States Government.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. WINTER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that that very language is now in the law?

Mr. WINTER. It is not.

Mr. WHITE of Idaho. If the gentleman will read the Reclamation Act he will find that is true.

Mr. WINTER. Here is what the Reclamation Act says:

The Secretary of the Interior is authorized to lease for a period not exceeding 10 years, giving preference to municipal purposes.

That is all it says. They could lease it to me for municipal purposes or they could lease it to anyone else.

Mr. WHITE of Idaho. If that is not the spirit of the act, what is it?

Mr. WINTER. The spirit of the amendment is to limit the sale of surplus power to municipalities, public corporations, and to the R. E. A., nothing else.

Mr. HAWKS. Will the gentleman yield?

Mr. WINTER. I yield to the gentleman from Wisconsin. Mr. HAWKS. The amendment says that "In said sales or leases preference shall be given."

Mr. WINTER. Yes; it says "shall," and as I interpret the meaning of that word, and as it has been interpreted by various courts, "shall" means must.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WINTER. I yield to the gentleman from Montana. Mr. O'CONNOR. Time is short. Congress will be adjourning shortly. If this conference report is not agreed to, we might imperil the passage of this bill during this session. I know the gentleman and every Member serving on the Reclamation Committee is in favor of this bill so far as reclamation is concerned, and every Member worked dilgently to report the bill out. I do not believe the gentleman feels this amendment seriously changes the set-up, in light of the practice of the Reclamation Department since the passage of the basic act. I believe the gentleman ought to take that into consideration in connection with the whole matter today.

Mr. WINTER. I think it does change the whole power policy of the Government. It changes the entire policy of the Irrigation and Reclamation Department. The way this thing is working now is shown by the testimony given by Mr. Page, Commissioner of Reclamation, who stated, in answer to a question by the gentleman from Montana [Mr. Thorkelson]:

We have many dealings with utilities, and we have never had any difficulties with the utilities.

They are selling that power to the utilities on many of these projects; but under this amendment, if some municipality or one of these R. E. A. corporations or other public corporation wants this power, the law says they shall have preference over a contract that has already been entered into. If you will read this report you will find that Mr. Page stated they draw their contracts in such way that they can withdraw that power from any private corporation that they lease it to in the event that a public corporation may desire it.

Mr. O'CONNOR. If there is any excess power, this amendment simply gives preference to these cooperatives, municipalities, and so forth. And in such cases the excess power may be sold to the utilities just the same as has been the case in the past.

Mr. WINTER. That is true if there is any excess power that those given preference do not want.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. Murdock].

Mr. MURDOCK of Arizona. Mr. Speaker, I want to point out that this conference report in its present form now before us is designed for the protection of the water users throughout the West wherever irrigation prevails, and it is for the protection of the United States Government as well. Many of these great projects are eminently successful, as I could point out, for instance, the Salt River Water Users' Association in my State, but other projects have been less successful and have been granted relief in years past. During the last few years of the depression we have granted them a moratorium—a blanket moratorium whether they needed it or not. What we want to do is to get away from that sort of thing by giving each project which chooses it

a new contract which will enable it to shape its repayments according to the crops, this being changed up or down annually. This is for the protection of the distressed farmers and is also for the protection of the reclamation fund of the Government itself.

May I say in regard to this 40-year contract it is not new in this bill, for under existing law it is now a policy of the Reclamation Service to enter contracts for repayments of construction costs over a period of 40 years. This measure in no way changes that. It is the intent of this measure is spread the cost of construction of new projects over a period of 40 years, without interest charge, and on the most liberal terms consistent with security. It is the spirit of this bill to extend to existing projects which accept it the same liberality of repayment of construction costs without interest.

And now just a word to my friends on the other side of the aisle, some of whom I feel are making a mountain out of a mole hill. I make this statement concerning the power item in all sincerity. You who are the guardians of the utilities object to giving a little preference to the R. E. A. I believe if you will look it up you will find that the practice has been for the R. E. A. to get little more preference out of the Bureau of Reclamation than do the private utilities, although municipalities do. I wish the R. E. A. to have preference. The Bureau has given preference to municipal purposes, which is now in the law. I want to emphasize prevailing practice of the Bureau of Reclamation.

Mr. HAWKS. Will the gentleman yield?

Mr. MURDOCK of Arizona. Briefly.

Mr. HAWKS. The gentleman said we were guardians of

the utilities. Has he any proof of that?

Mr. MURDOCK of Arizona. I meant no offense. In a certain sense I am such a guardian, but, of course, I am more of a guardian of miners, stockmen, and farmers, in watching legislation, for such are my constituents. May I say to those who try to make this matter an issue between private power and public power that this bill gives preference to a new agency, the R. E. A., which is one of the saving agencies to the irrigated regions of the West. The United States Government is investing vast sums of money in that agency. I have new R. E. A. projects in Arizona. Right now the farmers in the southern part of the State would be in desperate straits if it were not for this new agency, which has been installed to pump water supplementing what they lack in their reservoirs.

In the conflict between private power and public power throughout the country generally, I am inclined to take middle ground, but although power production is incidental and purely secondary in most reclamation projects, yet it is so vitally important to help pay total costs and to supplement the water supply by pumping, that I want such power produced in the greatest possible quantity and so used as best to develop the whole community. I, too, want the farmer to get the greatest benefit. Today R. E. A. projects are going into certain communities where private utilities would not go for many years to come. Let us remember that this bill is distinctly a reclamation bill and not primarily a power bill, but I am well pleased with the power provision as written into the measure by the Senate amendment. I feel that its importance is second only to the liberal terms given the water users for making their repayments. The preference given to R. E. A. does not take anything from existing private utilities but merely enables the R. E. A. projects to develop areas which have never before been touched with electric power. It is very important to the West that we accept this conference report and concur in the Senate amendments.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. Case].

Mr. CASE of South Dakota. Mr. Speaker, I take the floor rather reluctantly on this matter. The bill as it was reported to the House was a perfectly proper reclamation bill. I joined others in giving assurances to members that it did not contain this power clause and thereby helped to secure unanimous consent to permit its passage. Let us keep the

record straight. No part of this Senate power amendment was in the bill when it passed the House. In its entirety, it was added in the Senate. True, part of it was in the bill as first introduced in the House, but that was eliminated by the committee and came to the House and was passed by the House without containing any part of this amendment under present discussion. The Senate added it, all of it. I say this, because the discussion makes some of you feel that some of us betrayed you when we assured you the power provision was eliminated when we secured your approval for unanimous consent.

Now then, the effect of the Senate amendment is to change the emphasis in this bill from reclamation and water conservation to power promotion. As the gentleman from Kansas [Mr. Winter] has pointed out, there is a difference between this amendment and the present law, not only in the addition of the language regarding cooperatives financed by the R. E. A., but in the first part of the amendment as well. It has been passed over by most of the speakers. The present law states that the Secretary of the Interior can give preference—

To municipal purposes-

In the sale of this power. The amendment placed in the bill by the Senate states that—

In said sales or leases, preference shall be given to municipalities and other public corporations or agencies— $\,$

And so forth. There is all the difference in the world between a clause permitting "preference for the sale of power to municipal purposes" and a mandatory clause requiring "preference to municipalities and other public corporations and agencies and cooperatives" in the sale of that power. The net effect of the amendment is to change the bill from a water-conservation measure to a power-promotion measure.

The point of view taken by many of the speakers has been that the amendment merely added R. E. A. cooperatives to a preferred list of public-power distributors already established by law; that is not the case. Existing law only gives preference to sale for municipal purposes, not to municipali-

ties as distributors of power.

I would not have asked for time except that the record should be kept clear as to what this amendment actually does, and because I do not want any Member to think that we acted in bad faith in asking his agreement to unanimous consent for consideration of the bill when it first passed the House, on the assurance that it contained no part of this proviso on the sale of power. It did not. Consequently, in good faith I felt I should state what this amendment actually does that is different from the assurances earlier given you.

I want to see this bill become law because in other respects it sets up a sensible and very greatly needed system in reclamation repayments, but I do not like to see the farmers, who should be the primary beneficiaries of water conservation, made the goats to promote the use of water for power promotion, when primarily this should be a water-conservation measure.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield for a question?

Mr. CASE of South Dakota. I yield to the gentleman from Montana.

Mr. O'CONNOR. The gentleman has brought out a point that has not been made clear, and I am glad that he has done so. In the discussion before the committee it was a question of interpretation as to what "municipalities" included. Commissioner Page had been acting upon the theory in the past, since the passage of the basic law, that "municipalities" included cooperatives and other public agencies.

Mr. CASE of South Dakota. Yes; but of course, the gentleman knows that is carrying his argument pretty far, because the present law does not state that preference shall be given to municipalities or other public corporations, it merely states that preference shall be given to municipal nurposes.

Mr. O'CONNOR. Exactly.

Mr. CASE of South Dakota. There is a vast difference between saying that the power shall be sold for municipal purposes and saying that it shall be sold to municipalities or other public agencies, because the present law permits the sale of power to the high bidder, and that is to the interest of the people who want the water conserved and the benefits of smaller irrigation costs to accrue to the farmers. [Applause.]

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to

the gentleman from Utah [Mr. Robinson].

Mr. ROBINSON of Utah. Mr. Speaker, I believe a great deal of confusion has arisen in the House because of this report. It was my amendment that struck the power question out of the first bill. However, I believe that it is not as serious a matter as the gentleman from South Dakota indicated in his remarks just completed. It does not make any difference as far as the price of the power is concerned with the farmers, because that is a matter that is agreed upon by the Government before these reclamation projects are started. Therefore, it is wholly a Government matter.

I hope the House will vote for this conference report. This is an important question with the farmers of the West. While the power question is indirectly brought into this subject, still there is some reason for the present amendment, which is fundamentally different from the amendment that was stricken from the original bill. This bill gives preference to the Rural Electrification Administration projects, and that is proper and should be done because the Government is furnishing the money for those projects. The bill simply says that any power that is produced on the project shall be first sold or at least offered for sale to agencies in which the Government is now investing its money. It seems to me there is some distinction between that and the original amendment which was stricken from the bill.

This bill is important in every particular to the farmers of the West. Let us not get the power question mixed up with it. We are going right on whether this bill passes or not or regardless of the form in which the bill passes. The Reclamation Bureau is going right on to carry out its present policy as far as the sale of power is concerned. The law of 1902 has been in operation since that date and will continue to be in operation; and Mr. Page in his statement before the committee stated that whether or not we put such an amendment in this bill would make little or no difference because the Reclamation Bureau under the Department of the Interior was going right along to carry out its present policy. Therefore, I hope the House will vote for this conference report. [Applause.]

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Voorhis].

Mr. VOORHIS of California. Mr. Speaker, it seems to me that what all this controversy is about is a provision in this conference report that states in effect that where the people's money is expended on a project the benefit from that project in all its forms shall accrue as directly as possible to the people themselves.

I hope we will speed the day when cheap electricity can be got into the farm homes of America. I am not afraid of it. I hope it will come soon. I hope we can speed the day when the factories of America can have their wheels turned by cheap power. I believe that is a good thing and not a bad thing. But we find that even as in certain ages of history people have feared witches and in other ages of history they have feared sea monsters, so today we have a great new fear on the part of some Members of the House, a majority of whom are Republican Members, and this great fear is of electric power.

I do not understand it, I cannot conceive it, and I do not see why people should be afraid that the homes of America are going to be lighted up or that cheap power is going to be made available to the farms and the factories of America.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman.

Mr. CASE of South Dakota. I have voted for rural electrification appropriations and for rural electrification projects, and I object to that kind of interpretation because I am just as much interested in that matter as anybody else, but when we have power from a reclamation project for sale and the purpose of the sale of power is to make the water burden on the farmers as little as it can be, why should not that power be sold to the best market so as to make the burden as light as possible on the farmers?

Mr. VOORHIS of California. There is nothing in the bill

to prevent its being sold in a profitable manner.

Mr. CASE of South Dakota. As I read the Senate amendment it provides for sale with preference to public bodies, municipalities, cooperatives, and so forth, regardless of the yield their bid will give to reducing the cost of irrigation.

Mr. VOORHIS of California. The preference should go to those very same farmers wherever it is possible and feasible for it to go there. That is the point I make, and I hope the gentleman did not interpret my remarks as being any reflection on him or on his votes. I have the greatest respect for the gentleman both as to integrity, ability, and devotion to the people whom he represents. I know the gentleman has voted in favor of measures of this kind. All I am speaking of is of the general circumstance that I find it difficult to understand, for it seems to me that the development of this power is a positive and not a negative thing and one that should be forwarded and not feared.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentle-

man yield?

Mr. VOORHIS of California. I yield.

Mr. ROBINSON of Utah. In explanation of the statement of the gentleman from South Dakota [Mr. Case], I simply want to say that the farmers do not get this power revenue. That is a direct payment by the Government, and the amount is fixed on these projects, and no matter what it is sold for, that does not go to the farmer. It comes out of the Public Treasury or into the Public Treasury and has nothing to do with the farmer.

Mr. VOORHIS of California. And the provisions of this amendment are merely prudent provisions in order to prevent some intermediary corporation from taking advantage of this publicly developed power and charging an additional amount to the ultimate consumer, and therefore

the conference report should be adopted.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Izac].

Mr. IZAC. Mr. Speaker, I rise at this time merely to ex-

plain how this thing works.

The Federal Government spent nearly \$30,000,000 in building the all-American canal. The farmers, as represented by the irrigation districts, cannot pay that money back out of the use of water. It would make the irrigation of those farms down there prohibitive. So the only way we can get the money back is by having the Federal Government, through the R. E. A., make it possible for the irrigation districts to build power lines, develop the power at the drops on the all-American canal, sell it back to the farmers at a reasonable price, and then have that money revert to the Treasury and pay back the \$30,000,000. So by simply giving preference to these R. E. A. borrowers, in this case the farmer, as represented by the irrigation district, you are merely making it possible for the Federal Government to get back the money it has spent in such projects as Boulder Dam, for instance, the all-American canal, and the other reclamation projects of the West.

Mr. Speaker, I yield back the balance of my time.

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to

the gentleman from Washington [Mr. HILL.]

Mr. HILL. Mr. Speaker, in the first place, let us get a picture of this proposition. In 1937 we passed a law providing for a commission to investigate the different reclamation projects throughout the United States. They made a report, and, based on that report, the original bill was introduced and referred to the Irrigation Committee. That bill

included language far more drastic than the language we have here. It provided "that in said sales or leases preference shall be given to the municipalities and other public corporations or agency and also to cooperatives and other nonprofit organizations," and the measure stopped there.

A controversy arose in the committee which has been explained. This was ironed out; and in order to get the bill out, because we are all interested in the repayment proposition, we agreed to report a bill with that language deleted. I agreed to that, and that was done; and that measure passed the House unanimously. Then we went to conference, and the Senate meanwhile had added to that provision "financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 and any amendments thereof"; and I may say that the reason I voted to report that to this House was to give the House an opportunity to vote on that amendment, which is fundamentally different from the original amendment.

As to the merits of the question, I call the attention of the Members of the House to the fact that this has been the policy—not the law, but has been the policy—of the Reclamation Eureau since 1906. Commissioner Page testified to that effect before the committee. It has not been the law, but it has been the policy. We are merely putting into law the policy of the Reclamation Bureau. It has been the policy under Republican administrations and under Democratic administrations, and we are simply carrying into effect that policy.

It has been said that we injected the power question into this proposition. If you will look at the top of page 22 of the bill you will find this language:

In the sale of electric power or lease of power privileges, made by the Secretary in connection with the operation of any project or a division of any project, shall be for such period—

And so forth. That shows that we are dealing with power there, and we are not injecting the power question into this matter at all. That is already here.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. HILL. Mr. Speaker, I ask the gentleman to yield me 2 minutes more.

Mr. WHITE of Idaho. Mr. Speaker, I yield the gentleman 1 minute more.

Mr. HILL. As for my friend from South Dakota [Mr. Case], who says that he has been in favor of rural electrification and for the farmers, may I say that this provision in this bill is for the benefit of the farmers, because preference will be given to those who receive loans from the Rural Electrification Act of 1936 and any amendments thereof. If the gentleman is in favor of the farmers, then he should be in favor of their getting the preference, which has been the policy of the Department since 1906. We are not changing the policy; we are simply putting it into law. That is all we are doing in this bill, and I hope gentlemen will vote for the conference report as it came back to us.

Mr. WHITE of Idaho. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. Leavy].

Mr. LEAVY. Mr. Speaker, it is only to clear up one or two misunderstandings that have arisen during the course of the debate that I take the floor at all.

It has been the policy of the Reclamation Service, made so by the act itself, the basic law, that they may give preference to municipalities and public corporations in the purchase of power. This amendment goes one step further and includes cooperatives and rural electrification projects. The gentleman from South Dakota [Mr. Case]-and there is no better friend of reclamation in this House than heis under a misapprehension when he says that this law will require that such preference be given irrespective of the bid. That is not the fact. If a private corporation makes a better bid, then, under this law, it will become the duty of the Commissioner of Reclamation to consider that fact, but when the two make bids that are equal, it becomes his duty then to give preference to the public corporation, or cooperative, whether it be a city, town, cooperative, or rural electrification project.

There is one other misapprehension. A question was propounded, I think, by the gentleman from Kentucky [Mr. May]. He said these contracts would be 40-year contracts.

Mr. Speaker, the 40-year provision is a part of the reclamation law in reference to the repayment for the water brought to the land but has nothing whatever to do with the contract insofar as it involves the sale of power. Those contracts can be made for such period as the Commissioner and the contracting party see fit to fix, and it is usually for 5 years. That has been the limit usually, because then the changed conditions call for changed rates, but without the possibility of selling power and thus securing revenue, at least a score of the best reclamation projects we have in the United States would be impossible. I have in mind this great Kendrick project in Wyoming. Were it not for the fact that the power could be sold, the project could not be brought into being. The same is true of Boulder Dam and of Grand Coulee in my district. There is nothing here that should cause Members on either side of the House to oppose this conference report.

This legislation, when enacted, will prove the greatest step forward in reclamation history, since the enactment of the basic law over 30 years ago. It insures orderly and necessary development in the West and preserves to the people the greatest single asset the West has; that is its hydroelectric energy. It will make possible an industrial electrical development, undreamed of when the basic reclamation law was first passed. Modern civilization will flourish in the West as nowhere else in the world, and we will set the example for the remainder of the Nation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. WHITE of Idaho. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. Pierce].

Mr. PIERCE of Oregon. Mr. Speaker, it is a well-known fact that for years the power in the reclamation districts was taken over by utilities with very little compensation to the farmers. I think that has ceased. It is now being generally conserved by and for the people who use the land in the irrigation districts and struggle to repay the costs of the project. One project in Oregon, one of the finest irrigation projects in the Union, owed perhaps \$6,000,000-a project that has sixty or eighty thousand acres, highly cultivated. The power on the project belonged to the farmers. It was taken from the water users with the consent of the Reclamation Service for a credit of a little over \$100,000, some 20 years ago. It was capitalized by Wall Street, one of the Byllesby companies, for \$4,000,000. It is probably worth \$10,000,000 today. Had the farmers been allowed to use that power in that district, every farm on that irrigation district would be free from debt. When the history of it is written it will be a small Teapot Dome. I mean to write it. This conference report should be adopted. There is nothing wrong in it. Why should not the farmers have preference? The money is put up in their behalf, and they repay it. If there is anything to be saved out of the power, why should it not go to the farmer? Give the private electric companies preference? Of course, then comes manipulation. Give the farmers preference? There is nothing wrong in it. It belongs to them.

I assure my colleagues from South Dakota and from Kansas that there is nothing wrong in this conference report. The farmers will have and should have a preference right to the power that may be generated by irrigation districts.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Speaker, in concluding this debate I want to call the attention of my colleagues on both sides to the main issue here. I do not think there is a man on either side of the House who wants to put a middleman between the Government, which finances these projects, and the farmers, who buy the electric energy, and for that reason the cooperatives delivering electric power to the settlers are entitled to preference.

With that statement, I move the previous question, Mr. Speaker.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. Schafer of Wisconsin) there were ayes 95 and noes 5.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 18. An act authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2009) entitled "An act to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Wheeler, Mr. Truman, Mr. Donahey, Mr. White, and Mr. REED to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. COLE] be allowed to extend his own remarks by printing an address delivered in his district by Mr. Hamilton.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

NATIONAL STOLEN PROPERTY ACT

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1996) to amend the National Stolen Property Act, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, strike out "of the value of \$5,000 or more."
Page 2, line 4, after "counterfeited", insert "or whoever with unlawful or fraudulent intent shall transport, or cause to be transported in interstate or foreign commerce, any bed piece, bed plate, roll, plate, die, seal, stone, type, or other tool, implement, or thing used or fitted to be used in falsely making, forging, altering, or counterfeiting any security, or any part thereof."

Page 3, lines 4 and 5, strike out "of the value of \$5,000 or more."

more."

Page 3, line 7, strike out "of the value of \$500 or more."

Page 3, line 10, after "counterfeited", insert "or whoever shall receive in interstate or foreign commerce, or conceal, store, barter, sell, or dispose of, any such bed piece, bed plate, roll, plate, die, seal, stone, type, or other tool, implement, or thing used or intended to be used in falsely making, forging, altering, or counterfeiting any security, or any part thereof, moving as, or which is a part of, or which constitutes interstate or foreign commerce, knowing that the same is fitted to be used, or has been used, in falsely making, forging, altering, or counterfeiting any security or any making, forging, altering, or counterfeiting any security, or any

Page 4, line 8, strike out all after "greatest", down to and including "counterfeited", in line 12.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. HEALEY]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

REPORT FROM TENNESSEE VALLEY AUTHORITY—MESSAGE THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 455)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Military Affairs and ordered printed with illustrations:

To the Congress of the United States:

I transmit herewith for the information of the Congress a letter from the Chairman of the Board of Directors of the

Tennessee Valley Authority submitting a report entitled "Value of Flood Height Reduction from Tennessee Valley Authority Reservoirs to the Alluvial Valley of the Lower Mississippi River."

The Tennessee Valley Authority believes that this report is a contribution to the theory of valuation of the benefits of flood control and as such will be useful to the legislative and executive branches of the Federal Government in considering flood-control problems in general.

The attention of the Congress is invited to the suggestion of the Board that the report be printed as a Senate or House

document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 27, 1939.

AMENDING THE BANKRUPTCY ACT

Mr. CHANDLER. Mr. Speaker, I call up the conference report on the bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto.

The Clerk read the title of the bill.

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto, having met, after full and free conference, have agreed to recommend and do recom-mend to their respective Houses as follows:

That the Senate recede from its amendments numbered 21

and 39.

and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 12, 13, 14, 15, 16, 17, 18, 19, 23, 28, 30, 32, 33, 34, 35, 36, and 37, and agree to the same.

Amendments numbered 6, 7, 8, 9, 10 and 11: That the House recede from its disagreement to the amendments of the Senate numbered 6, 7, 8, 9, 10 and 11 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendments, strike out all matter in lines 23 to 25 inclusive, on page 3 of the House bill, strike out all matter in lines 1 to 13 inclusive on page 4 of the House bill, and insert in lieu thereof the following:

lieu thereof the following:

"(1) Prepared a plan of adjustment and secured assurances satisfactory to the Commission of the acceptance of such plan from creditors holding at least 25 per centum of the aggregate amount of all claims affected by said plan of adjustment (including all such affected claims against said corporation, its parents and subsidi-

aries), and
"(2) Thereafter obtained an order of the Commission (but not of a division thereof), under section 20a of the Interstate Commerce Act authorizing the issuance or modification of securities as proposed by such plan of adjustment (other than securities as proposed by such plan of adjustment (other than securities held of the Commission to include also specific findings:

"(a) That such corporation is not in need of financial reorgani-

zation of the character provided for under section 77 of this Act;
"(b) That such corporation's inability to meet its debts matured

or about to mature is reasonably expected to be temporary only; and "(c) That such plan of adjustment, after due consideration of the probable prospective earnings of the property in the light of its earnings experience and of such changes as may reasonably be expected—
"(1) is in the public interest and in the best interests of each

"(i) is in the public interest and in the best interests of each class of creditors and stockholders;

"(ii) is feasible, financially advisable, and not likely to be followed by the insolvency of said corporation, or by need of financial reorganization or adjustment;

"(iii) does not provide for fixed charges (of whatsoever nature including fixed charges on debt, amortization of discount on debt, and rent for leased roads) in an amount in excess of what will be adequately covered by the probable earnings available for the adequately covered by the probable earnings available for the payment thereof;

"(iv) leaves adequate means for such future financing as may

be requisite;
"(v) is consistent with adequate maintenance of the property;

(v) is consistent with the proper performance by such rail-road corporation of service to the public as a common carrier, will not impair its ability to perform such service: Provided, That in making the foregoing specific findings the Com-mission shall scrutinize the facts independently of the extent of

acceptances of such plan and of any lack of opposition thereto: Provided further, That an order of the Commission (or of a division thereof) under section 20a of the Interstate Commerce Act, made prior to April 1, 1939, authorizing the issuance or modification of securities as proposed by a plan of adjustment (other than securities held by, or to be issued to, Reconstruction Finance Corporation), shall be effective for the purpose of this subparagraph (2) of the first sentence of section 710, notwithstanding failure to include therein the foregoing specific findings, if such order did include the specific findings that such proposed issuance or modification of securities is compatible with the public interest, is consistent with the proper performance by the railroad corporation of service to the public as a common carrier, and will not impair its ability to perform such service, and"

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its dis-

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter to the same with an amendment as follows: In flet of the matter proposed to be inserted by the Senate amendment, insert the following: "If the court shall propose to modify the plan, then: (a) if such modification substantially alters the basis for the specific findings included in the order made by the Commission under section 20a of the Interstate Commerce Act, the plan as so proposed to be modified shall be resubmitted to the Commission and shall not be finally approved by the court until the Commission (but not a division thereof) has authorized the issuance or modification of convisions appropriate by the plan as so modified (other (but not a division thereof) has authorized the issuance or modification of securities as proposed by the plan as so modified (other than securities held by, or to be issued to, Reconstruction Finance Corporation) making the findings required by clause (c) of subparagraph (2) of the first sentence of section 710, even in a case where the original order of the Commission under said section 20a was made prior to April 1, 1939; and (b) if such modification substantially or adversely affects the interests of any class or classes of creditors, such plan shall be resubmitted, in such manner as the court may direct, to those creditors so affected by such modification and shall not be finally approved until after (1) a hearing on such modification, to be held within such reasonable time as the court may fix at which hearing any person in interest may object to modification, to be held within such reasonable time as the court may fix, at which hearing any person in interest may object to such modification, and (2) a reasonable opportunity (within a period to be fixed by the court), following such hearing, within which such affected creditors who have assented to the plan may withdraw or cancel their assents to the plan, and failure by any such creditor to withdraw or cancel an assent within such period shall constitute an acceptance by such assenting creditor of the plan as so modified. After such authorization and finding by the Commission, where required hereby, and after such hearing and opportunity to withdraw or cancel, where required hereby, the court may make the proposed modification, and as provided in section 725 finally approve and confirm the plan as so modified"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its dis-

and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by such amendment insert the following: "which does not provide for the payment thereof shall be approved by the court except upon the acceptance of a lesser amount or of a postponement by the Secretary of the Treasury certified to the court: Provided, That if the Secretary of the Treasury shall fail to accept or reject such lesser amount or such postponement for more than sixty days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its dis-

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendment and insert in line 1 on page 9 of the House bill after the word "or" and before the word "as" the following: ", if modified, then"; and the Senate

agree to the same.

Amendments numbered 25, 26, and 27: That the House recede from its disagreement to the amendments of the Senate numbered

from its disagreement to the amendments of the Senate numbered 25, 26, and 27 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendments, strike out all matter in lines 6 through 12 inclusive on page 9 of the House bill, and insert in lieu thereof the following:

"(3) That the plan meets the requirements of clause (c), and the petitioner meets the requirements of clauses (a) and (b) of subparagraph (2) of the first sentence of section 710, and that the plan is fair and equitable as an adjustment, affords due recognition to the rights of each class of creditors and stockholders and fair consideration to each class thereof adversely affected, and will conform to the law of the land regarding the participation of the various classes of creditors and stockholders: Provided, That in making the findings required by this clause (3), the tion of the various classes of creditors and stockholders: Provided, That in making the findings required by this clause (3), the court shall scrutinize the facts independently of the extent of acceptances of such plan, and of any lack of opposition thereto, and of the fact that the Commission, under section 20a of the Interstate Commerce Act, has authorized the issuance or modification of securities as proposed by such plan, and of the fact that the Commission has made such or similar findings;"

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment, insert the following:

"(6) That, after hearings for the purpose, all amounts or considerations, directly or indirectly paid or to be paid by or for the petitioner for expenses, fees, reimbursement or compensation of any character whatsoever incurred in connection with the proceedany character whatsoever incurred in connection with the proceeding and plan, or preliminary thereto or in aid thereof, together with all the facts and circumstances relating to the incurring thereof, have been fully disclosed to the Court so far as such amounts or considerations can be ascertained at the time of such hearings, that all such amounts or consideration are fair and reasonable, and to the extent that any such amounts or considerations are not then ascertained, the same are to be so disclosed to the Court when ascertained, and are to be subject to approval by the special court as fair and reasonable, and except with such approval no amounts or considerations covered by this clause (6) approval no amounts or considerations covered by this clause (6)

approval no amounts or considerations covered by this clause (6) shall be paid."

And the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by such amendment insert the following:

"No plan shall be approved under this chapter unless the spe-

proposed to be inserted by such amendment insert the following:

"No plan shall be approved under this chapter unless the special court finds that with respect to the continuation of, or any change in, the voting rights in the petitioner, control of the petitioner, and the identity of, and the power and manner of selection of the persons who are to be directors, officers, or voting trustees, if any, upon the consummation of the plan and their respective successors, the plan makes full disclosure, is adequate, equitable, in the best interests of creditors and stockholders of each class, and consistent with public policy."

And the Senate agree to the same.

Amendment numbered 38: That the House recede from its disc

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by said amendment insert the following:

"ARTICLE VII—INTERSTATE COMMERCE COMMISSION

"Sec. 740. If, in any application filed with the Commission pursuant to section 20a of the Interstate Commerce Act for authority to issue or modify securities, the applicant shall allege that the purpose in making such application is to enable it to file a petition under the provisions of this chapter, the Commission shall allege that the purpose in the provisions of this chapter, the Commission shall allege that the provisions of this chapter, the Commission shall allege that the provisions of this chapter, the Commission shall allege that the provisions of this chapter, the Commission shall allege that the purpose the chapter of the chapter

tion under the provisions of this chapter, the Commission shall take final action on such application as promptly as possible, and in any event within one hundred and twenty days after the filing of such application, unless the Commission finds that a longer time, not exceeding sixty days is needed in the public interest." And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40 and agree to the same, with an amendment as follows: In line 11 on page 14 of the House bill, after the word "made" insert the following: "by any person affected by the plan who deems himself aggrieved"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41 and agree to the same with an amendment as follows: Omit the mat-

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by said amendment, strike out in line 22 on page 14 of the House bill the words "SAVING CLAUSE", and insert in lieu thereof the following: "IX—FILING RECORD WITH COMMISSION"; and the Senate agree to the same.

Amendments numbered 42 and 43: That the House recede from its disagreement to the amendments of the Senate numbered 42 and 43 and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by such amendments, strike out all matter in lines 23 through 25 inclusive on page 14 of the House bill, strike out all matter in lines 1 and 2 on page 15 of the House bill, and insert in lieu thereof the following:

"SEC. 750. The clerk of the court in which any proceedings under this chapter are pending, shall forthwith transmit to the Interstate Commerce Commission copies of all pleadings, petitions, motions, applications, orders, judgments, decrees and other papers in such proceedings filed with the court or entered therein, including copies of any transcripts of testimony, hearings or other proceedings that may be transcribed and filed in such proceedings together with copies of all exhibits, except to the extent that the court finds that compliance with this section would be impracticable."

Amendment numbered 44: That the House recede from its disc

And the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by such amendment insert the following:

"ARTICLE X-TERMINATION OF JURISDICTION

"SEC. 755. The jurisdiction conferred upon any court by this chapter shall not be exercised by such court after July 31, 1940, except in respect of any proceeding initiated by filing a petition under section 710 hereof on or before July 31, 1940." cept in respect
ider section 710 hereof on or beautiful for section 710 hereof or beautiful for section 7

CHARLES F. MCLAUGHLIN,
Managers on the part of the House.
B. K. WHEELER,
WARREN R. AUSTIN,
H. T. BONE, CHAS. W. TOBEY, HARRY S. TRUMAN, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto, submit the following explanation of the effect of the action agreed upon in conference, and recommended in the

on amendment No. 1: This Senate amendment excludes from application of the bill corporations in equity receivership. The

House recedes.

On amendment No. 2: This Senate amendment excludes from ap-

plication of the bill corporations in proceedings for reorganization under section 77 of the Bankruptcy Act. The House recedes.

On amendments Nos. 3 and 4: These Senate amendments exclude from application of the bill corporations in equity receiver-

clude from application of the bill corporations in equity receivership or in process of reorganization under section 77 of the Bankruptcy Act at the time of filing a petition under the new chapter and which have been in equity receivership or in process of reorganization under said section 77 within 10 years prior to the filing of such a petition. The House recedes.

On amendments Nos. 5, 6, 7, 8, 9, 10, and 11: The House bill permitted filing a petition on the basis of certain action "before or after the effective date of this chapter." These Senate amendments permitted filing a petition only on the basis of certain action taken prior to April 1, 1939. The House recedes on amendment 5 and recedes on amendments 6, 7, 8, 9, 10, and 11 with amendments. The effect of the action agreed upon in conference and recommended in the accompanying conference report with respect to these amendeffect of the action agreed upon in conference and recommended in the accompanying conference report with respect to these amendments is as follows: Petitions may be filed on the basis of action taken either before or after April 1, 1939, but the required specific findings to be included in an order of the Interstate Commerce Commission made under section 20a of the Interstate Commerce Act prior to April 1, 1939, are those required under said section 20a in accordance with existing law, while in the case of such orders made prior to April 1, 1939, other findings must be included. Furthermore, the requisite orders if made prior to April 1, 1939, may be by a division of the Commission, but those made after April 1, 1939, must be by the full Commission. These other findings relate to the petitioner's need for financial reorganization of the character provided for under section 77 of the Bankruptcy Act; to the reasonable expectation that the petitioner's financial difficulties are temporary only; and to the plan of adjustment. The findings required with respect to the plan are that after due consideration of the earning power of the property, the plan is in the public interest earning power of the property, the plan is in the public interest and in the best interest of each class of creditors and stockholders; is feasible, financially advisable, and not likely to be followed by insolvency or need of financial reorganization or adjustment; does not provide for fixed charges in excess of what will be adequately covered by the probable earnings available for the payment thereof; leaves adequate means for such future financing as may be requisite; is consistent with adequate maintenance of the property; and is consistent with the proper performance by the railroad corporation of service to the public as a common carrier and will not impair its ability to perform such service. The Commission is directed, in making the specific findings, to scrutinize the facts independently of the extent of acceptances of a plan and of any lack of expectition thereto. opposition thereto.

On amendment No. 12: This Senate amendment eliminates the provision relating to the court in which a railroad in equity receivership shall file a petition under the new chapter. The

House recedes.

On amendments Nos. 13 and 14: These Senate amendments correct erroneous references to "this section" instead of to "this chapter." The House recedes on both amendments.

On amendments Nos. 15, 16, and 17: These Senate amendments entitle all "persons in interest" to notice of a hearing and not merely "creditors affected by the plan"; allow intervention to "persons in interest" and entitle "any person in interest" to be heard and not merely "holders of securities of the petitioner". The House recedes on all three amendments.

The House recedes on all three amendments.

On amendments Nos. 18, 19, and 20: These Senate amendments relate to modifications of plans by the court. The House recedes on both amendments 18 and 19 and recedes on amendment 20 with an amendment. The effect of this agreed action is that a proposed modification of a plan which substantially alters the basis for the Commission's findings requires resubmission of the plan as proposed to be modified to the Commission for appropriate findings; and a proposed modification which substantially or adversely affects the interests of any class of creditors requires resubmission to such creditors, plus a hearing and opportunity to withdraw or cancel assents to the plan.

On amendment No. 21: This Senate amendment provides that the interests or claims of the United States shall be deemed to be affected by a plan. The Senate recedes.

On amendment No. 22: This Senate amendment provides that if the United States is a creditor on claims for taxes or customs duties no plan which does not provide for the payment thereof may be approved except upon acceptance of a lesser amount by the Secretary of the Treasury; and that upon failure of the Secre-

tary to accept or reject a lesser amount for more than 60 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties shall be conclusively presumed. The House recedes with an amendment which puts a "postponement" in the same status as a "lesser amount.

on amendment No. 23: This Senate amendment requires that as to stated matters the court shall make findings and not merely "be satisfied." The House recedes.

On amendment No. 24: This Senate amendment clarifies the provisions that acceptance of a plan "as submitted" is sufficient if the plan be not modified, but that acceptance of a plan "as modified" is requisite if the plan be modified. The House recedes with an amendment which is grammatical.

On amendments Nos. 25, 26, and 27: These Senate amendments relate to the findings by the court required as a condition of approval and confirmation of a plan. These amendments insert the words "as an adjustment" after the words "fair and equitable" in the required finding that the plan is "fair and equitable"; require a finding that the plan "is in the best interests of the creditors and stockholders of each class" and that the plan "is feasible"; and insert the plans "conforms to the requirements of the law of the land pertaining to adjustments regarding the participation of the vapertaining to adjustments regarding the participation of the various classes of creditors and stockholders." The House recedes on all three amendments with an amendment, the effect of which is all three amendments with an amendment, the effect of which is to make the clause affected by these three amendments read as follows: "(3) That the plan meets the requirements of clauses (c), and the petitioner meets the requirements of clauses (a) and (b) of subparagraph (2) of the first sentence of section 710, and that the plan is fair and equitable as an adjustment, affords due recognition to the rights of each class of creditors and stockholders and fair consideration to each class thereof adversely affected, and will conform to the law of the land regarding the participation of the various classes of creditors and stockholders: Provided, That in making the findings required by this clause (3) the court shall scrutinize the facts independently of the extent of acceptances of such plan, and of any lack of opposition thereto, and of the fact that the Commission, under section 20a of the Interstate Commerce Act, has authorized the issuance or modification of securities as proposed by such plan, and of the fact that the Commission has made such or similar findings;"

On amendment No. 28: This Senate amendment adds a clause

On amendment No. 28: This Senate amendment adds a clause conditioning approval of a plan on a finding that the petitioner has not, in connection with the plan or the effectuation thereof, done any act or failed to perform any duty which act or failure would be a bar to the discharge of a bankrupt, and that the plan and the acceptance thereof are in good faith and have not been made or progressed by improper means promised or ages. The made or procured by improper means, promises, or acts.

House recedes.

House recedes.

On amendment No. 29: This Senate amendment requires full disclosure of fees and expenses incurred in connection with the proceedings and plan and conditions approval of the plan on a finding that the fees and expenses are fair and reasonable; and provides that to the extent the fees and expenses are not ascertainable at the time of the hearing, they are subject to the approval of the court as fair and reasonable. The House recedes with an amendment, the effect of which is to make the clause added read as follows: "(6) That, after hearings for the purpose, all amounts or considerations, directly or indirectly paid or to be paid by or for the petitioner for expenses, fees, reimbursement, or compensation of any character whatsoever incurred in connection with the proceeding and plan, or preliminary thereto or in aid thereof, together with all the facts and circumstances relating to the incurring thereof, have been fully disclosed to the court to the incurring thereof, have been fully disclosed to the court so far as such amounts or considerations can be ascertained at the time of such hearings, that all such amounts or consideration are fair and reasonable, and to the extent that any such amounts or considerations are not then ascertainable, the same are to be so disclosed to the court when ascertained, and are to be so disclosed to the court when ascertained, and are

are to be so disclosed to the court when ascertained, and are to be subject to approval by the special court as fair and reasonable, and except with such approval no amount or considerations covered by this clause (6) shall be paid."

On amendment No. 30: This Senate amendment makes clear that a decree approving and confirming a plan does not dispense with any required authority where required by any law relating to the Reconstruction Finance Corporation. The House recedes.

On amendment No. 31: The House bill contained a paragraph providing that the plan of adjustment may contain appropriate provisions whereby the interests of creditors affected by the plan shall be safeguarded in all matters of the petitioner's financial policy and operations. Senate amendment 31 strikes out this paragraph and substitutes the mandatory requirement that no plan may be approved unless the court finds that with respect to (a) the continuation of, or (b) any change in (1) the voting of the continuation of, or (b) any change in (1) the voting rights in the petition, (2) control of the petitioner, and (3) the power and manner of selection of the persons who are to be directors, officers, or voting trustees, if any, upon the consummation of the plan and their respective successors, the plan is equitable, compatible with the interests of creditors and stockholders and consistent with public policy. The House recedes with

an amendment amplifying the substituted paragraph, so as to refer also to the identity of the persons who are to be directors, officers, or voting trustees, and also so as to require that the plan make full disclosure, be adequate, and be in the best interests of creditors and stockholders of each class.

and stockholders of each class.

On amendment No. 32: This Senate amendment makes clear that the injunction or stay of actions or proceedings may be for a reasonable time only. The House recedes.

On amendment No. 33: This Senate amendment makes clear that, with respect to claims which would be required to be paid if the plan were in effect, the stay shall affect neither proceedings to explanate the plan were in effect, the stay shall affect neither proceedings. to enforce such claims (such as actions at law for a money judgment) nor proceedings based on such claims (such as equity receiverships or bankruptcy proceedings). The House recedes.

On amendment No. 34: This Senate amendment makes clear

that the court may not continue a proceeding beyond 1 year from the date of filing the petition unless it is satisfied that confirmation of a plan is in immediate prospect. The House

On amendment No. 35: This Senate amendment makes clear On amendment No. 35: This Senate amendment makes clear that the making of payments during a proceeding as provided in a plan shall not constitute a preference under the Bankruptcy Act and that the acceptance of such payments shall not constitute an acceptance of a plan. The House recedes.

On amendment No. 36: This Senate amendment strikes out the words "and circumstances" so as to eliminate any possible construction that security holders can be required to accept conditions or make rights in order to receive payments. The House

ditions or waive rights in order to receive payments. The House

On amendment No. 37: This Senate amendment adds a new section so as to facilitate collection of taxes and customs duties, giving the court power to determine the amount and legality of giving the court power to determine the amount and legality of claims of the United States for taxes or customs duties and to order payment thereof, giving the order approving the petition the effect of an adjudication of bankruptcy for the purposes of section 274 of the Internal Revenue Code, and providing that the running of the statute of limitations on the assessment or collection of any internal-revenue tax shall be suspended while a proceeding under the new chapter is pending and until it is finally dismissed. The House recedes.

On amendment, No. 38: This Senate amendment, in view of

finally dismissed. The House recedes.

On amendment No. 38: This Senate amendment, in view of other Senate amendments, struck out as unnecessary article VII consisting of one section, section 740, providing that if in any application filed with the Commission pursuant to section 20a of the Interstate Commerce Act for authority to issue or modify securities, the applicant shall allege that the purpose in making such application is to enable it to file a petition under the new chapter, the Commission shall take final action as promptly as possible, and in any event, within 120 days after the filing of such application. The House recedes, with an amendment whereby the stricken article is restored, amended so as to allow a further period beyond the 120 days, if the Commission finds that a longer time, not exceeding 60 days, is needed in the public interest.

On amendment No. 39: This Senate amendment, in view of other amendments renumbers article VIII as article VII. The Senate recedes.

On amendment No. 40: This Senate amendment extends to 60 days the 30-day limitation on applications for writs of certiorari. The House recedes with an amendment whereby applications for such writs may be made by any person affected by the plan who deems himself aggrieved.

On amendment No. 41: This Senate amendment, in view of

On amendment No. 41: This Senate amendment, in view of other amendments renumbers article IX as article VIII. The House recedes with an amendment whereby the heading affected is made to read "Article IX—Filing Record With Commission."

On amendment No. 42: The House bill contained as section 750 the usual form of separability provision. This Senate amendment provided that the provisions of section 710 and 711, as amended by other Senate amendments, limiting the chapter to petitioners that have compiled with subparagraphs (1) and (2) of the first sentence of section 710 before April 1, 1939, be not separable from the rest of the bill. The House recedes with an amendment whereby the entire separability provision is stricken and there is substituted a section requiring the clerk of the court to transmit to the Commission copies of the various papers in the proceeding except to the extent that the court finds that compliance with the section would be impracticable.

On amendment No. 43: This Senate amendment is clerical. The

On amendment No. 43: This Senate amendment is clerical. The

On amendment No. 43: This Senate amendment is clerical. The House recedes, with an amendment to conform to action agreed on with respect to other amendments.

On amendment No. 44: This Senate amendment strikes out as unnecessary in view of other Senate amendments, article X, consisting of one section, section 755, which provided that the jurisdiction conferred upon any court by the new chapter shall not be exercised by such court after 5 years from the effective date of the chapter, except in respect of any proceeding initiated by filing a petition under section 710 on or before the termination of such 5-year period. The House recedes with an amendment whereby

the stricken article X is restored, but amended so as to fix the date of termination of jurisdiction on July 31, 1940.

> WALTER CHANDLER CHARLES F. McLaughlin, EARL C. MICHENER, Managers on the part of the House.

Mr. CHANDLER. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ELBERT R. MILLER-VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 454)

The Speaker laid before the House the following veto message from the President of the United States which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 2687, an act for the relief of Elbert E. Miller.

This bill provides, "That effective on and after the date of enactment of this act, all rights, claims, and benefits forfeited by Elbert R. Miller (C-132757) under the provisions of section 504 of the World War Veterans' Act, 1924, as amended, by the decision of the director, United States Veterans' Bureau, dated October 28, 1929, are hereby restored, but this act shall in nowise be construed as authority to pay any sum, claim, or benefit that may have matured or become due prior to effective date of this act."

Approval of the bill would have the effect of restoring to Elbert R. Miller, a World War veteran, effective on the date of approval, rights which have been forfeited, on account of the veteran having furnished false evidence in support of his claim in violation of the provisions of section 504 of the World War Veterans' Act, 1924, as amended, which provide as follows:

Any person who shall knowingly make or cause to be made, or Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in anywise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper, or writing purporting to be such, concerning any claim or the approval of any claim for compensation or maintenance and support allowance, or the payment of any money, for himself or for any other person, under titles II or IV hereof, shall forfeit all rights, claims, and benefits under said titles, and, in addition to any and all other penalties imposed by law, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$1,000 or imprisonment for not more than 1 year, or by both such fine and imprisonment, for each such 1 year, or by both such fine and imprisonment, for each such offense.

This case has received sympathetic consideration by the Veterans' Administration and no facts or circumstances have been found which would warrant singling this case out for preferential treatment.

It is with regret, therefore, that I find myself unable to give my approval to this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 27, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. GAVAGAN. Mr. Speaker, I move that the bill, together with the veto message, be referred to the Committee on War Claims and ordered printed.

The motion was agreed to.

AGREEMENTS FOR EXCHANGE OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS PRODUCED ABROAD

Mr. COLMER. Mr. Speaker, I call up House Resolution

LXXXIV-646

The Clerk read as follows:

House Resolution 273

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2697, an act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. Mapes].

I yield myself 2 minutes.

Mr. Speaker, this resolution, as has been indicated, is the so-called barter bill. I am satisfied the House is familiar with this, from press report, and those who have had an opportunity to study the legislation.

In brief, it provides the machinery to carry out agreements made between the British Government and this Government for the barter of certain strategic war materials. It is necessary to have some legislation upon the subject, and that is what this bill proposes.

I reserve the balance of my time.

Mr. MAPES. Mr. Speaker, I yield 15 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Speaker, the controversy which is involved in this bill, so far as I personally am concerned, hinges on the question of warehouse rates which are being charged by the warehousemen in whose warehouses the cotton is stored which will be used to fill the barter agreement consummated between the Government of England and the Government of the United States on the 23d of June 1939.

The Senate bill 2697 was sent to the Committee on Banking and Currency of the House. The purpose of the bill is to effect the delivery of some 600,000 bales of cotton covered by the barter agreement wherein the United States is trading cotton to the United Kingdom in exchange for rubber. Article I, subsection (b) of that agreement reads:

The cotton will be inspected to determine its classification in accordance with the universal cotton standards for grade and the official standards of the United States for staple, and will be accepted—

Here is a very important part of this agreement by experts appointed by the Government of the United Kingdom.

Article II, subsection (b) provides that:

In determining the quality of rubber which shall be exchanged by the United Kingdom to the United States for the cotton, the rubber will be inspected and accepted by experts appointed by the United States Government.

In other words, I would construe that to be a mutual agreement, in that England through her experts can determine the quality and staple and character of the cotton she is to receive, and the experts representing the United States can determine the quality of the rubber which we are to receive

Throughout the United States, in the cotton sections particularly, we have cotton stored in warehouses, which storage has been created under the provisions of the Agricultural Adjustment Act approved February 16, 1938. Section 383, subsection (b) reads:

Cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not hereafter be reconcentrated without the written consent of the producer or borrower. When, therefore, it comes to filling a barter agreement on cotton it becomes necessary to move cotton from inland warehouses to port warehouses in order to carry out the agreement made with the United Kingdom with reference to the exchange of cotton for rubber, and it is in the movement, or the transfer, or the reconcentration of this cotton from interior warehouses to port warehouses that this controversy arises

Referring back to the Agricultural Act, subsection (b), which I just read, we find that subsequent to the enactment of that short clause of some three and one-half lines, someone discovered that the cotton-loan agreements and the cotton notes signed by the grower—copies of which I hold here in my hand—carried under section 6 this interesting language:

The undersigned agrees that if any Federal agency or instrumentality shall be the holder of the above-mentioned note, it may before or after maturity move the collateral cotton from one storage point to another and pay freight, may compress the cotton, may store separately, en bloc, or otherwise.

You will notice that the grower signing this note agrees to that interesting clause. Going back to subsection (b) we find:

Cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not hereafter be reconcentrated without the written consent of the producer or borrower.

So there was a very definite conflict. What happened? In June 1938, a short time after that, we find an amendment brought in here which changes that whole situation very materially, and then we also find that when it came around to signing the 1938–39 cotton-loan notes, that section 6 of the loan agreement has been drafted so that it reads thus:

The undersigned agrees that if any Federal agency or instrumentality shall become the holder of the above-mentioned note, it may before or after maturity move the collateral cotton from one storage point to another, subject to the provisions of the act of June 16, 1938 (Public, No. 660, 75th Cong.).

Even a high-school student who wants to sit down and read the record can come to only one conclusion, and that is that subsection (b) of section 383 and Public, 660, of the Seventy-fifth Congress was dictated completely and absolutely by the warehouse ring which brings about this controversy.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield for just a question because my time is limited and I want to get this case before the House. Mr. PACE. Does not the gentleman think—

Mr. CRAWFORD. I yield for a question only, Mr. Speaker.

Mr. PACE. I was about to ask the gentleman a question. Mr. CRAWFORD. Very well, ask the question.

Mr. PACE. Does not the gentleman think that the farmer who produced the cotton on which he secured a loan has some interest in the cotton rather than having it moved 1,000 miles from his warehouse where he is unable to have it resampled and graded when it is offered for sale? And that that is one of the purposes of keeping the cotton from being moved hundreds of miles away from where it was produced or where the farmer lives?

Mr. CRAWFORD. At no time during my presentation shall I suggest that the principle enunciated by the gentleman from Georgia be in any way invalidated; and, indeed, the cotton grower should have this cotton located near him so long as he holds title to the cotton; but for the information of the House, this controversy arose because I offered in the Committee of Banking and Currency a simple proviso which reads in this exact language:

Provided, That nothing herein shall be construed as preventing the reconcentration of the cotton by the United States Government or any of its agencies where a saving in carrying charges can thereby be effected.

This in no way interferes with the right of the borrowing farmer who has his cotton up as collateral under a cotton loan. It does, however, put the Commodity Credit Corporation, a Government agency, in a position to protect the rights of the taxpayers of this country, Government rights, if you please, to the end that no such outrages can be perpetrated by the Government on the taxpayers, which I shall now proceed to demonstrate, as has taken place under these warehouse agreements.

Mr. PACE. Mr. Speaker, if the gentleman will yield further, does not that encourage the Commodity Credit Corporation to foreclose as quickly as possible to close out the farmers

so they can move it away from them?

Mr. CRAWFORD. In no way would it do that, and I hope that the gentleman in his time will make the necessary effort to demonstrate how the Commodity Credit Corporation can run contrary to the laws which this Congress enacts.

Let us see what is happening. These are the official records furnished me by the Commodity Credit Corporation. Here we find the schedule of rates to be used in calculating warehouse charges on the 1934-35 12-cent cotton loans. The rates on this schedule were effective August 1, 1938, on 1934-35 12-cent-loan cotton. I shall be glad for any Member of the House who desires to examine them to look over these schedules. We find these rates of the warehouses on this lot of cotton range from about 1134 cents up to 18 cents per bale per month. That is per bale per month for storing a bale of cotton of approximately 500 pounds.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield? Mr. CRAWFORD. I yield to the gentleman from

Minnesota.

Mr. AUGUST H. ANDRESEN. It has been suggested in the Committee on Agriculture quite definitely that the cost to the Government for storage of cotton runs around \$4 a bale and that the total carrying charges now are around \$45,000,000 a year to carry the loan cotton.

Mr. CRAWFORD. I expect to bring that out. I thank the gentleman. Notice that these rates run from about 12 cents to 18 cents per bale per month on this enormous

storage of cotton.

What happened on the next crop year? Let us take the 1937-38 loan cotton which is operating under these provisions of the law, which gave protection to the warehouse ring.

In the next year the 1937-38 crop we find these rates are almost without exception 18 cents per bale. Once in a while you will find a rate of 15.6 cents per bale per month. The 18 cents I believe is the highest rate in this schedule which takes care of the 1937-38 loan cotton.

Let us take the next year's loans. This is the 1938-39 cotton. The rates in this schedule were effective August 1, 1938. If you care to look at this schedule of rates I hold in my hand, you will find that in almost every case, with just a few exceptions, the rates have been jumped from a range of about 12 to 18 cents per bale per month, which I gave you in the first case, to where the rates are now 25 cents per bale per month.

It will be argued, of course, that you must charge 25 cents per bale per month the first year the cotton goes into storage. It takes time to cure cotton. Cotton goes through great physical changes following the month in which it is put into bales. When someone tells you that the character of cotton does not change after it is baled, you come to me and I will show you official information on that. It does change. As a spinner, you want character cotton, otherwise you cannot produce character cloth. So when the cotton is in storage the first year there is more or less of a handling charge, they tell me, that must be taken care of, for turning and flopping the cotton and some claim that justifies the 25-cent rate, but with that contention I disagree. I challenge the warehousemen to make a showing of their accounts and to justify such an

exhorbitant rate. If it was necessary to pay 25 cents the first year, under what conditions do you get 12, 14, and 15 cents under the previous loans?

I am informed by some of the warehousemen they can make money storing this cotton at 11 cents per bale per month and come out in fine shape financially. I also understand that in some cases the warehousemen are willing to store this cotton for 10 cents per bale per month.

Referring now to the remarks of the gentleman from Minnesota, you have approximately 12,000,000 bales of cotton to deal with here. I have the figures here showing the amount of cotton in storage in port warehouses, and out of the 6,943,011 bales of cotton, title to which will be taken by the Government under this procedure, 1,225,366 bales were stored in port warehouses and 5,717,645 bales were stored in interior warehouses where the highest rates prevail.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. CRAWFORD. Mr. Speaker, it will be claimed that the port warehouses are owned by the rich fellows; it will be claimed that this is a raid on the interior warehouses, the little fellow, by the big octopus, the economic royalists—the man who wants to destroy the little fellow—but I have information which satisfies me, at least, that a number of the interior warehouses are owned and controlled financially by the big fellows on the coast.

It will also be claimed that the big fellows on the coast, particularly one big operator in the State of Texas, has taken his money and poured it into South America, developing the cotton industry against the interests of the American cotton grower. Since when has it been news that the administration has been promoting policies which induces the shipment of manufactured machinery to other countries in payment of agricultural goods coming into this country? Of course, manufactured machinery in the form of ginning machinery, tractors, and other tools have gone to Brazil and have gone into cotton production and cotton processing. Of course, the smart, sagacious fellows of the South followed that trend to Brazil under our cotton-control movement and under our reciprocal trade-agreements plan. Indeed they did that. Now, then, will you condemn an American for going to foreign lands, particularly to Latin America, when the front pages of your papers are loaded with the proposition of "Southward we must go"? Those who have so faithfully supported the President's reciprocal trade-agreement plan must find themselves in a perfectly ridiculous position for condemning a man for going along and supporting reciprocal-trade agreements, the good-neighbor policy, the Latin America good will policy, and the disastrous cotton-control policy through taking his money to Brazil, investing it there in the production of cotton and cotton goods, where there is no Government interference. I do not condemn the Texan, but I do condemn the administration and those who promoted and supported the policy which makes it so profitable for the Texan to do so. Of course he did it. If we could establish the record, we would find that many southern cotton men have done that very thing.

It comes right back to this proposition: If you will take Public, No. 660, of June 16, 1938, you will find this interesting provision in the law. It will be contended that this provision now protects the Commodity Credit Corporation, as my suggested amendment would protect it, but such contention cannot be supported. What is the truth? If the Commodity Credit Corporation can effectuate downward these warehouse charges, why has not the Commodity Credit Corporation done so?

It has not done so because of this interesting provision in the June 16 amendment, which states:

Provided, however, That in cases where there is congestion or lack of storage facilities—

And it goes on in detail-

or if carrying charges are substantially in excess of the average of carrying charges available elsewhere, and the local warehouse after notice declines to reduce such charges, such written consent as provided in this amendment need not be obtained.

That is, the written consent of the grower.

How is the Commodity Credit Corporation going to substantiate that Mr. A's carrying charges are substantially greater than Mr. B's carrying charges? The rates are virtually uniform. My contention is that the Commodity Credit Corporation, by section 383, subsection (b), and by Public, 660, has been denied the right to go in and negotiate for reduced carrying charges in storage and insurance, and therefore the Commodity Credit Corporation has been forced by acts of Congress to go along and have the taxpayers bear these unreasonable and exorbitant warehouse charges shown in the schedules here displayed.

If the Commodity Credit Corporation can show, and if it will issue an official statement to the effect that it will reduce the rates on this 6,943,000 bales plus such other bales as title may be taken to by the Government, I have no complaint. I am not fighting for the rich man on the coast or for the rich man in the interior. I have satisfied myself that all these warehousemen are making fabulous profits through this rate of 25 cents per bale. One warehouse company has been paid, and is to be paid, for instance, \$8,518,000 for warehousing. Another \$942,000, another \$1,296,000, and another \$445,000.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 5 additional minutes

to the gentleman from Michigan.

Mr. CRAWFORD. When this bill came before the Committee on Banking and Currency I was perfectly satisfied to accept the Senate bill as it was sent to us, but the warehouse crowd induced the committee to put in the interesting language, which you will find in the House print of the bill. The claim will be offered that the Committee on Banking and Currency should not disturb law already enacted by Congress. If the Committee on Banking and Currency does not want to protect the warehousing monopoly, you might call it, in the 25-cent rate, why did they disturb the Senate bill? If the committee is willing to eliminate the amendment put in the Senate bill by the Committee on Banking and Currency I have no further objection. I am willing to accept the Senate bill as it came to the Committee on Banking and Currency. But if you accept the Senate bill as amended by the House committee, then you are perpetuating this combination in restraint of trade, you are accepting this proposition which prevents the Commodity Credit Corporation from proceeding to negotiate for reduced rates on this cotton.

If you will adopt my amendment, the Commodity Credit Corporation can go to warehouse A and say, "Listen, Mr. Warehouseman, your rates are too high. Can you not bring them down a little?" If he declines, the cotton can be reconcentrated. What cotton? The cotton owned by the Government, not the cotton owned by the farmer. Let that stay in the community where it belongs until you are ready to ship it, or until the Government takes title thereto.

This whole thing is another barrier against the feeding of cotton into the channels of trade. I understand my New England friends will point out some of the damage that has come to the New England industry as a result of this

Mr. Speaker, at the opportune time I shall proceed to offer amendments to correct the bill, so that it will be in the form I believe it should be.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the

gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Massa-

Mr. MARTIN of Massachusetts. I wonder if the gentleman would be willing to accept an amendment that would provide that some of this cotton in storage should be assigned to places in New England where they manufacture

textiles and where the storage of this cotton would be most helpful.

Mr. CRAWFORD. I certainly would be willing to accept such an amendment. If you will put cotton contiguous to the New England spinner, he will be able to buy from hand to mouth. He will not be forced to take long risks on the market. He will use more cotton, the banks will go along with him, and more cotton will be consumed. Cotton stored in New England near the mills will strengthen their chances for profitable operation, will add to their financial standing, will promote employment in New England. Certainly I shall support the gentleman's amendment.

I also wish to point out that of the total world consumption of cotton today the United States furnishes only 22.2 percent and other parts of the world are furnishing 77.8 percent. We need to store a little cotton, at least, that will be required for the spinners in New England. I hope the

gentleman will offer such an amendment.

Mr. PACE. Mr. Speaker, will the gentleman yield? Mr. CRAWFORD. I yield to the gentleman from Georgia. Mr. PACE. How would we know what cotton to ship to New England before we knew what the textile mills were going to buy?

Mr. CRAWFORD. I suggest the gentleman ask that question of the chairman of the Committee on Banking and

Currency.

Mr. MARTIN of Massachusetts. I could tell the gentleman that. The gentleman knows that for years the New England spinners have been buying southern cotton, and the sellers of that cotton certainly know what they sell to the New England mills.

Mr. PACE. They buy only certain grades and staples.

Mr. MARTIN of Massachusetts. You know what those

grades and staples are from past experience.

Mr. CRAWFORD. In that connection, as the House Committee on Banking and Currency amended the Senate bill, it is proposed that our agents determine the quality of cotton to be picked at your interior warehouses and sent to port to carry out this barter agreement. This agreement provides that such selection shall be made by the United Kingdom experts, so certainly, if you could carry out the intention of the Committee on Banking and Currency, you could fill those little orders for the New England spinners.

Mr. Speaker, under permit to include in the RECORD for information of House Members, I submit the letter which I received from Mr. Goodloe, vice president of the Commodity Credit Corporation; a schedule of payments made and to be made to cotton warehousemen; a statement showing cotton stored at port and interior warehouses; and a second letter from Mr. Goodloe dated July 26.

> COMMODITY CREDIT CORPORATION Washington, July 22, 1939.

Hon. FRED L. CRAWFORD,

House Office Building, Washington, D. C.
DEAR MR. CRAWFORD: Responsive to your letter of July 21, 1939, we

submit herewith the following information:

1. Statement showing storage in excess of \$25,000 per year paid to warehouses during the cotton years 1936-37 and 1937-38 and an estimate of such charges for the cotton year 1938-39.

2. Loan cotton is stored at the following points:

Alabama: Mobile. California: Los Angeles, San Pedro, and Stockton.

Florida: Pensacola. Georgia: Savannah.

Louisiana: Lake Charles and New Orleans.

Mississippi: Gulfport. North Carolina: Wilmington. South Carolina: Charleston.

Texas: Beaumont, Corpus Christi, Galveston, Houston, and Texas

3 and 4. Schedules showing storage and insurance rates applicable

at all warehouse locations. Since a flat rate is made for both storage and insurance, it is not possible to separate these charges.

5. In the absence of final specifications from the British Government as to the qualities of cotton desired, it is not possible to estimate the quantity of cotton to which it may be necessary for the Corporation to take title.

6. It is not possible to estimate the dollar value of damage at inland warehouses. However, it is not thought that there is any large amount of such damage, and Commodity Credit Corporation has protection under the warehouseman's bond in the event of damage to cotton while in storage.

7 and 8. Section 383 (b) of the Agricultural Adjustment Act of 1938 reads as follows:

"Cotton held as security for any loan heretofore or hereafter made or arranged for by Commodity Credit Corporation shall not

hereafter be reconcentrated without the written consent of the producer or borrower."

This section was amended by the act approved June 16, 1938 (Public, No. 660, 75th Cong.), copy of which is attached hereto.

Very truly yours,

JOHN D. GOODLOE, Vice President.

List of interior warehouses to which storage was paid in excess of \$25,000 per year during cotton fiscal years Aug. 1, 1936, through July 31, 1938, and estimated storage for cotton fiscal year Aug. 1, 1938, through July 31, 1939

Name of warehouse	Storage paid for period Aug. 1, 1936, through July 31, 1937	Storage paid for period Aug. 1, 1937, through July 31, 1938	Estimated storage to be paid for period Aug. 1, 1938, through July 31, 1939	Total
Federal Warehouse & Compress Co., operating plants at Memphis, Tenn.; Arkadelphia, Ark.; Ashdown, Ark.; Blytheville, Ark.; Dumas, Ark.; Earle, Ark.; England, Ark.; Eudora, Aik.; Forrest City, Ark.; Fort Smith, Ark.; Helena, Ark.; Lake Village, Ark.; Little Rock, Ark.; Magnolia, Ark.; Marilana, Ark.; Marvell, Ark.; McGehee, Ark.; Morrilton, Ark.; Newport, Ark.; Osceola, Ark.; Pino Bluff, Ark.; Portland, Ark.; Russellville, Ark.; Searcy, Ark.; Truman, Ark.; Walnut Ridge, Ark.; West Memphis, Ark.; Conway, Ark.; Lake Providence, La.; Monoe, La.; New Orleans, La.; Belzoni, Miss.; Booneville, Miss.; Canton, Miss.; Clarksdale, Miss.; Cleveland, Miss.; Como, Miss.; Corinth, Miss.; Drew, Miss.; Greenwood, Miss.; Greenada, Miss.; Holly Springs, Miss.; Inverness, Miss.; Jackson, Miss.; Marks, Miss.; New Albany, Miss.; Ripley, Miss.; Ruleville, Miss.; Shaw, Miss.; Greenwille, Miss.; Tutwiler, Miss.; West Point, Miss.; Autory, Miss.; Greenwille, Miss.; Brownsville, Tenn.; Covington, Tenn.; Dyersburg, Tenn.; Jackson, Tenn.; Tiptonville, Miss.; Milan, Tenn.; Texarkana, Tex.; Portageville, Mo.; Caruthersville, Mo.; Havit Mo.; Caruthersville, Mo.; Havit Mo.; Caruthersville, Mo.; Havit Mo.				
Jackson, Tenn.; Tiptonville, Tenn.; Milan, Tenn.; Texarkana, Tex.; Portageville, Mo.; Caruthersville, Mo.; Hayti, Mo. Southeastern Compress & Warehouse Co., operating plants at Attalla, Ala.; Birmingham, Ala.; Dothan, Ala.; Guntersville, Ala.; Montgomery, Ala.; Albany, Ga.; Athens, Ga.; Atlanta, Ga.; Carrollton, Ga.; Cedartown, Ga.; Macon, Ga.; Rockmart, Ga.; Tallapoosa, Ga.; Greenville, S. C.;	\$467, 338. 60	\$2, 874, 748. 35	\$5, 176, 631. 18	\$8, 518, 718. 13
Carroliton, Ga.; Cedartown, Ga.; Macon, Ga.; Rockmart, Ga.; Taliapoosa, Ga.; Greenville, S. C.; Charlotte, N. C.; Raleigh, N. C. Union Compress Warehouse, operating plants at Decatur, Ala.; Hope, Ark.; Delhi, La.; Ferriday, La.; Rayville, La.; Winnsboro, La.; Greenwood, Miss.; Natchez, Miss.; Rosedale, Miss.; Vicksburg,	374, 163, 39	256, 277. 60	311, 830. 17	942, 271. 16
Miss.; Memphis, Tenn. Western Compress Co., operating plants at Phoenix, Ariz.; Fresno, Calif.	77, 601. 18	423, 902, 98 84, 786, 79	794, 583, 72 360, 757, 71	1, 296, 087. 88 445, 544. 50
Traders Compress Co., operating plants at Altus, Okla.; Anadarko, Okla.; Ardmore, Okla.; Chickasha, Okla.; Chinton, Okla.; Durant, Okla.; Elk City, Okla.; Frederick, Okla.; Ardmore, Okla.; Mangum, Okla.; McAlester, Okla.; Muskogee, Okla.; Okla.; Okla.; Okla.; Pauls Valley, Okla.; Shawnee, Okla.; Waurika, Okla.; Weleetka, Okla.; Fort Worth, Tex.; Shamrock, Tex.; Wellington, Tex.; Wichita Falls, Tex. Texas Compress & Warehouse Co., operating plants at Athens, Tex.; Brownfield, Tex.; Chillicothe, Tex.; Crosbyton, Tex.; Gilmer, Tex.; Lamesa, Tex.; Littlefield, Tex.; Mount Pleasant, Tex.; Naples, Tex.; Paducal, Tex.; Pitsburg, Tex.; Plainview, Tex.; Quanah, Tex.; Quitaque, Tex.; Ralls, Tex.;	98, 199. 00	338, 027. 99	497, 584. 32	933, 811. 31
Slaton, Tex.; Lubbock, Tex.	50, 070. 60	542, 557. 52	317, 838. 86	910, 466, 98
American Compress Warehouse, operating plants at Alexandria, La.; Bunkie, La.; Natchitoches, La.; Shreveport, La. Hattlesburg Compress Co., operating plants at Hattlesburg, Miss.; Houston, Miss.; Columbia, Miss.	2, 727. 00 13, 180. 00	152, 025, 83 133, 809, 82	260, 750. 61 197, 260. 92	415, 503. 44 344, 250. 74
Union Bonded Warehouse, operating plants at Carthage, Miss.; Newton, Miss.; Philadelphia, Miss.; Union, Miss. Meridian Compress & Warehouse Co., Meridian, Miss.	7. 32 17, 235. 00	80, 164, 41 109, 757, 28	189, 361. 89 84, 821. 04	269, 533, 62 211, 813, 32
Marked Tree Compress Co., Marked Tree, Ark Tri State Compress Co., Memphis, Tenn. Arkansas Valley Compress & Warehouse Co., Little Rock, Ark	33, 889 51 21, 479. 64	69, 419, 96	90, 126, 77 104, 926, 32	195, 053. 09 189, 896. 40 180, 751. 18
Valley Compress Co., operating plants at Fresno, Calif.; Pinedale, Calif. Memphis Compress Co., Memphis, Tenn Georgia-Carolina Warehouse, Augusta, Ga	8, 897. 51 44, 210, 43	32, 558. 29 70, 951. 50		157 885 QR
Arbyrd Compress Co., Arbyrd, Mo. Arizona Compress Co., Phoenix, Ariz. Lonesborg Compress Co. Lonesborg, Ariz.	12, 795, 16	55, 734, 72 85, 011, 01 50, 775, 53	99, 851, 49 61, 242, 30 70, 379, 19	148, 530, 53 174, 079, 92 155, 586, 21 146, 253, 31 133, 949, 88
Union, Miss Maridian Compress & Warehouse Co., Meridian, Miss Marked Tree Compress Co., Marked Tree, Ark Tri State Compress Co., Memphis, Tenn Arkansas Valley Compress & Warehouse Co., Little Rock, Ark Valley Compress Co., operating plants at Fresno, Calif.; Pinedale, Calif Memphis Compress Co., Memphis. Tenn Georgia-Carolina Warehouse, Augusta, Ga Arbyrd Compress Co., Arbyrd, Mo Arizona Compress Co., Phoenix, Ariz Jonesboro Compress Co., Jonesboro, Ark Farmers & Merchants Compress & Warehouse, operating plants at Clarksville, Tex.; Cleburne, Tex.; Dallas, Tex.; Garland, Tex.; Greenville, Tex.; Honey Grove, Tex.; Longview, Tex.; Paris, Tex.; Terrell, Tex.; Tyler, Tex.; Hugo, Okla Western Compress Co., operating plants at Abilene, Tex.; Hamlin, Tex.; Rule, Tex.; Sweetwater, Tex	23, 236, 20	180, 641, 66	284, 169, 24	488, 047. 10
Exporters & Traders Compress & Warehouse, operating plants at Hillsboro, Tex.; Marlin, Tex.; Mart,	UTTO A MINERAL CO	138, 222, 67	203, 374. 35	341, 597, 02
Memphis Compress Co., operating plants at Hedley, Tex.; Memphis, Tex. B. & F. Bonded Cotton Warehouse, operating plants at O'Donnell, Tex.; Stamford, Tex	1, 429. 20 8, 614. 80	42, 804, 33 97, 885, 91 30, 010, 46	63, 467, 46 107, 373, 51 49, 886, 01	107, 700, 99 213, 874, 22 79, 896, 47
Peoples Warehouse, Yazoo City, Miss Mississippi Compress Co., Brookhaven, Miss Standard Warehouse, operating plants at Anderson, S. C.; Columbia, S. C.; Greenwood, S. C.; New-	73. 80 12. 60	36, 705. 58 17, 079. 38	34, 869. 24 39, 934, 62	71, 648. 62 57, 026. 60
berry, S. C.; Orangeburg, S. C. Edgecombe Bonded Warehouse, Tarboro, N. C. Henderson Compress Co., Henderson, Tenn	22, 448. 70 30, 935. 36	41, 088. 54 46, 841. 57 46, 215. 54	68, 578. 80 53, 410. 08 78, 107. 22	132, 116, 04 131, 187, 01 124, 322, 76
Greenville Compress Co., Greenville, Miss. Augusta Warehouse & Compress Co., Augusta, Ga. W. C. Bradley Co., Columbus, Ga. Cullman Compress Co., Cullman, Aba. State Bonded Warehouse & Storage Co., Decatur, Ala. Schma Compress Co., Selma, Ala. John C. Webb & Son, Demopolis, Ala.	15, 671, 68 31, 959, 36 19, 260, 00 8, 054, 91 5, 094, 20 8, 336, 52	50, 495, 98 61, 94 42, 998, 00 67, 18 41, 045, 04 43, 00 44, 755, 92 57, 51 48, 961, 86 61, 46 55, 289, 74 48, 99 42, 421, 65 42, 95	61, 948, 98 67, 181, 62 43, 004, 76 57, 514, 59 61, 491, 51 48, 967, 92 42, 959, 16 60, 101, 10	112, 444, 96 125, 851, 30 116, 009, 16 121, 530, 51 118, 508, 28 109, 351, 86 93, 717, 33 90, 942, 87
Greenwood Compress & Storage Co., Greenwood, Miss. Sunflower Compress Co., Indianola, Miss. Dixie Warehouse & Storage Co., Huntsville, Ala. Planters Warehouse & Storage, Huntsville, Ala. Dallas Compress Co., Selma, Ala. Tuscaloosa Compress Co., Tuscaloosa, Ala.	460. 80 48. 60 5, 301. 00 4, 197. 60 15, 059. 16 21, 177. 78		60, 205, 95 57, 551, 31 31, 345, 92 39, 753, 54 50, 979, 30 31, 350, 58	94, 973, 57 88, 261, 22 62, 774, 46 69, 892, 20 82, 278, 37 82, 844, 45
S. E. Neilson Warehouse, Demopolis, Ala. Robinson Bonded Warehouse, Huntsville, Ala. Alabama Warehouse Co., Montgomery, Ala Magnolia Compress Co., operating plants at Liberty, Miss.; Magnolia, Miss.; Tylertown, Miss.	6, 440. 40 10, 411. 20	14, 036. 04 14, 779. 26 21, 931. 58 35, 866. 44 27, 927. 71	26, 920, 26 29, 582, 64 25, 341, 66 39, 245, 04 20, 774, 88	42, 605, 10 44, 361, 90 53, 713, 64 85, 522, 68 48, 702, 59
Farmers Compress Co., Las Cruces, N. Mex. Greenwood Compress & Storage Co., Greenwood, Miss. Sunflower Compress Co., Indianola, Miss. Dixie Warehouse & Storage Co., Huntsville, Ala. Planters Warehouse & Storage, Huntsville, Ala. Dallas Compress Co., Selma, Ala Tuscaloosa Compress Co., Tuscaloosa, Ala. S. E. Neilson Warehouse, Demopolis, Ala. Robinson Bonded Warehouse, Huntsville, Ala. Alabama Warehouse Co., Montgomery, Ala. Magnolia Compress Co., operating plants at Liberty, Miss.; Magnolia, Miss.; Tylertown, Miss. Batesville Compress, Batesville, Ark. Buffalo Island Compress Co., Leachville, Ark. Wilson Compress & Storage Co., Wilson, Ark. Helena Compress Co., Helena, Ark. Savannah River Warehouse Co., Augusta, Ga. Central Real Estate Warehouse Co., Augusta, Ga. Raleigh Bonded Warehouse, Raleigh, N. C. Pelmetto Compress & Warehouse Co., Columbia, S. C. Haynesville Cotton Warehouse Co., Holena, La. Talhiah Compress Co., Tallulah, La. Peoples Compress Co., Homer, La. National Compress & Warehouse Co., Charleston, Mo.	5, 064. 02 9, 219. 60 15, 804. 00 15, 273. 23 10, 520. 64 1, 042. 20	39, 981, 68 41, 839, 60 16, 387, 46 29, 547, 54 18, 202, 96 20, 299, 59 12, 681, 26 21, 821, 58	20, 174, 55 49, 667, 13 31, 531, 68 46, 906, 83 38, 459, 76 39, 338, 76 27, 135, 55 26, 512, 86 42, 646, 95 20, 866, 50	88, 748, 81 73, 371, 28 68, 358, 31 77, 226, 90 73, 345, 72 62, 708, 37 49, 714, 76 65, 510, 73 57, 983, 80
Payrides Compress Co., Tallulah, La.	5, 511, 60	37, 117, 30 26, 968, 47 29, 934, 28	20, 866, 50 44, 931, 06 48, 444, 57	57, 983, 80 71, 899, 53 83, 890, 45

List of interior warehouses to which storage was paid in excess of \$25,000 per year during cotton fiscal years Aug. 1, 1936, through July 31, 1938, and estimated storage for cotton fiscal year Aug. 1, 1938, through July 31, 1939—Continued

Name of warehouse	Storage paid for period Aug. 1, 1936, through July 31, 1937	Storage paid for period Aug. 1, 1937, through July 31, 1938	Estimated storage to be paid for period Aug. 1, 1938, through July 31, 1939	Total
Dunklin County Compress & Warehouse Co., Kennett, Mo		\$22,063.08	\$52,972,83	\$75, 035, 91
Big Springs Compress Co., Big Springs, Tex.		87, 428, 18	92, 685, 15	180, 113. 33
Big Springs Compress Co., Big Springs, Tex Lubbock Compress Co., Levelland, Tex Lubbock Compress Co., Lubbock, Tex	\$29,001.60	32, 163. 77 89, 833. 60	52, 240, 77 124, 156, 08	84, 404, 54 242, 991, 28
Plains Compress Co., Lubbock, Tex. Panhandle Compress & Warehouse, Plainview, Tex. United Compress & Warehouse, Ralls, Tex. Farmers Cotton Yard & Warehouse, Winnsboro, Tex.		106, 563. 80 33, 891, 01	77, 137, 92 51, 916, 14	183, 701, 72 85, 807, 15
United Compress & Warehouse, Ralls, Tex.		84, 208, 31 25, 322, 97	125, 322. 75	209, 531. 0 59, 988, 2
Texas Compress Co., Brownwood, Tex Henderson Compress Co., Henderson, Tex	5, 40	1 20, 704, 02	34, 665. 30 35, 800. 83 42, 328. 26	56, 510, 24 57, 662, 98
Henderson Compress Co., Henderson, Tex.		15, 093. 32 20, 375. 11	26, 396, 10 52, 601, 85	41, 489, 42 72, 976, 96
Spur Compress Co., Spur, Tex Stamford Compress Co., Stamford, Tex		21, 265, 28	30, 259, 26	51, 524, 5
Interstate Compress Co., Vernon, Tex	7, 274, 40	18, 791, 14	28, 967, 13 1, 702, 46	55, 032. 6 37, 070. 1
Houston Compress Co., Childress, Tex Pecos Valley Compress Co., Roswell, N. Mex		40, 168. 88	45, 256, 32	85, 425. 2

List of port warehouses to which storage was paid in excess of \$25,000 per year during cotton fiscal years Aug. 1, 1936, through July 31, 1938, and estimated storage for cotton, fiscal year Aug. 1, 1938, through July 31, 1939

Name of warehouse	Storage paid for period Aug. 1, 1936, through July 31, 1937	Storage paid for period Aug. 1, 1937, through July 31, 1938	Estimated storage to be paid for period Aug. 1, 1938, through July 31, 1939	Total
Cotton Concentration Co., Galveston, Tex_ Merchants & Planters Compress & Warehouse, Galveston, Tex_ Southwestern Warehouse Co., Galveston, Tex_ Exporters Compress & Warehouse Co., Houston, Tex_	1,776.78	\$326, 795, 79 46, 478, 32 38, 825, 98 29, 739, 52 126, 588, 40	\$326, 195. 04 46, 572. 48 48, 135. 84 47, 877. 36 190, 572, 76	\$665, 974. 01 106, 297. 88 86, 961. 82 79, 393. 66 319, 643. 36
Houston Compress Co., Houston, Tex. Manchester Terminal Corporation, Houston, Tex. Menkwa Compress Co., Houston, Tex. Port City Compress & Warehouse, Houston, Tex. Beaumont Cotton Compress Co., Beaumont, Tex. Brownsville Port Compress & Bonded Warehouse, Brownsville, Tex.	3, 888. 73 171. 00 672, 30 15, 477. 90	95, 733, 43 46, 383, 23 75, 143, 13 20, 710, 15	142, 141. 76 56, 444. 40 115, 044. 72 41, 579. 07 65, 147. 04	241, 763, 92 102, 998, 63 190, 860, 15 77, 767, 12 65, 147, 04
Aransas Compress Co., Corpus Christi, Tex. Port Compress Co., Corpus Christi, Tex. Galveston Cotton Co., Galveston Tex. Cleveland Compress Co., Houston, Tex. Southern Compress & Warehouse, Houston, Tex. Terminal Worehouse	7, 307, 61 5, 808, 60 212, 40 792, 00	9, 483. 06 8, 978. 40 45, 256, 27	24, 539, 09 31, 742, 28 47, 056, 68 32, 921, 28 27, 907, 20 40, 214, 52	41, 329, 76 46, 529, 28 92, 525, 35 44, 794, 00 48, 061, 07 64, 744, 24
Nortolk Warehouse Corporaton, Nortolk, Ya. New Orleans Compress Co., New Orleans, La. Public Cotton Warehouse, New Orleans, La. Shippide Storage Co., New Orleans, La. Shipper Compress Co., New Orleans, La. Alaberra Warehouse Co., Moylic Ale	53, 801, 00 2, 548, 80 21, 124, 74 90, 070, 32 32, 201, 23	37, 365, 29 69, 993, 83 32, 240, 75 25, 329, 17 116, 856, 54 40, 455, 88	40, 613, 89 75, 585, 93 138, 279, 78 25, 228, 59 128, 785, 52 41, 215, 71	104, 338, 20 199, 380, 76 173, 069, 33 71, 682, 50 335, 712, 38 113, 872, 82
Alabama State Docks Bonded Warehouse, Mobile, Ala Southeastern Compress & Warehouse, Savannah, Ga Southeastern Compress & Warehouse, Pensacola, Fla Mississippi-Guilport Warehouse, Gulfport, Miss Western Compress Co., San Pedro, Calif	20, 771. 40 155, 469. 17 11, 973. 24	30, 052, 19 203, 373, 34 44, 939, 70 48, 036, 07	35, 350. 84 205, 760. 28	86, 174, 43 564, 602, 79 139, 873, 59 200, 379, 34

6, 943, 011

Statement showing 1934-35 and 1937-38 loan cotton stored at port and interior locations for each State

	1934–35		Total,	1937-38		Total,	Total, 1934-35
	Port	Interior	1934–35	Port	Interior	1937-38	and 1937–38
Alabama Arizona Arkansas	22, 046 0 0 5, 377	199, 276 0 121, 483	221, 322 0 121, 483 5, 377	4, 421 0 0 100, 480	777, 976 56, 292 548, 390 38, 006	782, 397 56, 292 548, 390 138, 486	1, 003, 719 56, 292 669, 873 143, 863
Florida	2, 942 111, 525 0 122, 710	250, 396 1, 147	2,991	176 10, 649 0 66, 652	431, 462 21	442, 111 21	3, 168 804, 032 1, 168
Mississippi Missouri New Mexico	26, 665 0 0	36, 477 0 0	63, 142 0 0	10, 784 0 0	583, 415 76, 585 36, 687	594, 199 76, 585 36, 687	657, 341 76, 585 36, 687
North Carolina Oklahoma South Carolina Pennessee	5, 527 0 11, 181 0		54, 839 103, 969 190, 693	2, 302 0 13, 282 0	75, 900 240, 892 295, 126	75, 900 254, 174 295, 126	130, 739 358, 143 485, 819
PexasVirginia	201, 728 16, 466		276, 392 17, 670	485, 812 4, 641	1, 065, 210 5, 067		
Total	526, 167	1, 136, 543	1, 662, 710	699, 199	4, 581, 102	5, 280, 301	6, 943, 011

COMMODITY CREDIT CORPORATION, WASHINGTON, July 26, 1939.

Hon. FRED L. CRAWFORD,

Hon. Fred L. Crawford,

House of Representatives, Washington, D. C.

Dear Mr. Crawford: Responsive to your inquiry of even date,
you are advised that prior to the enactment of the Agricultural
Adjustment Act of 1938, the producer's note and loan agreement,
employed in connection with all loans on cotton contained a provision whereby the producer authorized Commodity Credit Corporation to reconcentrate the pledged cotton and charge the costs
of same against the cotton.

Enclosed is a specimen copy of the form of producer's note and

of same against the cotton.

Enclosed is a specimen copy of the form of producer's note and loan agreement employed in connection with the 1937-38 loans, your attention being directed to section 6 of the loan agreement. Enclosed also is specimen copy of the 1938-39 producer's note and loan agreement, your attention being called to the provisions of section 6 of the loan agreement. The 1938-39 loans are the only loans made upon cotton by the Corporation since the enactment of the Agricultural Adjustment Act of 1938.

The other questions you asked will be answered in the order stated in your letter:

1. Based on the information available, it is estimated that not

stated in your letter:

1. Based on the information available, it is estimated that not more than 200,000 bales of the cotton now stored at ports, upon which advantageous shipments can be made, will meet the requirements of the British Government.

2. The estimate of from 250,000 to 350,000 bales of cotton now stored at ports which would probably meet the British specifications is reasonably accurate, considering all ports. However, the California and Atlantic ports should be eliminated because of higher freight rates from California and the proximity of the Atlantic ports to domestic mills. The exchange agreement recently ratified by the Senate provides for a flat price at New Orleans or any other Gulf or Atlantic port agreed upon.

3. The English Government has not officially specified the exact grades and staples desired and has indicated they will not do so until the agreement comes into effect. Informally, however, they have indicated the grades and staples.

have indicated the grades and staples.

4. The foregoing information is based upon such informal and unofficial specifications of the English Government as to the grades and staples desired and estimates made in the records of this

Corporation.

Corporation.
Commodity Credit Corporation has not yet acquired title to any of the loan cotton, and it is possible to answer your last inquiry only by explaining generally the procedure we propose to follow, based upon the information now available. We enclose memorandum showing by States, the amount of 1934—35 and 1937—38 loan cotton-securing loans held by Commodity Credit Corporation and stored at interior and port locations.

The 1934—35 loans, by their terms, matured July 31, 1935, were extended to February 1, 1936, and have since been carried by the Corporation as past due. The amount which the Corporation has invested in such cotton, including the original amount of the loan

invested in such cotton, including the original amount of the loan plus accrued interest and all charges, is approximately 15 cents per pound. In connection with the exchange agreement, it is proposed that the Corporation acquire title to this cotton and make delivery out of same to the British to the extent the grades and staples required by the British can be supplied out of this stock. Since approximately 2,257,000 bales of the original stock of 1934.35 cotton have been released and the British Government.

stock. Since approximately 2,257,000 bales of the original stock of 1934-35 cotton have been released, and the British Government has informally indicated it will desire cotton grading middling %-inch or better, it is probable that not more than 100,000 to 150,000 bales of the 1934-35 loan cotton can be used.

The 1937-38 loans, by their terms, matured July 31, 1938, and were extended to July 31, 1939, pursuant to the provisions of section 382 of the Agricultural Adjustment Act of 1938. With few exceptions, the amount the Corporation has invested in this cotton, including the original amount of the loan plus accrued interest and all charges, is in excess of its present market value. This cotton has not been classed, the loans being made upon the certification by the warehouseman that, in his opinion, the cotton fell within certain classification groups. For example, to be eligible for the maximum loan authorized under the 1937-38 loan program, the warehouseman was required to certify that in his opinion cotton was middling %-inch or better. According to our records, approximately 2,000,000 bales of 1937-38 loan cotton were certified by the warehousemen to have been middling %-inch or better. approximately 2,000,000 bales of 1937-38 loan cotton were certified by the warehousemen to have been middling %-inch or better, although the experience of the Corporation is that such determination by warehousemen is only reasonably accurate. Thus, to complete delivery of the required amount of cotton and of the grades and staples tentatively indicated to be desired by the British Government, it will be necessary for the Corporation to acquire title to the 9-cent loan cotton under the 1937-38 program and complete delivery out of this stock.

Very truly yours,

JOHN D. GOODLOE, Vice President.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein certain statistics from which I have quoted.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COLMER. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I believe there is no objection to the adoption of this rule giving consideration to this bill. There was no objection I heard in the Rules Committee either to the rule or to the bill itself. The only controversy, I believe, is with respect to the amendment which the gentleman has just been discussing, but I have asked for this time to discuss a different matter, which is in the nature of a question of personal privilege.

Mr. Speaker, in the recent debate on the resolution to investigate the National Labor Relations Board the lady from New Jersey allowed herself to be diverted from the subject under discussion in order to make a personal attack on me. She said:

Mr. Speaker, I have a great deal of respect for the gentleman from Virginia, but certainly he is the last man in the world to pass on labor legislation. I have taken the trouble to investigate his labor record, and I have yet to find a single labor bill for the benefit of the workers of the country that he has ever voted for.

Of course, the lady did not mean that she has complimented me by personally going through the long record of my votes for the past 9 years. She meant that someone else had

allegedly done so and supplied her with the information. I had hoped, after the heat of the debate had subsided, that she would herself have corrected the misstatement. As she has not done so, it becomes necessary for me to make the correction.

I do not desire to criticize the lady from New Jersey. I have never criticized any Member on the floor. We are all here to do our duty as we see it. We all make mistakes, and it does not lie in the mouths of anyone of us to condemn another. I know that with rare exceptions the Members all pursue the course that they sincerely and honestly believe to be in the best interests of the country.

But the charge that the lady from New Jersey has been induced to make against me is so contrary to the facts that

I cannot permit it to go unchallenged.

She speaks as the mouthpiece of a group that could never be elected by the suffrage of a people to come here and speak for themselves.

It is a mere repetition of the charge that was the theme song of the base purge campaign against me in the primary of 1938. The overwhelming vote of confidence given me by my people at the polls in answer to the charge should have sufficed to silence their guns. But their sniping campaign has never ceased. Conducted from behind the scenes by pusillanimous Lilliputians, who, embittered by the knowledge that they could never hope to hold office by the suffrage of the people, and with no conception of, or sympathy with, the fundamental principles of the Democratic Party, have fastened their vampirelike clutches upon its body and are seeking to suck its lifeblood.

In the late purge campaign against me the same charge was made, and both charges bear the earmarks of the same source. I replied to and refuted that charge in my campaign, citing my actual votes on bona fide labor measures, and no one thereafter in that campaign attempted to challenge the accuracy of my statement. I mentioned that I had voted for the Anti-Injunction Act, the Social Security Act, the longand-short-haul bill, the Railroad Retirement Act on every occasion when it was before the House, and other measures of vital interest to labor. And yet the lady from New Jersey is induced to state that I never voted for a measure in the interest of labor.

I voted against the Guffey Coal Act, which did not affect a single laborer in my district except to raise the price of every ton of coal he bought, and incidentally raise the price to every other consumer of coal. That vote is justified by the fact that after a brief and useless existence the Board has been abolished and such minor functions as are now being performed have been transferred to another bureau. The whole act was admittedly a dismal failure, and the country and the industry would have been better off had it never become law.

I voted against the wage-hour law, knowing that it would work untold injustice and hardship on small industries, on unorganized workers, and on many branches of agricultural pursuits. The overwhelming clamor in this body today for amendments to the act, after less than 1 year of operation, more than justifies the fears I expressed in speaking against the measure.

I do not claim a record of 100-percent obedience to the demands of labor or of any other special group.

Members of this body come here to represent the interests of all of the people.

To boast of utter subservience to the demands of any minority pressure group is to boast of failure to perform

When I leave this place I would rather have it said of me that I had the fortitude to resist the pressure of all such interests than to have it said that I stood, ever faltering and fawning, ready to "bend the pregnant hinges of the knee" at the nod and whim of any group that might threaten me with political reprisal. [Applause.]

I know that is not the philosophy of the little group of self-appointed, self-anointed liberals. I believe in a liberal government but of the kind exemplified by the doctrines of Jefferson; a liberality that accords to all groups an equal opportunity under the law, to work out their own destiny, with special privileges to neither the rich nor the poor, to neither organized minorities of voters, nor to organized wealth-demanding special privileges. I believe in the Jeffersonian liberality that included a broad and liberal tolerance of the views of others with whom we may not agree; according them the same freedom of thought and action which we claim for ourselves.

I do not care to aline myself with that school of liberal thought which manifests itself solely in a prodigal liberality with other people's money and with other people's liberties, and which denounces as reactionaries and Tories all who

dare to disagree.

In my service here, I try to reflect as best I can the sentiment and the philosophy of the great people of my district who send me here. Those people spring from an ancestry whose roots are imbedded in the very foundations of the Republic.

Reared in this background, my constituents and I find it difficult at times to break away from the moorings which have held so firmly and securely through the storms and

and vicissitudes in the past.

It is idle today to debate the question of which philosophy is right and which is wrong. Only in the distant perspec-

tive of time can the true answer be written.

Only the generations that are to follow us, shackled with the burdens we have placed upon them, or, if you please, freed from the chains of an antiquated system of government, can properly appraise the work of this and preceding Congresses.

I am content to rest my case with the assertion that while here I shall continue to exercise the best judgment that I possess in advocating what I believe to be in the best interest of the whole people, and to—

Let historians of tomorrow say Who best served God and man today.

[Applause.]

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Speaker, I yield 20 minutes to the gentleman from Georgia [Mr Brown].

Mr. BROWN of Georgia. Mr. Speaker, the real issue here is with respect to the 600,000 bales of cotton to be delivered to England when England calls for it in exchange for rubber. So the argument presented by the distinguished statesman from Michigan [Mr. Crawford] is not germane. The question of storage rates is not a problem for us to consider in connection with this measure. The warchouse rates were fixed in the laws passed by the Congress last year and, I believe, in 1935. These bills came from the Committee on Agriculture, the proper committee to consider legislation of this type.

Mr. Speaker, it is necessary that this bill be enacted into law to enable the Government to carry out the treaty obligation entered into with Great Britain for the exchange of 600,000 bales of cotton for rubber. Therefore it is necessary to give to the Commodity Credit Corporation authority and powers to effect the exchange of agricultural commodities produced in the United States and held by it for strategic and critical materials produced abroad.

Conditions have arisen in many countries in connection with the production of substitutes for cotton that make it highly desirable for this Government to enter into barter agreements such as covered by this bill. The cotton-producing States are therefore thoroughly in accord with and heartily embrace the purpose back of this bill. We have lost a great deal of our export trade in cotton and have a large surplus of cotton on hand now. This barter agreement and others to follow will materially assist us in regaining our foreign markets for cotton.

The actual operation of the Government loans has for its purpose to stabilize the price for the producer, and has not resulted in any substantial loss to the Government. The Banking and Currency Committee of the House reported favorably the bill S. 2697, with the following amendment:

In determining specific cotton to be exchanged under this act, the determination shall be made by sampling and selection at the place where the cotton is stored on the date of enactment of this act, and no cotton shall be exchanged which, after such date, is transported to another place and there sampled and selected.

This amendment is not intended to hamper the barter agreement in any particular and was adopted by the committee for the reason that it is definitely known now that it is the plan and design of the Commodity Credit Corporation to move at least 2,000,000 bales from the present interior locations prior to any knowledge as to whether or not such cotton will meet the demands of England or will be suitable for exchange under the barter agreement or whether or not the port location will be the one agreed upon by England.

In order to show the necessity for this amendment, I desire to briefly analyze the barter agreement. It requires:

First, that delivery of the cotton compressed to high density must be made on board ship.

Second, the delivery must be made at New Orleans and at other Gulf and Atlantic ports to be agreed upon between the two governments.

Interior cotton is uncompressed and located close to domestic mills, where it has a greater value, whereas port cotton in most cases is compressed to high density.

The mere statement of the terms with respect to the port of delivery should indicate to any reasonable person that the cotton should not be moved from its present locations until some information is available to this Government as to what ports England might suggest or desire to use.

Article 1 (C) of the barter agreement obligates this Government to make delivery at the warehouse at the port of sailing with free delivery on board ship within 15 days after inspection and acceptance by England. From my knowledge of the cotton business, I know that the port of sailing will change with the shipping needs and demands of the English Government. I also know that cotton in its present interior locations can be handled to any port of sailing after inspection and acceptance within 5 days after shipping orders are given to the interior warehouses. I therefore say that the only safe way for this Government to undertake to fulfill the terms of the barter agreement is to class the cotton at its present locations and to use the samples thus obained for inspection by the Government of England. After acceptance the cotton will then be available for immediate shipment to any port of sailing designated by England, without involving this Government in the wasteful and uneconomic practice of forwarding the cotton to one port without regard for whether or not that will in fact be the port of sailing.

This amendment will require the Commodity Credit Corporation to ascertain the grade and staple of cotton at its present location so that these contingencies may be met prior to a blundering movement of the cotton to just any port when the Corporation might desire to favor some port warehouse with some storage business.

Article 1 of the barter agreement provides for the exchange of 600,000 bales of raw cotton for rubber and specifically provides that the grades and staples will be specified by the Government of England. The proposition to move 2,000,000 or more bales of cotton to port locations prior to the specification of the grades and staple by the Government of England is unsound, unreasonable, and very expensive. [Applause.] Therefore, the committee adopted this amendment which requires the Commodity Credit Corporation to ascertain the grade and staple of the cotton at its present locations and then, when they learn what grades and staples will be specified by the Government of England, they may with all the freedom in the world move adequate quantities of that grade and staple to such port locations as England may designate for delivery on board ship.

Your particular attention is directed to article 1 (B) of the barter agreement. It is there stated that experts representing the Government of the United Kingdom will inspect and determine the classification of the cotton in accordance with the universal cotton standards for grade and the official standards of the United States for staple. All Members of Congress familiar with the handling of cotton know that this inspection will be on samples taken from the actual bale of cotton. This is the universal practice in the marketing and handling of the cotton. This amendment requires the Commodity Credit Corporation to ascertain the grade and staple, which they will do from samples. Those samples will then be available for inspection by the representatives of England. When England has made its selections from the samples thus made available, there will be ample opportunity to move the cotton from its present locations to the ports designated by England. This is the way a cotton merchant would handle his business. It is certainly the way the Government should handle its business.

Article 1 (B) of the barter agreement provides that experts appointed by the Government of the United Kingdom will accept the cotton. This, too, will be done on samples, and therefore it is important for the Commodity Credit Corporation to not only have the cotton graded and stapled, but it will be necessary to have the samples available for such acceptance by the experts representing the United Kingdom.

This amendment not only will provide for such method of handling the cotton but will require the Commodity Credit Corporation to immediately prepare itself so that the exchange may be made according to the terms and provi-

sions of the barter agreement.

I particularly direct your attention to the provision of article 1 (B) of the barter agreement that disputes will be determined by boards of referees. This Government should have its own official classification of the cotton prior to the inspection and acceptance of the cotton by Great Britain so that it may be in position to protect itself with respect to any such disputes that might be submitted to a board of arbitration.

I understand it has been said that this Government cannot class the cotton because the period of time is too short. To that objection I answer that it will not take this Government any longer to classify the cotton than it would some independent agency other than the Government.

Article 1 (C) of the barter agreement provides that samples will be made available covering the grades and staples specified by England. What this Government is proposing to do, in order to meet that requirement, is to move 2,000,000 or more bales of cotton to port locations prior to any knowledge as to whether or not the port location will be the one desired and prior to any knowledge as to what grades and staples might be specified by the Government of England.

The amendment requires the Commodity Credit Corporation to sample the cotton at its present locations, grade and staple the cotton, then to tender the samples to the representatives of England on the grades and staples which they do specify, and then to handle only the cotton which is accepted by England under the exchange agreement.

The inspection and acceptance is to be during a 6-month period beginning 15 days subsequent to the effective date of the barter arrangement with Great Britain. The effective date, of course, will be after the President has completed the treaty arrangement with Great Britain. In the meantime the Commodity Credit Corporation should be prepared to meet the terms of the agreement, and this amendment requires them to obtain the essential information that will make certain that this Government will be in position to meet the terms of the agreement.

The amendment will not in any way interfere with the exchange agreement. To the contrary, it will facilitate and make possible the orderly exchange of cotton for rubber and in this connection I desire to call your attention to the

following facts:

The first loan was the loan made during the season 1934-35, which had as a basic loan value 12 cents per pound for Middling seven-eighths cotton. The Government received into that loan 5,008,000 bales of cotton. There were

no loans during 1936 and 1937. The loan stock for the season 1934-35 was by the 1937 season reduced to 1,665,000 bales of cotton. Most of the cotton was sold by withdrawals from the loan without loss to this Government. Substantial quantities were delivered to the relief agencies of the Nation. There are only 1,662,710 bales remaining of the old 1934-35 12-cent-loan cotton. The remainder of the 11,419,000 bales now held in Government loans is the cotton placed in the loan during the 1937-38 season and the 1938-39 season. The 1937-38 loan was on the basis of 9 cents per pound for Middling seven-eighths cotton. The 1938-39 loan was fixed at 8.30 cents per pound for Middling seven-eighths cotton. The average market value today at the 10 spot markets in the United States is 9.35 cents per pound for Middling seveneighths cotton. It is therefore obvious that the Government is not going to dispose of any cotton at a loss under the barter arrangement. As a matter of fact, cotton is being rapidly withdrawn from the loan by producers and sold at a small profit over the loan value.

There are 6,943,011 bales held by the Government in the 1934-35 and 1937-38 loans, located as follows:

	Bales
At ports	1, 247, 405
At interior locations	5, 695, 606

I am definitely informed that this is the cotton that will be involved in the exchange agreement. Your particular attention is called to the fact that the barter agreement specifies New Orleans, La., as the preferred port of delivery, and lists other Gulf ports and Atlantic deep-water ports as secondary ports of consideration. For your information, there are now available for the immediate classification by the Commodity Credit Corporation 199,462 bales at the port of New Orleans. There are located at the nearby Texas ports 687,701 bales; and at Mississippi ports 37,449 bales, making a total of 924,612 bales within the immediate territory where the delivery will probably be effected. The remainder of the 1,247,405 bales at port locations is located at ports scattered from California to Norfolk, Va., as follows:

	Bales
California	93, 218
Georgia	122, 174
Florida	3, 118
North Carolina	7, 829
South Carolina	24, 463
Virginia	21, 107

It ought to be obvious that, should the barter agreement be made effective in the morning, there are 924,000 bales immediately available to the Commodity Credit Corporation for immediate tender to the British Government.

The amendment requires the Commodity Credit Corporation to immediately place itself in position to properly handle the exchange agreement. It does not in any way prohibit the reconcentration of cotton or require the proration of it as between territories and communities.

Why would any representative of this Government desire to move cotton to the ports which is not suitable for exchange under the agreement? Why would any representative of this Government want to move quantities to the ports which are not necessary to complete delivery?

We should not permit the issue of storage rates to confuse the real matter confronting us in connection with the movement of this cotton. I submit that the amendment provides the machinery whereby the Government may properly equip itself to perform the terms of the agreement, and any objection to the amendment must therefore be founded upon grounds other than the obligation to meet the terms of the exchange arrangement with England. [Applause.]

Mr. Speaker, I wish to say just one word further. It is true that a great deal of this cotton is now compressed, and it does not cost as much to store compressed cotton, which makes a package about one-third the size of the average bale of cotton. The average price today, I would say, or the average warehouse fee, is 18 cents per bale per month, including insurance. Years ago the price was as much as 30 cents, or even more. It has been reduced from 25 cents to 18 cents within the past year in the interior points, and at

port locations you have a charge, I believe, on the average of 13 cents. The price there is lower for the reason that most of the cotton they handle is compressed.

Besides, we want to supply North Carolina as her mills take 1,666,000 bales annually; South Carolina with a smaller amount; and Georgia and the other States of the South that have manufacturing enterprises at this time.

It is not necessary to take this cotton from the interior

warehouses until it is needed.

The producer of cotton has a right to look at his cotton whenever he desires, as the title is in him, and he should not be deprived of this right by sending the cotton a thousand miles away to some other warehouse when the cotton is not needed to carry out the barter agreement. [Applause.]

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2697, to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2697, with Mr. Sparkman in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection the first reading of the bill will be dispensed with.

There was no objection.

Mr. STEAGALL. Mr. Chairman, the purpose of this bill is to provide for the delivery of 600,000 bales of cotton now covered by Government loans in settlement of a treaty agreement with Great Britain by which we are to exchange this amount of cotton for rubber of equivalent value? In considering the bill, the Banking and Currency Committee approached the matter with a view of accomplishing the purpose of the bill-to provide for the delivery of the cotton under the treaty contract. There are stored throughout the country in the various warehouses 11,000,000 bales of cotton, plus. Such loans were made by the Government on cotton, the question of storage has been one to be considered by the Commodity Credit Corporation, and by the farmers who produced the cotton and by the legislative branch of the Government. Because of controversy betwen interior and port warehousemen, I do not wish to be understood as approaching this subject from the standpoint of the controversy between the two groups of warehousemen. It was the purpose of the Banking and Currency Committee to avoid entering the controversy with reference to the storage of this cotton. If we could have done so, we would have reported this bill without the slightest reference to the matter of concentration in warehouses or any remote reference to that matter, but here is the situation. The controversy over the storage of the cotton reached the point where the Congress decided to pass legislation on the subject and various measures were enacted. It was the purpose of the Committee on Banking and Currency to leave the law on the subject of cotton storage as nearly as might be precisely as we found it, but it became manifest that under the provisions of the bill requiring the delivery of cotton to Great Britain, the matter of storage had to be dealt with, if we were not to risk repealing or setting aside the existing law on the subject of the storage of cotton, upon which the Government had made loans.

I shall trace that controversy briefly in order that Members may understand its history. This cotton, of course, was originally stored in warehouses in the cotton-growing sections of the country and in interior warehouses—some

of the warehouses are owned by cotton farmers and farmer cooperatives. It developed that a limited number of large cotton exporters and warehousemen sought to secure the concentration of cotton in the larger warehouses and at maritime ports. Naturally the interior warehousemen and cotton growers felt that the cotton should be left where it was produced, where the farmers who grew the cotton could see it and inspect it in person whenever grading and classification and stapling were to take place. Finally the Congress passed an act providing that the cotton could not be moved from concentration in the port warehouses without the written consent of the growers producing the cotton. Following the passage of that act it developed that the Commodity Credit Corporation adopted the practice of including in contracts of loans to individual borrowers an agreement in writing that the cotton might be reconcentrated. Later the Congress passed an amendment to that act providing that cotton could not be reconcentrated without the written consent of the cotton growers and such to be given, in a separate contract agreement in writing, permitting its transfer for reconcentration. Another amendment was adopted by providing that the Corporation might reconcentrate cotton when local warehouses did not have adequate storage facilities, or where cotton was not insured or in cases where substantially lower storage rates were offered, unless such rates were met by local warehouses. It is this law that the Banking and Currency Committee is trying to preserve.

It is our desire to prevent the use of the pending measure, the sole legitimate purpose of which is to accomplish the transfer of this cotton to Great Britain, to be employed as an instrumentality by which the former enactment of Congress may be nullified, and that is all there is in this controversy. That legislation was passed, after the matter had been in controversy for years, and represents deliberate and repeated action by Congress. Not only is that true, but in 1935, as I remember-I am not so sure at the moment as to the date-an act was passed by the Senate to prevent reconcentration of this cotton. The measure was approved by the House and the bill went to conference. The conference was dragging into the closing hours of the session, and a one-man filibuster in the Senate prevented the final adoption of the conference report embodying that legislation as it had been passed by both Houses. But notwithstanding the action of both Houses on that matter, notwithstanding the specific declaration of the legislative purpose with respect to reconcentration of cotton, the authorities in charge of the matter continued their practice of reconcentration, in the face of the express will of both Houses of Congress as contained in the legislation which finally failed of passage because of failure to adopt the conference report in the midst

of a filibuster.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes; I take pleasure in yielding to the gentleman.

Mr. RICH. What is the object of Congress trying to tell the farmer how much cotton he can grow, what price he is going to get for his cotton, where he is going to store the cotton, who is going to be responsible for storing it? Does not the gentleman think the farmers of this country who raise the cotton ought to have something to say about what is going to happen to their product, instead of Congress trying to regulate everything, even to the movement of a bale of cotton and what happens to it?

Mr. STEAGALL. If the gentleman would like to have the answer, I would gladly give it to him. We are fighting now to preserve to the farmers of the cotton-growing sections the right to have a little say about where their cotton shall be stored until it is finally classed and ready for final disposition.

Mr. RICH. Well, it seems that with all the regulation we are going into now, as far as the Government is concerned, that we are going away beyond the pale of common sense and good business, and we are never going to help the cotton farmer the way we are trying to regulate not only the farmer himself but everything the farmer does.

Mr. STEAGALL. If the gentleman will follow his philosophy when he votes on this bill he will vote for it as reported by the Banking and Currency Committee of the House, because it is not our purpose in dealing with this matter to legislate further about where cotton shall be stored or where it shall be reconcentrated. What we are fighting for is to leave that matter where it has been settled by repeated acts of the legislative branch of the Government.

Now, let me answer the gentleman from Michigan [Mr. CRAWFORD], my friend, for whom I have an affectionate regard. The gentleman has a brilliant mind, but let us not allow him to get too keen for us on this bill. The gentleman says he wants to deal only with cotton that is owned by the Government. I call attention to the fact that under the contracts entered into between the farmers and the Commodity Credit Corporation, the day loans become delinguent the Commodity Credit Corporation has the power to declare them in default, and automatically vest title in the Government. It would be possible, if the gentleman's amendment were adopted, for the Commodity Credit Corporation to declare all of these loans in default except the 1938 cotton that we have on hand, and automatically vest title in the Government, and in that way they would be able to move some seven or eight million bales of this cotton to port warehouses for reconcentration. I do not charge that this would be done, but it could be done.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

Mr. STEAGALL. Let me proceed a little further. You will have more time when the bill is reached for amend-

That is the situation. They have the power to declare the ownership of the cotton in the Government when they get ready. The gentleman offered an amendment in the committee which restricted its application to cotton to be delivered under the provisions of this bill. But the amendment which the gentleman read to the Rules Committee. and which I apprehend he will offer here, would fully nullify existing law in every requirement and permit the Commodity Credit Corporation to reconcentrate all of this cotton, to which they could acquire title automatically by declaring the loan in default and reconcentrate it in port warehouses.

Mr. CRAWFORD. Did I understand the gentleman to say that I offered an amendment which applied only to the 600,-000 bales covered by the agreement?

Mr. STEAGALL. Yes.

Mr. CRAWFORD. I beg the gentleman's pardon. I did not offer any such amendment.

Mr. STEAGALL. I think the gentleman is mistaken. If the gentleman will remember, upon reading his amendment at first I questioned that its application would be limited to cotton to be delivered under this bill, but upon rereading I agreed that it referred to cotton to be delivered under this act. I then agreed that it applied only to cotton under this proposal and I so stated to the committee. But the amendment the gentleman read in the Rules Committee left out the language "this act," so that if the gentleman offers that amendment here it will apply to all cotton in all warehouses upon which the Government has loans and then the Corporation can automatically foreclose and acquire title and reconcentrate. That is unquestionably true.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. BROWN. I think the gentleman from Alabama is mistaken. The gentleman so understood it and stated it, but the amendment which the gentleman from Michigan offered before the committee is the same amendment he is offering today.

Mr. STEAGALL. I am in error, if the gentleman is correct. It is a matter of recollection. If the gentleman from Georgia has the same recollection as the gentleman from Michigan. I will not insist upon my recollection as against both of my friends, but my understanding of the gentleman's amendment was as I have stated and in its consideration we did give it that interpretation.

Mr. CRAWFORD. I accept the Chairman's statement in correcting his previous statement and I was just going to let the amendment speak for itself, because it is the exact amendment I offered in the committee.

Mr. STEAGALL. Pardon me, the gentleman means he has the exact amendment he offered in the committee?

Mr. CRAWFORD. The exact amendment, a copy of which I offered in the committee; and in no way do I want my amendment to apply to cotton owned or held by any other than the Government of the United States or its agencies, now or at any other time. I am dealing strictly with cotton the ownership of which is held by the Government.

Mr. STEAGALL. That is what I understood. Under that provision the Government can automatically acquire title to all the 11,000,000 bales of cotton tomorrow, except loans on 1938 cotton, because the loans are past due and under the gentleman's amendment it could be reconcentrated in port warehouses, and I expect that that is what the gentleman favors.

We should not go back to revise the law and set aside the former enactments of Congress in order to pass a bill for the delivery of cotton under this barter agreement.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

Mr. STEAGALL. I have more points I want to cover. I cannot yield now, if my friend will pardon me.

Mr. Chairman, when this matter was first brought to our attention we were confronted with the argument that Great Britain would send representatives to select this cotton and participate in its classification, and that if we required this cotton to be classed and selected from interior warehouses they would have to go to the warehouses in the interior section of the country and examine every individual bale of cotton.

I do not understand that that argument has been submitted here so far, but if it is I want to answer it now. That is contrary to the universal practice in the marketing of cotton that has obtained throughout the lifetime of every man within the sound of my voice. Cotton is always sold by samples. This is the provision of the treaty dealing specifically with the manner in which transactions are to be conducted. Not only is that true, but I read subsection (c) of article I of the treaty itself. Listen to this:

Samples representing the cotton of the grades and staple specified by the Government of the United States will be made available for inspection and acceptance during a period of 6 months beginning 15 days after the entering into of this agreement, and such inspection shall be made within a reasonable time after the cotton is so

The Corporation has 6 months within which to deliver this cotton. Let me say to anybody who does not know how cotton is marketed in rural communities that farmers in Georgia or Alabama do not come to town with cotton on wagons and drive up to a buyer to show the cotton in bales.

They take samples from either side of the bales of cotton. The samples are taken through the towns to the different buyers, and the cotton is sold on such samples. There are criminal provisions in the statutes of the various cottongrowing States making it a crime for a farmer to exhibit a sample that is not genuine; and, of course, in the export of cotton it is sold on the basis of certain classifications and staples. The cotton is handled on that basis, and if it does not come up to the grades or the staples or the weights, reclamations are made upon the shipper and the matter is adjusted. All this is carried on under the customs of the trade.

Let me say further that Great Britain stipulates in this agreement to keep this cotton in storage for 7 years unless it is needed for war purposes. If it is not needed for war purposes, of course, they are not going to burn it in order that more cotton may be sold from the cotton-growing sections of the world; so when Great Britain takes this cotton she is going to take cotton that is marketable under the customs of trade with the spinners of Great Britain. That means that when they come here to get this cotton they are not going to take 600,000 bales of cotton of one grade, or classification, or

staple. They have intimated, so I am told, that they want cotton that measures up to seven-eighths staple and Middling grade. As those know who are familiar with the handling of cotton, there are many grades. They are not going to say they want all above a certain grade. They have many grades from which to select if they do not go below seven-eighths staple and Middling cotton. So there is no likelihood that Great Britain will come here demanding 600,000 bales of cotton of one staple and one grade; and I do not believe that any sane man expects that to be done. Unless this cotton that she takes is actually used for war purposes, it will be turned back into the markets of the world, just as has been done for 100 years by the people of this country. This being the case there is not any reason for the view that we have got to take four or five bales of cotton in order to get one bale of a specified grade, and then take four or five more bales to get another bale of that same classification and staple. Not a man here believes that in order to get 600,000 bales of cotton it will be necessary to move 2,500,000 bales. That is not the case. There is not a man here who understands anything about the cotton business who does not know that what I am stating is the truth. It is not going to happen, that is not the way the cotton trade of the world is carried on.

They have in the port warehouses 1,250,000 bales of cotton, in round numbers. From that cotton the officers of the Commodity Credit Corporation tell us they can get something like 250,000 to 300,000 bales. Later on I think they said they could get 100,000 bales, but they stated to me that if they went to the interior to get cotton to replenish the supply out of which to get the proportion necessary to make up the 600,000 bales they would move cotton from the interior to the port warehouses. To fill the other 500,000 bales called for under the treaty they would move from the interior to the port warehouses 1,500,000 bales. This would mean that after the 500,000 bales were reconcentrated to fill the contract the other 1,000,000 bales would have to be stored in the port warehouses. This is not necessary. It is all foolishness to talk about that. They simply will not have to do it.

Mr. Chairman, there is not the slightest danger that the Corporation will be unable to deliver the cotton necessary to fill this contract. Nobody need be alarmed about that. We Members who have these matters to deal with understand these things. The officials want unlimited discretion, but we do not have to give it to them when it is not needed.

Mr. Chairman, do not be misled by the argument that this is nothing but a quarrel between warehouses. I am pleading for the right of the farmers who grow the cotton not to be entirely ignored and forgotten in this legislation. Unless they want the cotton moved and so long as they have at least nominal title to it, they should have the right to say where it shall be stored and have an opportunity to take part in its inspection and classification. They are the people who were considered by those who enacted this legislation, so that this cotton cannot be concentrated at the maritime ports of the country without the consent of the farmers.

I want to discuss one other point in answer to the gentleman from Michigan. The gentleman talks about the cost of the storage of this cotton, and I call his attention to the present law. This goes to the heart of the whole proposition. It provides for the written consent of the farmer, and so forth, and then has the following proviso:

Provided, That in cases where there is congestion and lack of storage facilities, and the local warehouse certifies such fact and requests the Commodity Credit Corporation to move the cotton for reconcentration to some other point—

Now, do not be misled; this is one provision, but here are others—

or when the Commodity Credit Corporation determines such loan cotton is improperly warehoused and subject to damage, or if uninsured, or if any of the terms of the loan agreement are violated, or if carrying charges are substantially in excess of the average of carrying charges available elsewhere, and the local warehouse, after notice, declines to reduce such charges, such written consent as provided in this amendment need not be obtained.

I want to ask the gentleman from Michigan who is to blame if cotton is being stored under this law at charges substantially higher than those that can be obtained elsewhere? It is purely a matter of administration under the law. If the Commodity Credit Corporation can find a warehouse properly equipped to store the cotton and insure it that will carry a substantially reduced rate, it is the duty of the Corporation, and economic management requires under existing law, that it reconcentrate the cotton in warehouses that offer the reduced charges, unless the original warehouseman will reduce his charge to meet the competitive rate. So, if the gentleman is so insistent upon vesting unrestricted authority in the Commodity Credit Corporation, a power that would permit them to set aside the solemn act of Congress in dealing with this matter of reconcentration, I call his attention to the fact they have the power under existing law to reconcentrate this cotton in order to meet a competitive charge.

Mr. DARDEN. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Virginia.
Mr. DARDEN. The thing that troubles me about this
amendment is this: If cotton is once moved, does it not become ineligible under the terms of this act for delivery to
Great Britain? I mean if it moves from one point to another?

Mr. STEAGALL. I get the gentleman's point. Here is what we have undertaken to do under the bill. They said they were going to deliver 250,000 or 300,000 bales of cotton from the ports. In undertaking to deal with the matter and to prevent nullification of existing law-and that is all we had in mind—we have provided that they should not use in delivery any cotton that is not graded at the warehouse in which it is stored at the time of the passage of this act. That means that in order to get the additional cotton needed to supplement what they have at the ports, they may go to the interior warehouses, but they cannot remove cotton from there to the port warehouses to be selected for delivery, but must grade, sample, and select it in the interior warehouses. Some of this cotton is stored in warehouses that are bonded. They are bonded not only for the delivery of the cotton but they are bonded to guarantee the weight, the staple, and the grades, and the warehouses are not going to risk liability on their bonds by overvaluing, overgrading, or overstapling the cotton that they certify under their bonds for Government

Mr. Chairman, I reserve the balance of my time,

Mr. WOLCOTT. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois [Mr. Dirksen].

Mr. DIRKSEN. Mr. Chairman, I suppose contemporary history ought to be studied much as one solves a jigsaw puzzle. You take a part here and you take a part there and put them all together and ultimately it makes a design. I want to do that briefly with reference to this whole matter of barter agreements rather than deal with the mechanics of the pending bill.

It is only normal, of course, when we have a surplus supply of lard, cotton, wheat, grain, and other agricultural commodities, that there is a great urge to find a market for them, and, as a result, the country has been giving some attention to the barter agreements. But what interests me about the whole barter system, as we are seeking to apply it, is the genesis of the deal.

In April 1939 you will remember that the mythical White House spokesmen denounced all forms of barter agreements. That is only 4 months ago. At the same time the Secretary of State denounced the German system of barter as destructive of all forms of foreign trade. Then on April 10 came the announcement from Senator Byrnes of a proposed barter agreement, whereby we would swap cotton for English rubber and, oddly enough, the President of the United States, the Secretary of Agriculture, and the Secretary of State fell in with the idea, despite the denunciations we had had only a few days before. The barter arrangement was consummated by a treaty which has been confirmed by the Senate and the pending bill merely provides the authority for carrying out the details of the agreement.

An interesting thing about this barter agreement is section 4. It recites the following:

The intention of the Government of the United States and the Government of the United Kingdom being to acquire reserves of cotton and rubber respectively against the contingency of a major war emergency, each Government undertakes not to dispose of its stock (otherwise than for purposes of replacing such stocks by equivalent quantities insofar as may be expedient for preventing deterioration) except in the event of such an emergency

That can be modified only by consultation, and in no event can it be changed for 7 years.

I remember the announcement of this so-called barter deal in April. People heralded the idea everywhere. They thought it was going to have a great impact upon the farm economy of the country. I wonder if anyone can demonstrate what value there is in this kind of a barter agreement, when you take rubber out of an English warehouse and put it in a warehouse over here and take cotton out of a warehouse here and put it in a warehouse over there. You have not in any way diminished the visible supply. The overhang and the depressant effect of the overhang is still there. If the producers of and dealers in cotton still believe there is going to be great virtue and agricultural benefit in this barter deal, let me quote from a trade brochure dated July 21, 1939, and issued by Laird, Bissell & Meeds, cotton brokers, of New York:

Among the recent developments has been the closing of the barter arrangement with the British Government calling for the interchange of 600,000 bales of cotton for rubber. It probably will require the passage of the Byrnes measure to make the cotton available, and, while there has been some opposition to this, administration circles are confident of its adoption. In view of the fact that the agreement commits both Governments to withhold the release of these commodities for 7 years, the trade in analyzing the effect of the barter arrangement, has discarded this as an important price influence.

The cotton trade has therefore discarded the effect of this barter arrangement as a price influence because the agreement prevents the liquidation of these stocks for at least 7 years unless a major war contingency should intervene. A barter arrangement whereby there might be liquidation and consumption of the commodities which are exchanged might, and probably would, have a salutary price effect. Such, however, is not the case with respect to this agreement.

In April of this year the President and the Secretary of State, after first denouncing the barter system, shortly thereafter gave assent and approval to a limited barter system with countries which were not affiliated with the so-called totalitarian powers nor with the totalitarian or axis countries. This means, of course, that no barter agreements would be negotiated with Italy and Germany. That is most interesting and significant. It is interesting because a group of Members of this House from the South, the West, and the North have been meeting together to determine on some plan that might aid the distressed farmers of the Nation and find a market or outlet for our vast surplus of farm commodities.

In that connection may I say that only on Saturday night of last week a group of Members met at the Raleigh Hotel in the interest of the farm problem and falling prices and adopted a resolution. This is the language of the resolution, which memorializes the Secretary of State:

That the Secretary of State and the Secretary of the Treasury be requested to permit the exchange of surplus agricultural commodities for German goods now on the free list without the imposition

How far would that proposal get in the light of what the President said—that he was in favor of a barter agreement so long as it did not take place between this country and a totalitarian country or one affiliated with the axis countries?

Here were a score of Members of Congress sitting in solemn conclave on Saturday night of last week at the Raleigh Hotel, hoping fervently that we might divorce this whole problem of barter from diplomacy, from statecraft, and all the other things in which it is enshrouded, and find trade and business anywhere it might be found. With vast supplies of corn and pork coming on to be added to the already burdensome supply and low prices, our farmers are more interested in markets than they are in hating people. It is a rather expensive kind of hate when it is realized that these countries could use two hundred or three hundred million pounds of our fats and oils and that they do not now purchase any of these from this country.

What did the Secretary of State say about it? On the 27th of July the New York Journal of Commerce indicates him as taking the stand that one of the suggestions of export sales to Germany has been definitely rejected. If barter is good for one country, it is good for another. I do not care where they find markets. If an axis country is willing to take 100.000.000 pounds of lard, which is quoted on the Chicago market today at 51/2 cents, the lowest in 70 years, then neither the President nor the Secretary of State should adopt such an unneutral attitude as was expressed in the April statement by the mythical White House spokesman that they are willing to barter with other countries for the disposal of our surplus commodities from this country, but they must be selected countries, and the barter must be done on a basis that prevents the use and consumption of these surplus farm commodities. For the moment, markets are the important thing, and if other nations will not relent in their trade practices, then we must meet their competition with whatever weapons are at our command. In this connection, let me insert the article which appeared in the New York Journal of Commerce this morning, because it is most apropos and significant:

[From the New York Journal of Commerce of July 27, 1939] PROGRAM IS SOUGHT TO REMOVE SURPLUS OIL AND FAT STOCKS— CONGRESS BLOC SEEKS AID FROM BUREAUS—REICH BARTER DEAL BARRED

Washington, July 26.—With tremendous surpluses of domestic oils and fats building up in the United States, the Washington Government was today seen faced with a most serious situation necessitating some sort of Federal aid to the producers in the finding of additional markets, as legislators explored various approaches with officials of the Departments of Agriculture, State, and Treas-

ury.

Several conferences were held at the Department of Agriculture and the Capitol, and tomorrow Secretary Wallace will take up with his experts the various plans that have been outlined as providing means for dealing with the situation. They also will report back to the congressional oils-and-fats bloc tomorrow afternoon.

One of the suggestions—that of export sales to Germany—was definitely rejected by the administration today. State Department officials turned thumbs down on any barter deal with the Reich, despite the fact that it was declared to them that this was perhaps the only way by which that Government could take the additional large quantities of these products.

HULL SILENT ON PROPOSALS

Members of the bloc admitted that prospects for the expansion of export trade were not very bright, following the conferences, but they did feel that there might be some increase in lard shipments to Cuba and the United Kingdom this year.

Secretary of State Hull, at his press conference this noon, while avoiding comment upon the propositions presented to Secretary Wallace, gave newspaper correspondents the impression that he considered export subsidies justifiable in emergencies, while pointing out that so long as there is political unrest in Europe, situations now complained of will continue.

The attention of officials was called to early afternoon reports that Secretary Hull was opposed to emergency use of subsidies to influence our exports. It was declared that there was nothing in the brief, although rather confusing statements of the State Department head, that would justify such an interpretation.

He explained that he had only then heard of the meeting of the congressional delegation with Mr. Wallace, adding that he preferred to await the presentation to him of such plans as the legislators may have in mind before expressing himself publicly. In passing he declared that "we will continue for an indefinite time to have serious repercussions, especially from Europe, on our domestic situations."

USES FUNDS FOR ARMS

He reiterated that Europe is using all the money that can be acquired for the purpose of increasing armaments and for further preparations for war, all of which, he commented, constitutes an unproductive process and keeps business in suspension in Europe and in this country. It dries up the purchasing power of Europe

and in this country. It dries up the purchasing power of Europe for necessary subsistence commodities such as oils and fats.

It was apparent that he considered that no matter what is done, even to meet a temporary situation, the disruptions to our trade and the ill effect upon our price structure and consequently upon our whole domestic economy, will continue until such time as Europe reaches a more normal condition where it can once more above our expects. more absorb our exports.

Commenting on the conference he held this morning with close to 40 Congressmen from Southern States, Secretary Wallace said that he had no idea at this time what will be done in an effort to

relieve the situation because of its magnitude. He said that while

relieve the situation because of its magnitude. He said that while the group that called were interested in the price of cottonseed oil, they felt that the solution to the problem would come in a large degree through removal of lard stocks.

The Secretary explained that indications pointed to a surplus of edible oils and fats in the United States this year of about 500,000,000 pounds. He added that it would take several removal plans to take care of these large stocks, and stated that a program would not necessarily concentrate on lard alone.

Suggestions broached to the department, Mr. Wallace said, included export subsidy for lard, surplus purchases through the Federal Surplus Commodities Corporation, placing the product on the surplus list for purchases under the stamp plan and barter agreements with Germany and any other countries.

FUTURES ADVANCE

Both lard and cottonseed oil futures have advanced sharply within the past 2 days on rumors that the Government intends to purchase large quantities of lard and cotton oil for relief purposes, grant a subsidy to encourage exports to Germany and other European countries, and possibly store quantities of cottonseed and the oil.

and the oil.

Prices on cotton oil rocketed 21 to 29 points shortly after the opening yesterday on short covering for domestic and foreign account. A large proportion of the gains were maintained until the end of the session. The majority of traders appeared to be awaiting developments in Washington before making commit-

ments in either direction.

Lard futures were also firm and advanced 22 to 25 points during the early part of the session on active covering prompted by the news from Washington. Closing prices were 22 points higher on the active deliveries.

It is not so long ago that we had a reorganization bill on the floor. Do you remember when we had the reorganization bill here, and we transferred the Bureau of Foreign Commerce from the Department of Commerce to the State Department? I stated at that time that I did not like to see it go into the State Department, because international trade and international barter will very definitely be hooked up with considerations of diplomacy. Here we have it now in the form of a barter agreement made in the face of a possible military contingency, not to be changed in any respect until there has been mutual consultation, and then not for a space of at least

Finally it is provided in the barter agreement that if there should be anything that is in the nature of an export subsidy on cotton before the delivery under this agreement has been completed, we have to give to Great Britain the proportionate share that would be represented by the export subsidy. Examine that barter agreement and see whether it does the same thing for us with respect to rubber. You will not find it there. As a result, I am not so sure that we are going to find the full measure of benefit in a barter system unless we receive a complete measure of reciprocal treatment and find markets wherever we can, ranging through the world, for every commodity that may be regarded as surplus.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman vield?

Mr. DIRKSEN. I yield to the gentleman from California. Mr. THOMAS F. FORD. Is the gentleman in favor of giving the Nazi government the advantage of an agreement such as this?

Mr. DIRKSEN. I am in favor of finding a market for 500,000,000 pounds of oils and fats that are surplus in this country today. I do not care where we find it. [Applause.]

If we are to venture into the field of barter, let us divorce it from all considerations of diplomacy and attack the matter in a manner that does credit to the commercial shrewdness of this Nation. A little less hating and a little more bargaining may go far toward repairing the ruinous prices which now stare our farmers in the face on their surplus products. I am sure that such is the sentiment of a large number of members of this House from half the States of the Union, who are greatly disturbed by tobogganing prices, diminishing exports, curtailed markets, and new crops in the making.

We are not at war with these countries. We have a surplus. They have a shortage. Shall we permit our disapprobation of the things they have done stand in the way of an exchange of commodities which might be mutually advantageous and expand the export market for our vast surplus?

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, I have lengthy correspondence in my office, extending over several years, in an attempt to get for New England a little share of this cotton for storage. It has been shown today by previous speakers how shrewdly the people of the South have monopolized this storage. It is a strange thing, indeed, that where the cotton is to be actually consumed, where small amounts at a time are desirable to be of immediate availability, they have been unable to get a proper share of storage.

This bill is more important than appears on the surface. The Commodity Credit Corporation owns no cotton. It holds only the notes of the farmers and must take possession, although, as the chairman says, quite "automatically." I suppose there must be a little something done before seizure can be made, but they have lived under this pretense for a long time, holding the notes at par value, representing them to the country as assets in the full amount. Now, they say in their explanation that they will probably take over the 1934 cotton, the notes for which were at first renewed, but lately have been carried as overdue. They would take possession of that particular cotton and attempt the proposed exchange. Will the losses then be ascertained?

The point I wish to make is the proponents of this bill wish to take from the maritime ports what they have already in storage, and make doubly sure that none is taken from the interior to replace the amount so taken.

They may be very much mistaken. In view of the demands of the British people for the kind of cotton they will desire, we hardly think they will find half as much or one-third as much in the maritime ports as may be required. Can we not urge upon you southern people some little consideration for New England in these matters? We are drawing further and further apart in trying, apparently, to rob one section of the country for the benefit of the other.

Startling truths have appeared in the last few days in the papers of this country because of the speech made by the gentleman from Massachusetts [Mr. Bates]. It is having its reverberations. While much of that story has often been told before, today the country was greatly informed by that speech and is awakening to what is being done to our part of the country to the great advantage of so many so-called backward States unable or unwilling to bear their proper share of public expense.

I plead for a decent regard for New England in the matter of this storage racket and ask that attention be paid to the amendments that will be offered by Mr. MARTIN of Massachusetts providing that those places where cotton is consumed have a reasonable amount of storage granted to them.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. CRAWFORD. Does the gentleman understand that in view of this barter agreement and its effectuation the Commodity Credit Corporation is now forced to take over title to approximately 6,346,000 bales of cotton?

Mr. GIFFORD. I do not; but, of course, they tell us they will go back to the first loans made and try to get rid of that particular cotton. Under this language, I want to say to the gentleman from Michigan, they "can procure, convey, transport, handle," and I do not know but that under this bill they may pay the cotton farmers a price that will take care of not only what they owe but even pay them a higher price and also assume all the expenses hereinbefore incurred. There seems to be a blanket authority here. The Commodity Credit Corporation does not yet own cotton, and you do not say that they must foreclose in order to get it. They may recover or they may purchase of the farmer at such prices as they may determine.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. Thomas].

Mr. THOMAS of Texas. Mr. Chairman, I am not unmindful of the feeling that exists here on the floor of the House toward port warehouses. I think that feeling is based upon a misapprehension and upon misinformation. I think it is generally believed that, perhaps, the port warehouses have more or less received an unfair advantage in receiving more than their share of this loan cotton.

Mr. Chairman, that is not true. They have not received their fair share. Let me give you some figures: In the 1934–35 crop, for every bale that the port warehouses received, the interior warehouses, I want to say to my distinguished and genial friend from Georgia [Mr. Brown], received two bales; and in the 1937–38 crop, for every bale that the port warehouses received, the interior warehouses received seven.

Mr. BROWN of Georgia. And is it not true that there are 25 times more interior warehouses than there are port warehouses? We have only a few port houses owned by big corporations.

Mr. THOMAS of Texas. Now, in a spirit of candor and frankness, without criticizing anybody, just let me give you the facts.

Commodity Credit Corporation—Statement showing 1934-35 and 1937-38 loan cotton stored at port and interior locations for each State

	1934-35		Total.	1937-38		Total.	Total, 1934-35
	Port	Interior	1934-35	Port	Interior	1937-38	and 1937-38
Alabama	22, 046	199, 276	221, 322	4, 421	777, 976	782, 397	1, 003, 719
Arizona				100	56, 292		
Arkansas		121, 483	121, 483		548, 390		
California	5, 377			100, 480			
Florida	2,942	49			1	177	
Georgia	111, 525				431, 462		
Illinois	0	1, 147			21	21	1, 168
Louisiana	122, 710	17, 603			232, 780	299, 432	
Mississippi	26, 665	36, 477	63, 142	10, 784	583, 415	594, 199	
Missouri	0	0	0	0	76, 585	76, 585	76, 585
New Mexico	0	0	0	0	36, 687	36, 687	36, 687
North Carolina	5, 527	95, 924	101, 451	2,302	117, 292		
Oklahoma	0	54, 839	54, 839	0	75, 900	75, 900	130, 739
South Carolina	11, 181	92, 788	103, 969	13, 282	240, 892	254, 174	358, 143
Tennessee	0	190, 693	190, 693	0	295, 126	295, 126	485, 819
Texas	201, 728	74, 664	276, 392	485, 812	1,065,210	1, 551, 022	1, 827, 414
Virginia	16, 466	1, 204					
Total	526, 167	1, 136, 543	1, 662, 710	699, 199	4, 581, 102	5, 280, 301	6, 943, 011

Port:		
1934-35	526, 167	
1937-38	699, 199	
Interior:		1, 225, 366
1934–35	1, 136, 543	

937–38 4, 581, 102 — 5, 717, 645

6, 943, 011

I do not like to disagree with my good friend from Alabama [Mr. Steagall], the chairman of the great Committee on Banking and Currency, but in my humble judgment the farmer has nothing to do with this. He is not interested in this matter as a practical matter. He has already lost title to it, and he is not going to redeem it; and to be perfectly frank about it, this is a fight between two strong groups, both subsidized right now by the Government. They are being subsidized at the expense of the farmer. Those two groups are the port warehouses and the interior warehouses. The cotton compressing and storage business is controlled throughout all of the Cotton States by a small handful of men.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. Not at this time. Let me give you the picture that existed on this compressing and storage business in Texas prior to the time when the A. A. A. was heard of. In Texas, in the port towns of Houston, Galveston, Beaumont, Corpus Christi, and Brownsville, there had been built with private capital not subsidized by the Government warehouses that handled 75 percent of all of the cotton produced in Texas, because it was the cheapest way to handle it. Competitive business dictated it. The interior warehouses handled about 80 percent of compressing, not the storage, because they could compress it more cheaply in the interior; but when it was compressed it came on down for storage to the port towns, about 75 or 80 percent of it. That was under normal competitive conditions before the Government started subsidizing either group; but now since the

Government is subsidizing warehouses, what is the picture? Instead of the port towns getting 75 or 80 percent of the storage they are getting only 20 or 25 percent of it, and the interior is getting 75 or 80 percent of it. All I want to do is to see it become even.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. STEAGALL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Thomas F. Ford].

Mr. THOMAS F. FORD. Mr. Chairman, this seems to have simmered down to a battle between warehousemen, but what this House is interested in is the shipping to Europe 600,000 bales of cotton to relieve the present surplus. I hold no brief for either the interior or the port warehousemen, and when the matter came to our committee we undertook to place an amendment on the bill that would equalize the situation between the two of them. Under this bill 300,000 bales of cotton will be taken from the port warehouses and 300,000 bales of cotton from the interior warehouses. It is a 50-50 proposition, and I hope gentlemen will pass the bill and give us this perfectly fair measure to the cotton growers of the United States. We do not give a darn about the warehousemen but we are interested in the fellow that raises the cotton and is trying to sell it.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. August H. Andresen].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am in favor of this bill and hope that it will pass without a great deal of opposition. I rose to make a few observations on how the cotton farmers can get rid of the other 11,500,000 bales, and also how the hog farmers and the other farmers growing surplus commodities may also get rid of their surpluses.

Six hundred thousand bales of cotton is just a drop in the bucket. We have around 12,000,000 bales of cotton under Government loans. By January 1 of next year I predict that if we have not disposed of some of our cotton in the export market, we will have at least 15,000,000 bales under loans. It costs the Government better than \$45,000,000 a year to carry that cotton. What we representing the agricultural sections of the country are interested in, is to secure a price level that will restore the purchasing power to the farmers of the country. We cannot do that for either cotton or any other farm commodity if we have large visible supplies in this country overhanging the market and depressing domestic price levels.

Do you know that if we had passed an amendment which I offered to the monetary bill in April, we could have gotten rid of every bale of cotton at the market price, without any additional cost to the Government?

For the past 4 years the New Deal has fixed and maintained the world price on gold at \$35 an ounce, as against the old historic price of \$20.67 an ounce. The higher price fixed by the President has only been paid to foreign gold speculators and for newly-mined gold in this country. The result has been an accumulation by the United States Treasury of sixteen and a quarter billions of dollars worth of gold, nearly all of which is buried in the ground down in good old Kentucky. Of this large amount of gold, nearly 70 percent of the world's supply, more than \$9,000,000,000 represents foreign gold purchases for which the Treasury has paid a premium of nearly \$4,000,000,000—an outright gift to foreign gold speculators in 4 years' time.

Since the first of May our Federal Treasury, under orders of the President, has purchased \$1,200,000,000 worth of foreign gold. We have paid foreigners a premium of \$480,-000,000 for that gold. All of that premium, all of that money has gone to foreign gold speculators and international bankers. The amendment that I sought to have adopted as a part of the devaluation bill was to earmark the subsidy and compel these foreign speculators to use that subsidy of \$14.33 an ounce to purchase manufactured and farm commodities produced in this country. If the foreign speculators did not use the gold subsidy for the purchase of American farm and manufactured products, they would only receive

the old price of \$20.67 and no subsidy. Four hundred and eighty million dollars in 4 months' time would have taken 80 percent of the cotton that we now have under Government loans, and we would have gotten rid of virtually all of it and raised the price of cotton for southern farmers.

The administration opposed my amendment because it was contrary to the good-neighbor policy of the United States, which policy consists in giving away our American market to foreign producers, and which further consists in playing Santa Claus to the people of other countries of the world and neglecting American farmers, laborers, and other producers in the United States.

It is about time we woke up and protected our American market for our own people. The condition for cotton, the condition for the rest of agriculture is lamentable. It will be worse tomorrow than it is today, because as long as we pursue a policy of giving advantage to foreign producers, foreign speculators, and international bankers, and are not taking care of our own people, we will find that the day of reckoning will bring the American producer down to the lowest standard in the history of this country.

I favor this particular bill because it helps remove a small portion of our domestic surplus, but it is only a drop in the bucket. However, we should discontinue to play Santa Claus to the rest of the world and pass legislation which will benefit American producers, instead of continuing a program for the sole benefit of foreign speculators and international

bankers. [Applause.]

Mr. WOLCOTT. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Chairman, the gentleman from Georgia [Mr. Brown] took the position that the amendment which I propose to offer is not germane to this bill. It is germane for this reason: Prior to the effectuation of the barter agreement 6,943,000 bales of cotton, we must assume, were in the name of the cotton grower. Ipso facto and ipso jure the cotton becomes owned by the United States Government, and at that point the savings to the taxpayers of this country, through Government operation, becomes germane, whether agreed to by the gentleman from Georgia or the gentleman from California. Here is a shift in ownership of this cotton which is tied into the barter agreement.

Mr. Goodloe, vice president of the Commodity Credit Corporation, advises me under date of July 26 that the title to all of this cotton, 6,943,000 bales, is being taken by the Government. Therefore, as our friends have stated that only 600,000 bales are in controversy, that is not according to the

facts set forth in Mr. Goodloe's letter.

Mr. Goodloe further says—and I call the Committee's attention to this interesting statement, because this statement which I am about to read runs contrary to the statement which is included in the report of the Committee on Banking and Currency on this bill.

Mr. Goodloe says:

The British Government has informally indicated it will desire cotton grading middling seven-eighths inch or better, it is probable that not more than 100,000 to 150,000 bales of the 1934-35 loan cotton can be used.

Therefore you have to go into the 1937-38 cotton, and that is conclusive evidence from the Commodity Credit Corporation that you cannot find 300,000 or 350,000 bales of cotton in port warehouses which will meet requirements of the British Government.

Furthermore, the Commodity Credit Corporation says:

The estimate of 250,000 to 350,000 bales of cotton now stored at ports which would probably meet British specifications is reasonably accurate, considering all ports. However, the California and Atlantic ports should be eliminated because of higher freight rates from California and the proximity of Atlantic ports to domestic mills.

The warehouses located in California will be protected by the terms of the agreement, and of course the gentleman from California is quite satisfied to have the situation remain so that those will be protected.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. But let me go back to this-

Mr. THOMAS F. FORD. The gentleman has mentioned my name. Will the gentleman yield? If you are an honest man, you will yield.

Mr. CRAWFORD. May I inquire if the gentleman said if I was an honest man I would yield?

Mr. THOMAS F. FORD. Yes.

Mr. CRAWFORD. Mr. Chairman, I resent that statement. I emphatically insist that he had no right to make such a statement.

Mr. THOMAS F. FORD. Then why do you not yield?

Mr. CRAWFORD. Mr. Chairman, I decline to yield. I insist that I be protected from the gentleman's interference. The CHAIRMAN. The gentleman from Michigan will proceed.

Mr. CRAWFORD. The chairman of the committee has pointed out that the language of the law of June 16, 1938, reads:

Or if carrying charges are substantially in excess of the average for carrying charges available elsewhere, and the local warehouse, after notice, declines to reduce such charges.

Now, may I ask, Mr. Chairman, suppose you were operating a warehouse and the Commodity Credit Corporation steps up to you and says: "Mr. Warehouseman, your rates are too high;" and you would say in all truthfulness: "My rates are not substantially higher than the rates charged by other warehouses," and I submit the schedule showing the uniformity of rates of cotton warehouses over the United States. Here are the schedules. The rates are substantially uniform throughout. I take the position that the Commodity Credit Corporation, under existing law, cannot protect the taxpayers of this country on the storage of 6,900,000 bales of cotton, the title to which the Government has now taken. If we want our bureaus to be honest and protect the taxpayers, our citizens, then why do we not give them a law under which they can operate and thus give us that protection? If we want the warehouses protected, that is a different proposition, and here I am pleading for the savings of \$12,000,000 or \$15,000,000 per annum on storage of cotton owned by the Government, and I make no reference to cotton owned by the farmer. If it is to remain in storage 5 years, that means a possible savings of say \$75,000,000, or if it is to remain in storage 10 years, it means, say, \$150,000,000. Who on this floor will say this cotton is going to be disposed of within the next 3 years, or the next 5 years? You know as well as I do that cotton stocks will increase instead of decrease. You know that unless we check warehouse charges, storage rates will go up instead of down; and the schedules showing these contractual obligations on the part of the Commodity Credit Corporation in which schedules are set forth warehouse rates charged, substantiate the statement I have just made. Private industry, of course, will run up the price on the Government unless we check them. Do you mean to say that the Commodity Credit Corporation has not carried out the instructions of Congress? If so, Mr. Chairman, we had better look into that situation. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired. The Clerk will read. The Clerk read as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, whenever the President, by and with the advice and consent of the Senate, has concluded a treaty involving the exchange of surplus agricultural commodities produced in the United States which are held under loans made or made available by the Commodity Credit Corporation for stocks of strategic and critical materials produced abroad, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed by the Secretary of Agriculture, to accept such strategic and critical materials in exchange for such surplus agricultural commodities; and for the purpose of such exchange the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, acting jointly through the agency of the Army and Navy Munitions Board, shall determine which materials are strategic and critical and the quantity and quality of such materials. In order to carry out the provisions of this act the Commodity Credit Corporation is authorized, upon terms and conditions prescribed by the Secretary of Agriculture, to procure, convey, transport, handle, store, maintain, or rotate such surplus agricultural commodities, and such reserve stocks of strategic and critical materials, as may be necessary to accomplish the purposes of this act.

Such reserve stocks of strategic and critical materials shall be stored on military or naval reservations or in other locations approved by the Secretary of War and the Secretary of the Navy. The Commodity Credit Corporation is authorized to transfer such reserve stocks of strategic and critical materials, upon such terms and conditions as the Secretary of Agriculture shall approve, to any other governmental agency. Such reserve stocks of strategic and critical materials shall be made available or disposed of by the Commodity Credit Corporation or other governmental agency only upon order of the President in accordance with the terms of the applicable treaty; when necessary to prevent deterioration, the Commodity Credit Corporation or other governmental agency is authorized to replace those quantities of the reserve stocks of such strategic and critical materials subject to deterioration with equivalent quantities of the same materials. The funds now or hereafter made available to the Commodity Credit Corporation are hereby made available to carry out the purposes of this act. There is hereby authorized to be appropriated such additional sums as may be required to carry out the provisions of this act. All funds for carrying out the provisions of this act shall be available for allotment to bureaus and offices of the Department of Agriculture, and for transfer to such other agencies of the Federal Government as the Secretary of Agriculture may request to cooperate or assist in carrying out the provisions of this act.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 16, after the period insert the following: "In determining specific cotton to be exchanged under this act, the determination shall be made by sampling and selection at the place where the cotton is stored on the date of enactment of this act, and no cotton shall be exchanged which, after such date, is transported to another place and there sampled and selected."

Mr. FULMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in listening to the debate on this bill I have been very much amused. My good friend from Michigan ran all around over the lot and made a fine statement, but barely touched on the question now pending before the Committee. The real purpose of the bill that we are now considering is to permit the exporting of 600,000 bales of cotton, and all this question about where the cotton is located, where it should be located, or just how you are going to move it, or whether or not it ought to move, are questions far removed from the question pending before the Committee.

In 1936, I believe it was, the Commodity Credit Corporation under rules and regulations of their own decided to move the cotton from the warehouses out in the country, mostly farmers' warehouses, into the central part of the States. There was so much kicking about this unfair move on the part of the Commodity Credit Corporation until they put a stop to that program.

Later they agreed to turn the cotton, or lots of it, back to farmers, and farmers have to sell from receipts, in that their cotton had been moved.

In the Sixty-seventh Congress, during my first term, I introduced, and there was passed, what is known as the United States Cotton Standards Grading Act. Later on every foreign country in buying our cotton accepted our standards, and today it is a universal standard in the grading of cotton. In other words, we now have licensed graders and they grade this cotton in every State, in every port, and in many of the larger warehouses and cotton centers, certifying the grades. Today, as stated, these certified grades are accepted in every foreign country. Of course, they have the right to reject and call for an arbitration.

As to the 600,000 bales of cotton we are talking about, you do not have to take a bale of it to any port for the purpose of sampling and grading. This cotton will be sold on sample, and the 600,000 bales can be located in any State or in any warehouses where it can be properly graded and certified to. These grades are sent to the representatives of Great Britain by sending the actual samples taken from the cotton.

They have the right of passing upon the grade of the cotton, accepting or rejecting any part of it, as stated. Think about it, my friends, for that is the actual practice in exporting cotton. The Anderson Clayton Co. is the largest exporter in the United States or perhaps in the world, located in Texas. They are exporters in all of the cotton pools. Do you think that an exporter would have to go out and buy

2,000 bales, having same shipped into Charleston, S. C., for instance, for the purpose of selecting 1,000 bales to be exported? That is the most ridiculous thing I ever heard of.

What the gentleman from Michigan wants to do, and what the Commodity Credit Corporation wants to do, is to have complete control and do as they please about it, just as they did after we passed the agricultural bill. We said in that bill that they could not move the cotton unless the farmers agreed to it, for the cotton belongs to the farmers, and a lot of it is in the farmers' warehouses.

What did they do? They wrote in the application for a loan a release, and the farmer had to sign it to get his loan, and in doing so he was signing away his rights. had to pass another bill amending the act to further protect the farmer and the warehouseman. Mr. Chairman, the only question before the House this afternoon is in reference to the passage of a bill permitting this country to barter with Great Britain 600,000 bales of cotton. All of this talk about having to ship in 3,000,000 bales for the purpose of getting 600,000 bales, so that some agent from Great Britain can come over here and examine and agree to it is nonsense. That statement was made for the purpose of getting complete control of the cotton, so that the Commodity Credit Corporation, under the influence of people who own the large warehouses, can take it wherever they please. I hope you will vote down every amendment that is offered, and vote for this bill as amended by the committee amendment, which will give them the right to export 600,000 bales of cotton. They can get it in my State, just as in Texas or anywhere else. They may ship it to those ports for export. They do not have to take a bale from the ports of Texas or any other port. If the other matter is an important question, let that come before the Congress in the proper way so that it can be properly debated. [Applause.]

[Here the gavel fell.]

Mr. THOMAS F. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have just heard a very illuminating statement on the real facts involved in this controversy. What the United States is trying to do is export 600,000 bales of cotton and thus reduce the terrible overhanging surplus of cotton that we now have. Of course, there has been injected into this controversy a battle between the port warehouses and the inland warehouses. As to that battle I have no interest one way or the other, but the Banking and Currency Committee in its wisdom, or otherwise, as you may see fit to designate it, undertook to append to this bill an amendment that would balance the controversy between the ports and the inland warehouses. Therefore that element is out.

What we are interested in at the present time is the exportation to Great Britain of 600,000 bales of cotton, and to take therefore an equivalent amount of rubber that this country would need in case of an emergency. I plead with you not to permit the warehouse proposition or the ridiculous proposition that some Members will try to inject as to rates, and so forth, to enter into the consideration of this bill. I tried to get the gentleman from Michigan to yield to me on a matter that was before the committee. He stated that I was not fair with him when I asked him to do that. The proposition that he has put before this House has no bearing whatever on the present situation. He is attempting to amend existing law that has no place in this particular bill.

Mr. Chairman, I do not come from a cotton country. I have no interest in cotton so far as my particular district is concerned. What I am interested in is to have this 600,000 bales of cotton shipped from the United States to some other country and that we get in exchange for that an equivalent amount of rubber that this country may use in case of an emergency. I plead with you not to let these fellows muddy up the waters with extraneous matters. I ask you to vote for this bill as it stands. [Applause.]

Mr. THORKELSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am going to speak about money.

Theoretically we are trading cotton for rubber, but we are actually exchanging these commodities for gold credit. Before going off the gold standard, our dollar was worth 25.8 grains of gold. It is now worth 15.521 grains of gold. England abandoned the gold standard before, but did not tie the pound to a fixed gold content. So we may assume that prices on commodities in England are still based upon the old valuation of the pound.

Rubber is now worth $16\frac{1}{2}$ cents a pound while cotton is worth 9 cents a pound. In order to demonstrate this, I shall assume that cotton and rubber are worth the same, namely, 10 cents a pound. If we ship a thousand pounds of cotton to England, it will be worth approximately 20 pounds sterling in English money. In our money it will be \$100, or 1,552 grains of gold. The rubber which amounts to the same in dollars will be, according to the old valuation, worth 2,580 grains of gold, for we must assume that commodities in England are still sold on the old standard of gold to the dollar, namely, 25.8.

When this product reaches England, we will find there will be a difference of 40 percent in the grain gold value. In other words, our 1,000 pounds of cotton will represent 1,552.1 grains of gold, and 1,000 pounds of rubber will represent, on the old gold standard, 2,580 grains of gold. In order to balance the difference in grains of gold it will be necessary for us to furnish an additional 400 pounds of cotton. For example, we give England 1,400 pounds of cotton to balance the international exchange on this trade or barter.

Mr. THOMAS F. FORD. How many pounds?

Mr. THORKELSON. Fourteen hundred pounds.

Mr. THOMAS F. FORD. Fourteen hundred pounds?

Mr. THORKELSON. Yes.

Mr. THOMAS F. FORD. That is an awful amount, I am

Mr. THORKELSON. That is a very intelligent remark, I would say. I am dealing with this thing as an example and I do not think the gentleman understands it.

Mr. MASON. He did not recognize the fact it was an example the gentleman was using.

Mr. THORKELSON. This simply means we will have to give an additional 40 percent in value as a subsidy to England, because international trade balances are settled on a gold basis. In other words, we will be paying 23 cents a pound for the rubber that we could buy for 16.5 cents a pound, which is now the prevailing market price, or we will sell the cotton to them for 5.4 cents in American money. The people who will pay the difference will be the taxpayers of the United States and the people who will receive the benefit will be the people of England. You are giving them in this transaction 40 percent in value, because the English money is not tied to a fixed gold standard. This, of course, is a possibility. It would have been much better for the United States had we gone off the gold standard entirely, for international transactions would then have been conducted on the old valuation, namely 25.8 grains of gold. The fact that we have tied our dollar to a fixed gold content of 15.521 grains of gold may prove very embarrassing to us at some future date. If the President devaluates the dollar to the point allowed, namely, 12.9, it will probably end in a muddle, because there is danger in playing with the gold content of money. Had we gone off the gold standard entirely, all international transactions would still be carried on the old valuation, which would mean that 1 ounce of gold would buy only \$20.67 of credit, as it did before 1933. It is the taxpayers in the United States who pay the difference, and it is they who pay all the losses. It is the taxpayers who are going to set it right when they realize the manner in which business is handled today. I do not believe the people of the United States or the taxpayers are willing to donate to Great Britain or any other foreign country 40 percent of the value of any commodity, because it can only end in poverty and bankruptcy for ourselves. [Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Crawford to the committee amendment: On page 2, line 20, after the word "selected", change period to a colon and add "Provided, That in determining specific cotton to be exchanged as set out above, preference shall be given to cotton drawing the highest storage rate, to the extent same may be done effectively and efficiently."

Mr. CRAWFORD. Mr. Chairman, the effect of this amendment is to effect a saving for the taxpayers of this country in that the Government is taking title to this cotton, and this amendment would enable and authorize the Commodity Credit Corporation to draw cotton for the filling of the English barter agreement from those warehouses where high storage rates are being charged the Commodity Credit Corporation by the warehousemen. It is a direct approach to the problem of the cotton, which is actually to be delivered in filling the barter agreement between the United States and Great Britain.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia. Mr. BROWN of Georgia. Of course, the gentleman understands that compressed cotton is carried at a much lower rate than the baled cotton because the package is only about one-third as large. This amendment would mean that you would not take any of the cotton at the port where the cotton is now ready to go. You would go inland and take it all from the inland warehouses, and the transaction would be much more costly to the Government. The gentleman's amendment is not practical at all.

Mr. CRAWFORD. Mr. Chairman, the terms of the barter agreement as set forth in the Senate document is available from the clerk of the Senate. This cotton must be compressed. Those who are familiar with ocean shipping, and particularly with the bulkiness of cotton, know that it must be compressed and reduced in physical volume before the British Government will accept it in the barter deal. This is specifically provided for in the terms of the barter agreement. Of course, all of this cotton is going to be compressed before it is delivered, and it will be compressed at the expense of our people, and not at the expense of the British Government. If the Commodity Credit Corporation has the power to effect reduced rates or reasonable rates on the storage of cotton, this is one way to proceed to do it; and I ask that the amendment be adopted.

Mr. STEAGALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, storage charges on cotton have varied from time to time. They run all the way from 12 cents in some instances to 18 cents. The highest rate being paid is 18 cents, until the last crop was stored. I am advised that on the last crop a charge of 25 cents is being paid. This information comes from the Commodity Credit Corporation officials.

Mr. FULMER. Mr. Chairman, will the gentleman yield?
Mr. STEAGALL. I yield to the gentleman from South Carolina.

Mr. FULMER. May I say to the gentleman that the 25-cent charge has reference only to certain small warehouses. Today, with a new crop, they still charge the regular price of 12, 15, or 18 cents per bale, depending on where the cotton is located.

Mr. STEAGALL. In any event, if large quantities of the 1934–35 crop should be drawn in supplying the 600,000 bales provided for in the bill, the provisions of the amendment before the Committee would seriously interfere with the administration of the act in accordance with the purposes disclosed by the officials of the Commodity Credit Corporation. They have stated to me repeatedly that it is highly desirable and it is their purpose to supply the 600,000 bales of cotton from the cotton on hand accumulated from the 1934 and 1935 crop to the extent that it can be used to meet British specifications and the balance from the accumulated stock of the 1937–38 loan cotton as must be used. For that reason, it seems to me, the gentleman's amendment would be confusing and render very difficult the administration of the act, as contemplated by the officials of the Corporation.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentle-man yield?

Mr. STEAGALL. I yield to the gentleman from Cali-

Mr. THOMAS F. FORD. Is not the gentleman trying to amend existing law that has no reference to this particular project whatever?

Mr. STEAGALL. The whole controversy here is whether we shall permit this bill to be used for the purpose of nullifying the former action of Congress on repeated votes of the two Houses of Congress. We departed from it only in our efforts to remove every possible ground of complaint against the action of our committee in the adoption of the committee amendment. Under the committee amendment, the Commodity Credit Corporation could go into the interior warehouses and grade and sample and select the entire amount of 600,000 bales of cotton to be delivered under the contract with Great Britain, but they could not deliver more than that. Certainly it cannot be said that such a provision as that is discriminatory against the large warehouses in which a large portion of this cotton is stored. The Commodity Credit Corporation has stated that for whatever portion of the cotton they take from the interior they will take three bales for one. The last estimate of the amount at the port warehouses is only 100,000 bales. If that is true, they would get 1,500,000 bales from the interior, when only a third of that is required for delivery under the contract with Great Britain.

Mr. Chairman, the pending amendment should be voted down, unless we desire to raise here and now the old controversy about the storage of cotton and nullify the former action of the Congress.

[Here the gavel fell.]

Mr. JONES of Texas. Mr. Chairman, I offer a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of Texas as a substitute for the committee amendment: On page 2, line 15, after the word "Act", strike out the period and insert colon and the following: "Provided, That in effecting delivery under any exchange agreement, preference wherever practical shall be given to cotton already at port locations, and only such quantities of cotton shall be reconcentrated from interior points to port locations as are reasonably necessary to replenish such port stocks and such additional amounts as are reasonably necessary to carry out such exchange agreements effectively and efficiently."

Mr. CRAWFORD. Mr. Chairman, the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. Jones], says that my amendment would wreck existing law. I call the attention of the House to section 383 of the Agricultural Act approved February 16, 1938, subsection (b). That subsection refers to cotton owned by growers. In no way does my amendment refer to cotton owned by growers. If the gentleman will refer to Public, No. 660, of June 16, 1938, he will find that deals with cotton owned by growers. I am not dealing with those two acts. That is what constitutes existing law, and the chairman is well aware of the fact that that law deals with cotton owned by growers, who have put their cotton in the loan. My amendment was not what the chairman of the Agricultural Committee offered. It is this simple language which a high-school student can understand, namely:

Provided, That nothing herein shall be construed as preventing the reconcentration of cotton owned by the United States Government or any of its agencies, where a saving in carrying charge can thereby be effected.

But, what right have we to maintain existing law if existing law prevents the Commodity Credit Corporation from saving money for the taxpayers of the country? They talk about the power of the port fellows. It is the power of the interior as well as of the port fellows who hold up these storage rates. Let us look at the storage rates in the warehouses in the State of South Carolina, referring back to the statement the gentleman from that State made. Here are the documents of the Commodity Credit Corporation which show that warehouses in South Carolina are charging 25 cents per bale per month on the 1938–39 loan cotton. Out of that entire colossal group of warehouses there are some

10 warehouses I believe which are charging about 18 cents per bale per month. The others charge 25 cents per bale per month. Warehousemen inform me that they can make a profit of 4 or 5 or 6 cents per bale per month on an 11-cent-per-bale storage rate, to say nothing about the 25-cent rate.

My simple amendment provides that the Commodity Credit Corporation shall be permitted to effect a savings on cotton owned by the Government. Furthermore, the committee amendment offered by the Committee on Banking and Currency was injected into this bill. Why did they inject that storage proposition into the bill? Why did they not accept the Senate bill? It is entirely acceptable to me. The amendment offered by the gentleman from Texas [Mr. Jones] is acceptable to me, provided he will add this:

Provided, That nothing herein shall be construed as preventing the reconcentration of cotton owned by the United States Government or any of its agencies, where a saving in carrying charges could thereby be effected.

Why are we not willing to save fifty or one hundred million dollars to the taxpayers?

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. JONES of Texas. Does not the gentleman realize that under the present law, if the rates are substantially lower at the port location, they can now require them to modify or reduce their rates?

Mr. CRAWFORD. No, sir; I do not realize that, because I hold a copy of the present law in my hands, and it carries no such provision. It says if the carrying charges are substantially in excess of the average carrying charges available elsewhere. What are they? Twenty-five cents per bale per month. That is the hook in this thing. You cannot go out and show that charges elsewhere are any less, substantially—and we disagree on that word "substantially." When 80 or 90 percent of the warehouses are charging an average rate of 25 cents per bale, you cannot say that substantially the carrying charges are less than 25 cents.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I am only going to take a minute or two. I dislike very much to oppose my chairman, because I am usually with him. But he mentioned a while ago the trouble we had when the Commodity Credit Corporation had full power to do as it pleased. When they reconcentrated cotton at the expense of the farms and small warehouses, much of it had to be shipped back. The gentleman from Michigan [Mr. CRAWFORD] would permit the Commodity Credit Corporation to ship to the ports perhaps 5,000,000 or more if they wanted to. Under the amendment offered by the gentleman from Texas [Mr. Jones] they will pass on what will be the reasonable and necessary amount to ship. They could decide three or five million bales just as easy as one million. They do not have to take a bale of cotton from the ports. They can take every bale of the 600,000 bales from any warehouse in the Cotton States. We have numerous warehouses with over a million bales. They have every grading facility there you have at the ports or anywhere else. It is graded and passed upon by a Federal grader, and certified by the Federal Government, and accepted in every foreign country. The United States standard grades today are universal grades. Every year they send delegates from the various cotton countries, and they come here and pass upon the standards to be used. All cotton is graded, based on United States standards agreed upon as indicated. There will not be anybody here from Great Britain to look at the cotton, but they will look at it over there, and if it is not the proper grade or color, in line with samples submitted or set forth in the invoice, they can refuse any part of it, and the United States Government will have to make it good if a mistake has been made in grading.

I regret that many Members are taking the time in debating everything else except the real purpose of this bill. I hope that both of these amendments will be voted down.

[Here the gavel fell.]

[Applause.]

Mr. THOMAS S. FORD. Mr. Chairman, I move to strike out the last word.

I understand that my distinguished friend from Michigan [Mr. Crawford] objects to my use of the word "honest" in my statement. I want to modify that to the word "fair." Thank you.

Mr. PACE. Mr. Chairman, this bill gives authority to the Commodity Credit Corporation to carry out the terms of the barter or exchange agreement recently entered into between the United States and Great Britain, and I sincerely hope that the amendment offered by the gentleman from Michigan will be defeated and that the bill will be passed as reported by the committee.

It has been a long and difficult effort to complete this exchange agreement with Great Britain, whereby that nation agrees to accept 600,000 bales of cotton and we agree to accept in exchange an equal quantity in value of rubber. Both countries agree that this cotton and this rubber will be permanently stored away, taken off the market, and to be used only in case of war. This means that 600,000 bales of our surplus cotton will be disposed of; and as the Government now has over 11,000,000 bales under loan, I think such exchange is very much in the interest of the cotton farmers of the South.

Realizing the benefits to our cotton farmers, I became deeply interested in this subject of barter or exchange of surplus agricultural commodities some time ago. In early February we had under consideration in the Committee on Military Affairs, of which I was then a member, a bill to secure some very necessary metals and materials which are not produced in this country—such as rubber, tin, tungsten, and manganese—and which are very vital to our defense in the event of war; in fact, we could not successfully carry on a war without them. The War Department estimated that we should purchase at least \$100,000,000 worth of these necessary materials.

Having some concern over the rapidly increasing national debt, being anxious to save this \$100,000,000 if possible, and also realizing the fact that we have an enormous surplus of cotton on hand, which naturally tends to keep down the price, I then suggested to the committee and questioned witnesses on the proposal of exchanging surplus cotton for these materials. Dr. Feis, economic adviser in the Department of State, testified that such a plan was possible, and I think a great deal of the credit for the negotiation of this agreement is due to him and Secretary Hull. They are now at work on similar agreements with other countries, in cooperation with the Department of Agriculture, and I hope we can soon complete other agreements which will remove more of this surplus cotton.

It is most unfortunate that the gentleman from Michigan should offer his amendment, which injects a very controversial question and might endanger the entire program. His amendment proposes that a great portion of the loan cotton be moved from the small inland warehouses and stored at the ports. There are two very serious objections to his proposal.

First, it would mean that our local warehousemen would be deprived of the privilege of keeping this cotton on storage in our home warehouses and denied the benefit of the storage charges paid by the Commodity Credit Corporation. Many of these warehousemen are farmers themselves and produced some of this cotton. Many of them advance money to the cotton farmers in order for the farmers to plant and harvest their cotton crop. It will, therefore, be seen that these warehousemen have a deep personal interest in the cotton. In addition, a great majority of these warehousemen have constructed additional warehouses at considerable expense in order to store this cotton for the Commodity Credit Corporation, and certainly it would be most unfair to take the cotton away from them and store it in port warehouses, which are owned by large corporations and which have had no part in producing the cotton or in cooperating with the farm program. These port warehouses are, for the most part, owned by one or two big cotton operators who have in the past shown very little consideration for the welfare of the cotton farmers. while our local warehousemen are among the best friends the farmers have ever had.

In the second place, it would be unfair to the farmers themselves to invite immediate foreclosure on the cotton loans. Right now the farmers are picking up a few dollars—from \$1 to \$5 per bale—on the sale of their loan contracts. Some of the cotton mills are in need of some grades of cotton, and they are paying the farmers these small amounts for their loan contracts. They then pay off the loan with the Commodity Credit Corporation and take over the cotton.

The Commodity Credit Corporation should not foreclose the cotton loans until they have a sale for the cotton, nor should the cotton be removed from the locality where it was produced as long as it is under loan. The farmer wants to know where his cotton is, and if he has an offer for sale he wants to be there when it is sold. That could not be if his cotton was stored in some port warehouse hundreds of miles away.

I want to see our small inland warehouses given a square deal and I insist that they be given the consideration to which they are entitled. But most of all, above everything else, I want to see the farmer who produced the cotton get every single penny he can out of it. For several years he has not received as much as it cost him to produce the cotton, and I think the Government should carry these loans until there is an opportunity to dispose of some of the cotton, as under this exchange agreement with Great Britain, or until there is a chance of sale at a fair price. The farmer is entitled to first place in our consideration of these questions.

And with a new crop coming on the market within a few days, it is most important that this loan cotton be handled with great care and not dumped on the market. That would wreck the price for this year's crop.

Mr. JONES of Texas. Mr. Chairman, I desire to submit a unanimous-consent request.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Texas. Mr. Chairman, in an attempt to effect a compromise I offered my amendment, but since it is not agreeable to those who are supporting the amendment of the minority side I ask unanimous consent to withdraw my substitute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The gentleman from Texas [Mr. Thomas] is recognized for 5 minutes.

Mr. THOMAS of Texas. Mr. Chairman, I am informed by the Commodity Credit Corporation that the present cost to the Government for handling this cotton is approximately \$45,000,000 per year. This goes into storage charges, interest, and general expenditures. They also tell me that the Corporation is now paying a general average of approximately 20 cents per bale per month for all the cotton it has for storage.

I am also informed by the Corporation that it has recently sent out to the port warehouses throughout Texas asking those warehouses to bid competitively on the handling of this cotton. It is my judgment that the committee amendment will stop this competitive bidding. I am told that the warehouse people, both interior and port, can make a reasonable return upon their investment on a charge of 12 cents or 14 cents per bale per month for the storage of this cotton.

I ask: Why stop competitive bidding and pay 20 cents per bale per month when we can get it for 12 cents or 14 cents? I cannot by the wildest stretch of the imagination believe that in doing this we are helping the farmer. All we are doing is to subsidize two powerful, competing groups; and I might add—although some think to the contrary that the interior warehouses are the most powerful and the wealth-lest—the records of the Commodity Credit Corporation show that the biggest warehouse in the United States is located in Memphis. It is the Federal Compress Co., and it now has 2,500,000 bales of cotton in storage for which it is receiving approximately 20 cents per bale per month. This is twice as much cotton as any other warehouse in the United States has received from the Commodity Credit Corporation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. CRAWFORD. The Commodity Credit Corporation informs me that the Federal Warehouse and Compress Co., of Little Rock, will, within a few days, be paid \$5,176,000 for storage on the period now about to end, estimated to be paid from August 1, 1938, to July 31, 1939; and that one of the concerns at Memphis, the Union Compress Warehouse, will be paid \$794,000.

Mr. THOMAS of Texas. I thank the gentleman for his contribution.

Mr. HOBBS. Mr. Chairman, will the gentleman yield? Mr. THOMAS of Texas. I prefer not to yield, if the gentleman will pardon me.

Here is an opportunity to save the Government some money, if you want to do it. Here is an opportunity to give it to people who need it. By competitive bidding we can save \$10,000,000. Now, let us give it to the dairy farmers, let us give it to the potato farmers, let us give it to the cotton farmers. If you want to save some money, here is the opportunity to do it.

Mr. BROWN of Georgia. Will the gentleman yield? Mr. THOMAS of Texas. I yield to the gentleman from

Mr. BROWN of Georgia. Does not the gentleman know that the large interior warehouses, few in number, own and control all of the port warehouses and one of the number I refer to controls more than 50 percent of the port warehouses?

Mr. THOMAS of Texas. No: that is not correct. The biggest company in the United States is an interior warehouse, the Federal Compress Co. I got these figures from the Commodity Credit Corporation, and they are available. They have 2,500,000 bales of cotton now, which is twice as much as any other corporation has.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I want to read two lines of existing law adopted in the form of an amendment to a former bill. This amendment was written and offered by the gentleman from Texas [Mr. Jones]. Here it is:

If carrying charges are substantially in excess of the average of carrying charges available elsewhere and the local warehouse, after notice, declines to reduce such charges, such written consent as provided in this amendment must not be obtained.

That means that the Commodity Credit Corporation is authorized under existing law to seek the lowest storage rates obtainable and there is nothing to keep them from doing it. There is no reason to change this law in order to export 600,000 bales of cotton under the provisions of this bill.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that my amendment to the committee amendment may be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

The Clerk again read the Crawford amendment to the committee amendment.

Mr. MAHON. Mr. Chairman, in 1937 my congressional district produced more cotton than any congressional district in the United States. Warehouses were already in existence in that district to take care of a part of that cotton, but in order to take care of the tremendous amount of cotton that went into the 1937 loan, a large number of additional warehouses were erected within the interior of my district. I take it that this is about what happened throughout the Cotton Belt.

Many of these warehouses were constructed by the people locally and with local capital. Any attempt to empty these interior warehouses to swell the income of the port warehouses is wrong in principle. If the ports had produced the cotton in the first place, the ports would have the first claim upon it. But the cotton was produced in the interior and since this cotton is being held in storage we should not concentrate at port any more than is needed for the purpose of exporting cotton. [Applause.]

I should like to make my position clear. I do not want to hamper in any way the execution of the barter agreement with Great Britain. I would like to see every warehouse in the interior and at port emptied if we could transport this cotton abroad and sell it in the markets of the world. My primary interest is not in the warehouseman but in the farmer.

In carrying out the exchange agreement with Great Britain, I should like to see all parts of the Cotton Belt contribute a reasonably proportionate share of the cotton. This would be fair both to the ports and the interior. I firmly believe that the great majority of warehousemen would approve this course. It would not be fair to empty the interior warehouses, shipping the cotton to port, when there is no need to do so under this little barter arrangement with Britain. All I want is a fair deal for the interior cotton farmer and warehouseman. The ports do not have the first claim on this cotton, yet the port warehouses have some rights, too, and they ought to be respected.

It has been argued that the warehousemen are being paid an excessive charge for storing this cotton. The farmer made no great profit on this cotton and not for one moment would I urge that the warehouseman receive an excessive storage fee from the Government. I do not know what a fair storage charge would be, but that should have nothing to do with reconcentration of this cotton at port. The ports should be paid a fair storage charge and the interior warehousemen should be paid a fair storage charge. Certainly the Commodity Credit Corporation can work out a storage rate based upon past experience that will be reasonably satisfactory to all parties concerned, including the Government.

The committee amendment may not be perfect, but if there is anything radically wrong with it, this can be worked out in conference with the Senate. The Jones amendment, now withdrawn, has some good features, but I think we ought to stay with the committee and the committee amendment. In conference with the Senate the matter can be given further consideration and something that will be equitable and workable for the ports and the interior and the Government can be arrived at.

Mr. HOBBS. Will the gentleman yield? Mr. MAHON. I yield to the gentleman from Alabama, Mr. HOBBS. I agree with the gentleman 100 percent and I wish he would explain that a large part of the charges is not warehouse charges but is insurance which is paid by the warehouseman.

Mr. MURDOCK of Arizona. Will the gentleman yield? Mr. MAHON. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Conditions in your district and in mine are very similar. Is it the gentleman's judgment that the committee amendment will meet the gentleman's desires?

Mr. MAHON. I think the committee amendment will meet the situation, but let the conferees work that out. Why not let the committee go to conference with this bill and work out something that will be agreeable and fair to the interior warehouseman and the port warehouseman?

Mr. THOMASON of Texas. Will the gentleman yield? Mr. MAHON. I yield to the gentleman from Texas.

Mr. THOMASON of Texas. Is it not true many of the small warehouses were erected and are owned by farmers and local people?

The legal title to much of this cotton is still in the farmers. The farmers and the local warehousemen are pleased with present arrangements and local storage, and ought to be left alone. Of course excessive charges should not be tolerated by interior or port warehousemen. But I want it understood I oppose the transfer to port of any unnecessary amount of this cotton.

Mr. MAHON. I thank the gentleman. Many of the warehouses in my section are owned by these local individuals. The same is true throughout the interior. I dare say that practically all the port warehouses are owned by big interests. Mr. WHITTINGTON. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi. Mr. WHITTINGTON. Something has been said about the Federal Compress Co. I call attention to the fact that those institutions own compresses throughout Mississippi, Louisiana, Arkansas, and the other Southern States; so all the money does not go to one compress located at one place.

Mr. JONES of Texas. Will the gentleman yield? Mr. MAHON. I yield to the gentleman from Texas.

Mr. JONES of Texas. Many of these local warehouses

are owned by the farmers themselves?

Mr. MAHON. Many of these local warehouses are owned by the farmers themselves, and if there is any money to be made out of the farmers' cotton why should it not go to the communities that produce the cotton?

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close now.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAWFORD] to the committee amendment.

The question was taken; and on a division (demanded by

Mr. Crawford) there were—ayes 98, noes 121.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

The committee amendment was agreed to.

Mr. MARTIN of Massachusetts. Mr. Chairman, I offer an amendment. [Applause.]

The Clerk read as follows:

Amendment offered by Mr. Martin of Massachusetts: On page 2, line 15, after the period following the word "act", insert the following: "The Commodity Credit Corporation is authorized and directed to provide for the warehousing, in or near cotton-manufacturing centers in New England, of such reasonable amounts of facturing centers in New England, of such reasonable amounts or cotton held as security for loans as the Corporation deems necessary to meet current local manufacturing needs. The amount so warehoused shall not at any time be less than 300,000 bales. In carrying out the two preceding sentences, the written consent of the producer or borrower to reconcentration, as provided under subsection (b) of section 383 of the Agricultural Adjustment Act, as amended and supplemented (relating to the manner of securing consent to reconcentration of cotton), shall not be required."

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Chairman, I sincerely hope that when the vote comes upon this amendment it will be as enthusiastic as your reception.

Seriously, I believe this amendment should commend itself to the Committee. There are 12,000,000 bales of cotton held in storage in this country. All New England is asking is that less than 3 percent of this great amount, or 300,000 bales. should be kept in the warehouses of New England. We desire this volume may be available for immediate supply to the textile manufacturers of that great section of our country.

There is no question but the textile mills have been passing through very hazardous times. They do not have the money today that they had previously with which to make long commitments in the purchase of cotton. I honestly believe the keeping of this limited amount of cotton in New England would be of benefit to the cotton farmers of America, because it would definitely mean that the cotton consumed in the New England mills would be cotton grown in the South.

Mr. McCORMACK. Mr. Chairman, will the gentleman

Mr. MARTIN of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. New England will buy that cotton if it is stored there.

Mr. MARTIN of Massachusetts. Yes. Such an arrangement would be as much a stimulant to the sale of cotton as will the barter agreement provided for in the bill now pending. If you have goods to sell, it is generally well to have them placed where there are purchasers.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. It would also mean that the New England mills would have a normal supply of cotton on hand at all times to take care of local needs.

Mr. MARTIN of Massachusetts. Exactly.

I wish to point out, too, the cost of storage of cotton in New England would be only approximately 12 cents per bale per month, whereas, as has been stated on this floor this afternoon, the average charge paid today by the Government is 20 cents.

We hear about a warehouse monopoly. I do not know whether or not it exists, and I hope it does not exist. However, if it does exist, it should command the attention of Senator O'MAHONEY, who is now conducting an inquiry into monopolies. The Government should first put its own house in order.

Mr. Chairman, in order to aid the cotton farmers of the South retain a valuable market, to save money in storage charges to the Government, and to help the textile industries of New England, which are in a dire plight, I ask this amendment be adopted. This small amount of cotton stored in New England, where it will be quickly available to the textile manufacturers of that section of the country, will be extremely helpful and will be an aid to business. [Applause.]

Mr. CASEY of Massachusetts. Mr. Chairman, it is seldom that I find myself in accord with the gentleman from Massachusets [Mr. Martin]. Of course, when I say "in accord" with him, I mean on political matters. Personally, the entire delegation from Massachusetts, whether we be Republicans or Democrats, has always had the greatest feeling of love and affection for him. We are very happy to know that the feeling which has existed among both the Democratic and Republican Members of the delegation from the State of Massachusetts is shared by the entire membership of the House. [Applause.] I am very happy to have this rare privilege of agreeing with my friend on a matter that is purely political.

I do not see any reason why New England should not have its share of the storage of this cotton. We have a great deal of space up there that was formerly occupied by cotton machinery. Cotton mills have moved out of New England but there still remain mills that are in the cotton business. This would be a great help to the cotton factories that use your cotton and make it into the finished product. For the life of me I cannot see why New England should not have its share of storing this surplus cotton. New England can store this cotton just as cheaply if not more cheaply than any other section of the country because of the vast available storage space there.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Massachusetts. I yield to the gentleman from Texas.

Mr. MANSFIELD. Does not the gentleman believe that since our foreign market for cotton is badly knocked out a greater proportion of our cotton will hereafter be milled in the mills of the United States?

Mr. CASEY of Massachusetts. I believe that is perfectly true. If that is so, I believe New England will do its share of milling that cotton. Historic New England has the mills. The storage of this cotton in New England will accelerate cotton manufacturing and thereby help the cotton industry.

Mr. Chairman, I hope the amendment offered by the gentleman from Massachusetts [Mr. Martin] is adopted by this Committee. It is a fair and equitable one which calls for a proper apportionment in the storage of cotton.

Mr. PACE. Mr. Chairman, will the gentleman yield? Mr. CASEY of Massachusetts. I yield.

Mr. PACE. The amendment provides that the farmer's consent shall not be necessary. Does the gentleman seriously contend that you should take a farmer's cotton while he owns it, merely having a loan on it, and haul it 1,000 miles away before he sells it, where he would have no jurisdiction over it?

Mr. CASEY of Massachusetts. I do not believe the gentleman rightly interprets that section or the amendment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Massachusetts. I yield.

Mr. AUGUST H. ANDRESEN. This language refers to cotton to which the Government has already taken title.

Mr. CASEY of Massachusetts. This is cotton which the Government owns and the title has passed from the farmer. So the application as expressed by the gentleman from Georgia is not accurate. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARTIN].

Mr. KERR. Mr. Chairman, I offer an amendment to the gentleman's amendment that after the words "New England" insert "and North Carolina," and I will not ask to be heard on the amendment to the amendment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I make the point of order that the amendment is not in proper form, not having been submitted in writing.

The CHAIRMAN. The Chair sustains the point of order.

Mr. KERR. I will reduce it to writing.

The CHAIRMAN. The time has come to vote on the amendment.

Mr. WHITE of Idaho. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITE of Idaho. Just what is meant by "New England"?

The CHAIRMAN. That is not a parliamentary inquiry. Mr. AUGUST H. ANDRESEN. Mr. Chairman, I demand

Mr. KERR. Mr. Chairman, I ask unanimous consent that I may have time within which to put my amendment in writing.

Mr. BOLLES and Mr. ANDREWS objected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. Crawford), there were—ayes 148, noes 109.

So the amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises. Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Sparkman, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, pursuant to House Resolution 273, he reported the same back to the House, with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEMOCRATIC CAUCUS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, my remarks are addressed to my Democratic colleagues. I know that my Republican colleagues will understand the situation. As chairman of the Democratic caucus I am announcing to my Democratic colleagues, as they have been advised by the printed notices, that there will be a Democratic caucus tomorrow night at 8 o'clock. Due to the brief period in which the notice is sent I take this opportunity to make this brief statement and to inform my colleagues that some important matters will be taken up at the caucus and to urge all Democratic Members present who are in town tomorrow night to be sure to attend.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to

proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOLAND. Mr. Speaker, I likewise address myself to the Democratic Members of the House, stating to them that it is the wish of the Speaker and of the leader that all of our Members attend that caucus tomorrow evening.

VICE PRESIDENT JOHN NANCE GARNER

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, as chairman of the Texas delegation of the House, and acting upon authority vested in me by the unanimous consent and agreement of all Texas Members in Washington, I rise to read for the information of the House the following statement which reflects the sentiments of the Texas delegation:

The Texas delegation in the House of Representatives has been informed of the bitter personal attack made upon Hon. John Nance Garner, our distinguished Vice President, before the House Labor

Committee today by John L. Lewis.

We who know him best cannot refrain from expressing our deep resentment and indignation at this unwarranted and unjustified

attack on his private and public life.

The Texas delegation has complete confidence in his honesty. integrity, and ability.

[Prolonged applause, the Members rising.] APPROPRIATIONS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, resuming the colloquy with the gentleman from New York [Mr. TABER], interrupted this morning by expiration of the brief time allotted, the statement of the gentleman from New York is entitled to especial attention. In effect it concedes the accuracy of the figures which I gave this morning, and the inaccuracy of the figures published on Tuesday, unless there are included in both estimates the reappropriations made at the two sessions of Congress. To include reappropriations in such statements is both illogical and misleading, and is at variance with the practice both of the House and the Treasury Department. Never in any similar statement made either by the Secretary of the Treasury or by the committee, have reappropriations been included. Secretary Mellon, frequently referred to on this floor as the greatest Secretary of the Treasury since Alexander Hamilton, in none of his statements included reappropriations, and no chairman of the committee, from Thaddeus Stevens down to the present time, including Chairmen Randall, Cannon, Madden, or Wood, or the ranking member of the minority, in making their annual résumés of appropriations at the close of the session, included reappropriations in their statements. The reason is obvious. To include such funds is to count them twice. They are counted the first time when appropriated and they are counted the second time when reappropriated. In fact, in some cases where expenditure of appropriations extends over several years, as in case of aviation, and so forth, the effect of including reappropriations would be to count them three or four times. I trust that in the future, estimates will adhere to the only tenable

method, the method practiced by all Treasury and committee officials from the beginning of the Republic.

The SPEAKER. The time of the gentleman from Missouri has expired.

PERMISSION TO FILE REPORT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the Committee on Labor have until midnight tonight to file a report on a bill.

The SPEAKER: Is there objection?

There was no objection.

NAUTICAL EDUCATION

Mr. BLAND submitted a conference report and statement on the bill (H. R. 5375) to promote nautical education, and for other purposes.

AMENDING MERCHANT MARINE AND SHIPPING ACTS

Mr. BLAND submitted a conference report and statement on the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American Merchant Marine, and for other purposes,

ADMINISTRATION OF UNITED STATES COURTS

Mr. CELLER submitted a conference report and statement on the bill (S. 188) to provide for the administration of the United States courts, and for other purposes.

CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK submitted a conference report and statement on the bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930.

PROPAGANDA IN THE CAPITOL

Mr. KELLER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes on a matter that will interest the entire House.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. Mr. Speaker, there is a man who walks the halls of this Capitol Building by the name of Aled Davies. Mr. Davies is an employee of Frank Gannett, the notorious tory publisher. Mr. Davies is the Washington representative of the National Committee to Uphold Constitutional Government. He boasts that he and Frank Gannett "are the committee." Mr. Davies has an office in the Munsey Building in downtown Washington, but he seems to carry on most of his work here in the Capitol. He operates in this manner: From downtown he calls his New York colleagues and requests them to call him at different places in the Capitol Building.

Yesterday at 3:45 p. m. Mr. Davies took one such call on an office phone here in the Capitol Building. To someone at the other end of the line bearing the title of doctor—could it have been Dr. Rumley, whom Senator Minton's lobby investigation revealed to be Frank Gannett's tool in the operation of the Committee to Preserve Constitutional Government? To this doctor he revealed the following:

A certain Senator [naming him] was pleased with the telegram, and it will be in tomorrow's RECORD. He [the Senator] states that there is confusion among the new dealers. They are split on the prevailing-wage amendment. Some want to hook it on the spendlend bill but fear the House would block that.

He then mentioned a circular letter and stated that 51,000 had already been sent and that the printer was being pushed for the rest. He then stated that more than 351,000 letters would be sent out if the debate on the spend-lend bill lasted until the middle of next week.

[Here the gavel fell.]

Mr. KELLER. I ask unanimous consent for 2 additional

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, was the gentleman present in the Labor Committee this morning when John Lewis made that statement?

Mr. KELLER. Yes, I was.

Mr. HOFFMAN. Did you offer any objection?

Mr. KELLER. I did not.

Mr. HOFFMAN. You thought it was true, did you?

Mr. KELLER. I did not ask you for that, or anybody else. Mr. HOFFMAN. No, but I am asking you. [Laughter.]

Mr. SCHAFER of Wisconsin. Reserving the right to

The regular order was demanded.

The SPEAKER. Is there objection?

Mr. ANDREWS. Mr. Speaker, I object.

Mr. KELLER. Mr. Speaker, Mr. Davies stated after the telephone conversation closed that these letters urged the recipients to write their Senators a letter protesting against the spend-lend bill.

He further stated that they were trying to get Father Coughlin to speak against the bill this coming Sunday.

He further stated that the letters would be sent under the auspices of the National Committee to Preserve Constitutional Government.

When chided about using Father Coughlin to this end, he replied, "Hell, I would use a rat to put over my ideas."

It seems to me that a lobbyist who gets so bold as to carry on his nefarious work right under the noses of the Members of Congress ought to be kicked out of the Capitol Building.

This little incident should demonstrate the need for the lobbyist registration law we passed in 1936 here in the House, but which the Senate failed to pass. I shall introduce a bill to at least limit such form of propaganda.

Most important of all, however, here is clearly revealed the way in which the "public" is inspired to protest against legislation; here is the source of these "floods" of telegrams and letters; here stands revealed the iniquitous scheming in high places to discredit democracy.

Who are these men? Where does this money come from to finance these hundreds of thousands of letters? What is their object? Do they tell? Not if they can help it. But I am going to tell.

It was this same outfit who by this same method brought about the first defeat of the reorganization bill, causing a large expense to the Government and a long and unnecessary delay in putting into effect many efficiencies and savings.

THE FARM MACHINERY TRUST

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOSSETT. Mr. Speaker, the Seventy-fifth Congress by joint resolution created the Temporary National Economic Committee. To the \$500,000 appropriated for the use of the committee by the Seventy-fifth Congress, this Congress has added \$600,000, making a total of \$1,100,000 to be used by this committee to investigate monopoly and the concentration of economic power in this country. This committee is charged not only with the duty of investigating the existence of monopoly but with the additional duty to report proper legislation for the destruction of such monopolies. When its labors are finished, I am sure the committee will have done a good job, a badly needed job. That many harmful and vicious monopolies exist in this country, I am sure will be admitted. It is my purpose to call to the attention of the committee and of the Congress one especially harmful trust and monopoly which the committee must not overlook in its proposed action.

In an effort to assure and to speed the destruction of this particular trust, I last week introduced the following resolution:

Resolved, etc., That the Temporary National Economic Committee created by Senate Joint Resolution 300 of the Seventy-fifth Congress for the purpose of investigating monopoly and the concentration of economic power, be, and is hereby instructed to report and recommend to the Congress at its next session legislation to effectively and permanently break up and destroy the trust and monopoly now existing in the agricultural implement and machinery industry of this country, the existence of such trust and monopoly, and its destructiveness to the farmers of this country, being well known, and also having been conclusively estab-

lished by an investigation of the Federal Trade Commission pursuant to Senate Joint Resolution 277 as adopted by the Seventy-fourth Congress. The report of this investigation is available to the committee and to the Congress as House Document No. 702, third session, Seventy-fifth Congress.

I wish to call the attention of the Congress to this report of the Federal Trade Commission and to a few well-known facts about the Farm Machinery Trust. Most of this 1,200-page report is evidence furnished by the machinery companies themselves. In the light of their own testimony, they stand convicted of maintaining a monopoly through which the farmers of this country are charged exorbitant and unreasonable prices for the machinery they are compelled to buy. In the Commission's report we find this language:

The prices of farm machinery rose in far greater proportion from 1916 to 1929 than did the prices of farm products. * * * * There was a general increase in the price of farm machines from 1933 to 1935. * * * The general upward trend in the price of farm machines continued through 1936, 1937, into 1938.

What happened to the price of farm products during these years is well known to all. We have witnessed in the economic life of this country a startling situation. While prices of farm commodities have gone down, the prices of farm machinery have gone up. While the prices of many other commodities, such as automobiles, have gone down, the prices of farm machinery have gone up. At this time in the terms of farm commodities, many farm implements cost the farmer several times what he paid for them 10 and 15 years ago. In fact, the family-sized farmer can no longer buy machinery necessary to run his farm. If present trends continue, family-sized farmers, if they continue to exist, will be forced to the dangerous, undemocratic necessity of pooling their resources to buy community machinery.

In the above-mentioned report by the Federal Trade Commission, we find that some five machinery companies, among which there unquestionably is a trust combination, probably do better than 90 percent of the farm-machinery business of this country. One company, the International Harvester Co., does better than 50 percent of all the farmmachinery business of this country. This company pretends to make only a reasonable profit, but to its cost of production is charged exorbitant salaries for many executives, the cost of maintaining tremendous and unnecessary sales and promotion forces, and other items unfair to charge to the cost of the machine. In 1927 the International Harvester Co. paid a total compensation per officer of \$142,940 to each of 11 officers, \$147,524 to each of 12 officers in 1928, \$161,193 to each of 13 officers in 1929. The president of International Harvester Co. in 1927 received \$353,386; in 1928, \$405,909; in 1929, \$412,860. The Allis-Chalmers Manufacturing Co. for years has carried on its books "goodwill and patents valuation" at an average valuation of \$12,000,000. Deere & Co. carried "Trade names, trade-marks, patents and goodwill" from 1910 to 1929 at a valuation of \$17,904,000. And notwithstanding such methods of calculating its production costs and profits, taking its own figures, the Commission found that the profits of Deere & Co. were as much in 1937 as in 1929. That was largely true of the other

I wish to quote further from the Federal Trade Commission's report, as follows:

The practice of merging competitors followed by various farm-machinery companies with respect to different lines has been going on for half a century and has tended to a constantly increasing concentration of economic power. It has also facilitated price control and price understandings among competitors, either by following a leader or by price agreements or both.

In a publication by the Agricultural Adjustment Administration of the Department of Agriculture entitled "Briefly Speaking," on July 18, 1939, there is quoted with approval the following:

Prices of farm machinery in 1938 were close to the highest figures in nearly 30 years of Government record. Prices declined somewhat from 1929 to 1933, but then rose sharply, and in 1938 prices of farm machinery other than motor vehicles were 58 percent above the 1910–14 level. The peak for the 30-year period

was in 1920, approximately 65 percent above pre-war. Prices of motor vehicles—automobiles, trucks, and tractors—also rose rapidly from 1933 to 1938 after a small decline in the great depression.

The courts have been unable to break up the farm-machinery trust under present laws. Legal proceedings were instituted against the International Harvester Co. in 1912 for a violation of the Sherman Antitrust Act. This case terminated in 1918 after running the gamut of the courts with little accomplished. The case was reopened in 1923, and again the International Harvester Co. escaped unharmed and continued its domination of the farm-machinery field.

The situation demands new and effective legislation in order to destroy this trust and monopoly that has for years preyed upon the farmers of this country.

A free and prosperous agriculture is essential to a free and prosperous nation. The farmers of America must not become economic slaves. When the farmers can sell for a fair price and when the farmers can buy for a fair price, Government subsidies will not be necessary. Let us hasten this day by the destruction of the farm-machinery trust, [Applause.]

REPLY TO CRITICS

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, just a few moments ago we saw a display of apparent affection and confidence on the part of Members of the House for the distinguished Vice President of the United States. The occasion for that was caused by the fact that some statements regarding the Vice President had been made by a member of a labor organization.

I am wondering, from a Democratic standpoint, why on July 13, 1939, the Members of this House sat supinely and listened to a Member of the opposition make a number of statements about the President of the United States, one of which was:

Only an egocentric megalomaniac would have the nerve to ask for such a measure.

What this House was being asked for at that time was to accept the library the President is presenting to the United States; and I think it is poor Democratic philosophy to let that go by and then arise in wrath over an attack on another Democrat. [Applause.]

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a couple of excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EVEN THE PATIENT, LONG-SUFFERING DONKEY CAN BE KICKED INTO MILD RESENTMENT

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 2 or 3 minutes, whatever the rules permit.

The SPEAKER. Without objection, the gentleman from Michigan is recognized for $2\frac{1}{2}$ minutes.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the donkey is meek, patient, submissive, long-suffering; does little, if any, thinking for himself; usually follows unerringly not only the commands but the suggestion of his master. He is a loyal beast, thinking no thoughts for himself but content to follow the slightest whim of his driver, even though it lead him away into the desert where there is little, if any, water and no pasture, and an intelligent beast would see that at the end of the journey was starvation and a flock of vultures.

Hence, it is that the donkey, during the past 6 years has been the emblem which most accurately depicts the lack of method, of purpose, the blind allegiance to the commands of the chance master, and the utter disregard of the certainty of national bankruptcy and the probability of communistic stable mates awaiting it at the end of the President's present term of office.

It is more than surprising that the Democratic leadership has at last been prodded into audible resentment because of the lashings which its Vice President today received from

John L. Lewis.

We all remember that Lewis' organization contributed \$470,000 to the New Deal campaign fund. Lewis seems to feel, and at times has acted, as though his \$470,000 had bought him a President of the United States and twice he has demanded, after his organizations had called strikes, that the President come to his assistance.

You on the Democratic side let this conduct, insulting in the highest degree to the President of the United States, pass unnoticed, unrebuked, probably on the theory that it was not worthy of an answer. Nevertheless, some of Lewis' followers, because it was undenied, were encouraged in their lawlessness, in their assumption that he was the "big boss" and could give orders to a President.

Lewis himself probably assumed that he was immune from those rules of conduct which govern the utterances of the ordinary citizen; that, having for so many years imposed his will upon workers, he had a license to vilify even high

Government officials.

This morning, making a statement before the House Labor Committee, whose chairwoman and some of whose leading members just the other day assured us that it was fully capable of taking care of all matters which came before it, unrebuked by any member of that committee, John Lewis, appearing for the purpose of aiding it in arriving at a decision as to whether the wage-hour law should be amended, what scope those amendments, if adopted, should cover, without any justification, wholly out of order, made the statement that a Republican minority of the House—

Aided by a band of 100 or more renegade Democrats, have conducted a war dance around the bounden, prostrate form of labor.

This false and malicious statement was followed by another equally false, equally malicious and vindictive, scurrilous, and slanderous attack upon the personal character of the the Vice President of the United States.

Lewis' attack upon John N. Garner could in no conceivable way aid the committee in determining any question which was before it. It could not possibly add force to any argument which Lewis might make concerning the inadvisability of amending the wage-hour law. It was nothing less than the verbal vomiting of a putrid mind, the vaporizing of the warped soul, and the wicked heart of an individual whose greedy, grasping, evil designs upon the pocketbooks of the workers of America had been in part thwarted, according to Lewis' idea, by the activities of the Vice President of the United States.

The mass murder at Herrin, Ill., on June 21, 1922, rests squarely upon the shoulders of John L. Lewis, and from that day to this his activities have been followed by coercion, intimidation, bloodshed, and death. Yet he has the effrontery, the impudence, to come before a committee of Congress and to make an unjustifiable, an unfounded, a dirty, lying assault upon the personal character of the Vice President of the United States, and to our shame, be it said that the chairwoman of that committee, at the conclusion of his statement, said:

Thank you, Mr. Lewis, for your very fine contribution to this meeting.

Some unthinking persons have suggested that Lewis' unprecedented outburst grew out of some suggestion made to him during his visit to the White House last week and that it is an attempt to kill the Garner boom for President. Whatever its source, whatever its purpose, it has no place in the records of this body and should be expunged.

Between June 1, 1935, and June 1, 1937, Lewis' United Mine Workers collected from the paychecks of the workers of this country more than \$7,000,000. Organizations with which he is affiliated, or similar in some degree, have made

political contributions, while a like privilege is denied to business corporations.

Lewis assumes to be the spokesman of labor. He pretends to be the friend of labor. He sheds crocodile tears over the want, the misery, the privation suffered by workingmen, while he himself enjoys the princely salary of \$25,000 a year. He rides in a conveyance fit for a king, for a millionaire, while those who pay for his gas, his clothes, his automobile, and his chauffeur delve in the bowels of the earth to eke out what he says is a miserable existence.

He is a fraud, a hypocrite, who would deny employment, unless tribute be paid to him, to the poorest, the humblest

worker in our land.

Let the House support House Resolution 196 which I offered on May 18. Let it support the resolution which I will offer, to investigate John L. Lewis, his C. I. O., his and its sources of income and the manner in which it is spent. Then and only then will we deflate, break the bubble of egotism from which this man is suffering. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio address I delivered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. DITTER]?

There was no objection.

DISABILITY ALLOWANCE FOR WORLD WAR VETERANS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. Green].

There was no objection.

Mr. GREEN. Mr. Speaker, I ask recognition at this time only for the purpose of making an announcement. On the Speaker's desk is petition No. 19. The bill covered by that petition would restore the disability-allowance pensions for World War veterans, which was repealed through the Economy Act. Those who are friends of that cause should sign petition No. 19.

RULES COMMITTEE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until 12 o'clock tonight to file reports on rules.

The SPEAKER. Is there objection to the request of the

gentleman from Texas [Mr. RAYBURN]?

Mr. MAPES. Mr. Speaker, reserving the right to object, the Rules Committee in the last few minutes has reported three important rules, one on wages and hours, one on the housing bill, and one on the Home Owners' Loan Corporation bill. If this consent is granted, will the gentleman from Texas tell us which one will be taken up first?

Mr. RAYBURN. It has been the intention to take up the

housing bill first.

Mr. MAPES. How long will it take? The rule provides for 4 hours' general debate.

Mr. RAYBURN. We hope to complete that Saturday.

Mr. MAPES. Then the other bills will be taken up?

Mr. RAYBURN. The other bills will be taken up in order. I have not discussed this with the Chairman of the Rules Committee, nor have I discussed it with the Speaker and the Members with whom I usually consult about the program.

Mr. MAPES. My understanding is that the Committee on Labor this afternoon reported a bill and instructed its chairman to ask the Speaker for recognition Monday to make a motion to suspend the rules and pass it without coming to the Committee on Rules for a rule. Can the majority leader tell us whether the procedure voted by the Committee on Labor will be followed or whether the rule reported by the Committee on Rules a few minutes ago on that subject will be called up?

Mr. RAYBURN. I would be assuming, because the power of recognition rests with the Speaker, and I have not discussed it with him; therefore I do not know.

Mr. MAPES. I may say that some of us in the committee did not support the closed rule that was reported by the Committee on Rules to consider labor legislation but on the contrary voted against it.

Mr. RAYBURN. I say I would be presuming if I should say what the Speaker might do. I have not consulted with him whether or not he will recognize anyone to suspend the rules on a matter of that kind on Monday.

Mr. SACKS. Mr. Speaker, reserving the right to object, may I ask the majority leader a question about the wage and hour rule. Is that on the Norton bill?

Mr. RAYBURN. I understand so. Mr. SACKS. Or on the Barden bill?

Mr. RAYBURN. There was a bill before the committee known as the Norton bill, as I understand it. Some member of the Rules Committee may be here to answer the question. It reported a rule making in order amendments to the Wage-Hour Act.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, in view of the explanation made by the majority leader that the housing bill will be brought up first, may I comment on the fact there has been a great deal of uncertainty during the week concerning what the Rules Committee would do on applications for rule. The Banking and Currency Committee has been busy considering another very important piece of legislation, the so-called lending bill. Speaking for myself, I know I have had little or no time within the last few days to give very much consideration to the merits or demerits of the housing bill. I think it only fair under the circumstances to give this House an opportunity to study that bill in anticipation of bringing it up at a definite time. I see no reason why the housing bill should not be brought up Saturday or Monday, which will give us ample time to get our wits together and present it intelligently to the House. In view of the fact that this gives us a very limited time in which to get our case together, I will have to object to the request of the gentleman from Texas that the Committee on Rules may file a report by 12 o'clock tonight.

EXTENSION OF REMARKS

Mr. Casey of Massachusetts, Mr. Shanley, and Mr. Myers asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Sino-Korean People's League.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from an editor of a paper in Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COMMITTEE ON RULES

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I understand that the House is at the present moment stalling for time in order that the Committee on Rules may file a report. It is not my purpose to keep the House in session unnecessarily. If it is the purpose of the leadership to hold the House in session to afford the Committee on Rules an opportunity to file the report before we adjourn, then, of course, nothing can be gained by my objecting to the filing of the report tonight. I should like to know if that is the purpose of holding the House in session.

Mr. RAYBURN. I may say to the gentleman that we will not do more than complete the general debate on the bill tomorrow. There will be an hour of debate on the rule and

4 hours of general debate. We certainly could not read the bill tomorrow. I believe it is fair to the House that Members have the benefit of the general debate, with a night to go

Mr. WOLCOTT. May we have the distinct understanding that we shall not have a vote on final passage of the bill tomorrow, providing the rule is adopted?

Mr. RAYBURN. We will not. I say that to the gentleman because I do not believe we can do more than complete general debate tomorrow.

Mr. WOLCOTT. Then, if the gentleman will renew his unanimous-consent request, I shall not object.

Mr. RAYBURN. Mr. Speaker, I renew my request. The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend in the RECORD the remarks I just made. The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to revise and extend in the RECORD the remarks I made today.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDMENT OF BANKRUPTCY ACT

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House the Speaker may be authorized to sign the enrolled bill (H. R. 5407) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 18. An act authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry;

S. 522. An act to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 75 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes; and

S. 2482. An act authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Friday, July 28, 1939, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1053. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service; to the Committee on Claims.

1054. A letter from the Assistant Secretary of Commerce, transmitting the draft of a proposed bill to amend laws for preventing collisions of vessels; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. House Joint Resolution 290. Joint resolution referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress; without amendment (Rept. No. 1333). Referred to the Committee of the Whole House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. H. R. 6668. A bill to grant the State of North Carolina a right-of-way for the Blue Ridge Parkway across the Cherokee Indian Reservation in North Carolina, to provide for the payment of just compensation for said right-of-way, and for other purposes; with amendments (Rept. No. 1334). Referred to the Committee of the Whole House on the state of the Union.

Mr. PACE: Committee on Agriculture. H. R. 4083. A bill to amend the Commodity Exchange Act, as amended, to extend its provisions to fats and oils, cottonseed, cottonseed meal, and peanuts; with amendments (Rept. No. 1335). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Texas: Committee on Agriculture. H. R. 7342. A bill to amend the Emergency Farm Mortgage Act of 1933, as amended; with amendment (Rept. No. 1336). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death; without amendment (Rept. No. 1337). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; without amendment (Rept. No. 1340). Referred to the House Calendar.

Mr. HOLMES: Committee on Interstate and Foreign Commerce. S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.; without amendment (Rept. No. 1341). Referred to the House Calendar.

Mr. PEARSON: Committee on Interstate and Foreign Commerce. S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes; without amendment (Rept. No. 1342). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa; without amendment (Rept. No. 1343). Referred to the House Calendar.

Mr. PATRICK: Committee on Interstate and Foreign Commerce. S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.; without amendment (Rept. No. 1344). Referred to the House Calendar.

Mr. MARTIN of Colorado: Committee on Interstate and Foreign Commerce. S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.; without amendment (Rept. No. 1345). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; without amendment (Rept. No. 1346). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. S. 2502. An act authorizing the county of Howard,

State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.; without amendment (Rept. No. 1347). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa; without amendment (Rept. No. 1348). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa; without amendment (Rept. No. 1349). Referred to the House Calendar.

Mr. WOLFENDEN of Pennsylvania: Committee on Interstate and Foreign Commerce. S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St. Georges, Del.; without amendment (Rept. No. 1350). Referred to the House Calendar.

Mr. HALLECK: Committee on Interstate and Foreign Commerce. S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind.; without amendment (Rept. No. 1351). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 3122. A bill to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.; with an amendment (Rept. No. 1352). Referred to the House Calendar.

Mr. SOUTH: Committee on Interstate and Foreign Commerce. H. R. 3138. A bill authorizing J. E. Pate, his successors and assigns, to construct, maintain, and operate a bridge or ferry across the Rio Grande River at Boca Chica, Tex.; with amendments (Rept. No. 1353). Referred to the House Calendar.

Mr. PATRICK: Committee on Interstate and Foreign Commerce. H. R. 4040. A bill declaring Devil's Den Springs, in Decatur County, Ga., to be nonnavigable; without amendment (Rept. No. 1354). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. H. R. 5998. A bill to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935; with amendments (Rept. No. 1355). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 6271. A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River, at or near Kettle Falls, Wash.; with amendments (Rept. No. 1356). Referred to the House Calendar.

Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 6441. A bill authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Jefferson Barracks, Mo.; with amendments (Rept. No. 1357). Referred to the House Calendar.

Mr. WOLFENDEN of Pennsylvania: Committee on Interstate and Foreign Commerce. H. R. 6662. A bill granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway brilge across the Susquehanna River at or near the city of Harrisburg, Pa.; with an amendment (Rept. No. 1358). Referred to the House Calendar.

Mr. McGRANERY: Committee on Interstate and Foreign Commerce. H. R. 6907. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jen-

kins Township, county of Luzerne, Commonwealth of Pennsylvania; without amendment (Rept. No. 1359). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. H. R. 7069. A bill authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.; without amendment (Rept. No. 1360). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. H. R. 7262. A bill granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.; without amendment (Rept. No. 1361). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. S. 2577. An act authorizing an appropriation for completing the mural decorations in the Senate reception room; with amendment (Rept. No. 1362). Referred to the Committee of the Whole

House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. H. R. 4282. A bill to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes; with an amendment (Rept. No. 1363). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 6446. A bill amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes"; without amendment (Rept. No. 1364). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7252. A bill to authorize the Secretary of the Interior to sell or lease for park or recreational purposes, and to sell for cemetery purposes, certain public lands in Alaska; without amendment (Rept. No. 1365). Referred to the Committee

of the Whole House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. H. R. 6813. A bill to accept the cession by the States of North Carolina and Tennessee of exclusive jurisdiction over the lands embraced within the Great Smoky Mountains National Park, and for other purposes; without amendment (Rept. No. 1366). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 6658. A bill to authorize the lease or sale of certain public lands in Alaska, and for other purposes; with amendments (Rept. No. 1367). Referred to the Committee of the Whole

House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. S. 1919. An act to provide for the acquisition by the United States of the estate of Patrick Henry in Charlotte County, Va., known as Red Hill; with an amendment (Rept. No. 1368). Referred to the Committee of the Whole House on the state of the Union.

Mr. VOORHIS of California: Committee on the Public Lands. S. 878. An act to amend the act of August 26, 1937; with amendment (Rept. No. 1369). Referred to the Committee of the Whole House on the state of the Union.

Mr. HEALEY: Committee on the Judiciary. H. R. 6051. A bill to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries; with amendment (Rept. No. 1370). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee of conference. H. R. 5375. A bill to promote nautical education, and for other purposes. (Rept. No. 1371). Committed to the Committee of the Whole House on the state of the Union and ordered to be

printed.

Mr. BLAND: Committee of conference. H. R. 6746. A bill to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes. (Rept. No. 1372). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CELLER: Committee of conference. S. 188. An act to provide for the administration of the United States courts, and for other purposes (Rept. No. 1373). Committed to the Committee of the Whole House on the state of the Union

and ordered to be printed.

Mr. RAMSPECK: Committee of conference. S. 281. An act to amend further the Civil Service Retirement Act, approved May 29, 1930 (Rept. No. 1374). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mrs. NORTON: Committee on Labor. H. R. 6406. A bill to amend the Fair Labor Standards Act of 1938; with an amendment (Rept. No. 1376). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 266. Resolution providing for the consideration of S. 591. An act to amend the United States Housing Act of 1937, and for other purposes; with an amendment (Rept. No. 1377). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H.R. 7389. A bill to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens; without amendment (Rept. No. 1338). Referred to the Committee of the Whole House.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. H.R. 7089. A bill to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation; without amendment (Rept. No. 1339). Referred to the Committee of the Whole House.

Mr. HEALEY: Committee on the Judiciary. H.R. 7132. A bill to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934; with amendments (Rept. No. 1375). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 7353) authorizing the appointment of Paul Crank to warrant officer, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNS of Tennessee:

H. R. 7392. A bill to authorize the Secretary of the Interior to acquire property for the Fort Donelson National Military Park in the State of Tennessee, and for other purposes; to the Committee on the Public Lands.

By Mr. ROGERS of Oklahoma:

H. R. 7393. A bill to provide an old-age pension for the citizens of the United States; to the Committee on Ways and Means.

By Mr. BRADLEY of Pennsylvania:

H.R. 7394. A bill to permit the Secretary of War to lend Army rifles of a type in current use by the Army to certain organizations for ceremonial purposes; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H.R. 7395. A bill to provide night differentials for certain employees; to the Committee on the Civil Service.

By Mr. MANSFIELD:

H.R. 7396. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. BREWSTER:

H. R. 7397. A bill to provide for entry free of duty of certain ground fish; to the Committee on Ways and Means.

By Mr. HEALEY:

H.R. 7398. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. KELLER:

H. R. 7399. A bill to permit Koreans who have been temporarily admitted to the United States as students to remain in the United States until there is a change in political conditions in Chosen (Korea); to the Committee on Immigration and Naturalization.

By Mr. SATTERFIELD:

H.R. 7400. A bill to provide for the acquisition by the United States of the Studley estate, where Patrick Henry was born; to the Committee on the Public Lands.

By Mr. JONES of Texas:

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOUGHTON:

H. Res. 277. Resolution authorizing the Committee on Ways and Means to hold hearings during the recesses of the Seventy-sixth Congress; to the Committee on Rules.

By Mr. WARREN:

H. Res. 278. Resolution providing for the expenses of conducting the investigation authorized by House Resolution 277 of the Seventy-sixth Congress; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLTON:

H.R. 7401. A bill for the relief of Edwin B. Formhals; to the Committee on Claims.

By Mr. KELLER:

H.R. 7402. A bill for the relief of Carl Kent Martin; to the Committee on Claims.

H. R. 7403. A bill for the relief of Tom Gentry; to the Committee on Claims.

By Mr. SATTERFIELD:

H.R. 7404. A bill for the relief of Jack Y. Upham; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5112. By Mr. HAVENNER: Petition of the San Francisco United Labor Works Progress Administration Committee, containing in excess of 3,000 signatures of San Francisco residents, petitioning Congress to amend the present Works Progress Administration Act as follows: Repeal the 130-hour starvation-wage provision, which requires most Works Progress Administration workers to work 130 hours for 68 hours' pay; the 30-day forced lay-off without pay or relief; wage cuts of \$10 to \$15 per month; restore sponsorship of Theater, Art, Music, Historical Records, and Writers Projects; work for all in need and who are eligible; stop 10,000 Works Progress Administration lay-offs in northern California; and also additional petition containing 248 signatures of San Francisco residents, sent by workers on the Works Progress Administration Sewing Project in San Francisco, urging similar amendments to the Works Progress Administration Act; to the Committee on Appropriations.

5113. By Mr. KEOGH: Petition of the Gudebrod Bros. Silk Co., Philadelphia, Pa., concerning the President's lend-

ing and spending legislation; to the Committee on Appropriations,

5114. By Mr. REED of Illinois: Petition of Emery J. Hanotte, of Joliet, and 774 interested residents of Will County, Ill., requesting congressional action seeking restoration of the prevailing-wage scale, abolition of the 130-hour provision, and the 18-month clause, and restoration of the geographical wage differential in respect to operations of the Works Progress Administration; to the Committee on Appropriations.

5115. By the SPEAKER: Petition of Clavelle Isnard, of Cherryvale, Kans., petitioning consideration of their resolution with reference to Works Progress Administration legis-

lation; to the Committee on Appropriations.

5116. Also, petition of the Workers Alliance of America, Indianapolis, Ind., petitioning consideration of their resolution with reference to Works Progress Administration legislation; to the Committee on Appropriations.

SENATE

FRIDAY, JULY 28, 1939

(Legislative day of Tuesday, July 25, 1939)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, the Father of all men, who hast taught us through Thy Son to judge not lest we too be judged: Create and make in us new and contrite hearts, that, in courtesy and fair play, in peace and justice, the affairs of this Nation may be forwarded without that animosity and bitterness of heart which warp our judgments and destroy our souls. Through Jesus Christ Thy Son our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 27, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Colo,	Reed
Andrews	Davis	King	Russell
Ashurst	Downey	La Follette	Schwartz
Austin	Ellender	Lee	Schwellenbach
Bailey	Frazier	Lodge	Sheppard
Bankhead	George	Lucas	Shipstead
Barbour	Gerry	Lundeen	Slattery
Barkley	Gibson	McCarran	Smathers
Bilbo	Gillette	McKellar	Smith
Bone	Green	McNary	Stewart
Borah	Guffey	Maloney	Taft
Bridges	Gurney	Mead	Thomas, Utah
Brown	Hale	Miller	Tobey
Bulow	Harrison	Minton	Townsend
Burke	Hatch	Murray	Truman
Byrd	Hayden	Neely	Tydings
Byrnes	Herring	Norris	Vandenberg
Capper	Hill	Nye	Van Nuys
Chavez	Holman	O'Mahoney	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	Wheeler
Connally	Johnson, Calif.	Radcliffe	White

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Arkansas [Mrs. Caraway] is absent on important public business.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

OF APPRECIATION BY CONGRESS TO ASSOCIATION OF STATE HIGHWAY OFFICIALS AMERICAN

The VICE PRESIDENT, under authority of House Concurrent Resolution 10, appointed the Senator from Arizona [Mr. HAYDEN], the Senator from Virginia [Mr. Byrd], and the Senator from New Hampshire [Mr. Tobey] members, on the part of the Senate, of the special committee to express to the American Association of State Highway Officials the appreciation of Congress relative to the accomplishments of the association in the field of highway development.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Board of Governors of the Federal Reserve System, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

PETITIONS

Mr. CAPPER presented the petition of members of Townsend Club No. 1, of Horton, and a letter in the nature of a petition, signed by B. W. Slater, president of Townsend Club No. 1, of Independence, in the State of Kansas, praying for the enactment of the joint resolution (S. J. Res. 145) proposing an amendment to the Constitution of the United States relating to old-age assistance, which were ordered to lie on the table.

RIGHTS OF LABOR

Mr. MALONEY. Mr. President, I present for appropriate reference a letter from the Litchfield County, Conn., League for Peace and Democracy, and I ask unanimous consent for myself and on behalf of my colleague that it may be inserted in the RECORD.

There being no objection, the letter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

NEW MILFORD, CONN., July 18, 1939.

Hon. F. T. MALONEY, Hon. J. A. DANAHER,

Senators from Connecticut.

Dear Senators from Connecticut.

Dear Senators: At an open meeting of the Litchfield County
League for Peace and Democracy, held in New Milford last Saturday, I was instructed to advise you that the members and friends
of the league passed unanimously the following resolutions, and
to ask that you have them inserted in the Congressional Recomp

1. We heartily endorse and support the National Labor Relations Act (Wagner Act) as a step toward fair and good relations between labor and industry, and we stand unalterably opposed to any amendments that might cripple or weaken the act. (We call your attention to the contracts signed by United States Steel and the consequent peace and harmony as contrasted with the violence and bitterness in companies that have refused to obey the act.)

2. We approve the work of the La Follette committee investigat-

2. We approve the work of the La Follette committee investigating violations of civil liberties in industry, and urge an immediate additional appropriation of \$100,000 for the continuation of this important work (S. Res. 126).

3. We support the Oppressive Labor Practices Act (S. 1970), and urge that it be enacted into law at this session, in order to end the vicious and antidemocratic attacks upon the rights and liberties guaranteed under the Bill of Rights of the Constitution.

The gathering expressed its hope that you, our Senators, are in agreement with us on these points and that you will work for their realization.

Respectfully submitted.

RUTH C. ERICKSON. Secretary.

REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Finance, to which was referred the bill (S. 1643) to provide pensions at wartime rates for disability or death incurred in line of duty as a direct result of the conflict in the Far East, reported it with an amendment and submitted a report (No. 1020) thereon.

He also, from the Committee on Naval Affairs, to which was referred the bill (S. 2464) to amend the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U.S.C., Supp. IV, 496; sec. 14 of Public, No. 18, 76th Cong.), to adjust the limitations on the profits of certain contractors with the United States, reported it with an amendment and submitted a report (No. 1021) thereon.

Mr. BYRNES, from the Committee on Banking and Currency, to which was referred the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation, reported it without amendment and submitted a report (No. 1023) thereon.

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which was referred the bill (S. 310) to amend the Canal Zone Code, reported it without amendment and submitted a report (No. 1022) thereon.

He also, from the Committee on Commerce, to which was referred the bill (S. 2059) authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems, reported it with amendments and submitted a report (No. 1027) thereon.

Mr. BULOW, from the Committee on Civil Service, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 2178. A bill to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936 (Rept. No. 1024); and

H.R. 2642. A bill to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes (Rept. No.

Mr. PEPPER, from the Committee on Education and Labor, to which was referred the bill (S. 2510) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public kindergarten or kindergarten and nursery-school education, reported it with amendments and submitted a report (No. 1026) thereon.

Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 6687) to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property measured by sales, purchases, or use thereof occurring in United States national parks, military and other reservations or sites over which the United States Government may have jurisdiction, reported it with amendments and submitted a report (No. 1028) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (S. 2210) for the relief of the Merchants Distilling Corporation, reported it with amendments and submitted a report (No. 1029) thereon.

He also, from the same committee, to which was referred the bill (S. 2209) for the relief of Earle Embrey, reported it with an amendment and submitted a report (No. 1030) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 2572) for the relief of Anna M. Shea, reported it with an amendment and submitted a report (No. 1031) thereon.

Mr. TOBEY, from the Committee on Claims, to which was referred the bill (S. 1024) for the relief of Harriett Boswell personally and Harriett Boswell, guardian to Betty Fisher, reported it with amendments and submitted a report (No. 1032) thereon.

Mr. McNARY, from the Committee on Indian Affairs, to which was referred the bill (S. 2153) to amend the act entitled "An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath general council, members of the Klamath business committee and other committees appointed by said Klamath general council, and official delegates of the Klamath Tribe," approved June 25, 1938, reported it with an amendment and submitted a report (No. 1033) thereon.

POSTHUMOUS ENSIGN'S COMMISSION FOR ARTHUR MORTIMER FIELDS, JR.

Mr. WALSH. Mr. President, from the Committee on Naval Affairs I report favorably, with an amendment, Senate bill 2879, and I submit a report (No. 1019) thereon. I ask that the bill be taken up for immediate consideration, as I think there will be no opposition to it. I request that the bill be read.

The VICE PRESIDENT. Without objection, the report will be received, and the clerk will read the bill by title.

The CHIEF CLERK. A bill (S. 2879) to authorize the posthumous appointment of the late Arthur Mortimer Fields, Jr., to be an ensign of the United States Navy.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts for the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill

Mr. WALSH. Mr. President, Arthur Mortimer Fields, Jr., was a midshipman for 4 years at the Naval Academy, Annapolis, and on June 1 of this year he received the degree of B. S. from the academy and a certificate of graduation. Some days before his graduation he became ill and at the time of his graduation he was in the Naval Academy Hospital. Because of his physical condition at graduation, it was not possible to commission him an ensign in the United States Navy, which honor was bestowed at that time upon his classmates.

The day before graduation, Prize Day, he was awarded several prizes because of his leadership in several of his academic studies. He sat with the officers and visitors, because his illness prevented him marching and standing in line during the ceremonies. I met him on this occasion and talked with him about his illness and his fine record at the academy. He stood fifth in his class of over 600 midshipmen.

He died at the Naval Hospital at Brooklyn, N. Y., July 19, 1939. This bill authorizes the President to issue post-humously to him a commission as an ensign in the United States Navy with date of rank as of June 1, 1939. The Navy Department interposes no objection to the enactment of this bill. The passage of this bill at this session may serve to provide some slight comfort to his sorrowful parents. Through his death the Navy Department has suffered the loss of a promising naval officer, and his parents, a son of outstanding ability. His brilliant record at the academy should be a source of real pride to them, and this act of Congress, we hope, will convey to them the sympathy of the American people, the Navy, and the officials of the Naval Academy.

Mr. WAGNER. Mr. President, I desire to join in the request of the able Senator from Massachusetts for the immediate consideration of Senate bill 2879 introduced by me to authorize the President to issue posthumously to the late Arthur Mortimer Fields, Jr., a commission as an ensign of the United States Navy. I want to thank the Senator and the committee on behalf of myself and the heartbroken family of this noble young man. I know that words can bring little consolation to the grief-stricken family, but I hope this unusual and well-deserved recognition by the Congress of the United States will bring them some measure of solace.

The late Arthur M. Fields was an exceptional young man. Not only was he attractive and of high character but he was also a brilliant student. He won first honors in mathematics, in history, physics, in English, in gunnery and ordnance. By young Fields' untimely and unfortunate death the country was deprived of a great career.

The VICE PRESIDENT. The amendment reported by the committee will be stated.

The amendment of the Committee on Naval Affairs was, in line 6, after the numerals "1939", to strike out the period and insert a colon and the following proviso:

Provided, That no back pay, allowances, gratuities, or pension shall accrue due to the passage of this act.

So as to make the bill read:

Be it enacted etc., That the President is authorized to issue posthumously to the late Arthur Mortimer Fields, Jr., a commission as an ensign of the United States Navy with date of rank as of June 1, 1939: Provided, That no back pay, allowances, gratuites, or pension shall accrue due to the passage of this act. The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ENROLLED BILLS PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that on July 28, 1939, that committee presented to the President of the United States the following enrolled bills:

S. 18. An act authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry;

S. 522. An act to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard, who become disabled by reason of their service therein, equivalent to 75 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes; and

S. 2482. An act authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS:

S. 2911 (by request). A bill for the relief of Lodovico Marot (or Lewis Marrow), Daniza Marot, his wife, and their two children, Giuditta and Giovanna Marot (or Marrow); to the Committee on Immigration.

By Mr. BANKHEAD:

S. 2912. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. DAVIS:

S. 2913. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.; and

S. 2914. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa.; to the Committee on Commerce.

(Mr. O'Mahoney introduced Senate bill 2915, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

By Mr. SLATTERY:

S. J. Res. 178. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.; to the Committee on the Library.

AMENDMENT OF OIL-LEASING ACT

Mr. O'MAHONEY. Mr. President, for several months I have been conducting negotiations with the Department of the Interior in the effort to obtain a modification of certain provisions of the Oil and Gas Leasing Act and of the regulations thereunder. There are several instances in which it seems desirable, in the interest of developing the public domain, to secure not only a modification of the present regulations, but also a change in the law itself. I am happy to be able to announce that today the Interior Department has advised me of its willingness to agree in certain of the proposals which have been made. I am therefore introducing a bill intended to carry out a modification of the present rule with respect to rentals and rental bonds. The bill which I am now about to introduce would waive the rental on all oil and gas leases issued subsequent to August 21, 1935, on lands within the geological structures of nonproducing fields, for the second- and third-lease year. The Department is of the opinion that lessees should pay a rental for the firstlease year as an evidence of good faith.

The bill also provides that no bond shall be required for the first 3 years of any such lease unless drilling should be commenced. In that event a drilling bond would be required. The effect of the bill will be to eliminate the neces-

sity for filing rental bonds.

Mr. President, I therefore ask consent to introduce the bill to which I have referred, and request that it be printed in the RECORD and referred to the Committee on Public Land and Surveys.

The VICE PRESIDENT. Without objection, the bill will be received, printed in the RECORD, and referred as requested

by the Senator from Wyoming.

The bill (S. 2915) relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes, was read twice by its title, referred to the Committee on Public Lands and Surveys, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior, in the case of lands not within any known geological structure of a productive oil or gas field, shall waive the rentals stipulated in oil and gas leases issued subsequent to August 21, 1935, under the authority of the act of February 25, 1920 (41 Stat. 437), as amended, for the second- and third-lease years; and, except as otherwise provided by law, no bond shall be required for the first 3 years of any such lease: *Provided*, however, That a bond shall be required before permission to drill under any such lease shall be granted. be granted.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES—AMENDMENT

Mr. BONE submitted an amendment intended to be proposed by him to the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which was ordered to lie on the table and to be printed.

TAPS FOR THE PROFITEER-ARTICLE BY SENATOR BONE

[Mr. Lundeen asked and obtained leave to have printed in the RECORD an article by Senator Bone from the June 1939 issue of Foreign Service, entitled "Taps for the Profiteer," which appears in the Appendix.]

CREDIT FOR SMALL BUSINESS-ADDRESS BY SENATOR LA FOLLETTE

[Mr. La Follette asked and obtained leave to have printed in the Record a radio address by himself, broadcast by transcription over station WHA, Madison, Wis., on June 15, 1939, on the subject Credit for Small Business, which appears in the Appendix.]

EQUAL SACRIFICES FOR ALL-ARTICLE BY MILLARD W. RICE

[Mr. Bone asked and obtained leave to have printed in the RECORD an article from the April 1939 issue of Foreign Service entitled "Equal Sacrifices for All," by Millard W. Rice, which appears in the Appendix.]

RAILROAD LEGISLATION-ARTICLE FROM CHRISTIAN SCIENCE MONITOR

IMr. Truman asked and obtained leave to have printed in the RECORD an article under the heading "Rail Legislation Lags," published in the Christian Science Monitor of July 26, 1939, which appears in the Appendix.]

TRUTH IN FABRIC

The VICE PRESIDENT. Under a special order of the Senate the Senate now takes up for consideration the motion of the Senator from Oklahoma [Mr. Thomas] to reconsider the vote by which Senate bill 162 was passed, the time to be equally divided between the Senator from Oklahoma and the Senator from Wyoming [Mr. Schwartz].

The question is, shall the vote be reconsidered? All in favor will say "aye;" opposed "no." Apparently, the vote

is not reconsidered.

Mr. BARKLEY. Mr. President-

The VICE PRESIDENT. The unfinished business comes before the Senate. There is no amendment pending and the Chair has agreed to recognize the Senator from Montana [Mr. Wheeler]. The Senator from Wisconsin [Mr. LA FOLLETTE] asked the Chair this morning if he would recognize him or the Senator from Montana to offer an amendment. The Chair recognizes the Senator from Mon-

Mr. THOMAS of Oklahoma subsequently said: Mr. President, I ask unanimous consent that I may be furnished a copy of the proceedings of this body in connection with the motion to reconsider the vote by which Senate bill 162 was passed.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oklahoma?

Mr. SCHWARTZ. What is the request?

The VICE PRESIDENT. Will the Senator restate the request?

Mr. THOMAS of Oklahoma. I ask unanimous consent that I may be furnished a copy of the proceedings of this body in connection with the motion to reconsider the vote by which Senate bill 162 was passed.

The VICE PRESIDENT. Is there objection?

Mr. BARKLEY. Does it take unanimous consent to have the Senator furnished with a copy of the proceedings?

The VICE PRESIDENT. The official reporters will furnish the Senator a copy, if he desires it, without an order of the Senate.

Mr. THOMAS of Oklahoma. I want it by 12 o'clock.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. WHEELER. Mr. President, I ask that the amendment offered by the Senator from Wisconsin [Mr. La Follette]

and myself be read.

The VICE PRESIDENT. The amendment offered by the Senator from Montana on behalf of himself and the Senator from Wisconsin will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new section:

FARM MORTGAGE REFINANCING

SEC. 21. To remove the depressing economic effects of excessive farm mortgage debts and prevent the further increase of farm tenancy due to mortgage foreclosures, the Secretary of Agriculture shall be authorized, out of such funds of the Federal Farm Mortgage Corporation as he finds available therefor, to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service. Such loans shall be made at a rate or rates which may reasonably be expected to reimburse the Federal Farm Mortgage Corporation for not more than the cost to it of the capital required for any expenditure under be made at a rate or rates which may reasonably be expected to reimburse the Federal Farm Mortgage Corporation for not more than the cost to it of the capital required for any expenditure under this section plus an amount not to exceed one-half of 1 percent per annum of such cost, but in no event shall such combined rate be in excess of 3 percent per annum; and such loans, to the extent not inconsistent with this section, shall be subject to titles I and IV of the Bankhead-Jones Farm Tenant Act, but may be made without regard to the provisions of section 4 of said act. The Secretary of Agriculture shall administer the provision of this section, and all repayments on account of such loans shall be credited to the account of the Federal Farm Mortgage Corporation. An annual examination similar to that required by section 12 of this act shall be made of the refinancing program provided by this section, and if any such examination discloses that the probable recovery of the amounts of the loans under this section is less than the principal amount of such loans with interest thereon, the Secretary of the Treasury shall pay to such Corporation a sum equal to the amount of such difference, and there is hereby authorized to be appropriated for each fiscal year commencing with the fiscal year 1941, out of any funds in the Treasury not otherwise appropriated, a sum equal to such payment.

Mr. WHEELER. Mr. President. I might say to the Senate

Mr. WHEELER. Mr. President, I might say to the Senate that this amendment has the same objective as the Austin amendment, which passed the Senate some time ago by nearly a two-thirds vote and was stricken out in conference. Its purpose is to prevent farm owners from becoming farm tenants.

The Federal Farm Mortgage Corporation has something over \$612,000,000 in unused credit at the present time. This amendment seeks to permit the Secretary of Agriculture to do exactly for farm owners what is now being done under the Jones-Bankhead Act for farm tenants, except that under the Jones-Bankhead Act the authorities help the farmer become an owner after he is a tenant.

Mr. BORAH. Mr. President-

Mr. WHEELER. I yield to the Senator from Idaho.

Mr. BORAH. Is this proposal being offered as an amendment to the pending bill?

Mr. WHEELER. It is.

Under the Jones-Bankhead Act we have provided that the Government of the United States may put a tenant farmer on a farm and set him up in business. What this amendment seeks to do is to see to it that the farmer who is already on a farm, and who is running the farm at the present time, may remain on the farm, if he is a good farmer, under practically the same conditions that are provided in the Jones-Bankhead Act. It seems to me, as a matter of fact, that it is a much better thing to keep the farmer on the farm rather than to throw him off, and then say to him that we will find a place for him after he has become a tenant.

The amendment would meet the problem in the following way:

First. The Secretary of Agriculture would be authorized to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service. These loans would have the same terms as the tenant-purchase loans under titles I and IV of the Bankhead-Jones Farm Tenant Act. Each loan would have to be approved by a county committee of three farmers in the county, would be for 40 years, and would bear interest as provided in section 13 of Senate bill 2864; namely, the highest yield to maturity on the longest-term outstanding Government obligation.

The only provision of the Bankhead-Jones Farm Tenant Act which would not apply is section 4, which requires that funds be allotted among the States on the basis of farm population and the prevalence of tenancy. This provision obviously is inappropriate as applied to refinancing loans, since the amount of mortgages requiring refinancing is high even in States with a small number of tenants.

In these respects, the amendment would have the same effect as the amendment of the Senator from Vermont [Mr. AUSTIN] to the Bankhead-Jones Farm Tenant Act, adopted on June 28, 1939, but which died in conference. That amendment authorized the use of 10 percent of the funds annually available under the Bankhead-Jones Farm Tenant Act for refinancing distressed farm mortgages.

Second. The chief difference from the Austin amendment is that the proposed amendment would not divert any of the \$300,000,000 now provided for tenant-purchase loans. Instead, the Secretary of Agriculture would be authorized to use such idle funds of the Federal Farm Mortgage Corporationwhich was transferred to the Department of Agriculture by section 401 of reorganization plan No. I-as he finds available. This Corporation has authority to issue bonds totaling \$2,000,000,000 for the purpose of making Land Bank Commissioner loans. However, the maximum amount of bonds heretofore issued is \$1,651,559,000, of which \$263,799,100 have already been retired by reason of the steadily decreasing number of Commissioner loans being made. There is, therefore, at present \$612,240,100 available to the Corporation for which there is no longer any need and which, under the amendment, would be made immediately available for refinancing loans.

As I said at the outset, it seems to me that when a farmer is not able to pay his present loan by reason of the depressed economic condition, it is much better to keep him on the farm by making him a Government loan on this basis than to throw him off the farm and then find another place for him, if it can be found, under the Jones-Bankhead Act. So I am extremely hopeful that the amendment will be adopted; and I desire to call attention to some figures which have been compiled for me by the Department with reference to the amount of farm tenancy in the United States, and also as to the number of farms in the United States that are mort-

Mr. President, at this point I desire to have printed in the RECORD a brief memorandum, including statistics as to farm tenancy in the various States of the United States.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

1. The amendment will enable the Secretary to make loans not only to aid present tenants in becoming owners but also to save present owners from being reduced to tenancy through foreclosures.

2. On two occasions during this session, the Senate has recognized the urgency of this problem and has attempted to give

- 3. While the proposed amendment has the same objective as the Austin amendment, twice approved by this body, it has two features which meet any possible basis of objection.

 4. The amendment is directly germane to the purposes of the
- 5. The time to provide refinancing is now.
- 1. THE AMENDMENT WILL ENABLE THE SECRETARY TO MAKE LOANS NOT ONLY TO AID PRESENT TENANTS IN BECOMING OWNERS BUT ALSO TO SAVE PRESENT OWNERS FROM BEING REDUCED TO TENANCY THROUGH FORECLOSURES
- (a) Forty-one and five-tenths percent of all owner-operated farms in the country are now mortgaged, and, in particular States, the percentage runs between 50 and 70 percent.
- These high percentages are found in States with a high percentage of tenancy as well as in those States which, up to the
- present time, have not had a serious farm-tenancy problem.

 Thus, in States with over 50 percent of farm tenancy:
 Alabama, with 64.5 percent tenancy, has 40 percent owneroperated farms mortgaged.
- Arkansas, with 60 percent tenancy, has 40.4 percent owner-operated farms mortgaged.
- with 65.6 percent tenancy, has 33.2 percent owner-Georgia,
- operated farms mortgaged.

 Louisiana, with 63.7 percent tenancy, has 35.6 percent owner-operated farms mortgaged.

 Mississippi, with 69.8 percent tenancy, has 41.2 percent owner-operated farms mortgaged.
- Oklahoma, with 61.2 percent tenancy, has 50.6 percent owner-
- operated farms mortgaged.
 South Carolina, with 62.2 percent tenancy, has 34.3 percent
- owner-operated farms mortgaged.

 Texas, with 57.1 percent tenancy, has 41 percent owner-operated farms mortgaged.
- In States with from 40 to 50 percent of farm tenancy: Illinois, with 44.5 percent tenancy, has 41 percent owner-operated farms mortgaged.
- Iowa, with 49 percent tenancy, has 57.8 percent owner-operated farms mortgaged.
- Kansas, with 44 percent tenancy, has 53.9 percent owner-operated farms mortgaged. Nebraska, with 49.3 percent tenancy, has 61 percent owner-
- cperated farms mortgaged.

 North Carolina, with 47.2 percent tenancy, has 28.1 percent
- owner-operated farms mortgaged.
- South Dakota, with 48.6 percent tenancy, has 64.7 percent owner-operated farms mortgaged.
- owner-operated farms mortgaged.

 Tennessee, with 46.2 percent tenancy, has 26.5 percent owner-operated farms mortgaged.

 In States with from 30 to 40 percent of farm tenancy:
 Colorado, with 39 percent tenancy, has 48.3 percent owner-operated farms mortgaged.

 Delaware, with 34.8 percent tenancy, has 35.1 percent owner-operated farms mortgaged.
- operated farms mortgaged.
- Indiana, with 31 percent tenancy, has 44.8 percent owner-operated farms mortgaged. Kentucky, with 37.1 percent tenancy, has 25.4 percent owner-
- operated farms mortgaged.

 Minnesota, with 33.7 percent tenancy, has 53 percent owner-
- operated farms mortgaged.

 Missouri, with 38.8 percent tenancy, has 45.2 percent owneroperated farms mortgaged.

 North Dakota, with 39.1 percent tenancy, has 68.9 percent
 owner-operated farms mortgaged.
- In States with from 20 to 30 percent of farm tenancy: California, with 21.7 percent tenancy, has 49.8 percent owner-
- operated farms mortgaged. Florida, with 28 percent tenancy, has 25.3 percent owner-operated farms mortgaged.
- Idaho, with 28.5 percent tenancy, has 53.8 percent owner-operated farms mortgaged. Maryland, with 27.2 percent tenancy, has 35.6 percent owner-
- operated farms moitgaged.

 Montana, with 27.7 percent tenancy, has 48.9 percent owner-operated farms mortgaged. Ohio, with 28.9 percent tenancy, has 35.2 percent owner-
- operated farms mortgaged. Oregon, with 21.7 percent tenancy, has 49.8 percent owner-
- operated farms mortgaged.

 Virginia, with 29.5 percent tenancy, has 23.4 percent owner-operated farms mortgaged.
- Washington, with 20 percent tenancy, has 47.7 percent owner-operated farms mortgaged.
- West Virginia, with 25.8 percent tenancy, has 18.5 percent owner-operated farms mortgaged.
- Wisconsin, with 20.7 percent tenancy, has 59.2 percent owner-
- operated farms mortgaged.

 Wyoming, with 23.3 percent tenancy, has 51 percent owneroperated farms mortgaged.

 In States with from 10 to 20 percent of farm tenancy:
- Arizona, with 17.8 percent tenancy, has 28.9 percent owneroperated farms mortgaged.
- Michigan, with 19 percent tenancy, has 45.7 percent owner-operated farms mortgaged.
- Nevada, with 14.4 percent tenancy, has 47.8 percent owneroperated farms mortgaged.

New Jersey, with 17.8 percent tenancy, has 50.4 percent owneroperated farms mortgaged.

New Mexico, with 19 percent tenancy, has 19 percent owneroperated farms mortgaged.

New York, with 14.2 percent tenancy, has 45 percent owner-

operated farms mortgaged.
Pennsylvania, with 17.7 percent tenancy, has 33.7 percent owner-

operated farms mortgaged.

Rhode Island, with 13.8 percent tenancy, has 36.7 percent owner-operated farms mortgaged.

Utah, with 14.9 percent tenancy, has 48.2 percent owner-operated

farms mortgaged.

Vermont, with 10.9 percent tenancy, has 50.9 percent owner-

operated farms mortgaged.

In States with less than 10 percent of farm tenancy:
Connecticut, with 7.3 percent tenancy, has 47.8 percent owneroperated farms mortgaged.

Maine, with 6.9 percent tenancy, has 36 percent owner-operated farms mortgaged.

Massachusetts, with 6.2 percent tenancy, has 53.8 percent owner-

operated farms mortgaged. New Hampshire, with 7.3 percent tenancy, has 39.2 percent

owner-operated farms mortgaged.

(b) Furthermore, the ratio of mortgage debt to value of the mortgaged owner-operated farms has risen for the United States as a whole from 39.6 percent in 1930 to 50.2 percent as of 1935.

Thus, in States with over 50 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935, as follows:

Idaho, with 53.8 percent of farms mortgaged, the ratio increased

by 18.9 percent.

Iowa, with 57.8 percent of farms mortgaged, the ratio increased by 33.3 percent.

Kansas, with 53.9 percent of farms mortgaged, the ratio in-

creased by 40.5 percent.

Massachusetts, with 53.8 percent of farms mortgaged, the ratio increased by 22.3 percent.

with 53 percent of farms mortgaged, the ratio increased by 36.6 percent.

Nebraska, with 61 percent of farms mortgaged, the ratio in-

creased by 38.5 percent.

New Jersey, with 50.4 percent of farms mortgaged, the ratio increased by 21.2 percent.

North Dakota, with 68.9 percent of farms mortgaged, the ratio

increased by 27.8 percent.
Oklahoma, with 50.6 percent of farms mortgaged, the ratio in-

creased by 36.1 percent

South Dakota, with 64.7 percent of farms mortgaged, the ratio increased by 50 percent.

Vermont, with 50.9 percent of farms mortgaged, the ratio in-

creased by 12.4 percent.
Wisconsin, with 59.2 percent of farms mortgaged, the ratio in-

wisconsin, with 59.2 percent of farms mortgaged, the ratio increased by 22.2 percent.

Wyoming, with 51 percent of farms mortgaged, the ratio increased by 16.4 percent.

In States with from 40 to 50 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Alabama, with 40 percent of farms mortgaged, the ratio increased

Arkansas, with 40.4 percent of farms mortgaged, the ratio increased by 22.8 percent.

California, with 49.8 percent of farms mortgaged, the ratio in-

creased by 20.3 percent.

Colorado, with 48.3 percent of farms mortgaged, the ratio increased by 17.5 percent.

Connecticut, with 47.8 percent of farms mortgaged, the ratio

increased by 22.1 percent.

Illinois, with 41 percent of farms mortgaged, the radio increased

by 27.4 percent Indiana, with 44.8 percent of farms mortgaged, the ratio increased

Michigan, with 45.7 percent of farms mortgaged, the ratio increased by 16.9 percent.

Missispipi, with 41.2 percent of farms mortgaged, the ratio increased by 44 percent.

Missouri, with 45.2 percent of farms mortgaged, the ratio increased by 30.2 percent.

creased by 30.2 percent. Montana, with 48.9 percent of farms mortgaged, the ratio increased by 14.6 percent.

Nevada, with 47.8 percent of farms mortgaged, the ratio increased

New York, with 45 percent of farms mortgaged, the ratio increased by 21.4 percent.

Oregon, with 49.8 percent of farms mortgaged, the ratio increased by 26.2 percent.

Texas, with 41 percent of farms mortgaged, the ratio increased

by 27.9 percent.
Utah, with 48.2 percent of farms mortgaged, the ratio increased

by 28.6 percent.

Washington, with 47.7 percent of farms mortgaged, the ratio increased by 25.2 percent.

In States with from 30 to 40 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Delaware, with 35.1 percent of farms mortgaged, the ratio increased by 22 percent.

Georgia, with 33.2 percent of farms mortgaged, the ratio increased by 27.7 percent.

Louisiana, with 35.6 percent of farms mortgaged, the ratio increased by 26.2 percent

creased by 26.2 percent.

Maine, with 36 percent of farms mortgaged, the ratio increased by 35 percent.

Maryland, with 35.6 percent of farms mortgaged, the ratio increased by 25 percent.

New Hampshire, with 39.2 percent of farms mortgaged, the ratio increased by 15.2 percent.

Ohio, with 35.2 percent of farms mortgaged, the ratio increased by 21.9 percent.

Pennsylvania, with 33.7 percent of farms mortgaged, the ratio increased by 31.1 percent.

Rhode Island, with 36.7 percent of farms mortgaged, the ratio increased by 15.7 percent.

South Carolina, with 34.3 percent of farms mortgaged, the ratio increased by 17.1 percent.

In States with from 20 to 30 percent of all owner operated farms.

In States with from 20 to 30 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Arizona, with 28.9 percent of farms mortgaged, the ratio increased by 9.2 percent.

Florida, with 25.3 percent of farms mortgaged, the ratio increased by 28.2 percent.

Kentucky, with 25.4 percent of farms mortgaged, the ratio increased by 35.9 percent.

North Carolina, with 28.1 percent of farms mortgaged, the ratio

reased by 31.7 percent.

Tennessee, with 26.5 percent of farms mortgaged, the ratio increased by 29.4 percent.

Virginia, with 23.4 percent of farms mortgaged, the ratio increased by 34.5 percent.

In States with from 10 to 20 percent of all owner-operated farms mortgaged the ratio of debt to farm value increased between 1930.

mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

and 1935 as follows:

New Mexico, with 19 percent of farms mortgaged, the ratio increased by 15.8 percent.

West Virginia, with 18.5 percent of farms mortgaged, the ratio increased by 39.3 percent.

(c) The value of farms operated by tenant farmers and the value of farms represented by mortgage debts on owner-operated farms, compared to the value of all farm real estate, has grown from 41 percent in 1890 to 61 percent as of 1935. In the Middle West and Northwest the percentage of the value of farm real estate not belonging to the farm operator ranges from 60 to 80 percent. not belonging to the farm operator ranges from 60 to 80 percent.

Mr. WHEELER. Mr. President, so far as the pending piece of legislation is concerned, there is nothing in it which will be of any particular help to the farmers of this country.

Mr. GILLETTE. Mr. President, will the Senator yield? Mr. WHEELER. I yield.

Mr. GILLETTE. As I read the amendment, there are only two limitations to the mortgages which could be refinanced. It applies to any mortgage anywhere, carried by anyone, and the only two limitations are that the mortgage must be in the category where the income is not sufficient to meet the service charge, and as to the amount of funds that are available from the Federal Farm Mortgage Corporation.

Mr. WHEELER. That is correct.

Mr. GILLETTE. With those two limitations, mortgages could be refinanced anywhere the Secretary of Agriculture chose, in any amount he chose, for any creditor, with that

Mr. WHEELER. That is my understanding.

Mr. LA FOLLETTE. Mr. President, I should like to add, if the Senator will permit, in response to the inquiry of the Senator from Iowa, that titles I and IV of the Bankhead-Jones Farm Tenant Act apply.

Mr. BARKLEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. I have not had time to study the amendment, but my attention has been called to the fact that under the present plan of making loans of the type intended to be covered by the amendment only 75 percent of the appraised value of the farm is loaned.

Mr. WHEELER. That is, at the present time.

Mr. BARKLEY. Yes.

Mr. WHEELER. The Federal land banks can lend only up to 50 percent of the farm value, and the Commissioner loans can amount to an additional 25 percent, making it 75 percent. This amendment is intended to provide that there can be 100-percent loans. It is intended for a case

where a man is about to lose his property by reason of the fact that either the Federal land bank is going to foreclose or an insurance company or private bank is going to foreclose. They can compromise the debt with the creditor for a certain amount, and leave the man upon the farm on exactly the same terms on which they would put a new man on the farm under the Jones-Bankhead Act.

Mr. BARKLEY. Under the Federal Farm Mortgage Corporation Act also I understand full 100-percent loans are not made

Mr. WHEELER. That is correct.
Mr. BARKLEY. But loans are made up to 75 percent of the value of the farm.

Mr. WHEELER. Yes. Mr. BARKLEY. I am wondering whether it is sound policy to set up one type of loans for farmers, where one can get only 75 percent of the appraised value of his farm as a loan, and then, under this amendment, set up another category, so that an adjoining farmer, who is not making enough money to carry his indebtedness, could borrow 100 percent of the value of his farm.

Mr. WHEELER. Exactly the same thing is being done under the Jones-Bankhead Act. In other words, they are taking a tenant and putting him on a piece of land, and

giving him a 100-percent loan.

Mr. BARKLEY. The loans being made by the Federal Farm Mortgage Corporation, which the Senator would set up as the agency to carry out the provisions of the amendment, are not 100 percent. They are making only 75-

percent loans.

Mr. WHEELER. Go into Montana, or Utah, or Kansas, or any other State of the Union, and distressed farmers will be found, men who have loans, and this would amortize the loans over a period of 40 years. If a committee of three farmers says a farmer who has his farm mortgaged is a good farmer, one who can work his debt out over a period of 40 years, instead of having to meet it in the short period of time he otherwise would, we ought to make him the loan, and extend the period 40 years. Or where there is a farmer who has a good farm and is going to lose his place because of the fall in land values, or economic conditions, we would say to him, "We do not want to drive you off your farm, we are going to leave you on the farm and give you a chance to pay out, because this is your home." And we are going to say to the insurance company, or the bank, to whomever it may be, "You have a loan of \$7,500 on this farm. If you foreclose the mortgage, you can get only \$5,000 and you get the farm. We will give you \$5,000 cash, and let this man stay on the farm and work out the debt over a period of 40 years."

What has the Farm Mortgage Corporation been doing? They foreclose a mortgage and then put the borrower off the place. They buy the farm in; and do they let the farmer come back and take it? No; they will take some other tenant and put him upon that piece of land, on exactly the same basis with the man who had been farming it over a long period of time and wanted to stay on it. They will not give him a chance, but will take some other man who may not have been a farmer and may not have had any experience in farming in that locality, and put him on the piece

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BAILEY. How does this relate itself to the Federal land banks and to the joint-stock banks? Does it attempt to bail them out?

Mr. WHEELER. Not at all.

Mr. BAILEY. Suppose I were a farmer and owed a Federal land bank; could I get money under this amendment

and pay the Federal land bank off?

Mr. WHEELER. Yes; the Senator could get it and pay the Federal land bank, provided he owed the Federal land bank and they were about to foreclose his mortgage. We would say to the Federal land bank, "You cannot raise that amount of money by a sale of this piece of land; permit the debt to be compromised," the same as we would with some insurance company or some private owner. We would keep the farmer on the farm and give him a chance, not drive him out of his home and into the city to compete with city workers.

Mr. BAILEY. The consequence is to bail the Federal land banks or the joint-stock land banks out of their loans.

Mr. WHEELER. I do not agree with the Senator at all. The purpose of the amendment-

Mr. BAILEY. That may not be the purpose; I am speaking of the consequence.

Mr. WHEELER. I do not think that is accurate. It is not the purpose to bail anybody out. The purpose is to keep the farmer on the farm.

Mr. BAILEY. I should like to keep the farmer on the farm, and all that, but I am saying that the consequence of the enactment of this amendment would be to bail the jointstock banks and the Federal land banks out with respect to their bad loans.

I will take my seat after one remark. I think the phrase "a 100-percent loan" is a contradiction in terms. There is no such thing as a 100-percent loan. If it is 100 percent, it is either a grant or a sale; it is not a loan. We are going into that business, and, of course, it means that we are either buying somebody's bad mortgage, the Federal land bank's bad mortgage, or the joint-stock bank's bad mortgage, or we are buying the farmer's land. A 100-percent loan on a horse is a purchase of the horse, and it is a gire to the borrower of the equity, if any. It is not a loan.

Mr. WHEELER. I do not intend to argue that point with the Senator, but, call it what you want to call it, if the farm situation in this country is not relieved and the farmers cannot remain on their farms, there is no telling what will happen to the country. There are millions of farmers all over the country who are going to have to leave their farms under the economic conditions which exist in this country, they are being driven off the farms by the hundreds all over the West and the Middle West, and if the farmers are driven off the farms, what is going to happen to this country? We have to look at it from a social and economic standpoint. The Senator may call it a loan or a purchase. but I say to him that we would be doing a better job by keeping on the farm the man who is a good farmer, who wants to stay on the farm, than taking a tenant farmer and putting him on a place and giving him a 100-percent loan. I submit that it is far better to keep a good farmer on a farm, a man who has raised a family and lived upon the place, than to throw him off and put on the place someone who has been a tenant farmer.

Mr. GILLETTE. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Iowa?

Mr. WHEELER. I yield.

Mr. GILLETTE. I am fully in accord with what the Senator has just stated. But there are a number of things in his proposal which disturb me. Is there anything in the proposal that would serve as a guide to the Secretary of Agriculture as to what composition shall be made with creditors on a particular mortgage? The best composition that can be made, or 100 percent? Is there any limitation whatever?

Mr. WHEELER. I assume the composition which would be made would be the best one that could be made by the Secretary of Agriculture. He would follow the standards provided by titles I and IV of the Bankhead Act.

Mr. GILLETTE. The second question I wish to ask is if there is any possibility or reasonable probability that the funds which are available could begin to meet the demand for refinancing mortgages?

Mr. WHEELER. Let me say to the Senator that I do not think all the farm mortgages should be or could be refinanced.

Mr. GILLETTE. No. I mean the mortgages that would come within this category.

Mr. WHEELER. I cannot say that, and I do not think anyone else in the world can say that. But this provision is intended only to take care of the purely distress cases in the

United States. I am not prepared to say how many cases there are, but I do know that in some States there are a great many such cases.

Mr. GILLETTE. If that be the case, is there not a possibility that the first creditors who come in with a bunch of shaky mortgages will be the first ones who will be able to

make a composition and to be refinanced?

Mr. WHEELER. The same question might just as well be asked in respect to the operations under the Bankhead-Jones Farm Tenant Act. Under that act there is not enough money provided to take care of all the tenant farmers who desire to acquire a farm. The only thing that can be done at this time, in view of the present economic conditions, is to endeavor to reduce the debt of the farmer and thus keep him on the farm. We have not increased the price of agricultural products in the last 7 or 8 years in such way as to give the farmer any real or substantial increase in purchasing power. Today the farmer is worse off in many instances—with the exception of the money he is getting from the Treasury of the United States—than he was in 1933.

Today, as in the past, the farmer buys at retail and sells

his produce at wholesale.

Here is what is being done under the terms of the pending bill. It is proposed to make 100-percent loans to the railroads. The Congress is saying to the railroads, "We will buy equipment for you, and we will turn it over to you. For the money we furnish you we will charge you only one-half of 1 percent more than it costs the Government to obtain that money." But is any complaint made by Senators because it is proposed to make loans to the railroads, furnishing the money to them at one-half of 1 percent more than it costs the Government? Yet the Congress says to the little farmers of this country, "We are not going to buy equipment for you. We are not going to make it possible for you to stay on the farm. We are going to let you suffer farm foreclosures. But we are interested in protecting the railroads. We are more interested in protecting the banks, we are more interested in building toll roads, and doing this and doing that, than we are in keeping the farmers upon their farms." If Democratic Members of Congress went to the country and presented such a philosophy they would soon see where the Democratic Party would land.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. NORRIS. With the Senator's permission, I should like to add one word more to his assertion in regard to the loaning of money to the railroads 100 percent, as against loaning money to farmers 100 percent. Let us see what the security in each case is. The farmer's security is the land.

Mr. WHEELER. That is correct.

Mr. NORRIS. The railroads' security is personal property in the way of engines and cars which will wear out, which will be destroyed in a comparatively short time, especially when they are not operated by their owners.

Mr. WHEELER. That is correct.

Mr. NORRIS. So it seems to me that should be taken into consideration when a comparison is made.

Mr. WHEELER. I thank the Senator.

Mr. NORRIS. I hope the Senator will move to strike out the provision in the bill in regard to loaning 100 percent on personal property to the railroads. I would like to see that part of the bill go out.

Mr. WHEELER. I may say to the Senator that I intended

to do so.

Mr. CAPPER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CAPPER. The proposal of the Senator from Montana and the Senator from Wisconsin for refinancing western farmers is absolutely sound and highly desirable. Farmers of the West were never so greatly in need of help as now. A real emergency exists. Drought conditions in the Plains States over a period of several years have made it impossible for many farmers to meet their mortgage obligations. Foreclosures are increasing through no fault of the farmers. Many farmers are unable to meet either principal or interest payments. More than 45 percent of the farms of my State

are being operated by tenants, and the number is steadily increasing. The Government is making loans to railroads and is spending billions to help the big cities with their municipal projects to provide work for the unemployed. It is equally important that the Government should assist the distressed farmers in remaining on their farms. It will not be long until many of these unfortunate farmers will be on relief unless we tide them over their difficulties and make it possible for them to stay on their farms by setting up a refinancing program along the lines proposed in the Wheeler-La Follette amendment. I hope the amendment will receive the approval of the Senate.

Mr. KING. Will the Senator permit me to ask a question?

Mr. WHEELER. I yield.

Mr. KING. Is not the Senator somewhat in error? Keep in mind the fact that we have Mr. Wallace at the head of the Department of Agriculture, and that he has tried half a dozen schemes and plans, and the more he has expended—and he has expended about \$7,000,000,000 in the past few years—the worse off the farmers are. Are we to continue to put more money into the hands of Secretary Wallace in order that he may carry out his foolish plans which have proved so disastrous to agriculture?

Mr. CAPPER. All I know is that foreclosures are increasing steadily. Farm tenancy is increasing. It is true, as the Senator from Montana said, that in Kansas 45 percent of the farms are now operated by tenants, and that percentage is increasing every year. There never was a time when the farmers were so greatly in need of help as they are now, and I sincerely hope that the Senate will take favorable action on the proposal of the Senator from Montana.

Mr. WHEELER. I thank the Senator.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. It may have no bearing on the amendment, but I cannot let the observation of the Senator from Utah go unnoticed, in which he states that under Mr. Wallace the condition of the farmer is worse than it has ever been.

Mr. KING. I think so.

Mr. BARKLEY. No one will contend that the farmer today is not getting more for his products than he received in 1932. No one will contend that the value of farm property in the United States has not increased from a little over \$4,000,000,000 in 1932 to about \$7,000,000,000 now. So that the observation of the Senator from Utah is, I think, not accurate. Regardless of how anyone votes on this amendment, certainly Mr. Wallace ought not to be criticized for his effort to help American agriculture, and I think American agriculture has been helped. Of course, the farmers are not out of the hole; they are not out of the woods; neither are any of us out yet, but the farmer has certainly been making progress under the present administration. And without in any way impugning the statements made by the Senator from Montana. I think it ought to be stated that as a whole agriculture is in a much better condition than it was 6 years

Mr. WHEELER. Let me say a word with reference to Mr. Wallace. I have not always agreed with him, but I say this about him, that there was never a more sincere, conscientious person than the Secretary of Agriculture. No one has tried harder to help the farmers of the United States than Henry Wallace. He is an able Secretary of Agriculture.

Now let me speak of the bill. What is the use of building roads, what is the use of building schools, what is the use of building swimming pools, auditoriums, or armories all over the United States, which are not going to be of any use whatsoever unless we can keep the farmers on the farms? We have spent millions of dollars building armories and roads, and so forth. I voted for such appropriations. But I say to the Senate there is going to be no need for these roads unless we can keep the farmer on the farm. There is no need for the schoolhouses or courthouses unless the farmer farms his land. There is no

use of spending money for all these purposes unless we first get the farmer back on his feet.

The question is raised about the security that the farmer could give. The farmer gives his home as security, that home where he reared his children, which means everything to him, to his wife, and to his little children. A mortgage will be taken on that farmer's home, because it is said it is necessary if the farmer is to have a loan of 100 percent. Then that home may be taken from him.

Mr. SCHWELLENBACH. Mr. President, will the Senator

Mr. WHEELER. I vield.

Mr. SCHWELLENBACH. Does not the Senator see a distinction between a horse and that farm home and the farm upon which the farmer intends to make a living for himself and his family? When the Senator from North Carolina talks about a 100-percent loan on a horse, that is different than a 100-percent loan on a farm.

Mr. WHEELER. Yes. There is all the difference in the world. Here is a man who has a farm home. He has raised his children on that farm. It means everything under the sun to him. Under the Bankhead-Jones Farm Tenant Act the tenant is given a 100-percent loan, but he is also being given a home. That never had been his home before. What we are seeking to do is to keep over his head the farm home that the farmer has.

Let us speak of the railroads. See what is being done with them. The railroads can get loans. There is no difficulty about the railroads of this country getting loans on equipment trusts. They can get all the money they want in that manner. Any railroad in the United States, I do not care whether it is in bankruptcy or out of bankruptcy, can borrow all the money it wants on equipment trusts, because the equipment is taken as security.

We say to the railroads of the country, "We are going to build equipment for you, we are going to build it for you as you want it built, and we are going to lend you the money at one-half of 1 percent more than it costs us to obtain it." We are taking the engine and the cars as security. That engine and those cars, however, are constantly being worn out. But it is not proposed to do the same thing for the farmers. It is not proposed to take sowing machines as security. It is not proposed to take farm equipment. It is proposed to take land.

If we were to treat the farmer on the same basis as the railroads every time he wanted to buy a cow, or some horses or engines, or a threshing machine, or whatever it was, we would say to him, "We will lend you the money at one-half of 1 percent, and we will give you 20 years to pay for it. We will take your plow, your mowing machine, your thresher, or your binder as security for a 100-percent loan."

Mr. President, in my judgment, the amendment which I have offered would be one of the most forward steps ever taken in behalf of the distressed farmers of this Nation. It will at least stop the present dangerous trend toward a modern agricultural feudalism. We must do something for the distressed farmers of the country in this session of the Congress.

I am not talking about the poorer class of farmers. In Wisconsin we find the richest land in the world and the best farmers in the country-German farmers. When we go into North Dakota and Minnesota we find the best type of farmers to be found anywhere in the world. I refer to the Scandinavian farmers. I challenge anyone to find a better class of farmers than those people. The same thing is true of the farmers in Montana and other sections of the country.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. RUSSELL. I might not entirely agree with the comparison which the Senator draws as to the ability of farmers, because I think we have good farmers in every section of the United States.

Mr. WHEELER. There is no doubt about it.

Mr. RUSSELL. I am very much interested in the objective which the Senator seeks to attain by his amendment. Unfortunately I did not hear all of his statement. Did the

Senator advise the Senate as to the amount of money which would be available for the proposed refinancing program?

Mr. WHEELER. My understanding is that the amount available would be something over \$600,000,000.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LA FOLLETTE. The administration of the fund under the provisions of the amendment would be in the discretion of the Secretary of Agriculture. As the Senator knows, the Farm Credit Administration and the Farm Mortgage Corporation were transferred to the general supervision and direction of the Secretary of Agriculture under one of the reorganization orders. The amendment provides specifically that the Secretary shall use so much of the funds which the Corporation has the power to borrow for this purpose as he finds available therefor.

Mr. RUSSELL. What is the ceiling on the total amount? Mr. LA FOLLETTE. The total unused borrowing power of the Farm Mortgage Corporation is about \$614,000,000.

Mr. RUSSELL. There is a limitation on the total amount of funds available.

Mr. LA FOLLETTE. That limitation exists because of the limitation put upon the total borrowing power of the Farm Mortgage Corporation at the time it was created in 1934.

Mr. RUSSELL. There is a ceiling on the amount of money that would be available for this purpose. At the present time it amounts to approximately \$600,000,000.

Mr. WHEELER. That is correct.

Mr. RUSSELL. Of course, as repayments are made on other loans other funds would in turn become available, in the nature of a revolving fund, to assist in refinancing other farm loans.

Mr. WHEELER. That is correct.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. WHEELER. I yield.

Mr. KING. I am asking for information. I am interested in trying to ascertain where the funds are coming from, and what organization would make the advances required under the provisions of the Senator's amendment. I find that on April 30, 1939, the Federal Farm Mortgage Corporation had a note-issuing power of \$2,000,000,000, and that it had already issued notes which were held by the public amounting to \$1,379,400,000. So if the limit were reached, there would be available the difference between \$1,379,400,000 and \$2,000,000,000. Is that correct?

Mr. WHEELER. That is correct.

Mr. KING. Under the Senator's amendment would resort be had to the \$2,000,000,000 authorization to the Federal Farm Mortgage Corporation?

Mr. WHEELER. I forget the exact figure, but I think the

amount available would be about \$612,000,000.

Mr. KING. It is the difference between the two figures I have stated.

Mr. WHEELER. That is correct.

Mr. LA FOLLETTE. Together with such commissioner loans as may be repaid from time to time, which go back into the Corporation and are thus available to retire its outstanding obligations.

Mr. KING. The ceiling would be \$2,000,000,000.

Mr. LA FOLLETTE. Of course, there would not be \$2,-000,000,000 available for this purpose, because part of it has already been utilized for other purposes; but insofar as any of those loans were repaid, additional funds would be available.

Mr. KING. I should like to ask one other question, if I may.

Mr. WHEELER. The amount available could not be \$2,000,000,000.

Mr. KING. What I meant was that the loans could not exceed the \$2,000,000,000 authorized.

Mr. WHEELER. The amount available could not possibly be that much because of the fact that bonds of the Federal land banks were bought with some of the money, to the extent of about \$700,000. I do not believe the amount available would be \$600,000,000. I doubt whether the funds used

would amount to \$600,000,000. I think the limit would be not more than \$500,000,000.

Mr. KING. One other question. The bill provides for a \$600,000,000 additional credit, money, or appropriationwhichever term one desires to employ-to the Secretary of Agriculture.

Mr. WHEELER. The amendment does not provide for additional funds. It simply authorizes the Secretary of Agriculture to utilize available Farm Mortgage Corporation credit to refinance farm mortgages.

Mr. KING. Could not the \$600,000,000, or some part of it, be made available to accomplish the end the Senator has indicated?

Mr. WHEELER. I am not familiar with the \$600,000,000 to which the Senator refers.

Mr. KING. It was for tenant farmers.

Mr. WHEELER. That activity comes under the Bankhead-Jones Act, to which I called attention. I think I am correct in that statement. If I am not, I can be corrected. The Bankhead-Jones Act provides for the purchase of land and equipment for tenant farmers, to put them on farms, and the making of 100-percent loans. What we are proposing is much more sound than the Bankhead-Jones Act, because we are saying to the farmer or the stockman, "The price of your cattle has dropped, and economic conditions are bad. You have a mortgage, and you cannot meet the amortization of that mortgage, so we will lend you the money under this provision and give you 40 years to pay it back," just as we do on reclamation projects. On reclamation projects we allow 40 years for repayment. We say to the farmer, "We will reduce the amount of money you have to pay each year, so that you may stay upon your farm."

Mr. KING. On page 5 of the bill under consideration, in

section 4, subsection (5), I find the following:

To the Department of Agriculture: \$600,000,000 for loans for facilities for farm tenants, farm laborers, sharecroppers—

Could any part of that sum be made available for the purposes indicated by the Senator?

Mr. WHEELER. Not under this amendment.

Mr. KING. Why could not part of the \$600,000,000 be made available to attain the objects indicated by the Senator? It seems to me there is much merit in what the Senator has been arguing for; and it occurs to me that it would be much wiser to divert a portion of the \$600,000,000 to the accomplishment of the end which the Senator seeks than to carry out the plan in the manner which he has suggested.

Mr. ELLENDER. Mr. President, will the Senator yield? Mr. WHEELER. I yield to the Senator from Louisiana.

Mr. ELLENDER. Would the Federal Farm Mortgage Corporation be able to make Commissioner loans as it has in

Mr. WHEELER. Yes. The truth is that the Commissioner loans have been going down. The Corporation has been collecting much more money than it has been lending.

Mr. ELLENDER. Under the terms of the amendment, the Farm Mortgage Corporation could use all the money available for the purpose indicated in the amendment.

Mr. WHEELER. It could do so if it desired; but only in the discretion of the Secretary of Agriculture. Under the reorganization plan, the Secretary of Agriculture is also the boss of the Farm Credit Administration.

Mr ELLENDER. Does not the Senator think it might be well to set aside a certain percentage of the amount to be used to continue such loans?

Mr. WHEELER. We did not want to freeze the amount. We wanted to leave the matter in the discretion of the Secretary of Agriculture. We feel sure that the Secretary of Agriculture, having the administration of both funds, would not do anything to jeopardize one fund while he was doing something with the other.

Mr. ELLENDER. I notice that the purpose of the amendment is to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service.

Mr. WHEELER. That is correct.

Mr. ELLENDER. Does that provision cover any mortgages, whether made privately or with the Government?

Mr. WHEELER. Any mortgages, whether made privately or otherwise.

Mr. ELLENDER. I notice that there is a yardstick in the amendment. If the income of the farmer is not sufficient to meet his payments, then refinancing may take place.

Mr. WHEELER. That is correct.
Mr. ELLENDER. What yardstick is the Secretary of Agriculture to use in making new loans? Is he to take into consideration the farm income?

Mr. WHEELER. Yes: I think so. The Secretary would make loans through the procedure provided by the Bankhead Act. If a farmer has a large ranch, he may want a loan, but if his financial condition is not a distressed one, or if he was not facing foreclosure, he would not be eligible.

The purpose of the amendment is to meet the situation of the distressed farmer who is about to lose his farm because of the fact that his income is not sufficient to meet his payments. We seek to give him a longer period in which to repay his loan, reduce the amount of his annual payments, and amortize the principal.

Mr. ELLENDER. In amortizing the loans the Secretary of Agriculture will certainly have to take into consideration the income of the farmer and so arrange the loan that the amount to be paid back by the farmer will be about what the farm can bear.

Mr. WHEELER. That is correct.

Mr. MILLER. Mr. President-

Mr. WHEELER. I yield to the Senator from Arkansas.

Mr. MILLER. I merely wish to say to the Senator that I proposed in the committee when this bill was under consideration an amendment which the Senate had at one time adopted when it was offered by the Senator from Vermont [Mr. Austin]. Under the proposal that was before the committee we were considering taking a part of the \$600,000,000 authorized on page 5 of the bill for this purpose. We had Mr. Baldwin, of the Farm Security Administration, before the committee. He pointed out some reasons which, to my mind, were sufficient to indicate that it would be unwise to undertake such a plan in this bill. But the amendment now being proposed, I believe, removes the stated objections of the Farm Security Administration.

Mr. WHEELER. That is correct.

Mr. MILLER. So I see no reason why it should not be adopted, though I wish to make a suggestion in connection with it. I know the Senator does not want to make it possible for the farmers to clamor for loans when there is no possible way of their repaying such loans.

Mr. WHEELER. That is correct.

Mr. MILLER. In other words, if a man is bankrupt, he is bankrupt.

Mr. WHEELER. Yes.

Mr. MILLER. And it is useless to call the doctor after a man has died. I suggest to the Senator that he give consideration to placing in this amendment the word "amortize" immediately following the word "finance."

Mr. WHEELER. I do not catch exactly the Senator's suggestion.

Mr. MILLER. I suggest that the Senator give consideration to the placing in this amendment the word "amortize" after the word "finance." The purpose of the sentence, as I understand, is to give the farmer a greater spread and thus enable him with his reduced income to meet these payments and pay the loan back without loss to the Federal Farm Mortgage Corporation.

Mr. WHEELER. That is correct. As a matter of fact, under this bill I think that the Secretary is bound to do that very thing, because the other provisions of the bill specify that the loans must be self-liquidating.

Mr. MILLER. That is true; the other provisions of the bill do so specify.

Mr. WHEELER. So as a matter of fact what the Senator is suggesting seems to me is not necessary in view of the other provision.

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. WHEELER. I yield.

Mr. SCHWELLENBACH. I can see some objection to the idea of the Senator from Arkansas. I should like to illustrate it by a practical example. As the Senator knows, we have two major apple-producing sections in the State of Washington. One is the Yakima and the other is the Wenatchee. When the depression came many of the business interests of the Yakima Valley got together and provided guaranties for a fund for a debt-adjustment program. As the result of that fund it was possible to get a scaling down of debts by the holders of the various mortgages, because they realized that the mortgages were not worth the amount of their face, and they realized that the funds available would take care of 50 or 60 percent of them.

In the Wenatchee Valley they did not have that sort of businessmen in the valley, and they were unable to do what had been done in the Yakima Valley. I have been after the Farm Credit Administration ever since I have been here to take that position in the Wenatchee Valley. They have refused, because they said under the law they were not able

It seems to me that it goes back to the question asked by the Senator from Iowa [Mr. GILLETTE]. It seems to me that if we give this authority it is going to be possible for the Mortgage Administration to go into places such as that, take the leadership in a debt-adjustment program, and accomplish results with the use of a very small amount of money. If the mortgagees realized that there was someone who would be willing to give them 50 percent or 60 percent cash, then they would be willing to cut down their mortgages.

If we used the word "amortize," I am afraid it would apply to the total amount of the mortgage, and those holding the mortgage would think that they would be able to obtain 100 percent cash on their mortgages, and it might defeat the

very beneficial effect of the Senator's amendment.

Mr. WHEELER. I thank the Senator very much, because he stated it better than I could have, and I shall keep that point in mind. For instance, some insurance companies hold mortgages. They do not want to foreclose. They have been ruthless, in some instances, in foreclosing. Other insurance companies have not been ruthless, and have done some very splendid work in keeping the farmer on the farm and giving him a chance to pay out. Others, however, have been rather ruthless in foreclosing. If they could say "If you will take this farm you can have it for, say, 50 percent in cash of what the mortgage calls for." Consequently, the mortgage indebtedness on that farm would be cut down.

I am afraid if we use this language that they will say, "Give me the full amount and I will amortize it over 40 years"; the debtor can pull out, and we will not take the cut.

Mr. MILLER. Mr. President, will the Senator yield

Mr. WHEELER. I yield. Mr. MILLER. What the Senator from Montana and the Senator from Washington say may be true. It is not my purpose to prevent the readjustment of the debts, but under the act creating the Corporation, it has a specific duty to perform—it is the refinancing corporation of the Farm Credit Administration and the land banks—and all I am seeking to do-and I am just as much interested in this debt-adjustment program as is any other man-is not to give the Federal Farm Mortgage Corporation an alibi or an "out" to say, "Our hands are bound by virtue of the act creating us, we cannot go further than do what the act provides." That is the point I am getting at.

Mr. WHEELER. I thank the Senator. I know the Senator is interested as much as is any other Member of the Senate in doing the same thing as some of the rest of us are seeking to do, and he has been fighting for that for a long period of

time.

Mr. SCHWELLENBACH. May I suggest that instead of substituting the word "amortize" for "financing"-

Mr. MILLER. I should not want to substitute it; I merely want to add "amortize."

Mr. SCHWELLENBACH. Would the Senator make it "or amortize"?

Mr. MILLER. Oh, yes; that would be all right. I think it would make the bill better.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.
Mr. GILLETTE. I notice that the Senator's amendment proposes an annual examination the same as that provided in section 12 of the bill. The examination provided for in section 12 of the bill is by the Secretary of the Treasury and the Federal Loan Administrator. I wonder if it is explicit enough? Certainly those funds come from a definite source: and, the loans having been made to various farmers, an examination to check up whether or not there is a probable loss. to be charged back on the Treasury, certainly should not be made by the Secretary of the Treasury or the Federal Loan Administrator, but should be made by the loaning agency.

Mr. WHEELER. I am inclined to agree that that is correct.

Mr. President, I have concluded.

Mr. LA FOLLETTE. Mr. President, I desire to discuss for a few moments the amendment which the Senator from Montana and myself are offering to this bill. I agree fully with his statement that the incorporation of this amendment will assure benefits flowing from this large extension of the credit facilities of the Government to the farmers. Without it, I doubt if the farmers will receive very much benefit from this large increase and utilization of the credit facilities of the Federal Government.

In order that this amendment may not disturb those who are concerned about the ceiling of authorization for the utilization of Government credit contained in the pending bill, we have proposed that the funds available to the Secretary of Agriculture for the refinancing of distressed farm mortgages shall come from already authorized borrowing power held by the Federal Farm Mortgage Corporation.

This corporation was established by an act known as the Federal Farm Mortgage Corporation Act, approved January 1, 1934. The directors of the corporation are the Secretary of the Treasury, or an officer of the Treasury designated by him, the Governor of the Farm Credit Administration, and the Land Bank Commissioner. The Corporation was given a capital stock of \$200,000,000 and was authorized to issue, with the approval of the Secretary of the Treasury, bonds in an aggregate amount not exceeding \$2,000,000,000.

The powers of the Federal Mortgage Corporation may be

summarized as follows:

First. Until February 1, 1940, the Land Bank Commissioner is authorized to make so-called commissioner's loans on behalf of the corporation.

Second. These loans, which may be secured either by a first or second mortgage, shall not exceed 75 percent of the

normal value of the mortgaged property.

Third. Federal Farm Mortgage Corporation is also authorized to exchange its bonds, upon application of any Federal land bank, for consolidated farm-loan bonds of equal face value issued by such Federal land banks.

Under section 401 of reorganization plan No. I, the Federal Farm Mortgage Corporation was transferred to the Department of Agriculture. I quote the pertinent language of

the order, as follows:

SEC. 401. (a) Transfers to the Department of Agriculture: The Farm Credit Administration, the Federal Farm Mortgage Corpora-tion, and the Commodity Credit Corporation, and their functions and activities, together with their respective personnel, records, and property (including office equipment), are hereby transferred to the Department of Agriculture and shall be administered in such Department under the general direction and supervision of the Secretary of Agriculture, who shall be responsible for the coordination of their functions and activities.

The Federal Farm Mortgage Corporation having been transferred to the Department of Agriculture to be administered under the general direction and supervision of the Secretary of Agriculture, the amendment provides that the Secretary of Agriculture may utilize such of the funds of the Federal Farm Mortgage Corporation or such of its borrowing power as he finds available for the purpose of refinancing distressed farm mortgages. We have purposely not indicated in the amendment any definite portion of the remaining borrowing power or funds of the Corporation, because we believe that the Secretary of Agriculture now being the over-all supervising authority of the Farm Credit Administration and the Farm Mortgage Corporation, and being charged, as he would be if this amendment were adopted, with this refinancing program, it was better to leave it within his discretion to say how much of the funds and borrowing power of the Corporation he would utilize for this purpose, rather than to submit a specific proposal segregating or fixing a limitation upon the amount of money which could be used for this purpose.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. Of course, the Senator from Wisconsin knows that I am always sympathetic with any effort to help produce farm owners or to retain farm owners. As I understand, the Farm Credit Administration, formerly an independent agency, has now been transferred to the Department of Agriculture; and under the Reorganization Act and under reorganization plan No. I, which was submitted by the President and is now in force, the Farm Credit Corporation is somewhat in the same situation.

My attention has been called by Governor Hill, the Administrator of the Farm Credit Administration, to the possible difficulty in administering the language of this amendment, because it sets up two different kinds of bond issues—one according to the practice they have already had in vogue, under which they have used about \$1,400,000,000 of the borrowing authority that was conferred upon the Corporation, the other being the possible use of the six-hundred-and-odd million dollars of reserve borrowing power under this

amendment.

I think, as a matter of fact, the Farm Mortgage Corporation would like to get entirely out of this feature of the program and turn it over to somebody else. Therefore, the suggestion has been made that still retaining the discretion of the Secretary of Agriculture to make these loans according to the amendment which, as I understand, is 100 percent possible refinancing of existing farm mortgages, the Reconstruction Finance Corporation be authorized to issue this exact amount of bonds and make it available for the Secretary of Agriculture, in order to get the Farm Mortgage Corporation out of the double position of issuing two different kinds of bonds.

What is the Senator's reaction to that suggestion?

Mr. LA FOLLETTE. My reaction to the suggestion is, first, that I do not think it is necessary, with all due respect to the president of the Farm Mortgage Corporation, because as the Senator knows, the borrowings of this Corporation are made by and with the approval of the Secretary of the Treasury. In the second place, I do not think we are in such a position that we can definitely say just exactly how much of this borrowing power shall be available to the Farm Mortgage Corporation for the powers and purposes it has under existing law, and how much should be made available for the purposes of this amendment. The securities of the Farm Mortgage Corporation are guaranteed as to principal and interest by the Federal Government. Therefore, I can see no practical difficulty in any of their financing operations, because in any case they will be governed by the desires of the Secretary of the Treasury as to whether the money shall be obtained by the Corporation in one form of security or in another.

I will say to the Senator that we did not make this decision without careful consideration. It would be unwise for us at this time to fix the limitation, for, by implication, that might be a direction or certainly an indication of the fact that Congress thought a definite sum of money could be made available for this purpose. Personally, I think it is the wiser course to permit the Secretary of Agriculture, who is now responsible for the general administration and supervision of all these agencies, to make that decision as time and experience demonstrate to be wise.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GILLETTE. I should like to ask the Senator what the sponsors of the amendment have in mind as to the method of administering the amendment. Take, for instance, the case of myself as a farmer out in Iowa: If I desired to take advantage of this amendment in case it should be adopted, where would I go? What machinery would be used by the Department of Agriculture for the purpose of appraising my property and negotiating these loans?

Mr. LA FOLLETTE. Of course, that responsibility will devolve upon the Secretary of Agriculture; but he now has under his jurisdiction and general administrative supervision the Farm Credit Administration, the Farm Mortgage Corporation, and the Farm Security Administration; he has, in addition, all the facilities of the Department of Agriculture; and it does not seem to me that there will be any real difficulty in providing, out of the already existing machinery of the Department of Agriculture, the administrative set-up for this amendment.

Mr. GILLETTE. The Senator, I am sure, will have in mind, in suggesting the use of the Farm Credit Administration and the Farm Security Administration, that they are dealing in an entirely different class of security and an entirely different class of loan.

Mr. LA FOLLETTE. Exactly; and by mentioning them and all the other facilities of the Department I am not suggesting any particular method or the agency that the Secretary would utilize. I am pointing out the vast facilities of the Department of Agriculture now augmented by the Executive order. It will be a relatively simple matter for the Secretary of Agriculture to set up an appropriate organization to administer and carry out the purposes and intent of the amendment.

Mr. GILLETTE. The Senator feels that it would not be necessary to set up an additional organization of any magnitude?

Mr. LA FOLLETTE. I am satisfied it is not necessary.

Mr. President, I want to say further that it was our purpose to avoid any possible conflict with the making of Land Bank Commissioner loans and the other existing powers of the Farm Mortgage Corporation; therefore the amendment which the Senator from Montana and I are tendering does not earmark any of the funds, but charges the Secretary of Agriculture with utilizing for this purpose only such portion of the funds of the Corporation as he finds available therefor.

This amendment is so drawn as to provide that loans made thereunder must comply with the provisions of title I and IV of the Bankhead-Jones Farm Tenant Act. The provisions of these titles which now apply to tenant purchase loans, and by our amendment would be extended to the refinancing loans which it provides, are as follows:

First. Section I of title I would prohibit refinancing loans to any person who is not a citizen of the United States, and would prohibit any loans to be made for the acquisition of any farm unless such farm is of a size sufficient to constitute "an efficient farm-management unit and to enable a diligent farm family to carry on successful farming in the locality."

Second. Section 2 of title I would prohibit any farmer from being refinanced unless a county committee consisting of three farmers residing in the locality find that by reason of his character, ability, and experience he is likely successfully to carry out his undertakings, and that the farm with respect to which the loan is made is such that there is a reasonable likelihood that repayment will be made. The committee would also be required to certify the reasonable value of the farm. No refinancing loan could be made with respect to any farm in which any member of the committee, or any person related to such member within the third degree of consanguinity or afflinity has any property interest.

Third. Section 3 (a) of title I would require that the refinancing loans be repaid within a period of not more than 40 years; contain covenants to protect the security and assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented; provide that, upon the borrower's disposition of the farm without the approval of the Government, the unpaid balance may be declared immediately due and payable.

In the fourth place, section 42 of title IV provides for the appointment of a county committee composed of three

farmers residing in the county.

Section 48 of title IV authorizes the Secretary "to provide for the payment of any obligation or indebtedness to him under this act under a system of variable payments under which a surplus above the required payment will be collected in periods of above-normal production or prices and employed to reduce payments below the required payment in periods of subnormal production or prices."

In short, the effect of the reference in the amendment to titles I and IV of the Bankhead-Jones Farm Tenant Act would be to permit the Secretary of Agriculture to make refinancing loans to farmers about to lose their farms and become tenants, on exactly the same basis, with the same safeguards, as loans which he is authorized to make to present tenants to enable them to become farm owners.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HILL. As I understand, each and every one of the conditions to which the Senator has called the Senate's attention will and must apply with reference to each and

every loan made under the Senator's amendment.

Mr. LA FOLLETTE. The Senator from Alabama is absolutely correct, and it seems to me that there can be no successful and logical argument made against the proposal contained in the amendment, namely, that we will apply the same terms and conditions to farm owners who in many, many instances, as I am sure the Senator from Alabama well knows, are about to lose their farms through no fault of their own, that we will apply to those under the Jones-Bankhead Act who are now tenants and whom we seek to make farm owners.

Mr. HILL. I agree thoroughly with everything the Senator has said. One of the most acute and fundamental problems confronting this country today is the problem of farm tenancy. We made a great step forward when we passed the Bankhead farm-tenant law, sponsored by my distinguished colleague from Alabama [Mr. Bankhead]. But to do that and stop there is not to go forward. We must do everything we can to prevent other farmers from slipping back into the farm-tenant class. Sixty-five percent of all the farmers of Alabama today are farm tenants, but 79 percent of all the farms in Alabama are under mortgage, and we must prevent the farmers who today still own their homes from slipping back into the farm-tenant class. I congratulate the Senator from Wisconsin and the Senator from Montana on the amendment.

Mr. LA FOLLETTE. I appreciate very much what the Senator has said. In passing, I wish to pay tribute to the statesmanship of the senior Senator from Alabama [Mr. Bankhead] and Representative Jones of Texas, the chairman of the House Committee on Agriculture, both men whom I personally admire very greatly for having broken the ground and established this policy of checking farm tenancy, which I hope will be carried on and enlarged to the point where we will shrink down this menacing growth of farm tenancy in the United States.

In addition, I should like to say that it is one of those inexplicable inconsistencies in governmental policy, to see farmers on farms, where their families, in some instances, have lived for two or three generations, and who made mortgages in perfectly good faith at the time of high farm prices and high land values—to see those people foreclosed and turned away from their homes, and put out upon the highways. After they have been stripped of all they possess, have them ground down through the cruel process of pauperization, they then become eligible under a Government program which seeks to rehabilitate them and put them back on some other farm.

In the meantime, the agency which foreclosed has taken a loss on the mortgage, in almost every instance, at the foreclosure sale, and permitted some other person, who did not have the farm as a home, to come in and to occupy it, and to farm the land, and in many instances make a success of it.

Here is a proposal which I regard of vital importance, and I do hope that it will become a part of the bill as it passes the Senate, and I hope that it will become a part of the bill if it becomes the law of the land.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GEORGE. I should like to add to what the Senator has just said, this statement that there can be no solution of the farm problem in this country unless in some way the farm mortgages are liquidated. What we have spent in various ways in an effort to relieve agriculture during the last 6 years would have gone far toward the actual extinction of farm mortgages in the United States, although they may total yet something like \$8,000,000,000. Enormous sums have been spent, which passed with the spending annually, without greatly improving the condition of agriculture or the farmer, and the real crying need of the American farmer is a way out from his mortgage indebtedness.

Mr. LA FOLLETTE. I appreciate the statement of the able Senator from Georgia, and I may say that until we do something effective with this farm-mortgage situation we can go on pouring these hundreds of millions of dollars out of the Treasury in an effort to bolster the farmer's income, and he will still be in the same position in which he was

before we started.

Mr. GEORGE. I thoroughly agree with the Senator from Wisconsin.

Mr. LA FOLLETTE. Unless we find some way to handle this farm-mortgage situation, unless we find some way to scale down the farm mortgages so that the farmers of the country may start again upon this lower basis of valuation and prices, we shall continue to see the onward march of farm tenancy, and the menace which it presents to the preservation of democratic processes in these United States of America.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LUNDEEN. I am not asking for an expression from the Senator, but we have some recollection of giving a moratorium on debts a short time ago to foreign nations. If it is all right to do that for foreign nations, what about a little moratorium in this country? That is merely my own expression.

Mr. LA FOLLETTE. Mr. President, I thank the Senator for his statement. I wish to hurry on, because I do not desire to detain the Senate longer.

The Senate has twice at this session gone on record for the principle contained in the pending amendment in adopting two amendments offered by the Senator from Vermont [Mr. Austin]. The only difference is that this amendment does not take funds out of those made available for the Jones-Bankhead Farm Tenancy Act, as the two amendments offered by the Senator from Vermont did, and I was very happy to support those amendments. But unfortunately those amendments, because of parliamentary developments, did not become law. Now, in the pending amendment, we are merely utilizing the same principle involved in those amendments, and we are utilizing an already existing authorization, given in 1934 to the Farm Mortgage Corporation, to issue securities.

Mr. President, I have no words with which I can paint effectively the plight of the farm owner threatened with foreclosure. But it is a plight which we should not and cannot in good conscience temporize with longer in this country. Delinquencies and foreclosures are steadily increasing. In 1936, 14.9 percent of mortgages held by the farm land banks were delinquent. In 1937 the percentage had risen to 15.9 percent, and in the calendar year, ended in December 1938, the percentage had risen to 20 percent.

As of December 31, 1938, the land banks owned 24,000 farms, with a carrying value of \$78,514,000. Those farms had been acquired through foreclosure, due in most instances, in my judgment, to no fault of the farm owner. This figure does not include thousands of additional farms which had previously been acquired through foreclosure, and had been disposed of to new purchasers.

If to those figures are added the even greater number of delinquencies and foreclosures which have of necessity occurred in the case of private lending agencies, the magnitude and urgency of the farm-mortgage problem can be appreciated by Members of this body.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks certain data relating to this

The PRESIDING OFFICER. Without objection it is so ordered.

[See exhibit A.]

Mr. LA FOLLETTE. Mr. President, the State which I have the honor in part to represent in this body is a great agricultural, as well as a great industrial State. In anything like normal times about 50 percent of the income of the people of Wisconsin is produced from agriculture, and about 50 percent from manufacturing, industry, and business. It is a healthy economic unit in normal times. We were fortunate in the stock of the people who came to Wisconsin and afforded it its original citizenship-thrifty, hard-working men and women from the Scandinavian countries, as well as men and women from Germany who had a great liberal spirit, and who, after the failure of the revolution in 1848, began their migration to Wisconsin, where they hoped they might establish a liberal democracy. I venture to say, Mr. President, that they are as effective, as efficient, as intelligent, and as hard-working a group of farmers as exist in the United States.

In addition, Mr. President, we have had the influence of the agricultural college of the great State University of Wisconsin, which has helped to bring to the farmers of our

State modern scientific methods of production.

Yet, Mr. President, I know farmers, some of whom I have known since I was knee high to a grasshopper, men in many instances who are the second and third generation, on their farms, men who have used power machinery, men who have high-grade or pure-blood dairy stock, men who use scientific methods of feeding and production, men who work from dawn until dark, not only by themselves, but with every member of the family old enough to contribute anything in the way of labor on that farm, who, because of the high valuation and the high prices that existed at the time that farm was mortgaged, now find themselves sinking, sinking under this weight of absolutely unpayable principal

Mr. President, it is in behalf of farmers in Wisconsin, it is in behalf of farmers all over the United States, which the statistics produced by the Senator from Montana demonstrate are in as dire need as are the farmers of Wisconsin, that I appeal for the adoption of this amendment.

I want to say here and now, Mr. President, that this is no pro forma fight so far as I am concerned. If the amendment goes in the bill I want to see it in the bill when it comes back from conference, and for that reason I ask for the yeas and nays on this amendment.

EXHIBIT A

Forty-one and five-tenths percent of all owner-operated farms in the country are now mortgaged, and in particular States the percentage runs between 50 and 70 percent.

These high percentages are found in States with a high percent-

age of tenancy, as well as in those States which, up to the present time, have not had a serious farm-tenancy problem.

Thus, in States with over 50 percent of farm tenancy:
Alabama, with 64.5 percent tenancy, has 40 percent owner-

operated farms mortgaged.

Arkansas, with 60 percent tenancy, has 40.4 percent owner-operated farms mortgaged.

Georgia, with 65.6 percent tenancy, has 33.2 percent owner-operated farms mortgaged.

Louisiana, with 63.7 percent tenancy, has 35.6 percent owner-

operated farms mortgaged. Mississippi, with 69.8 percent tenancy, has 41.2 percent owner-

Oklahoma, with 61.2 percent tenancy, has 50.6 percent owner-operated farms mortgaged.

South Carolina, with 62.2 percent tenancy, has 34.3 percent

owner-operated farms mortgaged.

Texas, with 57.1 percent tenancy, has 41 percent owner-operated farms mortgaged.
In States with from 40 to 50 percent of farm tenancy:
Illinois, with 44.5 percent tenancy, has 41 percent owner-operated

farms mortgaged.

Iowa, with 49 percent tenancy, has 57.8 percent owner-operated farms mortgaged.

Kansas, with 44 percent tenancy, has 53.9 percent owner-operated farms mortgaged.

Nebraska, with 49.3 percent tenancy, has 61 percent owner-

operated farms mortgaged.

North Carolina, with 47.2 percent tenancy, has 28.1 percent owner-operated farms mortgaged.

South Dakota, with 48.6 percent tenancy, has 64.7 percent owner-operated farms mortgaged. Tennessee, with 46.2 percent tenancy, has 26.5 percent owner-

operated farms mortgaged.
In States with from 30 to 40 percent of farm tenancy:

Colorado, with 39 percent tenancy, has 48.3 percent owner-operated farms mortgaged. Delaware, with 34.8 percent tenancy, has 35.1 percent owner-

Delaware, with 34.8 percent tenancy, has 35.1 percent owner-operated farms mortgaged.

Indiana, with 31 percent tenancy, has 44.8 percent owner-operated farms mortgaged.

Kentucky, with 37.1 percent tenancy, has 25.4 percent owner-operated farms mortgaged.

Minnesota, with 33.7 percent tenancy, has 53 percent owner-operated farms mortgaged.

Missouri, with 38.8 percent tenancy, has 45.2 percent owner-operated farms mortgaged.

North Dakota, with 39.1 percent tenancy, has 68.9 percent owner-operated farms mortgaged.

operated farms mortgaged.

In States with from 20 to 30 percent of farm tenancy:
California, with 21.7 percent tenancy, has 49.8 percent owneroperated farms mortgaged.

Florida, with 28 percent tenancy, has 25.3 percent owner-operated farms mortgaged. Idaho, with 28.5 percent tenancy, has 53.8 percent owner-oper-

ated farms mortgaged.

Maryland, with 27.2 percent tenancy, has 35.6 percent owner-

operated farms mortgaged.

Montana, with 27.7 percent tenancy, has 48.9 percent owner-operated farms mortgaged.

Ohio, with 28.9 percent tenancy, has 35.2 percent owner-operated farms mortgaged

Oregon, with 21.7 percent tenancy, has 49.8 percent owner-oper-

Virginia, with 21.7 percent tenancy, has 49.8 percent owner-operated farms mortgaged.

Virginia, with 29.5 percent tenancy, has 23.4 percent owner-operated farms mortgaged.

Washington, with 20 percent tenancy, has 47.7 percent owner-operated farms mortgaged.

West Virginia, with 25.8 percent tenancy, has 18.5 percent owner-operated farms mortgaged.

Wilsonship with 20.7 percent tenancy, has 50.2 percent aware.

Wisconsin, with 20.7 percent tenancy, has 59.2 percent owner-

operated farms mortgaged.

Wyoming, with 23.3 percent tenancy, has 51 percent owner-

operated farms mortgaged.

In States with from 10 to 20 percent of farm tenancy: Arizona, with 17.8 percent tenancy, has 28.9 percent owner-

operated farms mortgaged.

Michigan, with 19 percent tenancy, has 45.7 percent owner-operated farms mortgaged.

Nevada, with 14.4 percent tenancy, has 47.8 percent owner-operated farms mortgaged. New Jersey, with 17.8 percent tenancy, has 50.4 percent owner-

New Jersey, with 17.8 percent tenancy, has 50.4 percent owneroperated farms mortgaged.

New Mexico, with 19 percent tenancy, has 19 percent owneroperated farms mortgaged.

New York, with 14.2 percent tenancy, has 45 percent owneroperated farms mortgaged.

Pennsylvania, with 17.7 percent tenancy, has 33.7 percent owneroperated farms mortgaged.

Rhode Island with 13.8 percent tenancy.

Rhode Island, with 13.8 percent tenancy, has 36.7 percent owner-

operated farms mortgaged.
Utah, with 14.9 percent tenancy, has 48.2 percent owner-operated

farms mortgaged. Vermont, with 10.9 percent tenancy, has 50.9 percent owner-

operated farms mortgaged.

In States with less than 10 percent of farm tenancy:
Connecticut, with 7.3 percent tenancy, has 47.8 percent owner-

operated farms mortgaged. Maine, with 6.9 percent tenancy, has 36 percent owner-operated

farms mortgaged. Massachusetts, with 6.2 percent tenancy, has 53.8 percent owner-

operated farms mortgaged.

New Hampshire, with 7.3 percent tenancy, has 39.2 percent owner-operated farms mortgaged.

(b) Furthermore, the ratio of mortgage debt to value of the mortgaged owner-operated farms has risen for the United States as a whole from 39.6 percent in 1930 to 50.2 percent as of 1935.

Thus, in States with over 50 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Idaho, with 53.8 percent of farms mortgaged, the ratio increased by 18.9 percent

Iowa, with 57.8 percent of farms mortgaged, the ratio increased

Kansas, with 53.9 percent of farms mortgaged, the ratio increased by 40.5 percent.

Massachusetts, with 53.8 percent of farms mortgaged, the ratio increased by 22.3 percent.

Minnesota, with 53 percent of farms mortgaged, the ratio in-

creased by 36.6 percent.

Nebraska, with 61 percent of farms mortgaged, the ratio increased by 38.5 percent.

creased by 38.5 percent.

New Jersey, with 50.4 percent of farms mortgaged, the ratio increased by 21.2 percent.

North Dakota, with 68.9 percent of farms mortgaged, the ratio increased by 27.8 percent.

Oklahoma, with 50.6 percent of farms mortgaged, the ratio increased by 36.1 percent.

South Dakota, with 64.7 percent of farms mortgaged, the ratio

increased by 50 percent.

Vermont, with 50.9 percent of farms mortgaged, the ratio increased by 12.4 percent.

Wisconsin, with 59.2 percent of farms mortgaged, the ratio increased by 22.2 percent.

Wyoming, with 51 percent of farms mortgaged, the ratio increased by 16.4 percent.

In States with from 40 to 50 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930

mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Alabama, with 40 percent of farms mortgaged, the ratio increased by 29.8 percent.

Arkansas, with 40.4 percent of farms mortgaged, the ratio increased by 22.8 percent.

California, with 49.8 percent of farms mortgaged, the ratio increased by 20.3 percent.

creased by 20.3 percent.

Colorado, with 48.3 percent of farms mortgaged, the ratio increased by 17.5 percent.

Connecticut, with 47.8 percent of farms mortgaged, the ratio

increased by 22.1 percent.

Illinois, with 41 percent of farms mortgaged, the ratio increased

by 27.4 percent.

by 27.4 percent.
Indiana, with 44.8 percent of farms mortgaged, the ratio increased by 24.4 percent.
Michigan, with 45.7 percent of farms mortgaged, the ratio increased by 16.9 percent.
Mississippi, with 41.2 percent of farms mortgaged, the ratio increased by 44 percent.
Missouri, with 45.2 percent of farms mortgaged, the ratio increased by 30.2 percent.
Montana, with 48.9 percent of farms mortgaged, the ratio increased by 14.6 percent.
Nevada, with 47.8 percent of farms mortgaged, the ratio increased by 34.2 percent.

New York, with 45 percent of farms mortgaged, the ratio increased by 21.4 percent.

New York, with 45 percent of farms mortgaged, the ratio increased by 21.4 percent.

Oregon, with 49.8 percent of farms mortgaged, the ratio increased by 26.2 percent.

Texas, with 41 percent of farms mortgaged, the ratio increased by 27.9 percent.

Texas, with 41 percent of farms mortgaged, the ratio increased by 27.9 percent.

Utah, with 48.2 percent of farms mortgaged, the ratio increased by 28.6 percent.

Washington, with 47.7 percent of farms mortgaged, the ratio increased by 25.2 percent.

In States with from 30 to 40 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Delaware, with 35.1 percent of farms mortgaged, the ratio increased by 22 percent.

Georgia, with 33.2 percent of farms mortgaged, the ratio increased by 27.7 percent.

Louisiana, with 35.6 percent of farms mortgaged, the ratio increased by 26.2 percent.

Maine, with 36 percent of farms mortgaged, the ratio increased by 35 percent.

by 35 percent.

Maryland, with 35.6 percent of farms mortgaged, the ratio increased by 25 percent.

New Hampshire, with 39.2 percent of farms mortgaged, the ratio increased by 15.2 percent.

Ohio, with 35.2 percent of farms mortgaged, the ratio increased by 21.9 percent.

Pennsylvania, with 33.7 percent of farms mortgaged, the ratio increased by 31.1 percent.

Rhode Island, with 36.7 percent of farms mortgaged, the ratio increased by 15.7 percent.

South Carolina, with 34.3 percent of farms mortgaged, the ratio increased by 17.1 percent.

In States with from 20 to 30 percent of all owner-operated farms mortgaged, the ratio of debt to farm value increased between 1930 and 1935 as follows:

Arizona, with 28.9 percent of farms mortgaged, the ratio increased by 9.2 percent

Florida, with 25.3 percent of farms mortgaged, the ratio increased by 28.2 percent.

Kentucky, with 25.4 percent of farms mortgaged, the ratio increased by 35.9 percent.

North Carolina, with 28.1 percent of farms mortgaged, the ratio increased by 31.7 percent.

Tennessee, with 26.5 percent of farms mortgaged, the ratio increased by 29.4 percent.

Virginia, with 23.4 percent of farms mortgaged, the ratio increased by 34.5 percent.

[The data set forth in the first, third, and fourth columns are taken from the cooperative survey of farm mortgage indebtedness in the United States, made jointly by the U.S. Department of Commerce and the U.S. Department of Agriculture, dated Aug. 26, 1937. The data as to farm tenancy set forth in column 2 were obtained from the report of the President's Committee on Farm Tenancy, based in turn on the results of the 1935 census.]

	Percentage of owner- operated farms mortgaged	Percentage of tenancy	Percentage of value not belong- ing to operator	Ratio of debt to value of mortgaged farms
Total for United States	41. 5	42. 1	61.0	50. 2
tates:				
New England:	Charles	1000	W 10 (11)	
Maine	36.0	6.9	29.7	45.9
New Hampshire	39. 2	7.3	31.0	41.
Vermont	50. 9 53. 8	10.9	41.8	49.
Rhode Island	36.7	6. 2 13. 8	38.1 42.2	43.9 37.
Connecticut		7.3	32.1	37.
Middle Atlantic:	11.0	1.0	02.1	01.
New York New Jersey	45.0	14.2	44.7	47.0
New Jersey	50.4	17.8	46.8	44.
Pennsylvania	33. 7	17.7	42.6	51.
East North Central:				-22
Ohio	35. 2	28. 9	52.5	52.
IndianaIllinois	44.8 41.0	31. 6 44. 5	60.8 72.5	50.
Michigan	45.7	19.0	46.1	55. 50.
Wisconsin.	59. 2	20. 7	55.9	61.
West North Central:	00.2	20.1	00. 5	01.
Minnesota	53.0	33.7	65, 8	61.
Iowa	57.8	49.6	76.1	64.
Missouri	45. 2	38.8	61.3	59.
North Dakota	68.9	39.1	71.5	48.
South Dakota Nebraska	64. 7	48.6	79.9	59.
Kansas	53. 9	49.3 44.0	73. 4 69. 2	54.
South Atlantic:	00.0	44.0	09. 2	50.
Delaware	35.1	34.8	58.9	49.
Maryland	35.6	27. 2	51.1	48.
Virginia	23.4	29. 5	37.9	42.
West Virginia	18.5	25. 8	32.5	43.
North Carolina	28.1	47.2	53.8	46.
South Carolina	34. 3 33. 2	62.2	62.2	46.
Florida	25.3	65. 6 28. 0	65. 3 45. 0	49. 34.
Pact Couth Control	20.0	20.0	20.0	04.
Kentucky	25.4	37.1	42.9	49.
Tennessee	26.5	46.2	48. 2	46.
Alabama	40.0	64. 5	63.3	48.
Mississippi	41.2	69.8	65.0	49.
West South Central:	10.4	00.0		1 844
Arkansas	40.4	60.0	63.7	46.
Oklahoma	35. 6 50. 6	63. 7 61. 2	63. 4 72. 0	48.
Texas.	41.0	57.1	67. 6	46. 43.
Mountain:	41.0	01.1	07.0	30.
Montana	48.9	27.7	64.6	44.
Idaho	53.8	28. 5	60.9	46.
Wyoming	51.0	23.3	65.4	40.
Colorado	48.3	39.0	66.3	46.
New Mexico	19.0	19.0	56.6	39.
ArizonaUtah	28.9	17.8	63.0	41.
Nevada	48. 2 47. 8	14. 9 14. 4	46.7 65.5	46. 55.
Pacific:	21.0	14.4	00.5	00.
Washington	47.7	20.0	54.3	42.
Oregon	49.8	21.7	53.4	42.
California	49.8	21.7	55.8	38.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Montana [Mr. Wheeler] offered on behalf of himself and the Senator from Wisconsin [Mr. La Follette], on which the yeas and nays are demanded.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I should like to say a word before the vote is taken. I do not rise to oppose the amendment, but I wish to make a brief statement.

Perhaps it is unfortunate that this question has not received attention in the committee. This is not said by way of any criticism. It is a matter of such vital importance that it would have been wise if a committee could have considered it, and there may be some administrative difficulties because of the double type of bonds which may have to be issued under it. It may be that that can be worked out so far as the language is concerned, and if the amendment is put in the bill-and I am of the opinion that it will be adopted-I will say to both Senators who have sponsored it that it may be necessary to perfect the language in such a way as to cure any administrative defects which may be found in it.

I wish only to say, in response to a remark made by the Senator from Utah [Mr. King] a while ago, when he stated that the farmers were in worse condition now than they have ever been, that in the 5-year period from 1926 to 1930, both years inclusive, an average of 16 farms were foreclosed out of every thousand in the United States. In the single year 1932, 39 out of every thousand farms were foreclosed in the United States. In the single year 1938, 14 farms out of every thousand were foreclosed throughout the United States.

I mention that in refutation of the statement made a while ago that farmers are in worse condition today than they have ever before been. Not only are they getting better prices than they received in 1932, not only has the value of their products increased since 1932, but the actual foreclosures of mortgages on their farms have decreased since 1932.

Mr. SCHWELLENBACH. Mr. President, before the vote is taken I wish to speak briefly to this amendment. In my opinion the adoption of the amendment is as important as is anything involved in this entire piece of legislation. We hear much these days about danger to American institutions of Government. There is no way by which we may protect American institutions of government more efficiently or more effectively than by legislation which will assist in the solution of the agricultural problem.

Under the present administration many things have been done in an effort to be of assistance to those engaged in agriculture. I agree with the statement made by the Senator from Kentucky a few minutes ago that we cannot criticize the Department of Agriculture, as was done by the Senator from Utah. But very largely the efforts which have been made were along one line, the line of attempting to increase commodity prices in order that those engaged in agriculture might secure more for the things which they produce and sell

Many Members of the Senate are interested in securing for the farmer the cost of production. It is as important to bring down the cost of production which the farmer must pay to produce his crop, as it is to increase the price upward. So long as the debt load which is borne by the farmer is so great that it does not make very much difference what he gets for his products, as he cannot pay his interest charges and the amortization of the loans against his farm and his equipment, any effort to increase the amount which he secures must necessarily be futile.

A few minutes ago, in interrupting the Senator from Montana, I made reference to the situation in the apple industry in my State, in particular reference to the Wenatchee Valley, where we produce a very large percentage of the total apple production of the country. The indebtedness against the land in that area is something in excess of \$800 per acre. The farmers in that area are met with this situation: If they charge a sufficient price for their apples to take care of their cost of production, taking into consideration the amount they must pay in interest and amortization on their debts, then nobody in the country can afford to buy the apples which they produce. The result is a vicious circle from which they cannot escape, and so the task which is of most importance is to make it possible to bring about a reduction of that debt level, so as to bring it down to a point where that portion of the cost of production can be paid without entirely crippling the industry.

As I said a few minutes ago, I have tried ever since I have been a Member of this body to interest the Farm Credit Administration in taking leadership in that valley for the purpose of making possible a debt-reduction program. Frankly, I am entirely critical of the attitude of the Farm Credit Administration upon that problem. They have always taken the position that the apple producers of that valley could come into their office and make their loans in the same way that they could go to a private bank to make their loans. When we set up a Federal governmental credit institution I think the attitude of that institution should be to assume leadership in attempting to lead the people in the industry to a solution of their problems. But at every turn of the

road I have been met with the statement by the Farm Credit Administration of the limitations of the law.

The amendment before the Senate presents the first opportunity I have seen whereby the funds which are available can be used for the purpose of giving to the Federal Government an opportunity to supply leadership in a debt-adjustment program.

Mr. President, what concerns the apple producer also concerns every other type of farmer in the United States. We must recognize the fact that from a period shortly after the war, year by year the farmers have been adding to their They had their first basic mortgage upon indebtedness. their land. That mortgage has been increased by a second mortgage and a third mortgage. Any refinancing they have been able to bring about has been upon a basis of simply adding all of them together, still compelling the farmers to carry that entire amount of mortgage indebtedness. The amendment to the bill which the Senator from Montana and the Senator from Wisconsin sponsor is, in my opinion, the most important step that has been taken toward the solution of the fundamentals of the agricultural problem of today. It will not do us any good to raise prices if, in order to obtain for the farmers a sufficient amount to enable them to carry their debt load, they have to charge so much for their products that the people of the country cannot afford to buy them. This amendment reaches directly at that problem and makes it possible for the Federal Government to be of assistance in the refinancing and the reamortization of their loans.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. WAGNER. As I understand, the amendment does not involve any increased authorization.

Mr. SCHWELLENBACH. That is true.

Mr. WAGNER. The funds which are now available could

be used for this purpose.

Mr. SCHWELLENBACH. It is my opinion that the amendment does just one thing; and it is because of that that I am so much interested. It takes away from those who have had charge of the credit agency the argument they have always used, that "We cannot do it because our funds are so mixed up with private funds that we must operate on the same basis as any private bank."

Mr. WAGNER. So far as I am concerned, I shall vote for the amendment. I think it is very meritorious.

Mr. LODGE. Mr. President, I desire briefly to state my reasons for the vote which I intend to cast against this spending-lending bill. I think I can truthfully say that I am not a narrow partisan and that I have frequently voted for measures which have been proposed by the administration when I thought they were right. Moreover, I am perfectly free to admit that the Republican Party has made mistakes; but I have no sympathy with the argument that because the Republicans have made mistakes the majority party should go ahead and make even greater mistakes.

The more I study the bill the more I believe it would be perfectly futile as a producer of prosperity. It is also dangerous insofar as the fiscal condition of the Government is concerned. Of course, we must appropriate funds for unemployment relief so long as we have unemployment; and I have always so voted. Of course, as a government, we must construct public works, because we need public works and we must have them. However, to assert that the construction of public works or the appropriation of money for unemployment relief will produce prosperity is to indulge in a very dangerous form of self-delusion.

Mr. President, I think the bill is both dangerous and futile. I think its main motive is political; and I believe the American people will regard it as an example of the complete intellectual bankruptcy of the present administration.

Mr. SHIPSTEAD. Mr. President, I desire to address myself to the pending amendment.

The statement has been made that the amendment ought to go to a committee for consideration. I can state from experience that an amendment of this character would have very little consideration by the committee to which farm mortgage refinancing proposals have been referred.

Early in the session I introduced a bill of this character, and it was sent to the Committee on Agriculture and Forestry. Before the committee could act, the leader of the majority [Mr. Barkley] called attention to the fact that it ought to go to the Committee on Banking and Currency; and upon his assurance that it would have fair consideration and action, I consented to that course. As a matter of fact, we were given an hour one morning, and since that time it has been impossible to obtain any consideration for the bill from the Committee on Banking and Currency.

PRIVATE LENDERS BAILED OUT

The history of farm mortgages has to a large extent been the history of bailing out the commercial banks. The record will show that during the World War the farmers of the United States borrowed on their notes and collateral something like three and a half billion dollars. When the crash of 1920 came, the banks had to have their money; and, as the result, the farmers were induced to borrow money on mortgages on their farms in order to pay the banks, so that the banks could obtain their money. However, the farmers still carried the loans which they had been encouraged to incur during the war to increase production.

The War Finance Corporation was created to make loans to farmers in order that they could pay the banks. Later, the Farm Mortgage Corporation was created to unload chattel mortgages upon a Federal instrumentality in order that the commercial banks of the country might be able to obtain their money, which the farmer had borrowed in order to increase production. So we find that the history of this legislation, which is said to have been for the benefit of the farmer, shows that it has been for the purpose of bailing out the commercial banks. So far as improving the condition of agriculture is concerned, I point out the fact that in the past 10 years 30 percent of the farmers, or one in every three, have been sold out under foreclosure.

The idea is quite generally held that we are making good progress in solving our economic problems, particularly those of the farmer. It would be ridiculous to contend that some improvement has not been apparent in the past year or two as compared with 1931 and 1932. What we are likely to forget is that such a comparison only contrasts faltering hopes with black despair.

There are those who would have us believe that the farm problem is rapidly moving to a solution. Here, again, we are dealing with a situation in which we are asked to compare a little of something with a great deal of nothing. Despite the fact that the Federal Government increased its payments in agricultural subsidies and benefit payments by 34 percent in 1938 over 1937, the American farmer had 11 percent less income in 1938 than he had in 1937.

Much has been made of the fact that the farm-mortgage indebtedness has been reduced by \$2,400,000,000. But how has it been reduced? It has been reduced by foreclosing on farm mortgages and depriving the farmer of his home. When a farm mortgage is foreclosed and the farmer is taken away from the land, the debt is wiped out. That is how farm-mortgage indebtedness has been reduced.

In its 1938 report the Farm Credit Administration discloses

Total farm-mortgage debt dropped approximately \$2,400,000,000 in the 10 years ending January 1, 1938, due to foreclosures, to less borrowing by farmers and to refinancing after scale-down of indebtedness had been made.

As a matter of fact, the scaling down of the indebtedness has been about \$210,000,000, which is about 2 percent of the entire farm debt of the country.

Mr. Norman J. Wall, senior agricultural economist for the United States Department of Agriculture, in a publication prepared for the Department in September 1938, called A Graphic Summary of Agricultural Credit, accounts for the sharp reduction in the farm debt largely in terms of mortgage foreclosures. Mr. Wall said:

From January 1, 1930 to January 1, 1935, the mortgage indebtedness of farmers decreased sharply from \$9,214,278,000 to \$7,645,-

091,000. The reduction of 17 percent during this period resulted largely from foreclosures and other acquirements of mortgaged properties by mortgagees.

In another report Mr. Wall declares:

The chief factor accounting for the decrease in total farmmortgage indebtedness has been the liquidation of debt through foreclosures or assignment of title to the mortgage holder.

The 17-percent reduction in the debt which we hear so much about was accomplished by assignment of properties without foreclosure, and the foreclosure by the Federal land bank and other lenders foreclosing upon farm mortgages.

Let us look at some ancient history, starting with 1910, when the total farm-mortgage debt was \$3,300,000,000. At that time it amounted to less than 10 percent of the \$36,000,000,000 at which all farm lands and buildings were valued. The peak of the farm-mortgage debt load was reached in 1928, when it was \$9,468,000,000, or 20 percent of the value of the farm land and buildings. In 1933, when land property values were at their depression low, the debt represented about 28 percent of the value of land and buildings. Despite the sharp cut of \$2,400,000,000 in the farm-mortgage debt following 1928, which brought it down to about the \$7,000,000,000 level at the end of 1938, this smaller debt still represented 20 percent of the value of all farm lands and buildings.

The total farm-mortgage debt today is about what it was in 1920. In 1937 it was \$7,254,000,000, and in 1920 it was \$7,800,000,000. But in 1920 land and buildings were valued at \$63,000,000,000, and the mortgage debt represented about 12 percent of that amount. There was a great deal of difference between conditions in 1920 and 1937. By 1937 the value of all farm lands and buildings had been cut almost in half, and they were then valued at about \$35,000,000,000; but the mortgage debt, instead of being 12 percent of the value of the land and buildings, was now 22 percent. In terms of underlying values the smaller debt of 1937 is almost twice as hard to carry as one somewhat larger in 1920.

In terms of the farmer's income the difficulties which confront him when 1920 is compared with 1938 or 1937 are shown to be even more serious. In 1920 the farmers' gross income was \$13,500,000,000. In 1938 it was \$8,882,000,000, and of this sum \$482,000,000 were Government benefit payments to farmers. The exchange value of the farmers' produce is not as favorable today as it was in 1920.

I desire to call attention to another situation. We have subsidized by Government appropriations the payment of farm mortgages and Federal land bank notes to about \$130,-000,000 in the last 4 years, and still, during those 4 years, 65,000 farms in the United States have been sold out by the Federal land banks on foreclosures. So far as the farm mortgage and farm situation is concerned, we are approaching a period when we will be sitting on the top of a volcano that will explode with devastating effect.

ONE-THIRD OF OUR FARMERS SOLD OUT

But to return to the subject of the reduction of the farm debt. There are those who point to it as an accomplishment. Since 1934 some 110 farms out of every 1,000 have been sold at forced sales. In other words, 1 farmer in every 10 has been dispossessed. In the 7-year period before that, taking us back to 1926, some 200 in every 1,000 were dispossessed by forced sales. Over a period of a decade almost one-third of the farms in the country have changed hands through forced sales. It is in this manner that the farmmortgage debt of the country has been cut down.

Another result of these foreclosures is that the five principal lending agencies of the country held land valued at \$1,000,000,000 at the end of 1938. This represents about 125,000 farms or 28,000,000 acres of farm land. This is about equal to the entire farming area of the State of Minnesota.

What has been the effect of this policy? Since 1920 the percentage of farms operated by tenants has risen from 37 to 42 percent, and the farmers now constitute only 25 percent of the total population, instead of the 30 percent they represented in 1920. These figures can only suggest the human tragedy that lies behind them. Lost homes and sav-

ings, poverty and pauperization, relief and nomadism, have been the only answer that we have apparently been able to give to the most serious economic problem we have ever faced as a people. More rapidly than almost any other country in the world we are creating a vast landless class. Sixty-four percent of the present total farm-mortgage debt is on farms that are owner operated. Obviously, if we are to save owner operation of farms we will have to meet the mortgage problem on the farm.

Let us examine in a little more detail the changes that have taken place in the distribution of the farm debt by lenders and more particularly the activities of the two Federal farm loan agencies—the Federal land banks and the Land Bank Commissioner. In 1930, 12.9 percent of the total farm-mortgage debt was held by Federal lending agencies; today about 40 percent of the total farm-mortgage debt is so held. Most of this increase has come since 1933. See table 3. In 11 States these 2 Federal agencies now hold more than 50 percent of the farm-mortgage debt and in 40 States they hold 20 percent or more. See table 4. At the end of 1938 the Federal land banks and the Land Bank Commissioner had \$2,735,074,803 in loans outstanding.

Since May 1, 1933, the two Federal farm lending agencies have made loans totaling more than \$2,500,000,000. What was this money used for? Almost all of it, 87.8 percent of it, went to refund outstanding debts. Taking the period from May 1, 1933, to January 1, 1937, the latest for which percentage figures are available, we learn that 70.8 percent of the proceeds of Federal land bank and Commissioner loans were used to refinance previously existing farm-mortgage indebtedness. An additional 17 percent was used to refinance indebtedness other than mortgage obligations that farmers owed to commercial banks, private individuals, and to tax agencies. Only 4.9 percent went for the purchase of land and redemption from foreclosure, and not more than 3.3 percent was used for buildings and improvements on the farm. It cannot be said that the farmer was borrowing money for any expansion. As a matter of fact, the farmer was borrowing money with which to pay his creditors, to relieve the banks and the lending agencies that had loaned money to the farmers on a constantly decreasing farm income.

FARMER BORROWS TO FEED WORLD

Once more the farmer was refinancing and recomposing his debt, converting short-term into long-term loans. That is a process with which he has become very familiar. During the period of the war and immediately after the farmer heavily increased his short-term borrowing at his local bank. He was told he must feed the world, and he did. He was told it was his patriotic duty to produce more food. He did not have the cash, so he borrowed it from the banks. By 1918 he owed the local bankers a total of \$2,500,000,000 on his open or collateral notes. This was \$400,000,000 more than he had owed the bankers in 1914. By 1920 these short-term loans reached the peak at \$3,869,000,000. By 1931 they had been cut in half, and in 1934 the farmer's notes at local banks totaled \$807,613,000. All this short-term debt was in addition to the farmer's mortgage debt.

What reduced the short-term loans of the farmers? How were they reduced? Not by payment out of production. They were reduced by borrowing on their farms; in other words, on farm mortgages.

When the banks began to call for a payment of farm loans in 1920 the depression began. Farm purchasing power was drastically curtailed by the forced collections. Farmers who had any credit were encouraged to slap a mortgage on their farms and take up the short-term paper. Those who could not supply the cash were foreclosed. Country banks with "frozen assets" began to close in the farm areas and loans were canceled.

For the most part the evil day was postponed by refinancing. Let us see what happened. From 1920 to 1931 the short-term farm credit held by commercial banks decreased by \$1,932,531,000. From 1920 to 1930 the farm-mortgage debt rose by \$1,383,690,000.

During the period from 1920 to 1927, when most of this earlier rewriting was being done, the farm-mortgage holdings of insurance companies and Federal and joint-stock land banks increased at the rate of \$377,000,000 annually for all three combined. From 1920 to 1928 these three agencies increased the amount of their loans by \$2,622,000,000. This increase was a billion dollars greater than the actual increase in the total farm-mortgage debt. Commercial banks and private lenders were moving out of the agricultural lending business, and the short-term debt incurred by the farmer to win the war was being written into a long-term debt by new agencies and old ones that were expanding because of funds dumped into their hands through war profits that could not find an outlet.

Obviously, this change for the farmer from one lender to another after the war, and again in the thirties, did not solve his debt problem. He still had to meet the interest and principal just as before. The effect was to save the original lenders and give the borrowers a breathing spell. The lenders were bailed out, but the farmer was left with his debts; he was left to carry the burden.

In the thirties banks were going broke all over the country. The Federal refinancing of farm mortgages helped the banking situation.

Insurance companies were heavy lenders on farm real estate. They were getting land instead of income, and their contracts to policyholders were seriously threatened. They too were bailed out, but the farmers still carried the load, which was put on them in the name of helping them. As a matter of fact, the result was to help the lender to get his cash and leave the burden of debt on the farmer.

Mortgage companies and private individuals were also bailed out with Government bonds, and their losses were slight. This rescue work was undoubtedly necessary. But let no one tell you, Mr. President, that it saved the farmer. If he has not already lost his farm, he still has the same debt to pay back. True, he is getting longer term mortgages and slightly lower interest rates, but his income has been falling still lower, and he is no better off.

In 1920, when the farm-mortgage debt was \$7,800,000,000 and the farmers' gross income was \$13,500,000,000, he was paying out 3.5 percent of that income to meet an annual interest bill of \$479,000,000. In 1938, with a total mortgage debt of \$7,000,000,000, the farmer was paying out 4.1 percent of his \$8,800,000,000 in gross income to meet an interest burden of \$365,000,000. It should not be overlooked that in 1938 about \$37,000,000 was paid out of the United States Treasury to subsidize a lower interest rate. Since 1933 a total of \$137,000,000 has been paid out of the Treasury to maintain a 3½-percent interest on federally held farm mortgages—see tables 5 and 6. And still, with that subsidy of \$137,000,000 out of the Federal Treasury to reduce interest rates to the farmer, paid by the taxpayer, farm foreclosure sales are going on at a faster pace than ever before.

SAVING THE MONEY LENDER

But to return to the distribution that was made of the money loaned by the two Federal lending agencies, who got this money? The proceeds of loans made by the Federal land banks and the Land Bank Commissioner from May 1, 1933, to January 1, 1937, were distributed in the manner shown by table 7.

Over \$876,000,000 went to refinance debts held largely by private lenders against farmers. This amount represents 41.3 percent of the total amount of this refinancing during the period covered.

Commercial banks received \$479,500,000, or 22.5 percent, of the money loaned by these Federal agencies to the farmers during this period.

Life-insurance companies got \$305,800,000 or 14.4 percent of the money loaned the farmers over this 3½-year period. The joint-stock land banks received \$142,500,000, or 6.7 percent of the money; \$84,000,000 of the loans went to buy stock in local loan associations and to pay bank and loan fees. Out of a total of \$2,123,000,000 loaned in this period, only \$172,-000,000 went for the purchase of land and redemption of farms from foreclosure or for general agricultural improve-

ments. Out of the last amount only \$69,000,000 was used for agricultural improvements. A total of \$61,000,000 was used by the farmers to pay up the taxes on their farms.

From 1933 through 1938 Federal land banks and the Land Bank Commissioner received approximately 1,275,000 applications for loans of a total of \$5,775,000,000. During this period 857,000 loans were made for a total of more than \$2,500,000,000 by these agencies. Over \$3,000,000,000 in applications were rejected.

Out of the \$2,500,000,000 in loans closed, it is estimated that over the period from 1933 to 1938 scale-downs have been effected totaling \$211,000,000. This represents a cut of about 8 percent on the total involved. This sort of reducing comes in the class of those blessings which are a little better than

nothing. (See table 8.)

From these figures alone it is obvious that farmers who were refinanced by these Government agencies are still saddled with about the same debt they always had. Distributed among the 857,000 loans closed since 1932 by these agencies, the average scale-down amounts to \$246 per applicant. So far as the farmer is concerned, the chief benefit he has received in this process has been an exchange in lenders. That has been the only change. He owes a different institution now than he owed before.

What has been the experience of the Government and the farmer with cooperative and public lending since the begin-

ning, and more particularly in the last 6 years?

Since 1924 the Federal Land Bank System has foreclosed 95,997 farms, representing an investment of \$380,000,000. The Farm Mortgage Corporation, which makes Land Bank Commissioner loans, has, since its creation in 1933, foreclosed on 13,946 farms, representing an investment of \$34,291,000. (See tables 9 and 10.)

Between these two Federal agencies 110,000 farms have been foreclosed, with an investment in them of \$414,700,000. Sixty thousand of these foreclosures have been made since

EXORBITANT INTEREST RATE

Over this period from 1924 to 1938 the Federal land banks have sold 82,500 whole and part farms, in which they had an investment of \$282,655,000, for \$221,000,000. This meant an aggregate loss of 23 percent. In the past 3 years the losses have been running higher. In 1936 they were 25.2 percent, in 1937 23.4 percent, and in 1938 they were 27.6 percent; and although selling the farms at these tremendous losses, the Federal land banks still have a surplus of profits in the Treasury, because of the exorbitant interest rates they have charged the farmers.

The Farm Mortgage Corporation, on the other hand, has disposed of 6,000 whole or part farms for a consideration of \$8,800,000, in which farms it had an investment of \$14,200,000. This means a loss of 38 percent of its investment. This substantial reduction in the mortgage debt was lost to

the original owner of the land.

You see, when the Government instrumentality started lending to farmers, it was for the purpose of paying the farmers' creditors. When the creditors had been paid, and the money had been furnished by the Federal Government to pay the creditors, the farmer was foreclosed, causing a loss to the Farm Mortgage Corporation of 38 percent of its investment; but the farmer got no benefit. He was sold out just the same. The lender got his money, and the instrumentality created by the Federal Government and furnished money by the Federal Government took the loss.

These two Federal lending agencies dealing with the farmer came to the first of this year with 32,000 farms still on their hands, which are being carried on their books at

a value of \$132,000,000. (See table 11.)

What are the fundamental aspects of the farm-mortgage problem? They are two—the amount of the debt now being borne by the farmer, and the income he is able to earn out of which this debt must be paid. The opportunity for the farmer to earn an income that will enable him to maintain a decent standard of living after clearing the overhead charges which he must meet, among which the farm mortgage and its burden are absolutely inescapable, is a minimum essential.

As a matter of fact, after all these years of paying benefit payments to the farmers they are still being driven to the wall and made into a landless class, made into paupers to go into the cities to go on relief, to increase the tax burden of the great population of taxpayers in the United States. The benefit payments so far have merely prolonged the agony of driving the farmer into pauperdom. The system has the same effect on the farmer as cutting off the tail of a dog. If you cut it an inch at a time, it takes a little longer. If it is going to continue to be the policy of the Federal Government so to conduct our economic policies as to make all farmers propertyless and landless and paupers, let us do it at once, so that the farmer shall not have the continuous agony of failing to be able to sleep at night because he can hear the roar of the mortgage which he sees no chance of being able to pay.

From 1924 to 1929 the farm debt stood at a figure above \$9,000,000,000. During the same period farm cash income was relatively stable, averaging over \$11,000,000,000 annually. Farm real estate values were fairly stable, but still mortgages were being foreclosed at the rate of 20 out of each 1,000. Despite the relatively high level of farm income, the rate of mortgage foreclosures was high. The drop in cash income was followed by a correspondingly sharp increase in the rate of forced sales, rising to a high of 55 per thousand in 1932, when farm income was at its low. Farm income was at the \$6,000,000,000 level, on the average, for most of the latter period.

Real estate values have been falling consistently since 1924. They were only 60 percent of the 1924-29 index figure in 1933, and have risen only 10 points from that low at the present time. Cash farm income was only 75 percent of the 1924-29 level in 1938.

It does not take a prophet, on the basis of the experience shown in the two periods from 1924 to 1929 and 1930 to 1936, to tell what will happen in the years immediately ahead unless there is a change for the better. The downward trend in farm income shown in 1938 predicts its own consequences unless something is done to relate the farm-debt burden to farm income.

Forced sales in 1937 were slightly below the 1929 level, but they were high at 17 per 1,000 farms when one considers all that has supposedly been done to relieve the situation.

The \$2,400,000,000 cut in the total farm mortgage debt does not relieve the burden on the individual farmers who are still trying to carry on with unmanageable debts. The fact that my neighbor has lost his farm by foreclosure and thereby effected a reduction in the total farm-mortgage debt, does not make it any easier for me to pay off my mortgage. As a matter of fact, ousting my neighbors from their farms has tended to increase the onerousness of the debt I am trying to pay off, by depressing values. If a fire destroys my neighbor's house, and he is left penniless and homeless, does that make it any easier for me to pay the mortgage on my home? That is the kind of reasoning one must use if he is to convince himself that by reducing the total farm mortgage debt through foreclosure we have improved the position of the remaining mortgagors.

VICIOUS DEFLATION

While we are dealing with the subject of deflation it might be well to give some thought to the argument that scaling down mortgages to the appraised value of the underlying real estate would be deflationary as far as all farm real estate in general is concerned. Obviously, the immediate effect of this process in the individual case is deflationary. It is the debt burden that has been deflated, however, and not the land value. The effect is to bring the debt down to the level to which the land values themselves have already been deflated.

As a matter of fact, the existing policy in dealing with farm mortgages is a viciously deflationary one. Fore-closures are depressing land values not only through distressed selling, but through the accumulation of farm real estate in the hands of corporate and governmental lending agencies. In commenting on the more than 28,000,000 acres of farm land held by leading lending agencies, Norman Wall,

of the Department of Agriculture, points out that this large volume of farm acreage—

Will be a factor tending to hold down any possible rapid rise in farm-land prices. These farms, acquired either through fore-closure or assignment, represent an addition to the supply of farms for sale, over and above the supply of farms that are normally offered for sale by individual owners. In addition to the farm land held by lending agencies awaiting sale, it is pertinent to point out that the period of declining farm-land prices since 1920, and more particularly since 1929, retarded the sale of many individuals who otherwise would have sold their properties.

It is more than likely that a proposal of the kind I am making would tend to stabilize farm-land values. It would bring debts, so far as possible, into relation with values, and would facilitate the return of farms to operators, and diminish appreciably the number of foreclosures.

Farm income in 1938 was \$3,000,000,000 below what it was in the period from 1924 to 1929. Farm real-estate values have been cut \$15,000,000,000. The prices the farmer receives for the goods he sells are out of line with the prices he has to pay for the goods he buys.

The period from 1924 to 1929 was not a particularly prosperous one for the farmer; so when one compares the present with that time it should be kept in mind that the boom that came to industry then was shared only to a slight extent by agriculture. As a matter of fact, the prices on goods the farmer has to buy were raised so high during these years that he was worse off.

So the farmer stands in this relation to the 1924-29 period: His income is 25 percent below what it was then; realestate values are 30 percent lower; he is producing 10 percent more now than he was then.

With this kind of a situation, how long can the existing set-up be maintained? The farm income in 1938 was about the same that it was in 1931. In 1931, farm-mortgage foreclosures stood at 33 to the thousand. In 1938 they were somewhat below that figure. The fact that the rate of mortgage foreclosures per thousand was lower in 1938 than it was in 1931 is not difficult to understand. Since 1931. many of the top-heavy farm mortgages have been foreclosed. The epidemic of foreclosures that has gone on before makes a reduction in the rate per thousand inescapable. Refinancing the farm mortgage debt in 1933 and 1934 has temporarily slowed the foreclosure avalanche. Every indication now is that the foreclosures will once more be accelerated. Declining income is already reflected in increased delinquency, and an increase in foreclosures is inevitable. There need be little doubt as to what a continuation of the present trend in farm income for even a short time is likely to produce. It means more foreclosed farms, more misery, and more dispossessed farmers.

By 1937, income from manufacturing had returned to 98 percent of its 1924–29 level, the prices of industrial stocks were 10 percent over the 1924–29 level, and manufacturers' bankruptcies were at their lowest level since 1924. There were only a little more than half as many bankruptcies among manufacturers in 1937 as there were in 1929. The prices of industrial stocks in 1938 declined to 82.8 as against the 1924–29 period.

In 1937 the farmers' cash income was 84 percent of the 1924–29 level, farm real estate values were 70 percent of that level, and the number of forced sales per thousand was but slightly under the 1924–29 average.

DELINQUENT LOANS INCREASE

As further evidence of the precariousness of the agricultural situation at the present moment, we turn to a statement from the Farm Credit Administration showing the number of delinquent loans at the beginning of 1939.

In the case of the Federal land banks, 20 percent of their loans were delinquent as of December 31, 1938. A total of 125,891 loans out of 628,781 were delinquent as of that date.

The Land Bank Commissioner loans were even in a worse state of delinquency, with 28.2 percent of these loans in that category at the end of last year; 126,167 loans out of a total of 448,080 were behind in their payments.

A consolidated statement of these two agencies would show 252,000 loans out of 1,076,000, or 25 percent, delinquent. Although mortgages foreclosed were not as numerous in 1938 as in 1937, the increase in delinquency last year, plus a sharp decline in farm income, means an early increase in foreclosures.

The percentage of delinquency has been steadily increasing in the past 3 years as far as Federal lending agencies are concerned. In the case of the Federal land banks, at the end of 1936, 14.9 percent of their loans were classed as delinquent. In 1937 this percentage figure had risen to 15.9, and at the end of 1938 it was 20.

In the case of the Land Bank Commissioner loans, prior to 1938 delinquencies amounted to 5.4 percent. At the end of 1938 the Land Bank Commissioner classified 28.2 percent of his loans as delinquent.

This trend toward delinquency should be warning enough to anyone that the refinancing of the farm debt that has taken place has not solved the problem. No sharper warning than this should be necessary as to the serious trouble that appears to be ahead of us.

There is another aspect of the foreclosure of farm mortgages that is of fundamental importance and that should be carefully considered. I refer to the practice of mortgagees of establishing deficiency claims and judgments against borrowers once they have been foreclosed. Very little research work has been done in this field, and information on this subject is difficult to obtain. So far, this is all that is available.

What happens to the farmer who loses his farm through foreclosure? Not only does he lose his home and a means of earning a living for his family, not only does he lose his life savings as represented by his equity in his farm, but in many instances he also finds himself saddled with a deficiency claim that may pauperize him for life. As long as it is outstanding against him he can own nothing of value. The old debtors' prison held few terrors more crushing than this.

Information with regard to deficiency judgments is not easily obtained, for reasons best known to those who take them. The Farm Credit Administration informs me that these judgments once obtained are not considered an asset but are carried simply as "memos" by the separate banks. No effort is made to keep this information available in Washington for the operation of the lending systems throughout the country as a whole. This classification suggests their dubious value.

THE DEFICIENCY JUDGMENT

So far, however, I have been able to obtain the statement of one Federal land bank in a single district for a period from 1934 to the present time, covering the subject of deficiency judgments. A close study of the experience of this one bank suggests that the money collected through the deficiency-judgment system is probably not sufficient to cover the cost of collection. (See table 13.)

Out of the 575 deficiency judgments and claims, valued at \$573,100, held by the Federal land bank in the St. Paul district on December 31, 1938, and acquired for the most part from 1934 to 1938, only \$3,300 was collected on 13 of them. In the 5-year period alone the St. Paul Federal Land Bank foreclosed 6,634 loans, with an investment at the date of acquisition of \$30,329,800, in connection with which 487 claims or judgments were taken, amounting to \$449,100. During the same 5-year period 13 judgments, valued at \$11,-900, were settled for a consideration of \$3,300. In 5 years the bank had squeezed out of the farmers judgments which it valued at about half a million dollars, and collected a total of \$3,300. At the end of last year the bank still held deficiency judgments and claims which it thought to be worth about \$600,000.

What does this record show? Misery for hundreds of farmers to collect one-half of 1 percent of an assumed value. What can we say about debtors' prisons and harassment?

These 13 claims were valued at \$11,900 but they were settled for the princely sum of \$3,300, or about 27 cents on the dollar. No wonder the Farm Credit Administration does not care to advertise them further than to carry its deficiency claims as "memos."

The total value of the deficiency claims and judgments held by the St. Paul bank on December 31, 1938, was \$573,-100. Fifty-nine of these were in Michigan, 196 in Wisconsin, 130 in Minnesota, and 190 in North Dakota. Out of these 575 deficiency claims in this district for this 4-year period, only 138 had been reduced to judgments.

In the case of the St. Paul district, 7.3 percent of all mortgages foreclosed ended with deficiency claims and judgments, and on December 31, 1938, about 96 percent of these were still unreleased.

The experience of the Federal Farm Mortgage Corporation during the same 5-year period (1934-38) is very similar. The only difference appears to be that in the case of the Corporation a larger percentage of its foreclosures end with a deficiency claim than was true with the St. Paul bank. The Farm mortgage Corporation makes a deficiency claim in 18.6 percent of the farm foreclosures it has executed in the past 5 years.

In this 5-year period the Farm Mortgage Corporation has foreclosed 3,500 loans, representing an investment of \$14,-884,800 at the date of acquisition. Deficiency claims or judgments were taken in 651 cases, for \$681,100. During this period, 21 deficiency claims or judgments valued at \$15,800 were released for a consideration of \$5,900. Out of a total "memo" value of \$680,000, the Corporation was able to sweat out of the farmer \$5,900.

In defense of the deficiency judgment, the Farm Credit Administration argues that it is necessary in order to enforce personal liability for loans. The record fails to establish any such value.

I have so far given some statistics with reference to the history of the lending program of the Federal Government which is supposed to be for the benefit of the farmer. The record will show that it is entirely for the benefit of the money-lenders. The idea that the farmer is foreclosed and made homeless because of economic conditions over which he has no control, and because of the lending policies of the Federal Government instrumentalities, apparently operated solely for the benefit of the farmer's creditors in order to bail them out, but leaving the farmer still carrying the burden, is a record that is a disgrace to a civilized country. Constantly our farmers are going on relief or are becoming tenants. Constantly we are increasing the payments for relief, and increasing taxes. We have had 6 years in which to test out the theory that the less we produce, and the less farmers we have, the more wealthy we shall be. As a matter of fact, the farmers are not in a better condition as the result of these activities, as the records will show.

This amendment provides for the readjustment of farm debts and a lower interest rate. Legislation of this character, in my opinion, is absolutely imperative. The amendment will give some merit to the bill if it is adopted by the Senate and by the House. Without this provision I can see very little merit in the bill. I hope the amendment will be adopted by the Senate.

Mr. President, I ask permission to have printed in the RECORD some tables from various lending agencies of the Government verifying my statements as to the history of farm lending. These tables are referred to in my remarks.

There being no objection, the tables were ordered to be printed in the Record, as follows:

Estimated farm-mortgage debt as of Jan. 1 of se	lected years
1910	\$3, 320, 470, 000
1920	7, 857, 700, 000
1925	9, 360, 620, 000
1928	9, 468, 526, 000
1930	9, 214, 278, 000
1935	7, 645, 091, 000
1936	7, 500, 489, 000
1937	7 254 821 000

Farm Credit Administration, Division of Finance and Accounts. Jan. 27, 1939.

Source: U. S. Department of Agriculture.

1938

Index numbers of estimated value, per acre, of farm real estate in the United States, 1912-38 1

[1912-14=100 percent]

1912	97
1913	100
1914	103
1915	103
1916	108
1917	
1918	199
1919	140
1920	170
1921	157
1922	
1923	
1924	
1925	127
1926	
1927	119
1928	117
1929	116
1930	115
1931	
1932	
1933	73
1934	10
1935	76

1938 2	85
1 Circular 417 II C Department of A - 1 1	560304337655-2336

¹ Circular 417, U. S. Department of Agriculture, p. 6. Index numbers based on values of farm land with improvements as of Mar. 1 of each year.

² Preliminary.

Farm Credit Administration, Division of Finance and Accounts.

Estimated farm mortgage indebtedness outstanding Jan. 1, 1938, by type of lending agency 1

Lending agency	Amount	Percent of total
Federal land banks Land-bank commissioner Joint-stock land banks Commercial banks Insurance companies Individual and other agencies	2 \$2, 025, 000, 000 2 \$11, 009, 000 104, 000, 000 501, 000, 000 895, 000, 000 2, 746, 000, 000	28. 7 11. 5 1. 5 7. 1 12. 6 38. 6
Total	7, 082, 000, 000	100.0

¹ Estimate made by the Bureau of Agricultural Economics, U. S. Department of Agriculture.

Agreement 2 As of Dec. 31, 1938, the amount of Federal land-bank loans had decreased to \$1,971,630,359 and land-bank commissioner loans had decreased to \$751,391,966.
Farm Credit Administration, Division of Finance and Accounts.

Federal land banks and Land Bank Commissioner—Number and amount of mortgage loans outstanding as of Dec. 31 from 1917 to 1938

As of Dec. 31	Federal land bank			ank Commis- sioner	Total	
	Number	Amount	Number	Amount	Number	Amount
1917	m	(1)			m	(1)
1918	(1)	\$156, 213, 892			às	\$156, 213, 893
1919	(1)	293, 595, 395			(1)	293, 595, 39
1920	126, 179	349, 678, 988	BELLEVICE CONTROL OF THE PARTY		126, 179	349, 678, 98
1921	151, 823	432, 523, 141			151, 823	432, 523, 14
1922	221, 778	639, 486, 435			221, 778	639, 486, 43
1923	274, 507	799, 596, 835			274, 507	799, 596, 83
1924	313, 712	927, 567, 598			313, 712	927, 567, 598
1925	342, 804	1,005,684,817			342, 804	1,005,684,81
1926	366, 494	1, 077, 818, 724			366, 494	1, 077, 818, 72
1927	392, 148	1, 155, 643, 871			392, 148	1, 155, 643, 87
1928	404, 865	1, 194, 820, 881			404, 865	1, 194, 820, 88
1929	409, 559	1, 198, 513, 917			409, 559	1, 198, 513, 91
1930	410, 493	1, 189, 604, 354			410, 493	1, 189, 604, 35
1931	407, 852	1, 167, 898, 205			407, 852	1, 167, 898, 20
1932	400, 537	1, 128, 564, 461			400, 537	1, 128, 564, 46
1933	428, 861	1, 232, 706, 802	43, 994	\$70, 738, 461	472, 855	1, 303, 445, 26
1934	606, 344	1, 915, 791, 654	347, 299	616, 825, 108	953, 643	2, 532, 616, 76
1935	643, 803	2, 071, 924, 721	431, 205	794, 726, 418	1, 075, 008	2, 866, 651, 13
1936	639, 828	2, 064, 157, 944	455, 082	836, 778, 547	1, 094, 910	2, 900, 936, 49
1937	635, 776	2, 035, 306, 748	455, 291	812, 749, 284	1, 091, 067	2, 848, 056, 03
1938	628, 781	1, 982, 224, 007	448, 080	752, 850, 796	1, 076, 861	2, 735, 074, 80

1 Not available.

7, 082, 156, 000

Farm Credit Administration, Division of Finance and Accounts. Jan. 27, 1939.

Gross farm income, interest on farm-mortgage debt, and percent of refinancing with Federal land-bank and land-bank-commissioner 1918-38

Year	Gross farm income 1	Interest on farm mortgage debt	Percent of gross farm income re- quired for interest on mortgage debt
1918	\$15, 101, 000, 000	\$345,000,000	2.3
1919	16, 935, 000, 000	401, 000, 000	2.4
1920	13, 566, 000, 000	479, 000, 000	3.5
1921	8, 927, 000, 000	545, 000, 000	6, 1
1922	9, 944, 000, 000	554, 000, 000	5. 6
1923	11, 041, 000, 000	568, 000, 000	5. 1
1924	11, 337, 000, 900	564, 000, 000	5. 0
1925	11, 968, 000, 000	567, 000, 000	4.7
1926	11, 480, 000, 000	568, 000, 000	4.9
1927	11, 753, 000, 000	568, 000, 000	4.8
1928	12, 016, 000, 000	568, 000, 000	4.7
1929	12, 049, 000, 000	563, 000, 000	4.7
1930	9, 847, 000, 000	554, 000, 000	5. 6
1931	7, 042, 000, 000	545, 000, 000	7.7
1932	5, 284, 000, 000	528, 000, 000	10.0
1933	6, 142, 000, 000	511, 000, 000	8.3
1934	7, 392, 000, 000	442, 000, 000	6. 0
1935	8, 400, 000, 000	400, 000, 000	4.8
1936	9, 317, 000, 000	¹ 381, 000, 000	4.1
1937	10, 003, 000, 000	² 372, 000, 000	3. 7
1938	3 8, 800, 000, 000	4 365, 000, 000	4.1

Revised by the U. S. Department of Agriculture from 1927 through 1938 to include income from crops on a calendar-year basis instead of a crop-year basis. Data for 1933 and later years include Government payments.
 U. S. Department of Commerce, Survey of Current Business, January 1939, p. 11.
 Preliminary estimate by the U. S. Department of Agriculture.
 Preliminary estimate by the Farm Credit Administration.

Interest subsidy payments to Federal land banks and Fedral Land Bank Commissioners

1933 (Federal land banks only)	\$1, 271, 231
1934	11, 085, 694
1935	18, 248, 144
1936	31,600,000
1937 (Land-bank commissioners added)	35, 956, 210
1938	38, 863, 487
Total	137, 024, 766
Federal land banks	125, 439, 508

1	Land-bank	commissioners	11, 585, 260
CONTRACTOR OF THE PARTY		and the contract of the contra	and the same of the same

Estimated amount and percentage distribution of proceeds of Federal land bank and land bank commissioner loans used for various purposes, May 1, 1933, to Jan. 1, 1937 1

•	Amount	Percent- age distri- bution
For refinancing first and junior mortgages held by— Life insurance companies. Commercial banks. Joint-stock land banks Other ² For refinancing other indebtedness owed to— Commercial banks. Taxes Other indebtedness.	\$305, 818, 289 351, 052, 038 142, 547, 100 704, 741, 589 128, 439, 604 61, 279, 102 172, 591, 181	14. 4 16. 5 6. 7 33. 2 6. 0 2. 9 8. 1
Total for refinancing. Purchase of land and redemption from foreclosure. General agricultural uses including buildings and improvements. Stock in association or bank and loan fees.	1, 866, 468, 903 103, 085, 298 69, 168, 769 84, 334, 925	87. 8 4. 9 3. 3 4. 0
Total	2, 123, 057, 895	100.0

Estimated amount of scale-down of prior indebtedness effected in refinancing with Federal land-bank and land-bank-commissioner loans closed during the period May 1, 1933—Dec. 31, 1938 1

loan	is closed during the period May 1, 1933-Dec. 31,	1938 1
Distri	cts and States:	Amount
1.	Maine	\$1, 283, 276
	New Hampshire	- 92, 240
	Vermont	_ 507, 712
	Massachusetts	. 665, 246
	Rhode Island	59, 986
	New York	_ 3,574,905
	New Jersey	_ 603, 557
	Total	_ 7, 177, 547
2	Pennsylvania	1, 527, 616
	Delaware	. 123, 522
	Waryland	957, 375
	West Virginia	1, 073, 291 330, 487
	11 coo 1 12 min	330, 401
	Total	_ 4, 012, 291
1000	20.70 2. 2.	
3.	North Carolina	_ 3, 528, 060
	South Carolina.	3, 648, 141
	rioriua	_ 3, 442, 003
	Massachusetts. Rhode Island Connecticut New York New York New Jersey Total 2. Pennsylvania Delaware Maryland Virginia West Virginia Total 3. North Carolina South Carolina Georgia Florida Total 4. Ohio Indiana Kentucky Tennessee Total 5. Alabama Mississippi Louisiana Total 6. Illinois. Missouri Arkansas Total 7. Michigan Wisconsin Minnesota North Dakota North Dakota North Dakota North Dakota North Dakota Nebraska Wyoming Total 9. Kansas Oklahoma Colorado New Mexico Total 10. Texas 11. Arizona Utah Nevada California	_ 14, 415, 764
4.	Ohio	. 4, 058, 445
	Indiana	. 4,063,717
		2, 431, 832
	Tennessee	1,513,694
	Total	12, 067, 688
5	Alabama	1 500 746
0.		
	Louisiana	1, 263, 032
	Total	4, 908, 198
	Tilimaia	14 075 000
0.		
		2,011,120
	Total	23, 839, 318
7.	Michigan	6, 529, 378
		16, 806, 787
	5. Alabama Mississippi Louisiana Total 6. Illinois Missouri Arkansas Total 7. Michigan Wisconsin Minnesota North Dakota Total Total	. 21, 342, 115
	Total	71, 105, 568
-		
8.		. 15, 158, 162
	New Hampshire Vermont. Massachusetts. Rhode Island. Connecticut. New York New Jersey. Total. 2. Pennsylvania. Delaware Maryland Virginia. West Virginia. Total. 3. North Carolina. South Carolina. Georgia. Florida. Total. 4. Ohio. Indiana. Kentucky. Tennessee. Total. 5. Alabama. Mississippi. Louisiana. Total. 6. Illinois. Missouri. Arkansas. Total. 7. Michigan. Wisconsin. Minnesota. North Dakota. North Dakota. North Dakota. South Dakota. South Dakota. South Dakota. Nebraska. Wyoming. Total. 9. Kansas. Oklahoma. Colorado. New Mexico. Total. 1. Arizona.	5, 727, 967 813, 764
	wyoming	013, 704
	Total	27, 132, 553
9	Kansas	7, 944, 476
-		2, 147, 962
		2,911,939
	New Mexico	525, 105
	Total	
10.		
(
11.		
		8, 228, 893
	Total	10, 107, 934
1 77	Judes Preside Piles	

¹ Excludes Puerto Rico.

Farm Credit Administration, Division of Finance and Accounts. Source: Bureau of Agricultural Economics.

Excluding Puerto Rico.
 Includes Federal land banks and land-bank commissioner.

Estimated amount of scale-down of prior indebtedness effected in refinancing with Federal land-bank and land-bank-commissioner loans closed during the period May 1, 1933-Dec. 31, 1938-Con.

Districts and States—Continued.	Amount
12. Montana Idaho Washington Oregon	\$6, 497, 362 3, 620, 723 3, 084, 336 3, 556, 933
Total	16, 759, 354

Grand total_____ 211, 620, 071 Federal land banks-Summary of real-estate operations, 1925 through 1938

	ac	ertificates quired	Farms and sheriffs' certificates disposed of				Farms and sher- iffs' certificates held on Dec. 31	
Year	Change Barrier Control	Invest.	Number	Consid-	Num-	Invest-		
	ber	ment	Whole	Part	ment	eration	ber	ment
1924	2, 250 2, 285 2, 290 2, 652 3, 291 4, 716 7, 799 11, 408 7, 568 5, 875 13, 028 14, 652 9, 969 8, 414	\$8, 232, 238 9, 620, 890 9, 190, 219 14, 588, 056 14, 132, 284 18, 843, 807 30, 773, 472 48, 537, 473 31, 141, 525 56, 888, 891 56, 888, 891 36, 859, 995 32, 341, 697	1, 020 939 1, 816 2, 234 2, 826 3, 729 5, 360 4, 128 4, 858 8, 423 13, 032 13, 212	305 502 924 637 696 1, 289 1, 989 2, 068	11, 642, 719 14, 447, 902 20, 295, 247 16, 927, 127 20, 502, 259 36, 147, 948 47, 409, 011	3, 513, 110 3, 726, 727 7, 762, 588 8, 759, 239 9, 767, 915 11, 302, 186 14, 697, 659 14, 112, 955 17, 565, 712 28, 135, 869 35, 227, 788	6, 010 6, 641 8, 532 12, 629 18, 503 21, 945 22, 960 27, 515 29, 075 25, 838	16, 596, 362 21, 891, 631 26, 477, 783 29, 517, 370 36, 931, 299 53, 658, 068 83, 336, 308 96, 774, 044

Farm Credit Administration, Division of Finance and Accounts. Jan. 27, 1939.

Federal Farm Mortgage Corporation—Summary of real-estate operations, organization through 1938

sheri	sherif	ms and fs' certifi- acquired	Farn		sheriffs' cer sposed of	tificates	Farms and sheriffs' certifi- cates held on Dec. 31	
	Invest-	Number		Invest-	Consider-	Num-	Invest-	
	ber	ment 1	Whole	Part	ment 1	ation 1	ber	ment 1
1934 1935 1936 1937	2 252 2,633 4,421 6,638	\$4,856 486,240 5,852,455 10,551,921 17,395,693	18 490 1,693 3,500	28 154 265	\$33, 349 997, 415 4, 018, 481 9, 148, 138	\$30, 978 770, 867 2, 752, 504 5, 264, 124	2 236 2,379 5,107 8,245	\$10, 618 455, 428 5, 860, 976 14, 105, 967 23, 884, 353
Total	13, 946	34, 291, 165	5, 701	447	14, 197, 383	8, 818, 473		

¹ Excluding amount of prior liens not assumed.

Farm Credit Administration, Division of Finance and Accounts. Jan. 27, 1939-

Acquired farm real estate held by leading lending agencies, Jan. 1, 1929-38

Year	Federal land banks and Federal Farm Mort- gage Cor- poration ¹	Life-insur- ance com- panies ²	Joint-stock land banks 3	All active insured commercial banks 4	3 State credit agencies ⁵
1929 1930 1931 1932 1933 1933 1934 1935 1936 1937 1938	\$26, 478, 000 29, 517, 000 36, 865, 000 53, 587, 000 83, 158, 000 96, 632, 000 119, 864, 000 134, 754, 000 132, 038, 000	\$88, 305, 000 120, 020, 000 151, 229, 000 219, 947, 000 316, 931, 000 465, 072, 000 600, 873, 000 646, 280, 000 713, 166, 000 705, 207, 000	\$15, 236, 000 19, 685, 000 22, 202, 000 37, 957, 000 71, 741, 000 85, 740, 000 81, 700, 000 72, 781, 000 62, 030, 000	(\$) (6) (6) (6) (6) (6) (7) 7 \$74, 166, 000 69, 525, 000 56, 311, 000	\$19, 540, 000 26, 860, 000 33, 511, 000 39, 008, 000 47, 454, 000 56, 094, 000 60, 270, 000 61, 531, 000 68, 444, 000 72, 040, 000

Source: Agricultural Finance Review, Bureau of Agricultural Economics, U. S. Department of Agriculture, November 1938, p. 63.

¹ Investment, including sheriffs' certificates and judgments. Real estate by Federal Farm Mortgage Corporation excludes the amount of mortgages not assumed, as follows: 1936, \$174,698; 1937, \$44,588,071; and 1938, \$7,540,357. Data for 1938 exclude judgments held by the Federal Farm Mortgage Corporation. Data for Puerto Rico excluded.

¹ Investment, partially estimated.

¹ Carrying value of real estate, including sheriffs' certificates and judgments. Real estate held by banks in receivership, included at book value.

¹ Book value. Revised data for 1938 and 1937.

† Investment. Rural Credit Board of South Dakota, Bank of North Dakota, and Department of Rural Credit of Minnesota.

¹ Data unavailable.

† June 30.

Index numbers of volume of agricultural production, cash income, and value of farm real estate; number of forced sales, United States, 1924 to date

[1924-29=100]

STELL DAY OF THE LAND OF	Ind	lex number o	f-	Forced sales and	
	Volume of agricultural production	Cash farm income and Gov- ernment payments	Value of farm real estate	related defaults, year be- ginning Mar. 15, all farms	
1924 1925 1926 1927 1928 1929 1929 1930 1931 1931 1932 1933 1934 1935 1936 1936	97 97 102 99 104 101 107 100 97 94 92 95 109 109	966 1022 999 999 101 103 853 55 43 2 50 2 63 2 70 2 78 2 84 2 75	106 104 102 97 96 95 94 87 73 60 62 65 67 70	Number per 1,000 (1) 21. 6 23. 3 22. 8 19. 5 20. 8 26. 1 41. 7 54. 1 39. 1 28. 3 26. 2 22. 4 17. 4	

Data not available.
 Includes Government payments beginning 1933.
 Preliminary.

Bureau of Agricultural Economics.

Federal land bank, St. Paul district—Deficiency claims and judgments taken and released during the period 1934-38, and total amount outstanding at Dec. 31, 1938

	District total		M	Michigan W		iseonsin	Minnesota		North Dakota	
Item	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount
Foreclosures completed and investment therein at date of acquisition either outright or subject to redemption. Deficiency claims and judgments taken in connection with such foreclosures. Deficiency claims and judgments released for which consideration was re-	6, 634 487	\$30, 329, 800 449, 100	991 55	\$3, 264, 000 42, 100	1, 176 123	\$6, 025, 200 132, 200	1, 653 123	\$8, 384, 200 113, 900	2, 814 186	\$12, 656, 400 160, 900
ceived. Amount of such consideration. Deficiency claims and judgments released without consideration.	13	11,900 3,300 3,800	3	100	1 3	2,000 100 3,700	9	8, 800 2, 700	3	1, 100 500
Deficiency claims and judgments on hand Dec. 31, 1938. Additional deficiency claims and judgments held Dec. 31, 1938, on which suspension of further collection activity has been approved.	432 143	468, 800 104, 300	38	44, 500 9, 100	150	192, 100 44, 300	100	95, 000 22, 700	144	137, 200 28, 200
Total deficiency claims and judgments held Dec. 31, 1938 1	575 138	573, 100 178, 800	59	53, 600	196 129	236, 400 170, 400	130	117, 700 4, 100	190 4	165, 400 4, 300
Memorandum (based on number only): Percent of foreclosures on which deficiency claims and judgments were taken Percent of deficiency claims and judgments released for consideration. Percent of deficiency claims and judgments released without considera-	7.3		5. 5		10. 5		7.4 7.3		6.6	
tion Percent of deficiency claims and judgments not released 1934–38	1. 2 96. 1		5. 5 94. 5		2.5 96.7		92.7		98.4	

¹ Total deficiency claims and judgments outstanding at the end of period include all those on hand irrespective of the period in which action was taken. Farm Credit Administration, Division of Finance and Accounts.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, with an amendment, in which it requested the concurrence of the

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1996) to amend the National Stolen Property Act.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1996) to amend the National Stolen Property Act, and it was signed by the President pro tempore.

EXCHANGE OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN MATERIALS

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

Mr. WAGNER. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrnes, Mr. Bankhead, Mr. Brown, and Mr. Townsend conferees on the part of the Senate.

TRUTH IN FABRICS

Mr. THOMAS of Oklahoma obtained the floor.

Mr. AUSTIN. Mr. President, will the Senator from Oklahoma yield so that I may call a quorum?

Mr. THOMAS of Oklahoma. I thank the Senator from Vermont, but I do not think that is necessary.

Mr. President, immediately upon the convening of the Senate today my motion to reconsider the vote by which Senate bill 162 was passed was disposed of.

The bill is known as the truth-in-fabrics bill and deals primarily with fabrics and products made of wool.

The bill deals with wool, a product of sheep; hence, wool is an agricultural product. It has developed that the bill will, if enacted, materially affect cotton, and cotton likewise is an agricultural product.

Although the bill deals with and affects two major agricultural products, wool and cotton, the measure was referred to the Committee on Interstate Commerce.

The record further shows that in considering the bill, the committee gave no attention to the relationship between wool and cotton, although evidence has been produced showing that some 500,000,000 pounds or some 100,000 bales of cotton are used annually in the worsted- and woolen-goods industry

The bill, if finally enacted into law, will have a vast effect upon cotton and the cotton industry. The nature and extent of the effect of such a law upon cotton and the cotton industry cannot now, from the information available, be appraised and determined.

Yesterday I submitted some data in support of my motion to reconsider the bill. Such data may be found on pages 10190 to 10192, inclusive, of the Congressional Record.

I stated yesterday that I would have at least one other message or letter to submit for the RECORD today. The letter arrived by special delivery just about the time of the reconvening of the Senate, and I now tender the letter for the RECORD, and ask unanimous consent that the communication referred to on yesterday, the one just received, be printed at this point in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Is there objection? There being no objection, the communication was ordered to be printed in the RECORD, as follows:

National Association of Wool Manufacturers, New York City, July 27, 1939.

The Honorable ELMER THOMAS

United States Senate, Washington, D. C.
DEAR SENATOR THOMAS: Upon receipt of your telegram our sta-DEAR SENATOR THOMAS: Upon receipt of your telegram our statistics department immediately set to work upon the problem thereby presented. A survey broad enough to adduce the information desired could readily be classed as a major undertaking and would require more time than the form of your inquiry indicated available. Hope of successfully collecting current information either by postal or telegraphic questionnaire was therefore abandoned and recourse was had to available information relating to taxtile fiber consumption. to textile fiber consumption.

In attempting to arrive at the amount of cotton in products made from mixtures of cotton and wool that will be covered by the proposed labeling bill, numerous gaps are encountered in the data now available, although in some particular products and for some mill classifications the data are rather adequate. The situation is not surprising in the least when one considers several forters involved in the problem.

factors involved in the problem.

First, combinations of cotton and wool are found in innumerable products. In clothing there is a wide variety of products for men, women, and children including hosiery, underwear, suits, dresses, trousers, shirts, neckties, sweaters, snow suits, coats, hats, gloses, scarfs, shoes, slippers, bathing suits, and robes. In 1935 knitgoods mills reported the manufacture of about 50,000,000 pairs of hosiery and 20,000,000 units of underwear and sleeping garments combining wool and cotton. In household articles there are blankets, draperies, and upholstery. During 1937 there was produced almost 40,000,000 pounds of wool and cotton blankets. Then cotton-wool products are found in the upholstery of automobiles and railroad cars and in a variety of industrial uses.

Secondly, the combination of cotton and wool in products may have occurred anywhere from the raw stock down through any number of manufacturing processes that may have carried the materials through many stages of ownership and through many types and classes of mills. Mixtures of cotton and wool may be types and classes of mills. Mixtures of cotton and wool may be spun into yarns or cotton and wool may be blended in the manufacturing processes prior to spinning or at the spinning operation on all kinds of spinning equipment, although cotton system machinery is somewhat more limited for this purpose than woolen and worsted system machinery. Cotton and wool may be combined at the yarn stage by twisting a yarn of cotton with one of wool, or may be combined in the weaving or knitting operations themselves, where yarns of the different fibers are brought together in a product.

Accordingly, in ascertaining a figure there must be considered not only so-called wool mills, but also cotton mills, knit-goods mills, felt mills, and other classifications. It is our estimate that the annual production of cotton-wool products that fall within the scope of the labeling bill contain as a minimum over 100,-000,000 pounds of cotton, and the actual amount might be considerably greater.

We have by means of telephone, telegraph, and personal interviews, endeavored to get a cross-section expression of opinion from men acknowledged among the leaders in their particular spheres in the textile industry. It is surprising to note that without exception, each one indicated that it was his opinion that S. 162, enacted into law, would diminish the consumption of cotton in cotton, well combinations. This upper interest of consumption of cotton in cotton-wool combinations. This unanimity of opinion should have a great deal of weight, particularly when it is recalled that cotton export subsidies are presently in the news spotlight.

Millard D. Brown, president of the Continental Mills, of Philadelphia, Pa., among the outstanding manufacturers of men's overcoatings, has authorized us to state his opinion as follows:
"In reference to your request that I state what I think the enactment of S. 162, commonly known as the 'Wool labeling' bill would have on the consumption of cotton, I state unhesitatingly that it would trad to diminish the use of cotton in woolen revisites.

would have on the consumption of cotton, I state unhesitatingly that it would tend to diminish the use of cotton in woolen textiles. "Our company uses raw cotton and cotton yarn in several of our best selling fabrics. The use of cotton by us is primarily to make a better wearing and more satisfactory fabric for the consumer. One such cloth made by us sells to clothing manufacturers at \$2.75 per yard. Surely this is not a cheap price.

"If the wool-labeling bill becomes a law it would place, by inference, the stamp of Government approval on wool as the only fiber that will make satisfactory cloth, and at the same time infer

fiber that will make satisfactory cloth, and at the same time infer that cotton is a cheap and inferior fiber. Such is not the case. The tendency would therefore be for consumers to appraise fabrics as respects value, durability, or other value only on the basis of their wool content.

"Many very high-class fabrics that contain cotton would be wholly unsatisfactory for consumer use if made entirely of wool."
We have a letter from the president of the Peerless Woolen Mills, which states in part: "Can say without hesitation that any labeling bill that required percentage statements of the raw material contents, would tend to decrease our use of raw cotton." (A photostatic copy of the letter was attached.) The significance of this statement is that it comes from one of the largest manufacturers of boys' suiting and trousering materials, a field in which

union fabrics, that is, fabrics made of wool and cotton combined are of utmost importance.

are of utmost importance.

On top of this statement by one of the leading manufacturers making union goods on wool and worsted equipment, we find a statement of Mr. Fred K. Nixon, sales manager of one of the largest cotton mills manufacturing apparel cloths composed of wool and cotton. Mr. Nixon save:

wool and cotton. Mr. Nixon says:

"We are among the leading manufacturers of textile apparel materials composed of wool and cotton in combination, processed principally on cotton machinery. The bulk of our production is made up of these combination cloths, so our operations will be

made up of these combination cloths, so our operations will be affected by the pending legislation.

"The words 'wool,' 'woolen,' and 'worsted' have always had a plus appeal with the purchasing public, and it is my opinion that if this concern was required to label its cotton and wool products, revealing the percentage content of each, a new and meaningless area of competition would be opened up. The lay mind is very apt to conclude, particularly since so much misleading propaganda has been disseminated in support of this bill, that a boy's trousering containing 30-percent wool is of necessity 5 percent superior to a similar trousering containing 25-percent wool or relatively inferior to a similarly priced trousering containing 40-percent wool. Technical experts know there is no basis for such a conclusion. In these various trouserings the qualities of the wool used may differ tremendously. By the same token, the qualities of the cotton may be dissimilar.

may be dissimilar.

"Anyone with broad experience in textile fields (and I might say that I have had experience, not only in the sale of union goods, but also in the sale of luxury woolen fabrics) knows that the quality of the raw material is only one factor affecting the final quality of a fabric. Skill and thoroughness in workmanship are even more essential in the production of high-quality merchandise than the grade of the raw material. In other words, a good craftsman could achieve a higher quality fabric out of poor materials then could a prove conference using good materials.

than could a poor craftsman using good materials.

"However, it is only natural that we should make every effort to meet competition or a consumer demand for a higher wool content. If the consumer is going to favor the higher wool content, regardless of the wool quality, we are going to cater to this demand. Naturally such a trend would considerably diminish our use of raw cotton.

our use of raw cotton.

"Any legislation, rule, or regulation which would require percentage indications of the raw materials used in the manufacture of textiles, in my opinion, would lead to consumer delusion rather than consumer protection, if for no other reason than the vast variation in the qualities to be found in all such fibers."

The concern represented by Mr. Niven is not unique in the

The concern represented by Mr. Nixon is not unique in the cotton textile industry, but has many competitors in both the cotton and wool textile industries.

In the household furnishings field we have gotten similar indications. Mr. P. J. Torchiana, of Collins & Aikman, an automobile and furniture upholstery manufacturing concern of national repute states the effect of S. 162 might readily be detrimental to the sale of some types of pile fabrics containing cotton. It is to be noted that this concern does not manufacture tapestries or brocades to a major degree, if at all. The labeling burdens imposed by S. 162 would be greatly magnified in this field where fiber combinations have been the rule rather than the exception.

Mr. C. W. Poor, of the Chatham Manufacturing Co., cited actual experience in the blanket field resulting from the general adoption of labeling standards in 1932. He points out a steady trend to increase the wool content of blankets at the expense of cotton.

There has been some trade paper observers who have held that the promulgation of the rayon rules by the Federal Trade Commission encouraged the displacement of rayon by cotton in mixed fabrics. If this view has any validity and it becomes necessary by law to label cotton-wool mixtures, rayon may well gain an advantage over cotton in wool mixtures. The rate of rayon's absorption of another fiber's market is best illustrated in the field of silk. Today we find former silk manufacturers operating principally on rayon. In some cases the only silk in their plant is under glass—like a museum piece.

Respectfully submitted.
THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.
Per EDWIN WILKINSON.

Mr. THOMAS of Oklahoma. Mr. President, inasmuch as the Senate bill will now go to the House of Representatives for the consideration of that body, I desire to summarize the reasons upon which I based my motion for reconsideration:

First. A vast amount of cotton is used in connection with wool in the manufacture of cloth. The census department estimates the amount for 1935 to be 20,000,000 pounds, or some 42,000 bales. The Department of Agriculture reports that the total quantity of cotton consumed in worsted and woolen goods annually is probably in excess of 50,000,000 pounds, or the equivalent of about 100,000 bales of cotton.

Second. Although the bill will affect a vast amount of cotton, yet no consideration whatever was given by the committee relative to the effect the bill would have upon cotton. Representing, in part, the State of Oklahoma which produces upward of 1,000,000 bales of cotton annually, I am

deeply interested in any legislation which affects the demand for this major agricultural product of my State.

The National Retail Dry Goods Association, after making an analysis of the bill and suggesting possible effects that such a law would have upon the cotton industry, summarizes their observations as follows:

This law would without question tend to largely nullify all the combined efforts of the Department of Agriculture and members of industry to promote the increased use of cotton.

The Department of Agriculture, in an official communication of yesterday, July 27, reported in part as follows:

If passage of this bill should result in increased consumption of virgin wool, we do not see how this increase could fail to be at the expense of reclaimed wool and other fibers, among them cotton, now used in the wool and woolen industries. What the extent of this effect on cotton might be it is impossible accurately to estimate, but that there would be some decrease in the use of cotton seems probable.

The further communication from the National Association of Wool Manufacturers, just placed in the Record, contains the following pertinent conclusions:

First

Combinations of cotton and wool are found in innumerable products. In clothing there is a wide variety of products for men, women, and children including hosiery, underwear, suits, dresses, trousers, shirts, neckties, sweaters, snow suits, coats, hats, gloves, scarfs, shoes, slippers, bathing suits, and robes. In 1935, knit-goods mills reported the manufacture of about 50,000,000 pair of hosiery and 20,000,000 units of underwear and sleeping garments combining wool and cotton. In household articles there are blankets, draperies, and upholstery. During 1937 there was produced almost 40,000,000 pounds of wool and cotton blankets. Then cotton-wool products are found in the upholstery of automobiles and railroad cars and in a variety of industrial uses.

Second

It is our estimate that the annual production of cotton-wool products that fall within the scope of the labeling bill contain as a minimum over 100,000,000 pounds of cotton, and the actual amount might be considerably greater.

If 100,000,000 pounds of cotton are used in the making of cotton-wool products, then such 100,000,000 pounds means 200,000 bales of cotton.

Third. From the communication just received, Mr. Millard D. Brown, president of the Continental Mills, of Philadelphia, referring to S. 162, is quoted as follows:

I state unhesitatingly that it would tend to diminish the use of cotton in woolen textiles.

Mr. Brown is quoted further as saying:

If the wool-labeling bill becomes a law, it would place, by inference, the stamp of Government approval on wool as the only fiber that will make satisfactory cloth, and, at the same time, infer that cotton is a cheap and inferior fiber. Such is not the case.

Fourth. In the communication just referred to, the president of the Peerless Woolen Mills is quoted as follows:

Can say without hesitation that any labeling bill that required percentage statements of the raw-material contents would tend to decrease our use of raw cotton.

Fifth. From the communication, Mr. Fred K. Nixon, sales manager of one of the largest cotton mills manufacturing apparel cloths composed of wool and cotton, is quoted as follows:

We are among the leading manufacturers of textile apparel materials composed of wool and cotton in combination, processed principally on cotton machinery. The bulk of our production is made up of these combination cloths, so our operations will be affected by the pending legislation.

Sixth. The manager of the Collins & Aikman factory, makers of automobile and furniture upholstery, testified as follows:

The effect of S. 162 might readily be detrimental to the sale of some types of pile fabrics containing cotton.

Seventh. In addition to the letter just referred to, I have a communication, of date July 26, from the Peerless Woolen Mills, located at Rossville, Ga., in which the manager states:

Can say without hesitation that any labeling bill that required percentage statements of the raw-material contents would tend to decrease our use of raw cotton.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the entire letter received from the Peerless Woolen Mills Co., of Rossville, Ga.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> PEERLESS WOOLEN MILLS. New York, July 26, 1939.

Mr. EDWIN WILKINSON.

National Association of Wool Manufacturers,

386 Fourth Avenue, New York, N. Y.

Dear Mr. Wilkinson: In reply to your telephonic inquiry, as one of the principal manufacturers of boys' sulting and trousering material, can say without hesitation that any labeling bill that required percentage statements of the raw material contents would tend to decrease our use of raw cotton.

While I recognize the desirability of knowing what kinds of fibers are in a textile product, statements alleging to give the exact percentage contents would only mislead and confuse the consuming public.

Yours very truly,

PEERLESS WOOLEN MILLS. J. L. HUTCHISON, Jr.

Mr. THOMAS of Oklahoma. Mr. President, the Washington Post of this morning carries a short news story, and I ask that it be read at the desk by the clerk.

The PRESIDING OFFICER. The clerk will read. The Chief Clerk read as follows:

[From the Washington Post of July 28, 1939]

The House Rules Committee deferred action yesterday on a request that the Martin wool-labeling bill be given legislative right-

Chairman Sabath (Democrat), of Illinois, said no clearance would be given until further hearings could be held. Representative Cox (Democrat), of Georgia, a member of the committee, commented that the measure was "highly controversial," and that Members of Congress were being "propagandized from every source" concerning it

ting it.

The bill, approved by the House Interstate Commerce Committee, would require that labels show the percentages of virgin, reprocessed, and reused wool, as well as the quantities of other fibers in

Mr. THOMAS of Oklahoma. Mr. President, if the news story just read is a correct reflection of opinion in the Committee on Rules of the House of Representatives, it is obvious that the bill will not be enacted finally at this session of Congress. If that is a correct assumption, the opponents of the bill will have ample time between now and January to ascertain the probable effect upon the cotton industry of the enactment of such a bill.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WALSH. I assume from what the Senator has saidand I want to know if my assumption is correct—that his study of this question when the measure was under consideration indicated to him that its passage would result in some injury at least to the cotton producers and to the cotton manufacturers.

Mr. THOMAS of Oklahoma. There is no doubt that such a law would be injurious to the cotton industry, I will say to the Senator from Massachusetts. Of course the intent of the bill is to help the wool growers. In the event it does help the wool growers by increasing the demand for wool it will decrease the demand for cotton and thereby injure the cotton industry, because the bill seeks to make gold out of wool and dross out of cotton. The bill seeks to glorify virgin wool and to condemn reclaimed wool as shoddy, and by inference the bill places cotton in the same class with shoddy.

Mr. WALSH. The bill does not require that the labels contain a statement of the amount of cotton that may be interwoven with the wool in the production of a given product, does it? I am asking this preliminary to another question.

Mr. THOMAS of Oklahoma. The bill as it came from the committee to the Senate sought to define wool. Wool was defined as-

the fiber from the fleece of the sheep or lamb or hair of the Angora or Cashmere goat and may include the so-called specialty fibers, namely, the hair of the camel, alpaca, llama, rabbit, and vicuna

Mr. WALSH. What I am trying to develop is that if the label should say that 75, 80, or 60 percent virgin wool was embodied in a particular product coming from a manufacturer or a store, the inference would be, would it not, that some of the remainder of it was cotton?

Mr. THOMAS of Oklahoma. Either that or shoddy. Cotton and shoddy would be placed on a par. One would

be just as much discredited as the other.

Mr. WALSH. And is not the bill based upon the fact that there would be a prejudice in the purchaser's mind against shoddy with wool, and also against cotton intermingled with wool in the production of a fabric?

Mr. THOMAS of Oklahoma. I share the opinion held by the Senator from Massachusetts, and I share his interpretation with respect to the effect of the measure. The bill is intended to help the wool growers, and I favor helping the wool growers, but not at the expense of the cotton growers, because my State produces wool. Oklahoma produces a million bales of cotton per year, and I do not want to help the wool growers of my State at the expense of the cotton producers of my State, and in my judgment that will be the effect of the measure.

Since there has been absolutely no consideration of the relation of cotton to wool, I object to the bill becoming a law until the question of this relationship shall have been thor-

oughly investigated.

Mr. WALSH. I observe in reading the RECORD that evidently some of the Senators from the southern cotton-producing States share the Senator's opinion. Though the opponents of the bill cast a small number of votes-23-5 of those came from the cotton-producing States of the South. I share the view which the Senator from Oklahoma has expressed, that the result of this legislation is apt to be injurious to the cotton producers and to the cotton industry.

Mr. THOMAS of Oklahoma. There is not a doubt about it, because if the bill helps the wool growers it will promote an increased demand for wool products, and to the extent that more wool is used, to that same extent less cotton will

be used. That is injury No. 1.

The second injury is that cotton is placed in the same class as shoddy. I object to such a classification and for such reasons I have objected to the bill.

Mr. WALSH. I assume the Senator recognizes that it is probably impossible for him to obtain a reconsideration of the vote by which the bill was passed, but I want to take this opportunity to commend him for the service he rendered in his speech of yesterday and in his speech of today by calling attention to the fact that the enactment of this legislation may be much more far reaching than was expected or contemplated, and that there should be a further study of the subject along the line of its effect on the cottonproducing States and the cotton industry.

Mr. THOMAS of Oklahoma. I thank the Senator from

Massachusetts for his pertinent suggestions.

Mr. SCHWARTZ subsequently said: Mr. President, the senior Senator from Oklahoma [Mr. Thomas] has expressed what he had expected to say in reference to the truth-infabric bill for the benefit of the RECORD, having in mind that the bill would come up in the House of Representatives.

Mr. President, it having been asserted in the Senate that S. 162 and H. R. 944-truth-in-fabric bills-were urged solely in the interest of wool growers, I introduce in the Con-GRESSIONAL RECORD a partial list of letters and resolutions from the leading farm, labor, consumer, and other organizations, cloth and garment manufacturers and others urging the Congress to enact this legislation.

I offer a letter from the American Farm Bureau Federation dated July 22, 1939, signed by W. R. Ogg, director, endorsing Senate bill 162, and expressing the opinion that

its enactment will not affect cotton.

I offer a letter from the National Cooperative Council, dated July 24, 1939. The National Cooperative Council has cooperatives in every State in the Union, including, among others, the American Cotton Cooperative Association, with headquarters in New Orleans. The letter states that they

have adopted resolutions unanimously endorsing Senate bill 162, and that, in their opinion, the bill will not injure cotton.

I offer a letter from the Federal Trade Commission, dated July 28, 1939, expressing the opinion that the bill will help

I offer a table prepared by the Census Bureau, showing the quantity of cotton, recovered wool, and raw wool used during the year in industry from 1914 to 1935, showing, among other things, that from 1914 to 1935 the amount of cotton used decreased from 6 percent to 3 percent; that the amount of recovered wool fiber, which is a substitute for cotton, increased from 19 percent in 1914 to 25 percent

I offer a statement by Edward A. O'Neal, president of the American Farm Bureau Federation, reciting in some detail the struggle during the past 20 years to have a labeling bill enacted, and stating the reasons why that great farm federation endorses Senate bill 162.

I offer a statement from Frederick Brenckman, representing the National Grange, which, by the way, is the oldest farm organization in the country, having been established over 72 years ago and having approximately 800,000 members in 36 States, specifically endorsing Senate bill 162.

I offer a statement by Mr. Edward E. Kennedy, of Washington, D. C., representing 10 Farmers' Union State organizations, specifically endorsing this bill, and stating the reasons why, in his opinion, it should be enacted.

I present a letter signed by I. M. Ornburn, secretarytreasurer of the Union Label Trades Department of the American Federation of Labor, specifically endorsing Senate bill 162 and advising that his department has the active sympathy and support of 4,500,000 members of the American Federation of Labor, and 2,000,000 women members of the American Federation of Women's Auxiliaries of Labor.

I offer a statement by Mrs. Ernest William Howard, presenting resolutions adopted by the General Federation of Women's Clubs in convention assembled May 1938, asking for legislation which will assist the Federal Trade Commission in bringing about full informative labeling which will permit the consumer to identify what she is buying. The general federation is an organization throughout the country of club women and has some 2,000,000 members.

I present a letter dated March 3, 1939, addressed to Senator Burton K. Wheeler by Glenn T. Stebbins, executive secretary of the United States Livestock Association, setting forth a resolution endorsing Senate bill 162 from the standpoint of the stockgrower and also the consumer.

Mr. President, in conclusion, I present a list of the great national organizations which have endorsed Senate bill 162, and others which, while they have not endorsed the bill, have adopted resolutions endorsing a labeling measure. There is also attached a list of the names of labor organizations, local farm organizations, and various corporations and individuals, numbering more than 300 and coming from 46 States in the Union, favoring the proposed legislation. I ask that all the documents I have presented may be printed in the RECORD at

The PRESIDING OFFICER. Without objection, the matters presented by the Senator from Wyoming will be incorporated in the RECORD.

The matters referred to are as follows:

AMERICAN FARM BUREAU FEDERATION, Washington, D. C., July 22, 1939.

Hon. H. H. SCHWARTZ,

Hon. H. H. Schwartz,

United States Senate, Washington, D. C.

My Dear Senators: I note in the debate on the truth-in-fabric bill in the Senate a question was raised as to whether this bill would result in decreasing the consumption of cotton.

Such a fear is entirely unwarranted. From my investigation of this matter I am convinced that it will probably result in increasing the consumption of cotton, rather than decreasing it, if it has any effect at all in this respect.

Without this legislation manufacturers of woolen goods can purchase rags and other second-hand materials, tear apart these fabrics, and use them in the manufacture of clothing which is sold to the public as all wool. Thus the public gets an inferior article under the false impression that this is made of new wool. This bill merely requires the manufacturers of woolen goods to

tell the truth as to the content of such goods. They can no longer sell goods made of second-hand wool as virgin-wool articles. The manufacturers can still use shoddy, or cotton, or silk, or rayon, or any other materials in mixture with wool, provided they tell the consumer the truth about what the article contains.

While no one can predict with certainty changes in consumer

while no one can predict with certainty changes in consumer demand, it seems reasonable to conclude that if the manufacturers have to tell the truth about mixtures with wool, the consumer will be more likely to prefer a garment composed of all new materials, such as wool and cotton, to a garment made out of wool rags and other second-hand materials whose fibers have been damaged by pulling and tearing apart of the fabric in the process of remanufacture.

The American Farm Bureau Federation has supported such legislation since 1920. Its policies are determined by voting delegates from State Farm Bureaus in 40 States, representing approximately one and one-half million individual farm people. We are just as one and one-half million individual farm people. We are just as vitally interested in the welfare of the cotton farmer as the welfare of the wool grower. We see nothing in this legislation to injure in any way the welfare of the cotton grower, but, on the contrary, it may have some indirect benefit to the cotton industry. Again may I emphasize that all the bill does is to require manufactures of weeler goods to tell the truth concerning the content.

Again may I emphasize that all the bill does is to require manufacturers of woolen goods to tell the truth concerning the content of their goods. They are at perfect liberty to use any kind of materials they desire, but they can no longer deceive the public concerning such goods. This is a fundamental principle of common honesty comparable to what has already been accomplished

concerning such goods. This is a fundamental principle of common honesty comparable to what has already been accomplished in other fields through the Pure Food and Drugs Act.

It carries out the fundamental principle of fair competition as stated by the late Justice Cardozo in the case of the Federal Trade Commission v. Algoma Lumber Co. (291 U. S. Supreme Court 67), "Fair competition is not obtained by balancing a gain in money against a misrepresentation of the thing supplied. The courts must set their faces against a conception of business standards so corrupting in its tendency. The consumer is prejudiced if upon giving an order for one thing he is supplied with something else * * *. In such matters the public is entitled to get what it chooses, though the choice may be dictated by caprice or by fashion or perhaps by ignorance. Nor is the prejudice only to the consumer. Dealers and manufacturers are prejudiced when orders that would have come to them if (they) had been rightly named are diverted to others whose methods are less scrupulous."

The Senate is to be commended for its decisive vote in approving this bill yesterday. We sincerely hope that this action will not be reconsidered. It is too bad such legislation was not passed long ago to end the flagrant abuses in the sale of woolen goods.

Sincerely yours,

Sincerely yours,

W. R. Ogg. Director.

NATIONAL COOPERATIVE COUNCIL, Washington, D. C., July 24, 1939.

Hon. ELMER THOMAS,

United States Senate, Washington, D. C.
My Dear Senator Thomas: The Congressional Record of July 21 indicated that you had moved to reconsider the vote on the truth-in-fabrics bill which had passed the Senate by a vote of 48 to 23.

We know of your long service to agriculture and your coopera-tion in matters of vital interest to the farmers of the United States. It is because of this fact that we appeal to you on be-half of the 1,700,000 farmers that are members of the National Cooperative Council that you do not request a reconsideration of

The council is made up of some 4,000 farmers' cooperative marketing and purchasing organizations with membership in every State in the Union. For a number of years our organization has been interested in truth-in-fabrics legislation and at the 1939 annual meeting held in January reaffirmed its position by passing the following resolution:

The National Cooperative Council at its meeting in January 1938 endorsed the fabric-labeling bill, and the bill, though passed by the Senate, failed to be reported in time to get on the House calendar. The council, therefore, reaffirms its position and urges

calendar. The council, therefore, reaffirms its position and urges the passage of new fabric-labeling bills, S. 162 and H. R. 944."
You raised the question whether the Schwartz bill, S. 162, would injure the cotton farmers. We are unable to see how this type of legislation would injure the producers of cotton. We feel that truth-in-fabrics legislation would tend to benefit the entire cotton industry. As a matter of fact, one of the strong federations that make up the membership of this council is the American Cotton Cooperative Association with headquarters at New Orleans. This organization is made up of some 12 State cooperative This organization is made up of some 12 State cooperative associations of cotton growers. The American Cotton Cooperative Association is supporting this truth-in-fabrics legislation and were represented at our annual meetings when resolutions favoring this

legislation were adopted.

Our council operates on a unanimous-consent basis, and for that reason never passes any resolutions that are not approved by all of its member associations.

We respectfully urge that you lend your support to the passage of this important measure and assure you that we will greatly appreciate your efforts.
With every good wish,
Sincerely yours,

EZRA T. BENSON, Secretary-Treasurer, National Cooperative Council. FEDERAL TRADE COMMISSION, Washington, July 28, 1939.

Hon. H. H. SCHWARTZ,

United States Senate, Washington, D. C.

MY DEAR SENATOR SCHMARTZ: I have received and presented to the Commission your letter of July 27, 1939, referring to the wool-products labeling bill, S. 162, and propounding two questions: First, as to whether the bill adversely affects cotton; and, second, whether the provisions of the bill will be effective with respect to imports from foreign countries.

The Commission has considered the matter in the light of its

many years of experience respecting commercial practices in the sale and distribution in commerce of fabrics and fabric merchandise; and, responding to your first question, it is the opinion of the Commission that the legislation under consideration will have

the Commission that the legislation under consideration will have no adverse effect upon the sale or use of cotton.

As a textile fiber, cotton has distinctive qualities and intrinsic merits, and the bill, requiring truthful disclosure, would undoubtedly tend toward having these meritorious qualities of cotton brought to the attention of the buying public. Moreover, in mixed fabrics, those not composed wholly of virgin wool, cotton may reasonably be expected to be employed in place of cheap shoddy or low-grade second-hand wool fibers which are at present used in such mixed products without disclosure of such fact to the consuming public. Under all the circumstances, it appears quite possible that as a result of the legislation the trend will be toward a greater use of cotton in mixed goods in lieu of certain toward a greater use of cotton in mixed goods in lieu of certain

types of shoddy.

The bill does not prohibit the use of any fiber, but is aimed at having the respective products marketed under nondeceptive conditions of truthful disclosure in the interest of maintaining fair competition and consumer protection. Experience has demon-

competition and consumer protection. Experience has demonstrated that honest disclosure of a meritorious fiber does not hurt, but on the contrary helps its sale. Cotton with its many distinctive and desirable properties could not, in our opinion, be adversely affected in such situation.

Respecting your second question as to whether the bill will be effective in the matter of imports from foreign countries, the measure is applicable to such foreign imports as well as to domestic wool products. In addition, the bill provides means for excluding from the country foreign merchandise misbranded under its terms. from the country foreign merchandise misbranded under its terms. It also provides for sworn declaration of contents on so-called consular invoices as required in the act of June 17, 1930; also the falsification of or the failure to set forth such information in such invoices is made an unfair method of competition under the Federal Trade Commission Act. If done with willful intent, it is also punishable as a misdemeanor. Moreover, the guilty party may be prohibited from importing or participating in importations of wool prohibited from importing or participating in importations of wool products into the United States except upon filing bond with the Secretary of the Treasury in the sum double the value of the wool products and the duty thereof, conditioned upon compliance with the provisions of the act. Upon general administrative procedures through treaty arrangements, information may be obtained from the original sources in the country of origin of the goods. Likewise, through scientific tests, the presence of the most objectionable types of shoddy in the fabric can be sufficiently detected for purposes of enforcement.

one types of shoddy in the fabric can be sufficiently detected for purposes of enforcement.

Upon consideration of the matter as a whole and in answering your question specifically, it is the opinion of the Commission that the provisions of the bill will be effective with respect to imports from foreign countries.

By direction of the Commission.

Yours very sincerely,

R. E. FREER, Chairman.

Materials	1914	1919	1929	1931	1935
Cotton: Quantity in pounds_ Percentage of total_ Recovered wool fiber.	28, 387, 022 6	17, 375, 403 4	20, 167, 197 5	14, 580, 036 4	12, 511, 687
rags, clippings, etc.: Quantity in pounds Percentage of total Raw wool and animal hair:	85, 702, 073 19		93, 003, 428 20	51, 840, 520 16	111, 404, 715 25
Quantity in pounds Percentage of total	286, 569, 705 65	292, 117, 550 68	276, 321, 490 62	223, 373, 213 68	248, 581, 735 55
Waste, noils, and rayon: Quantity in pounds Percentage of total	42, 411, 874 10	43, 738, 241 10	58, 622, 746 13	41, 273, 485 12	76, 357, 370 17
Total fiber	443, 070, 674	432, 848, 005	448, 114, 861	331, 067, 254	448, 855, 507

STATEMENT OF EDWARD A. O'NEAL, PRESIDENT, AMERICAN FARM BUREAU FEDERATION

For nearly 20 years the American Farm Bureau Federation has For nearly 20 years the American Farm Bureau Federation has consistently urged action by Congress to protect wool growers and consumers against misrepresentation and deception in the sale of woolen goods. In 1920 the annual meeting of the American Farm Bureau Federation adopted the following resolution:

"We demand of Congress the prompt enactment of a law which will compel clothing and fabrics containing shoddy or other substitutes for virgin wool to be plainly marked as such."

Again and again since that time our organization has reiterated this appeal to Congress. In the meantime conditions have grown

worse, until in recent years the wool-manufacturing industry has been using more shoddy and substitute fibers than all the virgin wool combined. When such mixtures are sold to the consumer as "all wool" or as "pure wool," "virgin wool," or other representations which lead the consumer to believe that the product is made of virgin wool, such deception of the public is indefensible. It is too bad that such practices have not been outlawed long ago.

The Schwartz-Martin bill merely seeks to protect the public against deception in the sale of woolen articles. It does not prevent the manufacturer from using any kind of substitute fibers and

the manufacturer from using any kind of substitute fibers and mixing them with woolen goods in any way that he desires and to any extent that he desires. All he is required to do is to truthfully label his products so that the consumers will know the truth about what he offers for sale. The consumer can then make an intelligent

label his products so that the consumers will know the truth about what he offers for sale. The consumer can then make an intelligent decision in purchasing such goods. If the consumer wants the cheaper goods made of shoddy, he or she can select such goods with full knowledge of what the article really is, instead of being sold an inferior article containing shoddy under the pretense that the article is all virgin wool, as happens all too often now.

The problem is not complicated and difficult as the opponents of this legislation contend. The issue is really quite plain; it comes down to a simple question of common honesty and fair dealing with the public. The honest manufacturer, wholesaler, and retailer who wants to tell the public the truth about the products which he sells should welcome this legislation to protect them against competitors who want to take an unfair advantage by selling goods under misrepresentation. It is gratifying to note that some of the manufacturers and some retailers are supporting this legislation.

It seems unfortunate that such flagrant and widespread deception of the public should have been allowed to continue. A great deal of progress has been made in other fields. We now have the Pure Food and Drug Act to protect the public against adulteration and deception in the sale of food and drugs; we have the Commodities Exchange Act to outlaw unfair and fraudulent practices and to protect against excessive speculative manipulations of commodity markets; the Securities and Exchange Commission to protect against misrepresentation and fraud in the sale of securities. It required many, many years of agitation before action was obtained to correct these abuses. many, many years of agitation before action was obtained to correct these abuses

The wool industry has had more than ample time to voluntarily correct the abuses in the sale of woolen goods, but has not done so; instead the situation has grown worse over the years. The farmers and consumers whose interests are adversely affected by the widespread deception in the sale of so-called woolen goods have no other recourse than to come to Congress and ask for protection. The remedy proposed is fair and reasonable and should provide effective

protection to all legitimate interests.

There appears to be no need for further extended argument or investigation of this matter, as it has been before Congress for a great many years. The opponents today are pursuing the same tactics and offering almost identically the same excuses as to why nothing effective should be done that they did 15 years ago. These threadbare objections have been answered over and over again; the opposition of certain groups with selfish interests involved still continues.

yet the opposition of certain groups with selfish interests involved still continues.

Now, as then, they are favoring inadequate substitute legislation such as S. 1496, introduced by Senator Walsh, of Massachusetts. In 1924 the opposition favored an inadequate substitute bill introduced by Senator Lodge, of Massachusetts.

Meanwhile the situation grows worse. Therefore the primary need at this time is for prompt and effective action by Congress to enable the Federal Trade Commission to end these abuses.

As to the need for action to correct abuses on the sale of woolen goods, I want to quote from an address by Commissioner R. E. Freer, of the Federal Trade Commission, before the International Association of Garment Manufacturers, Chicago, May 26, 1938:

"This widespread interest in the labeling of textile products is a logical result of the rapid technical changes in the textile industries in recent years. Rayon has been developed to the point at which rayon fabrics can be made indistinguishable from silk, cotton, or wool. The reclaiming of used wool has been so systematically worked out that the amount of reclaimed wool used each year in textiles is approximately half the amount of the scoured new-wool crop. The arts of blending cotton with other fibers for use in garments have been so perfected that such mixed fabrics are often more handsome than unmixed ones. Special processes of finishing, weighing, and preshrinking fabrics have been worked out.

"No doubt a part of these innovations has come from unscru-

been worked out.
"No doubt, a part of these innovations has come from unscru"No doubt, a part of these innovations has come from unscruroo doubt, a part of these linovations has come from unscruppulous producers who see a chance to sell an inferior product under false pretenses. Much of the development, however, reflects the versatility of the makers of fabrics and garments in providing a variety of uses for a textile fiber and a variety of appearances and qualities in textile fabrics.

"Unfortunately, however, even the best of new products have tended to make the consumer's buying skill obsolete, and thus to create a condition in the market which has been the despair of

the intelligent buyer and of the scrupulous seller.

the intelligent buyer and of the scrupulous seller.

"It is still basically true that cotton, wool, silk, and synthetic fibers have different properties, are best applied to different uses, and require different types of care if they are to give satisfactory service. Because of this fact, the product which is bought without proper knowledge is likely to be found unsatisfactory, no matter how good it may be of its kind. At the extreme, an occasional owner of a synthetic fiber dress may have it cleaned by a process which dissolves everything but the buttons. Much more

frequent, however, are the cases in which an improperly washed fabric shrinks, an improperly dyed fabric crocks, a garment which is bought for hard service wears out too soon, and the like.

"The returned-goods department of retail stores are the most tangible evidence of the economic waste involved in this process, but they cannot measure the extent of the disappointments consumers nor of the ill will and distrust engendered toward those who make the goods and sell them.

"But in addition to the problem created by the inappropriate purchase or treatment of good merchandise, there has been a serious problem of competition by the unscrupulous. When the buyer cannot tell the difference between one fiber and another, it is easy for the dishonest seller to supply a fabric which is cheap to make, regardless of whether it is appropriate to its intended use, and to sell that fabric by flagrant misrepresentation of its char-

acter.

"A few such concerns are enough to throw a whole industry into confusion. They can destroy the goodwill which attaches to a fiber or a type of cloth. They can establish prices on the basis of a skimped product, and thereby offer their more scrupulous rivals the option of losing money or of vying with them in the degradation of quality and the use of deceptive-sales tactics. They can subject a market to unpredictable shifts of demand, as consumers turn from one type of product which has been insufferably degraded to another in which they still have confidence."

I would like to quote also from the address of Mr. Henry Miller.

I would like to quote also from the address of Mr. Henry Miller, assistant director of trade-practice conferences, Federal Trade Com-

assistant director of trade-practice conferences, Federal Trade Commission, before the meeting of the National Retail Dry Goods Association, January 18, 1939:

"In recent years there has developed a singularly aggravated situation of confusion, misrepresentation, and deceptive concealment in the merchandising of fabrics, clothing, and other textile products in the channels of trade and to the consuming public. False and often deliberately deceptive representations in labels and advertisements were resorted to in an increasing extent. In addition, the development of new textile fibers and new or advanced tion, the development of new textile fibers and new or advanced methods of fabrication brought (with their many desirable features) new problems of confusion and sharp practices, of which the unscrupulous immediately took advantage. As a result, complaints coming to the Commission from businessmen and from the public increased. The unfair competition made it difficult for honest competitors to survive or maintain the high quality of their product and service. Deception of the buying public was rapidly undermining consumer confidence, so essential to sound and prosperous business. Little reliance could be placed by the consumer perous business. Little reliance could be placed by the consumer in many of the labels and the advertising matter. In scores of cases it was necessary for the Commission to enter corrective proceedings against individual offenders. Indeed, on the record there are perhaps more stipulations and orders to cease and desist outstanding in the case of misrepresentation of textile merchandise

standing in the case of misrepresentation of textile merchandise than in the case of any other comparable class of consumer goods. "Dishonest practices in the marketing of any commodity, whether it be a textile or anything else, have a destructive effect upon business, and unless checked will reduce the industry to a chaotic and demoralized condition, besides injuring and defrauding the buying public. In the textile field such a condition was fast developing. The need for protection of industry and trade and the consuming public became most pressing. Something had to be

consuming public became most pressing. Something had to be done.

"A general investigation and study of the situation was made by the Commission. It is apparent that much of the deception was rooted in the concealment or nondisclosure of the fiber content of fabrics in face of new processes whereby the well-recognized appearance and feel of the basic textile fibers are widely simulated or imitated in yarn or fabric of a totally different fiber. For example, imitations of silk, wool, and linen in fabrics containing no silk at all, or no wool, or no linen, were developed to such extent as to deceive even the experienced. The art of manipulating fabrics, of combining different fibers, has advanced to where the eye and the sense of touch are no longer reliable guides to any purchaser as to what the fabric is composed of.

"Under the circumstances it is quite evident that the disclosure of the character of the fiber content affords the only adequate corrective for the confusion and misunderstanding so harmful to the buying public and to business. Misstatements by sales clerks,

the buying public and to business. Misstatements by sales clerks, though in some instances apparently deliberate or inexcusable, are in many instances made through ignorance and lack of knowledge, in many instances made through ignorance and lack of knowledge, coupled with the natural desire to say that which will help make a sale. Through disclosure of the essential facts on the label, those who deliberately misrepresent would have their falsehood exposed. Those inclined to misrepresent through ignorance or lack of knowledge would have the information necessary to prevent the misrepresentation. Those fabrics and articles which have the appearance or feel of that which they are not would have their true nature made known and thus be marketed for what they are and

on their own respective merits.

"In the development of new fibers and new types of fabrics, with a plethora of trade descriptions, much confusion and mis-understanding has also developed as to what kind of labeling and what kind of disclosures are deemed to be proper and reasonably required for the prevention of that type of deception which the present law prescribes. It became apparent in the situation that it would be a great help if rules were provided which could serve as a guide to the manufacturer, the jobber, the dealer, and to everybody—convenient and officially sanctioned provisions by which all might be informed and advised as to the practices to be

avoided as harmful and as to what types of labeling are deemed proper rules which may be followed with assurance that they will keep one within the straight and narrow path where he may conduct his business freely and without fear of having his labeling subject to question as being in conflict with the law. In such rules the many who desire to conduct their hadrons on a bind ing subject to question as being in connict with the law. In such rules the many who desire to conduct their business on a high ethical plane would have a uniform specification of fair practices to which they could voluntarily adhere and on which they could cooperate with their competitors in the maintenance of a condition

of clean and wholesome competition."

The American Farm Bureau Federation strongly supports the Schwartz-Martin bill and urges its speedy enactment by this Congress. We oppose amendments that will weaken and injure the effectiveness of this measure. We likewise oppose inadequate

substitutes such as S. 1496.

We hope the Schwartz-Martin bill will have the early approval of the Senate Committee on Interstate and Foreign Commerce and of the Congress.

Respectfully submitted.

EDWARD A. O'NEAL, President.

STATEMENT OF FREDERIC BRENCKMAN, REPRESENTING THE NATIONAL GRANGE, WASHINGTON, D. C.

Mr. Brenckman. Mr. Chairman, my name is Frederic Brenckman, and I am the Washington representative of the National Grange. The Grange is the oldest farm organization in America. It was established 72 years ago, and we have approximately 800,000 members, distributed among 36 States.

bers, distributed among 36 States.

For more than a generation the National Grange has demanded legislation that would compel the labeling of woolen fabrics and garments in such a manner as to designate approximately the percentage of virgin wool and substitutes, such as reclaimed wool, cotton, and rayon, used in the manufacture of these products.

We are heartily in favor of the enactment of Senate bill 162. In our opinion, this legislation would prove beneficial both to wool producers and consumers. It should be welcomed by honest manufacturers and dealers.

ufacturers and dealers.

The enactment of this legislation would extend the principles

underlying the national Pure Food and Drugs Act to the manufacture and sale of woolen goods and fabrics. The Grange was the ploneer in advocating national legislation to protect the people against fraud and deception in the manufacture and sale of processed foods and drugs. The Pure Food and Drugs Act was passed in 1906, and scarcely any other piece of legislation enacted by Congress during the last generation has more abundantly justified itself. This legislation protects the health and the very lives of the people. It works no hardship on honest manufacturers and distributors.

When the fight for the enactment of this legislation was in When the fight for the enactment of this legislation was in progress, the late Dr. Harvey Wylle, who became the outstanding individual figure in the crusade, used to say, "Put it on the label!" "Put it on the label!" Let the people know whether they are buying clothing and fabrics made of honest virgin wool or whether they are getting shoddy made from reclaimed wool and old rags picked up from the ash heaps of America and Europe by scavengers. There is no dispute whatever as to the relative merits of virgin wool and scale in the relative merits of virgin wool and scale in the relative merits of virgin wool are scale in the relative merits of virg

There is no dispute whatever as to the relative merits of virgin wool and reclaimed wool. Virgin wool is a new, unused fiber having qualities of warmth and of wear which no other fiber possesses. Reclaimed wool is an inferior, second-hand, previously manufactured or used substitute for virgin wool. Reclaimed wool never makes a product as good as if it were made of virgin wool. Reclaimed wool, grade for grade, is sold to the wool manufacturer as a substitute in competition with virgin wool at from one-third to one-half the price of virgin wool. The very qualities of warmth and of wear which make virgin wool the most valuable and necessary fiber used by mankind are either greatly diminished or entirely lost in reclaimed wool. Yet, under conditions as they exist today, the American public is being deceived through the use of this substitute fiber in clothing and other articles they buy for themselves and their families, under the impression that they are made of virgin wool.

virgin wool.
Surely the purchaser or the consumer is entitled to know whether

Surely the purchaser or the consumer is entitled to know whether he is buying a new or second-hand article. Is there any better way of providing this information than by affixing stamps, tags, or labels to the products offered for sale, as provided in the pending bill? This legislation will in no way interfere with the manufacture and sale of shoddy or reclaimed wool, but it will protect the purchaser by giving him information as to what he is buying. Let me relate a little personal experience I had in buying clothing: I bought a suit from a first-class store on F Street and took it for granted that it would wear well. In a very short time I discovered a hole near the lapel of the coat. It did not seem reasonable to me to suppose that the moths had already begun to devour the suit, so I was a little bit perplexed. * * * Pretty soon cracks and vents began to appear in various parts of the coat, and it was literally falling apart, after I had worn it a week or so. And it was shoddy, pure and simple. I was so aggravated that I sent a letter to the store where I had bought it, and where I had an account, and told them to take my name off their books, that I did not want to deal any further with a store handling goods of that description. Now, by way of comparison, Mrs. Brenckman bought a winter coat. It was made by Forstmann Woolen Co., and it was made of virgin wool. It wore for years and looked splendid all the while and gave her the warmth and protection that she wanted.

There is an example of the difference between shoddy and virgin wool. Now, how many thousands of our people throughout the

wool. Now, how many thousands of our people throughout the

United States have been victimized in recent years as I have been I do not know. But, at any rate, I do not think it is a fair way of selling merchandise.

Viewing this legislation from the standpoint of the wool grower, official figures show that during the past 6 years more than 600,-000,000 pounds of reclaimed wool or shoddy have been used by woolen manufacturers as an undisclosed substitute for virgin wool. We even import millions of pounds of rags from Europe each year because the supply of discarded rags of the American people is insufficient to meet the demands of woolen manufacturers for shoddy in the great game of fraud and deception that, under prevailing conditions, is being practiced upon the consumers of the United

I understand that in the recent trade agreement with Great Britain we reduced the duty on rags in order to furnish more abundant materials and supplies for the manufacturers of shoddy. In the meantime we have plenty of virgin wool in this country that the

wool growers would be glad to sell.

The time must come to put an end to this disgraceful condition of affairs. At the last session the Senate passed a bill similar to the one now pending. A companion bill was favorably reported by the House Committee on Interstate and Foreign Commerce. It only failed to pass the House because Congress adjourned before it could

be brought to a vote.

We trust that there may be speedy and favorable action on the

pending bill.

STATEMENT OF EDWARD E. KENNEDY, WASHINGTON, D. C., REPRESENTING
10 FARMERS' UNION STATE ORGANIZATIONS
Mr. KENNEDY. My name is Edward E. Kennedy. My office here is
109 First Street SE. I represent 10 farmers' union State organizations in the Middle West and the Eastern States; I also represent farmers' union local and county organizations in a total of 24 States in the Union.

in the Union.

Senator Schwartz. You may now proceed with your statement.

Mr. Kennedy. Mr. Chairman, I come here this morning to make a brief statement in favor of the passage of S. 162, providing for the labeling of wool products in interstate and foreign commerce. This matter, as the chairman has so well stated, has been before the Congress for the last several years, a similar bill having passed the Senate last year, but which failed of passage in the House of Representatives, I believe, only because the time was so short the House was unable to get action on it before adjournment.

House was unable to get action on it before adjournment.

I am very glad this matter is now up in the early part of the session so it may receive consideration and be enacted into law.

I think, perhaps, one of the best suggestions as to why this legislation is before the Congress is contained in a few words I would

lation is before the Congress is contained in a few words I would like to read from a speech of Mr. Henry Miller, assistant director of trade-practice conferences, made before the National Retail Drygoods Association on January 18, 1939. He explains it very fully. Mr. Miller said in part:

"In recent years there has developed a singularly aggravated situation of confusion, misrepresentation, and deceptive concealment in the merchandising of fabrics, clothing, and other textile products in the channels of trade and to the consuming public. * * * On the record (of the Federal Trade Commission) there are perhaps more stipulations and orders to cease and desist outstanding in the case of misrepresentation of textile merchandise than in the case of any other comparable class of consumer goods.

"Textiles may be said to be as essential as food and shelter to the existence of every man, woman, and child. The sale and distribution of such essential commodities under conditions of honesty and

tion of such essential commodities under conditions of honesty and competitive fairness is a matter of vital concern to business and to the buying public. It must be of deep concern to the Commission, as the agency which is charged by law with the duty of protecting both from the inroads of unfair competitive methods

and deceptive practices."

Mr. Chairman, I think that explains fully why this legislation is Mr. Chairman, I think that explains fully why this legislation is before the Congress. When I go to buy a suit of clothes, or any article of wool clothing that is supposed to be wool, I have very little opportunity as a consumer to know what the fiber content in that article is, whether it is virgin wool, whether it is shoddy, or how much is virgin wool, or how much is shoddy. And that situation is true of the most of the consumers in the United States. I notice that since the last Congress some manufacturers are beginning to put some labels on woolen goods sold in the channels of commerce. These labels will say, for instance, not less than 50 percent virgin wool. Some manufacturers are doing that now. Other labels will say not more than 20 percent.

Other labels will say not more than 20 percent.

But that still does not reveal the fiber content in the wool.

This demonstrates to me that it is entirely possible and practicable for a reputable manufacturer to tell the consuming public

what the content is, whether virgin wool or shoddy, or cotton, and what percentage, as provided in this bill.

and what percentage, as provided in this bill.

Now, from the standpoint of the farmer, we are growing wool in every State in the Union, but we are not growing enough wool in the United States for our own needs. We are importing into the United States substantial quantities of wool and wool manufactures every year. Wool manufactures are coming into this country, produced by manufacturers of other nations, of almost every nation in the world; and it is very essential, not only essential but entirely just, that a manufacturer, whether in the United States or outside and expecting to have a market in the United States, should tell the consuming public what kind of fiber is in the woolen product that he offers to the consuming public in the United States.

I might also say this, that I have heard it testified by some manufacturers at the last hearing in the way of glorifying the qualities of shoddy or reclaimed wool.

Now, I agree right off the reel that shoddy and reclaimed wool Now, I agree right off the reel that shoddy and reclaimed wool have their uses in the making of articles of merchandise manufactured and sold in the United States; but if shoddy or reclaimed wool and other fiber content that goes into the manufacture of woolen products is useful, and if it is good, which it is in some instances, I think what they ought to do is to be perfectly willing to say so, to see this bill enacted into law, and be willing to tell the public that we have so much fiber content by weight in this article of merchandise, and it is good, and tell them why it is good. I think that is only good merchandising, and it is good advertising.

advertising.

Mr. Chairman, I think you have stated the substance of this bill very well, and I want to assure you I appeared before the Federal Trade Commission during their hearings last fall and urged the adoption of the rules which the Federal Trade Commission promulgated. And as I understand the situation, this bill is to remove any question of the authority or the right of the Federal Trade Commission to promulgate the necessary rules and regulations in order to enforce the provisions of the labeling of woolen products according to their fiber content, whether it is virgin wool, or whether it is reclaimed wool, or whether it carries other fiber content.

other fiber content.

Now, Mr. Chairman, that is all the statement I care to make here this morning. I am making it not only in the interest of our people as wool producers, but also in the interest of our people as consumers who are also farmers.

consumers who are also farmers.

The subcommittee met again on March 2, 1939, at 10 a. m., pursuant to call, in room 412, Senate Office Building, Senator H. H. Schwartz, chairman of the subcommittee, presiding.

Present: Senators Schwartz and Austin.
Senator Schwartz. The subcommittee will come to order. At the conclusion of our last session Mr. Besse filed a memorandum in which he said he desired that we recall Mr. Kennedy for information as to the organization he claims to represent.

I will now call Mr. Kennedy to learn what he has to state in reference to that matter.

Mr. KENNEDY, Mr. Chairman and gentlemen of the committee.

I will now can Mr. Kennedy to learn what he has to state in reference to that matter.

Mr. Kennedy. Mr. Chairman and gentlemen of the committee, my name is Edward E. Kennedy. I represent 10 of the farmers' union State organizations, and these State organizations that I have been representing here for the last 2 years were in the process of reorganization at the time I made my statement last week. On the 23d day of February this group of State organizations formed a national union, or a national organization known as the National Farmers' Guild. This was done at Goshen, Ind., on February 23 of the present year.

Mr. Chairman and gentlemen, I do not care to dignify Mr. Besse's statement entirely too much for the very obvious reason that during the past 10 or 12 years I have been representing the farmers' union and its affiliated organizations here in the capacity of its national secretary, in favor of legislation that would aid and help the farmers of the Nation, and I have not been in the habit of making "shoddy" representations. So beyond that I have no more to say, except that I should like to suggest for the record here that at this meeting of the National Farmers' Guild the following resolution was unanimously adopted. The resolution is as follows:

is as follows:

"Be it resolved, That we support and favor the adoption of the wool-labeling bill, Senate bill 162."

The 10 State organizations that I represent here, Mr. Chairman, are the organizations of Pennsylvania, Maryland, Ohio, Indiana, Illinois, Iowa, Minnesota, Michigan, Washington, Idaho, and California. Are there any further questions, Mr. Chairman?

Senator Schwartz, No.
Senator Austin. I want to ask Mr. Kennedy some questions.
Mr. Kennedy, are those 10 organizations, State organizations, subordinate organizations of this organization which you have spoken of as a national organization?

Mr. Kennedy. Yes, sir; they are, Senator.

Senator Austin. And the national organization is the one which adopted the resolution that you spoke of?

Mr. KENNEDY. It is.

Senator Austin. And was that meeting attended by a large number of representatives of the organization which adopted that resolution?

Mr. Kennedy. Yes, sir; it was made up of representatives on the basis of 1 representative for every 250 members.

Senator Austin. And is the membership of the national organization composed of the sum of the memberships of the various State organizations?

Mr. KENNEDY. Yes, sir; it is, Senator.

Senator Austin. And if you represent these 10 subordinate organizations it is by virtue of their being components of this national organization; is that right?

Mr. Kennedy. Both, Senator, because prior to the organization of the national organization my representation of them here in washington was both by a resolution adopted at the annual convention of the State organization plus a supplemental action of the board of directors of those respective organizations.

Senator Austin. Yes. So that your authority came directly from the local organizations, as well as from this national organization?

Mr. KENNEDY. That is right, Senator.

Senator Austin. And you are a permanent representative here of those organizations, are you not?

Mr. Kennedy. Yes, sir; I am, Senator.

Senator Austin. Do you represent any other farm organizations than those which you have named?

Mr. Kennedy. Except some of the cooperative organizations here, Senator, which have been a part of, and which are a part of the organizations. For example, the Farmers' Union Livestock Commission at Chicago, which is a selling agency belonging to the State organizations of Iowa, Minnesota, Illinois, and so forth, and a number of other cooperatives along the same line.

and a number of other cooperatives along the same line.

Senator Austin. All of these cooperatives fit into the same organization which you first mentioned?

Mr. Kennedy. That is right, Senator.

Senator Austin. These resolutions that you have given us a true copy of—when were they adopted?

Mr. Kennedy. On the 28d dear of February, this lest month

Mr. Kennedy. On the 23d day of February, this last month. Senator Schwartz. Senator Austin, I do not know whether you had a copy of the previous hearing, or not.
Senator Austin. No; I did not.
Senator Schwarz. This witness was here before, and testified

Senator Austin. I did not know that. Just one more question. When were the resolutions adopted by the subordinate, or, rather, the State, organizations?

Mr. Kennedy. At their annual conventions, which were held during the fall months of last year, and also at their annual con-

ventions the previous year.

Senator Austin. Have these State organizations for several years been supporting this type of legislation which has been offered

from time to time?

Mr. Kennedy. Yes, Senator; they have.

Senator Austin. Have you any other interest, that is financial interest, or any compensation from any other source, except this organization?

Mr. KENNEDY. Absolutely none, Senator.

Senator Austin. Thank you.

Hon. H. H. SCHWARTZ,

Chairman of the Subcommittee on the Wool Products Labeling Bill, Committee on Interstate Commerce, United

States Senate, Washington, D. C.

Dear Sir: My absence from Washington prevents a personal appearance before your committee. I am, therefore, requesting that the following statement be included in the record of the hearing

on S. 162, the wool products labeling bill of 1939.

The union-label trades department of the American Federation of Labor urges the passage of this measure, as it has supported previous bills aimed at protection of the consumer, especially the provisions that would force disclosure of the reclaimed wool or

provisions that would force disclosure of the reclaimed wool or shoddy content of wool products.

Our department represents 51 directly affiliated international unions of the American Federation of Labor with a membership of over 1,000,000, including the Sheepshearers' Union, which is directly interested in this legislation. In addition our department's activities have the loyal support of the 4,500,000 members of the American Federation of Labor. Furthermore, the American Federation of Women's Auxiliaries of Labor, representing 2,000,000 women is organized under our department. women, is organized under our department.

It should be understood that ours is essentially the consumers' department of the American Federation of Labor, and as consumers we speak in behalf of this wool-labeling bill. We are, of course, primarily interested in identifying for the consumer commodities made under fair union conditions. But while the union label is a guaranty of fair wages and hours to workers, it does not pretend to constitute a guaranty that the ingredients of commodities so labeled meet any specified standard of quality. For the protection of workers as consumers, therefore, we have always supported private and governmental efforts for supplemental labeling that will give the buyer adequate information about the commodities he

Among the flimsy arguments recently made against this bill by those manufacturers and retailers who do not want the public to know the fiber content of garments sold by them is the contention that labeling adds greatly to the cost of a commodity and that the public will be confused by labels such as those indicated in the proposed Federal Trade Commission rules.

The use of labels to identify honest products goes back to antiquity. You are all familiar with the later example of hallmarks

on silver and gold.

on silver and gold.

Aside from the use of union labels on commodities, there is a label-manufacturing industry in the United States producing between \$5,000,000 and \$7,000,000 worth of labels a year. Many of these labels are used by garment manufacturers to convey to the consumer the idea that he is buying all-wool products, but carefully covering up the fact that these wool garments may contain a large proportion of reclaimed wool or shoddy. It does not seem reasonable to assume that adding a few words of truth to the label will increase the cost of labeling. Nor does it seem reasonable to assume that the consumer will be confused by adding some truth about the fiber content. I can assure you that our 2,000,000 members of women's auxiliaries will be glad to know the truth as revealed by honest labels. It is their hope, and ours, that this bill will abolish the present widespread practice of deception.

I hope that the Senate will speedily pass this legislation strengthening the Federal Trade Commission in its enforcement of the

proposed rules requiring disclosure of the reclaimed wool or shoddy content of wool products, and thus protect the public from the adulterants that threaten the very existence of the wool industry of the United States.

Very truly yours,

I. M. ORNBURN. Secretary-Treasurer.

STATEMENT OF MRS. ERNEST WILLIAM HOWARD, DEPARTMENT CHAIRMAN OF LEGISLATION OF THE DISTRICT FEDERATION OF WOMEN'S CLUBS. WASHINGTON, D. C.

I should like to read into the record a resolution dealing with fiber identification. You have a copy of this resolution. All of the committees have a copy of it. It is Resolution No. 9, Fiber Identification

I might say here that the general federation and all federations sponsor not a particular bill but the principle of the bill. This resolution concerns itself with the principle of the matter. This is resolution No. 9, sent to me by the General Federation's national department chairman. I will read it.

"Resolution 9, Fiber Identification

"Whereas the accurate identification of fibers, cotton, linen, wool, silk, rayon, and mixtures thereof, is the first step toward enabling the consumer to know what she is buying when purchasing fabric merchandise; and
"Whereas the Federal Trade Commission is formulating fair-

"Whereas the Federal Trade Commission is formulating fair-trade-practice rules for fibers and has already established the term 'pure dye' to designate unweighted silk and has issued rules for the identification of rayon: Therefore be it "Resolved, That the General Federation of Women's Clubs in convention assembled, May 1938, commend the Federal Trade Commission for the protection which it has afforded to consumers, and urge its continuance of this work until fibers in common use are accurately identified; and be it further "Resolved That Congress he urged to supplement the powers of

"Resolved, That Congress be urged to supplement the powers of the Federal Trade Commission so that the Commission may extend further protection to the consumer by bringing about fuller informative labeling."

> UNITED STATES LIVE STOCK ASSOCIATION, Kansas City, Mo., March 3, 1939.

Hon. BURTON K. WHEELER,

Chairman, Committee on Interstate Commerce United States Senate.

Dear Senator Wheeler: I am executive secretary of the United States Live Stock Association, with offices at Kansas City, Mo. The membership of the association consists of some 85,000 livestock growers and feeders who reside mainly within the Corn Belt territory and the States immediately adjacent thereto, and who include producers of all three species of livestock—namely, cattle, hogs, and sheep a state sheep and sheep and sheep are sheep as the species of livestock—namely, cattle, hogs,

and sheep.
On behalf of the membership of the association I wish to urge enactment of S. 162, known as the Wool Products Labeling Act of

1939, now pending before your committee.

The United States Live Stock Association has for some time favored legislation of this type as being in the interests of both producers and consumers. At the annual meeting of the association held at Kanasas City in February 1938 a resolution on this

question was unanimously adopted, as follows:

"This association favors legislation designed to bring about truthful labeling and advertisement as to the wool content of goods and fabrics for the protection both of consumers and of wool producers."

Again at the annual meeting held at Omaha, Nebr., in February

of this year, another resolution on this subject was unanimously adopted, as follows:

We recommend passage of the truth-in-fabric bill."

This, of course, refers to the legislation now before your committee, on which it is hoped favorable action may be had at an early date.

I regret the press of other business prevented me from appearing personally before your Interstate Commerce Subcommittee in support of S. 162.

Very sincerely yours.

GLENN T. STEBBINS, Executive Secretary.

-Numbers following names refer to pages of hearings before Senate Interstate Commerce subcommittee on S. 162, February and March, 1939, except where hearings before House Interstate and Foreign Commerce subcommittee on H. R. 944, March 1939, or Federal Trade Commission (F. T. C.) hearings, are indicated. Other organizations or individuals listed are on record in letters or communications to the Federal Trade Commission or to the sponsors of the bill, now on file in my office. Names followed by R are retailers; by M, manufacturers, and by GM, garment manufacturers.

NATIONAL

American Farm Bureau Federation, 400,000 farm families, or about one and one-half million farm people; has State farm bureaus in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming, F. T. C. hearings, 1269. W. R. Ogg, in charge of Washington office, 109–116, 120; Edward A. O'Neal, president, 213–216.

National Wool Growers' Association, J. Byron Wilson, representative, 102–109, 208–213; F. R. Marshall, secretary, 116–120.

National Farmers' Guild, Edward E. Kennedy, representative, 20, 123–141.

8-9, 139-141.

Women's Auxiliary to the National Federation of Post Office Clerks, Maie Fox Lowe, president, 80-83.

United Textile Workers of America, a unit of the American Federation of Labor, Francis J. Gorman, president, 38-43, F. T. C. hearings, 1284.

National Grange, 800,000 members in 36 States, Frederic Brench.

National Grange, 800,000 members in 36 States, Frederic Brenckman, Washington representative, 121–123.

Union Label Trades Department, American Federation of Labor, John M. Baer, representative, 123–125; I. M. Ornburn, secretary-treasurer, 124, F. T. C. hearings, 1278.

United States Live Stock Association, 85,000 members; Glenn T. Stebbins, eventive, secretary, 216.

T. Stebbins, executive secretary, 216.
American Home Economics Association, 11,000 members, 270-

271; Mrs. Katherine McFarland Ansley, executive secretary, House hearings, 249-255.

Associated Women of the American Farm Bureau Federation, 500,000 members; Mrs. H. W. Ahart, president, House hearings,

National Agricultural Conference; Louis B. Ward, vice president, 37-38.

The General Federation of Women's Clubs.

STATES

ALABAMA

County and Local Farmers' Union and Farmers' Guild Organizations, Edward E. Kennedy, representative, 8-9, 139-141.

National Federation of Women's Auxiliaries No. 715, Post Office

Clerks, Mobile, Ala.

ARIZONA

Hon. John R. Murdock, Representative in Congress from Arizona,

House hearings, 458.
County and local Farmers' Union and Farmers' Guild organizations, Edward E. Kennedy, representative, 8–9, 139–141.
Arizona Wool Growers Association.

County and local Farmers' Union and Farmers' Guild organizations, Edward E. Kennedy, representative, 8-9, 139-141.

CALIFORNIA

California Farmers' Union.

Live Oak Grange, No. 494, Live Oak, Sutter County.
Women's Auxiliary, Los Angeles Photo-Engravers' Union, No. 32.
California State Farm Bureau.

Women's auxiliary to local 64, National Federation of Post Office Clerks, Los Angeles, letter to Mrs. Fleming, March 27, 1939.

COLORADO

Fountain Valley Grange Fountain, Mrs. Viva H. Colbert, secre-

Cottrell Clothing Co., Denver, 80, R. Denver Dry Goods Co., Denver, 80, R. Gano Downs Co., Denver, 80, R. Colorado State Farm Bureau.

Colorado Wool Growers Association, F. T. C. hearings, 1275. Colorado Wool Marketing Association, F. T. C. hearings, 1255.

CONNECTICUT

Riverside Woolen Mills, William Park & Sons, Inc., Stafford,

The Warrenton Woolen Co., Torrington, 101, M.
The Stafford Worsted Co., Stafford Springs, 101, M (reversed position in letter of March 13, 1939, to Hon. B. J. Monkiewicz, Representative in Congress from Connecticut, House hearings,

DELAWARE

Kenwood Pzle Co., Wilmington, 80, R. Richard's, Wilmington, 80, R. Crosby & Heil Co., Wilmington, 80, R.

DISTRICT OF COLUMBIA

District Federation of Women's Clubs, 6,100 members; Mrs. Ernest William Howard, chairman, legislative committee, 9-11; House hearings, 296-300; Miss Edna Merton, member of legislative committee, 11-13; House hearings, 300-306. Frank R. Jelleff, Inc., Washington, D. C.

FLORIDA

Auxiliary No. 235, National Association of Letter Carriers, West Palm Beach.

Ladies Auxiliary, International Association of Machinists, Jacksonville.

GEORGIA

Ladies Auxiliary, No. 317, National Association of Letter Carriers, Columbus.

Washington-Idaho Farmers Union, Edward E. Kennedy, representative, 8-9, 139-141.

Idaho Business and Professional Women's Clubs.
Idaho Wool Growers Association, F. T. C. hearings, 1257.

United Farmers of Illinois, F. T. C. hearings, 1283, Edward E. Kennedy, representative, 8-9, 139-141.

Farm Women of United Farmers of Illinois, Mrs. Mary C. Puncke, representative, 51-56 (see also 139-140).

Lacon Woolen Mills, Lacon, 101, M.

Union Milk Producers of Chicago, Edward E. Kennedy, representative, 8-9, 139-141.

Farmers' Union Livestock Commission, Chicago, Edward E. Kennedy, representative, 8-9, 139-141.

Jewish Women's Organizations, Chicago.

Women's Auxiliary, National Federation of Post Office Clerks, of Joliet, Ill.; letter to Mrs. Fleming, February 27, 1939.

Ladies Auxiliary, Steamfitters Union of North America, Chicago.

Elgin Letter Carriers Auxiliary, No. 473, Elgin.

Evanston Ladies' Auxiliary, National Association of Letter Carriers, Branch No. 394, Evanston.

Women's Auxiliary, No. 230, National Association of Letter Carriers, Urbana; letter N. R. D. G. A., January 18, 1939.

Women's Auxiliary, National Federation of Fost Office Clerks, No. 117, Freeport; letter to National Retail Dry Goods Association, January 23, 1939. January 23, 1939.

INDIANA

Indiana Farmers' Union, Edward E. Kennedy, representative, 8-9. 139-141.

Women's Auxiliary, No. 377, National Association of Letter Car-riers, Evansville; letter to N. R. D. G. A., January 18, 1939. Indiana Federation of Women's Clubs. Schmitt-Kloepfer Co., Logansport.

Indiana State Farm Bureau.
Indiana Woolgrowers' Association.
Women's Auxiliary, No. 618, National Federation of Post Office Clerks, Terre Haute; letter to N. R. D. G. A., January 20, 1939.
Women's Auxiliary, National Federation of Post Office Clerks, No. 1077, Marion; letter to N. R. D. G. A., January 14, 1939.

IOWA

Iowa Farmers' Union, Edward E. Kennedy, representative, 8-9, 139-141

Max Rothenberg, Fort Madison, 80, R. John Zerr, Inc., Fort Madison, 80, R. B. B. Hisnos' Sons, Fort Madison, 80, R. Wilson's, Grundy Center, Eldora, 80, R. Iowa State Farm Bureau.

Iowa Woolgrowers' Association, F. T. C. hearings, 1216.

Women's Auxiliary, Ladies Society of the Brotherhood of Loco-motive Firemen and Engineers, Boone.

Women's Auxiliary, Cedar Auxiliary, No. 193, National Association of Letter Carriers, Cedar Rapids; letter to N. R. D. G. A., January 14,

Iowa Ladies' Auxiliary, No. 185, National Association of Letter Carriers, Sioux City.
Ottumwa Typographical Union, Ottumwa.

Women's Auxiliary of Letter Carriers, Iowa City.

KANSAS

Newman Dry Goods Co., Emporia, 80, R. Poole Dry Goods Co., Emporia, 80, R. Harry Ropfogel's, Emporia, 80, R. County and Local Farmers' Union and Farmers' Guild organiza-tions, Edward E. Kennedy, representative, 8-9, 139-141.

Kansas State Farm Bureau.

Ladies' Auxiliary, National Association of Letter Carriers, Salina.

American Association of University Women, Leavenworth.

Kansas State Industrial Farm for Women, Lansing.

Women's Auxiliary, Federation of Post Office Clerks, Local 735,

Wichita; letter to N. R. D. G. A., January 20, 1939.

Women's Auxiliary, National Federation of Post Office Clerks,

No. 735 Wichita;

No. 735, Wichita.

KENTUCKY

Kentucky Federation of Women's Clubs. Kentucky Farm Bureau. Kentucky Woolgrowers' Association.

Lincolnsfield Mills Corporation, Lincoln, 101, M.

MARYLAND

Maryland Farmers' Union, Edward E. Kennedy, representative, 8-9, 139-141.

Farm women of Maryland Farmers' Union; Mrs. Mary C. Puncke,

presentative, 51–56. (See also 139–140.) Hendrickson's, Frederick, 80, R. The Parsons Co., Frederick, 80, R. William Bennett, Frederick, 80, R.

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MASSACHUSETTS

J. B. Inigley, Inc., Taunton, 80, R.
Massachusetts State Federation of Women's Clubs: Harriet T.

Hanson, 217; Hilda V. Reynolds, State committee of industry, 217.
C. Crawford Hollidge, Boston, 221, R.
Steincraft, Inc., Boston, 222.
Thresher Bros., Inc., Boston, 222.
Ladies' Auxiliary to the Brotherhood of Railroad Trainmen, Priscilla Lodge, No. 20, Hyde Park; Mrs. Margaret G. McLoon, State legislative representative, 222.
Baron Dress Co., Boston, 223, GM.

Goldstein & Entin, Inc., Boston, 223.

J. H. Alkon, Inc., Boston, 223, GM.
B. Miller & Co., Boston, 223.
Binder Bros., Boston, 224, GM.
Hub Cloak & Suit Co., Inc., Boston, 224, GM.
Rivitz Bros., Boston, 224, GM.
Mayflower Worsted Co., Kingston, 101, M.
Merrimac Mills, Alfred C. Gaunt & Co., Methuen, 101, M.
Ladies' Auxiliary to the Order of Railroad Telegraphers, Taunton, letter to National Retail Dry Goods Association, January 10, 1939.

MICHIGAN

The Leader Store, Escanaba, 80, R.
Michigan Farmers' Educational and Cooperative Union; Edward
E. Kennedy, representative, 8-9, 139-141.
Farm Women of Michigan Farmers' Educational and Cooperative Union; Mrs. Mary C. Puncke, representative, 51-56. (See also

The Fair Store, Escanaba, 80, R.

About 250 women of Detroit, especially interested in labeling of wool yarns for handknitting. (All have sent cards to Senator Schwartz and Congressman Marrin similar to that from Mrs. Peter B. Gannon, p. 221.)

Hon. Frep L. Crawford, Representative in Congress from Michershyller and Park Congress and Congress from Michershyller 265.

igan, House hearings, 365.

Michigan Wool Marketing Association, F. T. C. hearings, 1260.

Michigan Wool Growers Association.

Michigan Federation of Women's Clubs.

American Hampshire Sheep Association, Detroit, F. T. C. hear-

ings, 1254.

Detroit Federation of Women's Clubs, Detroit, F. T. C. hearings,

MINNESOTA

Minnesota Farmers' Union; Edward E. Kennedy, representative, 8-9, 139-141.
Farm Women of Minnesota Farmers' Union; Mrs. Mary C. Puncke,

representative, 51–56. (See also 139–140.)
Fairbault Woolen Mills Co., Fairbault, 101, M.
Women's Auxiliary, No. 26, Steamfitters and Plumbers Union,

Minnesota Wool Marketing Association.

MISSOURI

County and Local Farmers' Union and Farmers' Guild organiza-County and Local Farmers' Union and Farmers' Guild organizations; Edward E. Kennedy, representative, 8–9, 139–141.

Square Deal Milk Producers Association of St. Louis; Edward E. Kennedy, representative, 8–9, 139–141.

Women's Auxiliary, No. 6, Kansas City Stereotypers and Electrotypers Union, Kansas City.

Women's Auxiliary of International Printers and Engravers Union, No. 10, 11, Louis

Missouri Federation of Women's Clubs, F. T. C. hearings, 1282. Ladies' Auxiliary to the International Association of Machinists, No. 84, St. Louis, letter to Mrs. Fleming, March 19, 1939.

MONTANA

Hon. James F. O'Connor, Representative in Congress from Montana, House hearings, 450.

Montana Wool Growers Association, F. T. C. hearings, 1262.

Sonoma Lodge, No. 615, Ladies' Society, Brotherhood of Loco-motive Firemen and Engineers, Winnemuska. Nevada Wool Marketing Association, Elko, F. T. C. hearings, 1281.

NEW HAMPSHIRE New Hampshire Federation of Women's Clubs, Harriett L. (Mrs.

Benjamin H.) Dodge, chairman of industry, 219-220. L. W. Packard & Co., Ashland, 101, M. Keene Women's Club, Keene, F. T. C. hearings, 1217.

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Stark's Dress Shop, Asbury Park, 80, R.
Teppers, Asbury Park, 80, R.
Forstmann Woolen Co., Passaic, M; Curt E. Forstmann, president, 125–134; F. E. Ackerman, vice president, Julius Forstmann Corporation, 135–138; Glenn Gardiner, assistant to the president, House hearings, 468–481.
Botany Worsted Mills, Passaic, M; Charles F. H. Johnson, president, 220–221; House hearings, 387–404.
Foster Yarn, Inc., Trenton, 101, M.
Howland Croft & Sons, Camden, 101, M.
Women's Auxiliary, No. 163, Typographical Union, No. 157, Dunellen.

Women's Auxiliary, No. 474, National Association of Letter Carriers, Atlantic City.

NEW MEXICO

County and local Farmers' Union and Farmers' Guild organiza-tions, Edward E. Kennedy, representative, 8-9, 139-141. New Mexico Wool Growers Association, F. T. C. hearings, 1274.

NEW YORK

County and local Farmers' Guild and Farmers' Union organizations, Edward E. Kennedy, representative, 8-9, 139-141.

Burgess Clothing Co., Courtland, 80, R.
A. Louis, Courtland, 80, R.

New York City Federation of Women's Clubs, 200,000 members: Katherine E. (Mrs. Andrew J.) Noe, president, 230; Miss Julia K. Jaffray, chairman, department of economic adjustment, 97–102, 230. Lasowitz & Rosenberg, New York City, 217, GM. Harwin Coat Co., Inc., New York City, 218, GM. Herman Beispel, Inc., New York City, 218, GM. Herman Beispel, Inc., New York City, 218, GM. Krull Bros., New York City, 224, GM.

Philip Goldberg, New York City, 225, GM.
Philip Goldberg, New York City, 225, GM.
Rosenthal & Faitelson, Inc., New York City, 225, GM.
Fritz Heitner, New York City, 226, GM.
Rubin & Grummer, Inc., New York City, 226, GM.
Bruno Gumprich, New York City, 226, GM.
Oscar J. Hauptman Co., Inc., New York City, 227, GM.
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Elsenberg & Weiner, New York City, 229, GM.
Block & Levine, New York City, 229, GM.
Samuel Feinman, New York City, 229, GM.
Lou Meises, New York City, 229.
Edmund T. Church Co., Inc., New York City, 231, GM.
A. and S. Oppenheimer, Franken, Inc., New York City, 231, GM.
Endelmean Krinzler Co., Inc., New York City, 231, GM.
The Marquise Coat Manufacturing Co., Inc., New York City, 232, GM.
Seymour Coats, Inc., New York City, 232, GM.

Endelmean Krinzler Co., Inc., New York City, 231, GM.

The Marquise Coat Manufacturing Co., Inc., New York City, 232, GM.

Seymour Coats, Inc., New York City, 232, GM.

Louis Workman Co., Inc., New York City, 232, GM.

Martlin Cloak & Suit Co., Inc., New York City, 233, GM.

Louis Workman Co., Inc., New York City, 233, GM.

I. Maiter, Inc., New York City, 233, GM.

Jonas Coat Co., Inc., New York City, 233, GM.

I. Maiter, Inc., New York City, 233, GM.

Dworetsky & Gittler, Inc., New York City, 233, GM.

Harry Asher, New York City, 233, GM.

Pincus & Wendrow, Inc., New York City, 234, GM.

Miss France Coats, Inc., New York City, 234, GM.

Goldberg & Wolk, Inc., New York City, 234, GM.

Falk-Lohn, Inc., New York City, 234-235, GM.

Falk-Lohn, Inc., New York City, 235-36.

Wm. Devitz & Zaif, Inc., New York City, 235.

Wm. Devitz & Zaif, Inc., New York City, 235, GM.

Weissman-Marcus Cloak Co., Inc., New York City, 236, GM.

Stacher & Co., Inc., New York City, 236, GM.

Stacher & Co., Inc., New York City, 237, GM.

Morris Isman & Co., Inc., New York City, 237, GM.

Philip Mangone Co., Inc., New York City, 237, GM.

Pasamanick & Miller, Inc., New York City, 237, GM.

Pasamanick & Miller, Inc., New York City, 238, GM.

Vouth-Crest, New York City, 237-238, GM.

Louis Glenn, New York City, 239, GM.

Liebman & Temchin, Inc., New York City, 239, GM.

Har-Sam Coat Co., New York City, 239, GM.

Liebman & Temchin, Inc., New York City, 239, GM.

Brevity Coats, Inc., New York City, 240, GM.

Jack Hanover & Co., Inc., New York City, 240, GM.

Blumenthal Coats, Inc., New York City, 240, GM.

Jack Hanover & Co., Inc., New York City, 240, GM.

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Blumenthal Coats, Inc., New York City, 241, GM.

Aaron Goldstein & Co., Inc., New York City, 241, GM.

Aaron Goldstein & Co., Inc., New York City, 241, GM.

Aaron Goldstein & Co., Inc., New York City, 241, GM.

Strong, Hewat & Co., Inc., New York City, 101, M.

Foundation Worsted Corporation, New York City, 101, M.

Buckley & Cohen, Inc., New

Letter Carriers, Rockville Center.

NORTH CAROLINA

Women's Auxiliary, North Carolina Federation of Post Office Clerks, Winston-Salem.

Women's Auxiliary, National Federation of Post Office Clerks,
Local No. 125, Statesville.

OHIO

Ohio Farmers' Guild; Edward E. Kennedy, representative, 8-9, 139-141.

Farm Women of Ohio Farmers' Guild; Mrs. Mary C. Puncke, representative; 51-56 (see also 139-140).

The Ohio Wool Growers Cooperative Association, 8,000 members in Ohio; L. A. Kaufman, secretary; 271-272.

St. Marys Woolen Manufacturing Co., St. Marys, 101, M.

Ohio State Farm Bureau.

Ohio State Farm Bureau.

Coshocton Auxiliary, Post Office Clerks, Coshocton.

Women's Auxiliary of National Federation of Post Office Clerks,

No. 120, Akron; letter to N. R. D. G. A., January 18, 1939.

Women's Auxiliary No. 138, National Association of Letter Carriers, Dayton; letter to N. R. D. A. of January 16, 1939.

Women's Auxiliary to International Stereotypers' and Electrotypers' Union of North America; letter to Hon. Robert Crosser,

March 7, 1939.

County and local Farmers' Union and Farmers' Guild organizations; Edward E. Kennedy, representative; 8-9, 139-141. Women's Auxiliary, Typograhical Auxiliary No. 206, Ponca

Women's Auxiliary, Oklahoma Federation of Post Office Clerks, Oklahoma City; letter to N. R. D. G. A., January 10, 1939.
Women's Auxiliary, National Federation of Post Office Clerks, No. 1565, Shawee; letter to National Retail Dry Goods Association, January 17, 1939.

OREGON

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gon, House hearings, 23.

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Oregon Federation of Women's Clubs.

Ladies' Auxiliary No. 347, National Association of Letter Car-

riers, Eugene.

Pacific Wool Growers, Portland, F. T. C. hearings, 1258.

Oregon Wool Growers Association, F. T. C. hearings, 1273.

Women's Auxiliary, No. 367, to National Association of Letter
Carriers, Medford; wire to N. R. D. G. A., January 16, 1939.

PENNSYLVANIA

Pennsylvania Farmers' Guild; Edward E. Kennedy, representative; 8-9, 193-141.
Farm Women of Pennsylvania Farmers' Guild; Mrs. Mary C. Puncke, representative; 51-56 (see also 139-140).
Oak Worsted Mills, Philadelphia, 101.
Bonwit Teller & Co., Philadelphia, 101.
Pennsylvania Federation of Women's Clubs, Oil City, F. T. C.

hearings, 1277.

Women's Auxiliary, Pennsylvania Federation of Post Office Clerks,

Lancaster.
Women's Auxiliary to the Order of Railway Conductors of America, Division 334, Philadelphia.

RHODE ISLAND

Wool Sorters Union, Local 574, United Textile Workers of America, Providence; John W. Gorman, recording secretary; 272-

Barnai Worsted Mills, Woonsocket, 101, M. Guerin Mills, Inc., Woonsocket, 101, M. Silver Lake Worsted Mills, Providence, 101, M. Hope Knitting Co., Pawtucket, 101, M.
William Hollins & Co., Inc., Forestdale, 101, M.
Masurel Worsted Mills, Inc., Woonsocket, 101, M.

SOUTH CAROLINA

Carolina Cash Co., Spartanburg, 80, R. Belk-Hudson Co., Spartanburg, 80, R.

SOUTH DAKOTA

Ladies Auxiliary, Local No. 68, Post Office Clerks, Aberdeen.

TENNESSEE

National Federation of Post Office Clerks, Nashville, F. T. C. Hearings, 1251.

Joe W. Wuntch, Paris, 80, R.

Joe W. Wuntch, Paris, 80, R.
Arthur Caddell Co., Paris, 80, R.
Perkins Bros. Department Store, Paris, 80, R.
Texas Sheep and Goat Raisers' Association, Inc., Del Rio, G. W.
Cunningham, secretary, 229, F. T. C. Hearings, 1265.
Pecos County Livestock Protective Association, Fort Stockton,
John S. Oates, president, 242.
General Federation of Women's Clubs, Denton, Mrs. Richard
J. Turrenting, director, 242.
Del Rio Wool and Mohair Co., Del Rio, 242-243.
Texas State Grange.
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Women's Auxiliary, No. 79, Amarillo Typographical Union, No. 525,
Amarillo.

Amarillo.

Women's Auxiliary, Post Office Clerks, Tyler.

Texas Federation of Post Office Clerks.

Women's Auxiliary No. 787, National Association of Letter Carriers, Galveston, Tex., letter to N. R. D. G. A., January 18, 1939.

Brook Hereford Ranch, Brady, 242.

UTAH

Women's Auxiliary to Utah State Federation of Post Office Clerks, Salt Lake City.

VERMONT

Women's Auxiliary of Local No. 759 National Federation of Post Office Clerks, Montpelier.
A. G. Dewey Co., Quechee, 101, M.
Bridgewater Woolen Co., Bridgewater, 101, M.

VIRGINIA

M. S. Cooper, Phoebus, 80, R. E. S. Clark, Phoebus, 80, R. C. C. Mugler, Phoebus, 80, R. Margaret Dana, merchandising counsel and director of consumers' forum of the Atlantic Monthly, Orange, Va., 84-93, House hearings, 277-293.

Virginia Farm Bureau Federation, Inc., Harrisonburg, G. F. Hol-

singer, president, 273.
Charlottesville Woolen Mills, Charlottesville, 101, M.
Rockingham Cooperative Farm Bureau, Inc., Harrisonburg, House

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Women's Club of Norfolk, Norfolk, F. T. C. hearings, 1218.

Women's Auxiliary Virginia State Federation of Post Office Clerks, Norfolk.

Ladies Auxiliary, Local 262, National Federation of Post Office

Clerks, Norfolk.

United Wool Growers' Association, Inc., Harrisonburg, F. T. C. hearings, 1274.

WASHINGTON

Washington-Idaho Farmers' Union, Edward E. Kennedy, representative, 8-9, 139-141.

Miller Mercantile Co., Wenatchee, 80, R.

Washington State Grange.
Washington Wool Marketing Association.
Women's Auxiliary, National Federation of Post Office Clerks, Tacoma, letter to National Retail Dry Goods Association, January

WISCONSIN

Johnson & Hill Co., Wisconsin Rapids, 80, R.
I. W. Wilcox, Wisconsin Rapids, 80, R.
C. Heilman's Store, Wisconsin Rapids, 80, R.
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sin, House hearings, 73.

County and Local Farmers' Union and Farmers' Guild organizations; Edward E. Kennedy, representative, 8–9, 139–141.

Women's Auxiliary, Local No. 94, Post Office Clerks, Wisconsin

WYOMING

WYOMING
Wyoming Wool Growers' Association, McKinley; J. Byron Wilson, secretary, 102–109, 208–213.
Consumers' League for Honest Wool Labeling; J. Byron Wilson, representative, 102–109, 208–213.
Cheyenne Business and Professional Women's Club, Cheyenne; Annajean Andrews, president, 216–217.
Business and Professional Women's Club of Lander, Wyo.; Mrs. Ethel Farthing, president, 217.
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retary, 230.
Wyoming State Farm Bureau.
Wyoming Agricultural Council, Rawlins, F. T. C.; hearings, 1272.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. FRAZIER obtained the floor

Mr. AUSTIN. Mr. President, will the Senator yield to me so I may suggest the absence of a quorum?

Mr. FRAZIER. I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	La Follette	Schwellenbach
Andrews	Downey	Lee	Sheppard
Ashurst	Ellender	Lodge	Shipstead
Austin	Frazier	Lucas	Slattery
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barbour	Gibson	McKellar	Stewart
Barkley	Gillette	McNary	Taft
Bilbo	Green	Maloney	Thomas, Okla.
Bone	Guffey	Mead	Thomas, Utah
Borah	Gurney	Miller	Tobey
Bridges	Hale	Minton	Townsend
Brown	Harrison	Murray	Truman
Bulow	Hatch	Neely	Tydings
Burke	Hayden	Norris	Vandenberg
Byrd	Herring	Nye	Van Nuys
Byrnes	Hill	O'Mahoney	Wagner
Capper	Holman	Pepper	Walsh
Chavez	Holt	Pittman	Wheeler
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	
Connally	Johnson, Colo.	Russell	
Danaher	King	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. FRAZIER. Mr. President, the amendment offered by the Senator from Montana and the Senator from Wisconsin is a step in the right direction. The farmers need to have their existing indebtedness refinanced. There is no question about it. It must be refinanced if the farmers are to continue as home owners and landowners.

However, Mr. President, we need more than refinancing of farm indebtedness. We need prices for farm products which will give the farmers a profit. It would do little good to reduce the indebtedness of the farmer, or to give him a chance to borrow money at a low rate of interest, unless we should give him a price for his products which would allow him a profit, so that he could pay the interest on his debt. The farmer cannot hope to pay any rate of interest on 8-cent cotton, 50-cent wheat, 25-cent corn, and milk at \$1.50 a hundred pounds. He simply cannot do it under those circumstances.

The majority leader [Mr. BARKLEY] made the statement that farm prices were now better than they were 6 or 7 years That is true: but we must not lose sight of the fact that the value of the dollar was reduced 41 percent. If we reduce 8-cent cotton by 41 percent, the result is slightly more than 4 cents a pound for cotton. It would mean less than 30 cents a bushel for wheat, and less than 15 cents a bushel for corn. Those are about the same sorts of prices we had 6 or 7 years ago. It is true that we are receiving some benefit payments. How are we getting them? We are receiving them from direct appropriations out of the taxpayers' money. They help to some extent, of course, but the farmer is still getting less than cost of production. We must have the cost of production and a profit for our products if we are to succeed and pay our indebtedness.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. LUNDEEN. What was the price the Senator quoted

for cotton under the reduction?

Mr. FRAZIER. If the price of cotton were reduced 41 percent, it would be a little more than 4 cents a pound at the present time.

Mr. LUNDEEN. And wheat would be down to 30 cents? Mr. FRAZIER. Approximately 30; and corn about 15

Mr. LUNDEEN. Is that the "prosperity" we hear about? Mr. FRAZIER. It is not prosperity; no. The benefit payments have afforded us some additional price; but, as I say, they have been paid out of the taxpayers' money. Of course that condition cannot continue. It is simply an impossibility to continue contributing money for doles to the farmers in an effort to bring up the prices of their products to anything like cost of production.

Mr. LUNDEEN. I wish to say to the Senator that I join him in his ideas on the cost-of-production bill. There is such a bill before the Senate, which I heartily approve.

Mr. FRAZIER. Yes; the Senator was one of the coauthors of the cost-of-production bill.

Mr. LUNDEEN. I think the American people owe a great debt to the able and distinguished Senator from North Dakota for his leadership in farm legislation.

Mr. FRAZIER. In my opinion the cost-of-production bill, which has been on the calendar since March, and which was reported from the Committee on Agriculture and Forestry without a dissenting vote, is more important and would do more to restore normal conditions in the country than any other bill on the calendar, including the bill now before the Senate.

However, the cost-of-production bill is not an administration measure, and there is no chance even of obtaining a vote on it; so the authors of the bill have consented to let it go over until the next session. I serve notice now-and I know that those who joined me in introducing the bill and pushing it will join me in this statement-that at the beginning of the next session we intend to start a fight for the cost-of-production bill, and continue it until we at least bring it to a vote, so that the Senate may go on record as to whether or not the farmers of the country are entitled to the American market at a profit. If they are not en-

titled to the American market at a profit, they will continue to go broke. We must do one thing or the other. Either we must provide the cost of production, or we must let the farmers continue to go broke.

As I say, amendments such as the one now pending do not amount to very much unless we can obtain prices which will give us the cost of production and a profit on our products.

Mr. President. I do not intend to take more of the time of the Senate, because I am interested in this thing, and

wish to see the bill disposed of.

Mr. LEE. Mr. President, an old fellow in my part of the country bought a farm, or was talking about buying a farm. The seller was talking about giving him a deed to it. He said, "I do not want the deed. I want the mortgage. I had a deed once. The other fellow had the mortgage; and the fellow who had the mortgage got the farm." [Laughter.] There is something to that. More of those who hold mortgages get the farms than of those who hold the deeds.

As I understand, the amendment is to refinance farm mortgages, and to keep the fellow who has the mortgage from getting the farm, and to let the fellow who holds the deed keep the farm. Of course, I am for any legislation we can pass which will be helpful to the farmer in owning his own land. Let the man who tills the soil own the soil; and let us rehabilitate farm tenants. To me, it is quite as important to keep a farmer from becoming a tenant as it is to rehabilitate a tenant who has already lost his farm. An ounce of prevention is still worth a pound of cure.

I am for this amendment, and intend to vote for it.

Mr. LUNDEEN obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield. Mr. BARKLEY. Mr. President, after much consultation on both sides of the Chamber, I submit a unanimous-consent request.

I ask unanimous consent that during the remainder of the consideration of the pending bill no Senator shall speak more than once for longer than 30 minutes on the bill or any motion connected with it, or more than once or longer than 30 minutes on any amendment thereto.

Mr. BYRD. Mr. President, the request applies, of course, to any new amendments?

Mr. BARKLEY. That is correct; it applies to all amendments.

The PRESIDING OFFICER. Is there objection to the re-

quest of the Senator from Kentucky? Mr. RUSSELL. Mr. President, I very much regret that I am compelled to object to the request of the Senator from

Kentucky. There are amendments pending which are of such vital importance, and will be so far reaching in their effect, if adopted by the Senate, that I fear the limitation suggested by the Senator from Kentucky.

Mr. BARKLEY. I will say to the Senator from Georgia that I consulted the Senator from Nevada [Mr. McCarran], who is the author of one of the amendments, and the suggested arrangement is entirely agreeable to him.

Mr. RUSSELL. I understand.

Mr. BARKLEY. The suggested arrangement would give each Senator an hour.

Mr. RUSSELL. I understand; but in the event that amendment should be adopted in the form originally proposed by the Senator from Nevada, it would be so far reaching in its consequences that some of us could not express ourselves within the time limitation suggested by the Senator from Kentucky. After that amendment shall have been disposed of, and we see what shape it shall finally take, I shall have no objection to any limitation on debate.

Mr. BARKLEY. The Senator realizes that the question involved in that amendment has been frequently discussed, and we all understand what it is.

The PRESIDING OFFICER. The Chair will state that the adoption of the unanimous-consent agreement proposed by the Senator from Kentucky would not prevent any Member of the Senate from proposing any new amendment on his own behalf.

Mr. BARKLEY. Oh, no.

Mr. RUSSELL. Mr. President, I think I understand the parliamentary situation. However, the fact of the matter is that if the amendment proposed by the Senator from Nevada were agreed to by the Senate in its original form it would strike down the provision in the work-relief bill which for the first time recognizes the grave injustice which has been done to employees on projects in the Southern States. I. for one, should wish to discuss the matter at considerable length if the amendment as originally proposed were agreed to.

The PRESIDING OFFICER. The Senator from Georgia objects to the unanimous-consent request.

Mr. LUNDEEN. Mr. President, the able Senator from North Dakota [Mr. Frazier] has just made a statement concerning farm prices which should command our attention. It certainly shows a serious condition of affairs in our country.

I have no intention of making any extended remarks, but I wish to quote from some tables in a pamphlet entitled "Regaining Our Foreign Market; a Challenge to American Statesmanship," by Louis B. Ward, 708 Fisher Building, Detroit, Mich. Mr. Ward is an able attorney in that city.

AGGRESSORS?

On page 8 of the pamphlet is a statement concerning the historic value of the so-called aggressors' trade, beginning with the year 1872. The table on page 9 shows the exports of the United States to the so-called aggressors—Germany, Japan, and Italy. The exports are tabulated from 1872 through the year 1937. I shall read the totals beginning with 1931: 1931, \$376,590,056; 1932, \$317,715,603; 1933, \$344,-697,967; 1934, \$383,796,344; 1935, \$367,680,000; 1936, \$365,-293,000; 1937, \$491,731,000.

Those years were so-called peace years. I ask unanimous consent to have printed in the RECORD at this point in my remarks the table and the preceding paragraph beginning with "Historic value of aggressors' trade," on page 8, to which I have just referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HISTORIC VALUE OF AGRESSORS' TRADE

From the standpoint of salesmanship it is usually considered

From the standpoint of salesmanship it is usually considered essential to know the history of accounts being cultivated. England voted the equivalent of \$1,400,000 on or about July 12, 1939, for propaganda purposes. Most of that money will be spent within the United States to breed hatred against the so-called aggressors.

When a row of American cotton is plowed under, when the throats of little pigs are slit, and when millions of farmers are rewarded for curtailing agricultural production, it is obvious that some foreign nation steps in to plant a new row of cotton, to sow a new field of wheat or corn, and to increase the production of livestock

American normal trade with Germany naturally expanded after the Franco-Prussian War. Though the ports of Japan were opened in 1859, it is conceded that trade really commenced a decade later. Italy became a great world power after 1870.

For comparative purposes, then, we select the years 1872 to 1937, a period of the last 66 years, to show the historic value of the

markets of the aggressors.

Exports of United States to so-called aggressors, 1872-1937, inclusive

[Source: Foreign Commerce and Navigation of the United States, Bureau oi Statistics, Department of Commerce and Labor]

Year	Germany	Japan	Italy	Total
1872	\$41, 119, 184	\$4, 486, 266	\$5, 452, 186	\$51, 057, 636
1873	62, 532, 096	8, 065, 725	7, 295, 640	67, 893, 470
1874.	65, 713, 110	1, 869, 747	8, 382, 685	75, 955, 542
1875	53, 751, 245	1,661,933	7, 228, 069	62, 641, 247
1876	52, 574, 467	1, 101, 766	7, 787, 475	61, 463, 708
1877	58, 847, 814	2, 923, 884	8, 494, 668	70, 266, 366
1878	54, 986, 072	2, 773, 884	8, 741, 100	66, 501, 056
1879	57, 412, 277	2, 676, 923	8, 658, 233	68, 747, 453
2000	57, 062, 263	2, 552, 888	12, 352, 642	71, 967, 703
		1, 469, 976	9, 018, 875	80, 777, 003
1881	70, 288, 252		9, 076, 297	
1882	54, 228, 953	2, 540, 664		65, 845, 914
1883	66, 169, 927	3, 376, 434	10, 213, 558	80, 759, 919
1884	60, 603, 239	2, 528, 529	8, 071, 000	71, 202, 798
1885	62, 222, 791	3, 657, 415	11, 974, 417	77, 854, 623
1886	61, 961, 193	3, 135, 533	13, 373, 424	78, 470, 150
1867	58, 571, 292	3, 335, 592	12, 171, 604	74, 078, 488
1888	56, 414, 176	4, 214, 383	12, 751, 559	73, 380, 118
1889	68, 002, 594	4, 619, 985	12, 604, 848	75, 227, 427
1890	85, 563, 312	5, 253, 643	13, 068, 096	103, 885, 051
1891	92, 795, 456	4, 807, 093	16, 046, 925	113, 649, 474

Exports of United States to so-called aggressors, 1872-1937, inclusive—Continued

Year	Germany	Japan	Italy	Total
1892	\$105, 521, 588	\$3, 290, 111	\$14, 317, 782	\$123, 129, 481
1893	83, 578, 988	3, 195, 494	13, 019, 539	99, 789, 021
1894	92, 357, 163	3, 986, 815	13, 910, 620	110, 254, 598
1895	92, 053, 753	4, 634, 717	16, 043, 125	113, 033, 59
1896	97, 897, 197	7, 689, 685	19, 143, 606	124, 730, 488
1897	125, 246, 088	13, 255, 478	21, 502, 423	160, 003, 969
1898	155, 039, 972	20, 385, 551	23, 290, 858	198, 816, 380
1899	155, 772, 179	17, 264, 688	25, 034, 940	198, 041, 807
1900	187, 347, 889	29, 087, 475	33, 256, 620	249, 691, 984
	191, 780, 427	19,000,640	34, 473, 189	245, 254, 256
1932	173, 148, 280	21, 485, 883	31, 388, 135	226, 022, 298
1903	193, 841, 636	20, 933, 992	35, 032, 680	249, 808, 308
1904	214, 780, 992	24, 930, 421	35, 720, 001	275, 481, 414
1905	194, 220, 472	51, 719, 683	38, 740, 067	284, 680, 22
1906	234, 742, 102	38, 464, 952	48, 081, 740	321, 288, 79
1907	256, 545, 663	38, 770, 027	61, 746, 965	357, 062, 65
1908	276, 922, 089	41, 432, 327	54, 217, 394	372, 571, 810
1909	235, 324, 140	26, 691, 613	58, 509, 595	320, 525, 328
1910	249, 555, 926	21, 959, 310	53, 467, 053	324, 982, 289
1911	287, 495, 814	36, 721, 409	60, 580, 766	384, 797, 989
1912	306, 959, 021	53, 478, 047	65, 261, 268	425, 698, 336
1913	331, 684, 212	57, 741, 815	76, 285, 278	465, 711, 30
1914	344, 794, 276	51, 205, 520	74, 235, 012	470, 234, 808
1915	28, 863, 354	41, 517, 780	184, 919, 688	255, 200, 822
1916	288, 899	74, 470, 931	269, 246, 105	344, 005, 935
1917	1 2, 199, 449	130, 427, 061	360, 608, 356	493, 234, 86
1918	None	121, 648, 968	2255,905,388	377, 554, 056
1919	92, 761, 314	366, 364, 403	442, 676, 842	800, 802, 559
1920	311, 437, 377	377, 941, 926	371, 762, 274	1,061,141,57
1921	372, 380, 232	235, 423, 679	215, 462, 901	823, 276, 813
1922	316, 113, 877	218, 403, 482	150, 894, 442	685, 411, 80
1923	316, 837, 422	264, 228, 134	167, 531, 956	748, 597, 52
1924	440, 418, 000	250, 306, 000	187, 146, 000	877, 870, 000
1925	470, 344, 000	227, 977, 000	205, 151, 000	903, 472, 000
1926	364, 162, 000	260, 754, 000	157, 402, 000	782, 338, 000
1927	481, 681, 000	257, 570, 000	131, 651, 000	870, 902, 000
1928	467, 260, 000	288, 158, 000	162, 125, 000	918, 542, 000
1929	410, 449, 000	259, 127, 000	153, 967, 000	823, 543, 000
1930	278, 269, 000	164, 570, 000	100, 429, 000	543, 268, 000
1931	166, 059, 927	155, 715, 000	54, 815, 129	376, 590, 056
1932	133, 668, 000	134, 912, 164	49, 135, 439	317, 715, 603
1933	140, 023, 797	143, 434, 584	61, 239, 586	344, 697, 987
1934	108, 738, 464	210, 480, 173	64, 577, 707	383, 796, 34
1935	91, 981, 000	203, 283, 000	72, 416, 000	367, 680, 000
1936	101, 956, 000	204, 348, 000	58, 989, 000	365, 293, 000
1937	126, 343, 000	288, 558, 000	76, 830, 000	491, 731, 000
1901	120, 043, 000	200, 000, 000	70, 000, 000	401, 701, 00

No exports recorded from July 1, 1917, to Dec. 31, 1918.
 In the case of Italy, from July 1, 1917, to June 30, 1918, her imports were \$477,898,774; from July 1, 1918, to Dec. 31, 1918, her imports were \$255,905,388.

The following table summarizes our exports to the "aggressors"

ay accument	
1872-80	\$596, 494, 100
1881-90	781, 481, 491
1891-1900	1, 492, 140, 798
1901–10	2,977,677,374
1911-20	5, 088, 382, 253
1921–30	7, 977, 222, 138
1931–37	2, 647, 503, 970

21 560 903 124 66-year total_

In the past 66 years our exports to the so-called "aggressors"

have averaged annually \$326,680,000.

In the past 57 years these exports have averaged \$367,796,000.

In the past 47 years these exports have averaged annually \$429,403,000.

In the past 37 years these exports have averaged annually \$505,-156,000.

In the past 27 years these exports have averaged annually \$581,-

In the past 17 years these exports have averaged annually \$624,-925,000.

In the past decade, 1921-30, these exports have averaged annually \$797,722,000. In the past 7 years these exports have averaged annually \$379,-

500,000. The sales manager who would read this history of sales would recognize the recent lost opportunities in disposing of American

ENORMOUS TRADE THROWN AWAY

surpluses.

Mr. LUNDEEN. I invite attention to the enormous figures of this trade. In my opinion, Great Britain, France, and other countries could very well afford to expend several million dollars in propaganda to produce hate in America toward the so-called "aggressor" countries so that we may lose that trade, because people whom we denounce and hate will not trade with us. They will trade with somebody else.

We have raised a 25-percent barrier on trade with Germany; but Great Britain did not do so. We raised that barrier, but France did not do so. We are supposed to do all the hating and lose all that trade, while France and Great

Britain take in the shekels. If that is statesmanship, I think we had better have a new definition of statecraft-certainly we should trade with all these nations.

It means the loss of jobs to hundreds of thousands of American workmen to cut off that trade. Here, for instance, are the figures for the years from 1931 to 1937, which show a total foreign trade of \$2,700,000,000, while in the decade from 1921 to 1930, there were \$8,000,000,000 of foreign trade.

Why we should pull the chestnuts out of the fire for the great British Empire, upon which the sun never sets, is beyond my comprehension. Nearly one-third of the wealth of the earth is under her flag; nearly 600,000,000 people are under her flag; she has enormous resources; yet our fleet is now supposed to protect her interests, together with our own I presume, in the Pacific.

TAKE CARE OF JAPANESE FOR US

When I was in London a few days ago, I was talking with high officials there and one of them said to me, "We might have a war almost any day-tonight or tomorrow morningand if we do have a war, I suppose you good people over there will take care of the Japanese for us." Very well. We abrogate the treaty with Japan. I presume next the State Department will try to place an embargo on our shipments to Japan. Are there to follow a series of incidents and then finally a break of negotiations and relations, with the unfortunate consequences which would then ensue?

ABROGATION OF TREATIES

Now, before it is too late, I register my protest against the conduct of foreign relations by the present administration. I do not know what heed will be given to my position, but, at any rate, I voice the protest.

In the midst of these conditions we find that our fourth greatest potential customer is Japan. The record shows that in 25 centuries, 2,500 years, Japan has never defaulted on an internal or external debt-a fairly good record, I would say. The table I now present, and ask to have inserted in the RECORD, shows only one nation is servicing its World War debt to us, and that is Finland. With an import potential of approximately \$200,000,000; she owes us only \$8,000,000. Great Britain is in default at the present time to the extent of over \$5,000,000,000, and that represents but half the original debt, for half of it was canceled in 1926; so that, in reality, the debt is more than twice its present figure, an entirely fair amount since Great Britain has broken her debt agreement with the United States, and that brings us back to the original amount due before the cancelation of about 1926. But the British Empire will not pay even that amount.

France owes this country more than \$4,000,000,000; Italy oves us over \$2,000,000,000, and so forth, down the line. This debt situation is a singular impediment to American trade and commerce.

The PRESIDING OFFICER. Without objection, the table presented by the Senator from Minnesota will be printed in the RECORD.

The table is as follows:

Import poten-Bad credits \$5, 341, 707, 369 4, 141, 020, 821 2, 021, 340, 404 \$7, 879, 000, 000 1, 698, 000, 000 728, 000, 000 Great Britain France.. 728, 000, 000 923, 000, 000 256, 000, 000 258, 000, 000 2, 954, 000, 000 139, 000, 000 137, 000, 000 199, 000, 000 Belgium Union of Soviet Socialist Republics..... 444, 835, 943 380, 668, 783 255, 838, 294 Poland 191, 702, 416 63, 982, 114 61, 702, 031 Rumania Yugoslavia 33, 923, 384 Finland 8 335 440 Hungary

OUR TRADE WITH GERMANY

Mr. LUNDEEN. When we consider our trade with Germany, Italy, and Japan, I think we might well have a revision of our attitude toward those great nations. It should be remembered that, so far as the German Reich is concerned, not only are there 90,000,000 people in that great nation but they have a dominant position in Central Europe. Do we wish to turn that trade over to nations that are defaulters on their debts to this Government, to the British and the French, who are not hampering their trade in those quarters? But they have the monumental gall to ask us to do so.

And are we, now, to take the lead in the Far East? Are we supposed to keep our gunboats up Chinese rivers and our fleets and battleships in Chinese waters? I am opposed to such a policy. I want our gunboats and fleet and battleships brought back to America. They were built to defend our coasts and not to interfere and meddle in Asia, Europe, and Africa. The American people understood that they were building their fleet for their home protection, and not for the purpose of meddling and interfering and getting into the range of gunfire wherever there is a fight.

WHEREVER YOU FIND A FIGHT-GET IN

Whenever and wherever there is a fight, our Navy is thrust into the line of fire. One of these days a regrettable incident may occur. Whenever there is conflict and war there is an invasion of treaty rights; there is a violation of national and international rights. Is not our present foreign policy increasing the probability of conflicts? Are we going to be drawn into war by our meddling and muddling and playing favorites? Are we going to go to war about every possible incident and breach of our treaties and rights? I certainly hope not. I hope that is not contemplated.

I do not know whether or not we are even going to be consulted. I refer to an editorial in this morning's Washington Post. This editorial states that the Senate has not been consulted and that it probably will not be consulted in the future in matters of this kind. I resent such an editorial. Apparently the Senate is supposed to be outside the ramparts in any discussion; we are outsiders, and questions concerning our relations with Europe are to be determined in the State Department, I presume. They are to be determined by someone else; we are not even to be consulted; nothing is to be said by us, and the threat is made by this great metropolitan newspaper that we are not going to be consulted the next time or at some time in the future.

LET THE SENATE STAND BETWEEN THE PEOPLE AND WAR

I hope the Senate will reassert itself in matters such as this. It is perhaps not for me even to endeavor to protest at any great length, but I hope that we shall be worthy successors of the great men who have stood here in years past and battled for the American policy of Washington, Jefferson, Jackson, and Lincoln, and every other worth-while statesman we have ever had, including Henry Clay, who, in conference with the Hungarian patriot Louis Kossuth at the National Hotel shortly before he died, took the same position. Normal trade with all is our right; we owe it to our unemployed; nor does that infer we must arm Europe against itself. "Friendship with all; trade with all, but entangling alliances

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Montana [Mr. WHEELER].

Mr. BAILEY. Mr. President, the favor with which this amendment is being received, and the arguments being made for it, are all in the nature of a confession of the bankruptcy of all our great plans for agriculture. We may consider this as the final act of voluntary bankruptcy with respect to agriculture so far as the Congress is concerned.

By way of supporting the argument, and in corroboration, I wish to have published in the RECORD an editorial from the New York Times of yesterday entitled "Collapse of Farm Planning."

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From the New York Times] COLLAPSE OF FARM "PLANNING"

It is a shocking picture that the world's agricultural "planners" look out upon when they survey the results of their handiwork in the crops that have been their particular concern. Let us begin with wheat. There is practically no important country in the world that has not got a government "wheat plan"

of some sort. Statisticians have calculated that various governments are jointly spending more than \$2,000,000,000 annually in an effort to hold up grain prices. After all their activities in recent years the prospective world supply of wheat for 1939-40 is placed at 5,290,000,000 bushels, the greatest on record, while wheat has fallen in the Liverpool market to the lowest prices reached since Queen Elizabeth's time. It is small satisfaction that by a tariff and Government loans we have kept American wheat from falling quite as low. September wheat at 60% cents on Monday fell within three-fourths cent of the lowest price at which any wheat future has sold since April 1933.

Some of our own Government policies have certainly made the plight of the American wheat grower worse. It is futile for a country that grows wheat for export in a competitive market to adopt an acreage restriction scheme. Our own restriction is not great enough materially to affect the world price, while it reduces farm income by reducing the amount of wheat we have to sell. It has not helped us to subsidize wheat for export. In combination with other countries doing the same thing, the result has merely been to push down the world price farther.

In the 12 months ended on June 30 the United States Government sold 93,754,000 bushels of wheat in the export markets at a loss to the Government of \$25,700,000, or 27.4 cents a bushel. The foreign consumer in other worlds was able to get his wheat.

loss to the Government of \$25,700,000, or 27.4 cents a bushel. The foreign consumer, in other words, was able to get his wheat cheaper at the expense of the American taxpayer. That is hardly the path to national enrichment.

Corn also is now selling at the lowest prices since 1933. For this Corn also is now selling at the lowest prices since 1933. For this our own governmental policy must again bear a large part of the blame. Last year and the year before the Government made "non-recourse" loans to enable the farmers to hold large stocks of corn off the market. The loan rate was made so attractive that it even paid farmers to build extra cribs to store on their own farms the corn under Government loan. So the farmers withdrew from the market and stored in their own cribs some 257,000,000 bushels of 1937 and 1938 corn.

1937 and 1938 corn.

No doubt this helped to keep prices up for a time. But these loans fall due on August 1, and farmers want to free their storage space to make room for the new crop. Fears that the Government will be forced to take 100,000,000 bushels or more of this grain in satisfaction of the matured loans and sell it have been depressing the market. The price can be kept up, perhaps, by new Government loans so high that it would be profitable for the farmers to build still more cribs to hold still more unsold corn. Is this to be the outcome of Mr. Wallace's "ever-normal granary"? At present prices the Government already has a loss of about 25 cents a bushel on the corn under the present loan. The prospective carry-over of corn on October 1 next is already estimated to be at a record high level.

For the present plight of cotton the direct responsibility of our Government's policy is a very heavy one. The crop-restriction policy iself is indefensible on several grounds, but much worse in practical effect has been the Government loan policy. Under that policy the Government has placed an entire year's American cotton crop in warehouses; the American price has been kept above the world price; and as a result, in the "cotton year" that ends with this month, the United States will have exported only about 3,400,000 bales, the smallest export in 60 years.

In the 1932 year the exports of cotton amounted to 8,766,000 bales. The difference is not to be accounted for by any decline in world demand. On the contrary, in the same period in which our exports fell off by more than 5,000,000 bales world consumption of all cotton rose by about 3,000,000 bales. Other producing countries have stepped into the place in world markets that we abandoned.

As a cure for this the Government does not propose abandonment.

As a cure for this the Government does not propose abandoned. As a cure for this the Government does not propose abandonment of either the restriction policy or the more damaging loan policy. Instead, and in spite of the bad results in wheat, Secretary Wallace announces that beginning today the Government will subsidize the export of cotton to the extent of 1½ cents a pound. In other words, having artificially and at great Government expense held cotton off the world market, we are now artificially and at further Government expense to try to force some of it onto the world market. market.

market.

But the results will be much more serious than in the case of wheat. For cotton is a raw material that goes into manufactures. What we will be doing is to give foreigners cheaper raw cotton to compete against our own manufacturers in our own markets and in world markets. To compensate, Mr. Wallace will also subsidize exports of finished cotton goods, and suggests limitations on imports of cotton goods. But this leads merely to the building up of a whole series of bureaucratic controls. And we are doing all this at the very time when we have placed countervailing duties on importations of silks from Italy and a whole range of products from Germany, on the ground that these importations are subsidized. In other words, we are deliberately undertaking what we officially penalize as unfair and demoralizing competition when it is done by other nations.

This is the end result of the "orderly Government planning" that was to supplant the "chaos" of uncontrolled agriculture.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered jointly by the Senator from Wisconsin [Mr. La Follette] and the Senator from Montana

[Mr. Wheeler]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). On this question I am paired with the senior Senator from Oregon [Mr. McNary]; but I understand that if present he would vote as I intend to vote. I vote "yea."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I understand, however, that if he were present he would vote as I have already voted; so I will let my vote

Mr. GREEN. I have a general pair with the Senator from Wisconsin [Mr. Wiley]. I transfer that pair to the senior Senator from Arkansas [Mrs. Caraway], and will vote. I

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] is absent on

important public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. Donahey], the Senators from Virginia [Mr. GLASS and Mr. BYRD], the Senator from Utah [Mr. King], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. PITTMAN], the Senator from Oklahoma [Mr. Thomas], and the Senator from Massachusetts [Mr. Walsh] are unavoidably detained.

The result was announced—yeas 74, nays 7, as follows:

	YE	AS-74	
Adams Andrews Ashurst Austin Bankhead Barbour Barkley Bilbo Bone Borah Brown Bulow Burke Byrnes Capper Chavez Clark, Idaho Clark, Mo.	Danaher Davis Downey Ellender Frazier George Gibson Gillette Green Guffey Gurney Harrison Hatch Hayden Herring Hill Holman Holt	La Follette Lee Lodge Lucas Lundeen McCarran McKellar Maloney Mead Miller Minton Murray Neely Norris Nye O'Mahoney Pepper Radcliffe	Russell Schwartz Schwellenbach Sheppard Shipstead Slattery Smathers Smith Stewart Thomas, Utah Townsend Truman Tydings Vandenberg Van Nuys Wagner Wheeler
Connally	Johnson, Colo.	Reed YS-7	
Bridges Gerry	Hale Hughes	Taft Tobey	White
	NOT V	OTING—15	
Bailey Byrd Caraway Donahey	Glass Johnson, Calif. King Logan	McNary Overton Pittman Reynolds	Thomas, Okla. Walsh Wiley

So the amendment offered jointly by Mr. LA FOLLETTE and Mr. Wheeler was agreed to.

Mr. McCARRAN. Mr. President, I have an amendment on the table which I ask to have stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. It is proposed to add at the end of the bill the following new section:

SEC. — Section 15 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is amended to read as follows: "SEC. 15. (a) The Federal Works Administrator (hereinafter referred to as the 'Administrator') shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or

any other factor that will tend to discriminate against the less

urbanized areas.

urbanized areas.

"(b) The rates of pay for persons engaged upon projects financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938."

Mr. McCARRAN obtained the floor.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. McCARRAN. Before I yield, I ask that a modification I desire to make in my amendment be reported from the desk

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I will, as soon as I have the modification reported.

The PRESIDING OFFICER. The clerk will state the proposed modification.

The CHIEF CLERK. On page 2, line 10, it is proposed to strike out the period and insert a comma and the following: "and (3) shall increase the monthly security wage in region 3 to conform to the monthly security wage rate in region 2."

The PRESIDING OFFICER. The amendment will be modified.

Mr. McCARRAN. Mr. President, I promised to yield to the senior Senator from Indiana [Mr. Van Nuys], after which I will yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I think the Senator from Nevada should yield to me first in order that I may propose a unanimous-consent request, with respect to his amendment only. If the Senator will yield for that purpose, I should like to ask unanimous consent that no Senator may speak more than once or longer than 30 minutes on the amendment offered by the Senator from Nevada.

Mr. AUSTIN. Mr. President, will the Senator from Kentucky yield for a suggestion?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I ask the Senator to withhold that request until a Senator who has stepped out for just a moment and who asked me not to consent to any unanimous-consent request in his absence returns.

Mr. BARKLEY. I withhold the request. Mr. VAN NUYS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Indiana?

Mr. McCARRAN. I yield on one condition. Yesterday I noticed that the able leader of the majority seemed to be rather invoking the rule. If that be the case, may it be understood, or unanimously agreed to, or ruled, that if I yield to the Senator from Indiana to make a motion I will be recognized to have the floor immediately following the action on the motion?

Mr. BARKLEY. Mr. President, I do not know what the Senator referred to in his suggestion that on yesterday I was invoking the rule. I have no desire to invoke any technical rule to deny any Senator the floor. Of course, under the technical rules any Senator who yields for the making of any motion or the offering of any amendment loses the floor. I know what is in the Senator's mind, I believe. I think he probably promised to yield to the Senator from Indiana to make a motion with respect to a vote taken yesterday, and, so far as I am concerned, it is entirely agreeable that the Senator may yield for that purpose without losing his right to offer his amendment following the vote on the motion.

The PRESIDING OFFICER. The present occupant of the chair will recognize the Senator from Nevada when the matter is concluded.

Mr. AUSTIN. Mr. President, I may say to the Senator from Kentucky that the Senator to whom I referred has returned to the floor.

Mr. BARKLEY. Mr. President, the Senator from Vermont has advised me that he is at the moment prepared to accept the agreement I submitted a moment ago, and while the Senator from Nevada has the floor I renew the request that debate on his amendment be limited to one speech by each Senator and to 30 minutes in time.

Mr. ADAMS. Mr. President, I should like to make an inquiry. There may be amendments submitted to the amendment of the Senator from Nevada. Does the Senator from Kentucky mean that the agreement would restrict remarks to one speech?

Mr. BARKLEY. No; the request would include the amendment of the Senator from Nevada and any amendment

Mr. ADAMS. I shall be compelled to object unless opportunity is to be given for the discussion of amendments which may be offered as separate amendments to the amendment of the Senator from Nevada.

Mr. BARKLEY. That would complicate the suggestion. and I withdraw it for the time being.

Mr. VAN NUYS. Mr. President, I move that the vote by which the amendment offered by the junior Senator from Virginia [Mr. Byrd] yesterday was rejected be reconsidered. and I ask for the immediate consideration of the motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana that the vote by which the amendment of the junior Senator from Virginia [Mr. Byrd] was rejected yesterday be reconsidered.

Mr. BARKLEY. Mr. President, I do not wish to indulge in any debate on the motion, except to say that the motion involves a motion made yesterday to strike out the entire road section of the pending bill. We debated that proposal all day yesterday and finally got a vote on it, with a result which everyone understands. It seems to me that to reopen the matter now for further discussion and consideration would delay unreasonably final action upon the pending measure, and I hope the motion will not be agreed to.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana [Mr. Van Nuys] to reconsider.

Mr. VANDENBERG and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FRAZIER (when his name was called). On this question I have a pair with the senior Senator from Oregon [Mr. McNaryl. If he were present, he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. GREEN (when his name was called). I have a pair with the senior Senator from Wisconsin [Mr. Wiley]. That pair has been transferred to the senior Senator from Arkansas [Mrs. Caraway]. Therefore, I am at liberty to vote. I vote "nay."

Mr. NYE (when his name was called). On this vote I have a pair with the senior Senator from Virginia [Mr. GLASS]. I understand that if he were present he would vote "yea." If I were at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote if present, I withdraw my vote.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] is absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. GLASS], the Senator from Colorado [Mr. Johnson], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. PITTMAN], the Senator from Oklahoma [Mr. Thomas], and the Senator from Massachusetts [Mr. Walsh] are unavoidably detained.

The result was announced—yeas 42, nays 39, as follows:

	YE	AS-42	
Adams Austin Bailey Barbour Borah Bridges Bulow Burke Byrd Capper Clark, Mo.	Danaher George Gerry Gibson Gillette Gurney Hale Harrison Herring Holman Holt	Johnson, Calif. King Lodge Lucas McCarran McKellar Miller Radcliffe Reed Russell Shipstead	Smith Taft Tobey Townsend Tydings Vandenberg Van Nuys Wheeler White
	NA	YS-39	
Andrews Ashurst Bankhead Barkley Bilbo Bone Brown Byrnes Chavez Clark, Idaho	Connally Downey Ellender Green Guffey Hatch Hayden Hill Hughes La Follette	Lee Lundeen Maloney Mead Minton Murray Neely Norris O'Mahoney Pepper	Schwartz Schwellenbach Sheppard Slattery Smathers Stewart Thomas, Utah Truman Wagner
	NOT V	OTING—15	To property in
Caraway Davis Donahey Frazier	Glass Johnson, Colo. Logan McNary	Nye Overton Pittman Reynolds	Thomas, Okla. Walsh Wiley

So Mr. Van Nuys' motion to reconsider was agreed to. The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Virginia [Mr. Byrd], which will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to strike out "the Public Roads Administration."

On page 2, line 22, it is proposed to strike out "\$2,390,-000,000", and in lieu thereof insert "\$1,890,000,000."

On page 3, beginning with line 16, it is proposed to strike out down to and including line 4 on page 4.

On page 6, beginning with line 10, it is proposed to strike out down to and including line 10 on page 9.

On page 11, lines 4 to 7, it is proposed to strike out the following: "the Public Roads Administration (after reserving when necessary sufficient funds to pay operating and maintenance expenses of any highway improvement)."

On page 15, lines 7 and 8, it is proposed to strike out "the Public Roads Administration."

Mr. BARKLEY. Mr. President, the matter has been thoroughly discussed. The amendment of the Senator from Virginia involves striking out what I regard to be one of the best provisions of the bill. There is nothing in the bill, as it has been perfected, which provides for or means the establishment or the construction of toll roads in the United States. There is nothing in the bill, as it has been perfected, which permits the Federal Government to go into any State to build a bridge, or highway, or tunnel, or viaduct, or any other highway improvement, without the consent of the State authorities. I, therefore, hope, notwithstanding the fact that the motion to reconsider has been adopted, that the amendment itself will be defeated.

Mr. BYRD and other Senators asked for the yeas and nays. The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. FRAZIER (when his name was called). On this question I have a pair with the senior Senator from Oregon [Mr. McNary]. If he were present and voting I am informed he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. Wiley]. That pair has been transferred to the senior Senator from Arkansas [Mrs. Caraway]. I vote "nay."

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote "yea."

Mr. NYE (when his name was called). On this question I am paired with the Senior Senator from Virginia [Mr. GLass]. I am advised that if he were present and voting he would vote "yea." If permitted to vote I should vote "nay."

Mr. DAVIS (after having voted in the affirmative). Announcing my general pair with the Senator from Kentucky [Mr. Logan] as on the previous vote; I withdraw my vote.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] is absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Iowa [Mr. Herring], the Senator from Colorado [Mr. Johnson], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. Pittman], the Senator from Oklahoma [Mr. Thomas], and the Senator from Massachusetts [Mr. Walsh] are unavoidably detained. The result was announced—yeas 42, nays 38, as follows:

YEAS-42 Adams Connally Johnson, Calif. Smith Danaher George Austin King Bailey Barbour Lodge Tobey Gerry Gibson Gillette Lucas McCarran Townsend Tydings Bridges Vandenberg Van Nuys McKellar Bulow Miller Radcliffe Gurney Burke Hale Wheeler Reed Russell Byrd Harrison White Holman Capper Clark, Mo. Holt Shipstead NAYS-38 Andrews Downey Lundeen Schwellenbach Ashurst Bankhead Ellender Maloney Mead Sheppard Slattery Green Guffey Hatch Minton Murray Barkley Smathers Bilbo Stewart Neely Norris Bone Hayden Thomas, Utah Hill Hughes Brown Truman O'Mahoney Byrnes Wagner Chavez Clark, Idaho La Follette Pepper Schwartz Lee NOT VOTING-16

Caraway Glass McNary Reynolds
Davis Herring Nye Thomas, Okla.
Donahey Johnson, Colo. Overton Walsh
Frazier Logan Pittman Wiley

So Mr. Byrd's amendment was agreed to.

Mr. WALSH subsequently said: Mr. President, I desire to make a brief statement with reference to the recent rollcall votes of the Senate. I left the Chamber at 5 minutes past 2, when the Senator from North Dakota [Mr. Frazier] had the floor discussing the Wheeler amendment. I understood he was to be followed by the Senator from Oklahoma [Mr. LEE] discussing the same amendment. It was necessary for me to visit one of the Departments to confer with officials with reference to an important appointment which is to be made in my State before the Senate adjourns. I returned to the Senate shortly before 3 o'clock. In my absence a motion was made to reconsider the vote of yesterday upon what is known as the Byrd amendment and which sought to eliminate the money available for loans for the purpose of constructing public roads, and I was not present to be recorded.

I wish to have it known clearly and distinctly that had I been present I would have voted against the motion to reconsider, and I later would have voted to sustain the position I took yesterday in favor of making this money available for loans for public roads.

Mr. President, I made this statement because to my mind it is an insinuation of weakness in a public servant to be thought of in terms of avoiding responsibility. I am willing to be criticized for taking a definite position, but I do not wish to be criticized for avoiding a responsibility when not intentional; and I certainly had no intention of avoiding my responsibility.

I wish to take this occasion to say what my approach is to this bill. I am in favor of, and shall vote for, those proposals in the bill which give assurances that loans made by the Government may be repaid. I have in mind loans which are referred to as self-liquidating loans, which do not involve the levy of any taxes upon the taxpayers. Yesterday I voted against two amendments which proposed grants

or gifts from the Federal Treasury, and therefore a burden upon the taxpayers. I opposed those, and I intend to continue to oppose like proposals. However, I wish to have it clearly understood that I intend to approach in a favorable state of mind those provisions of the bill which provide for Federal loans when and where it is impossible for States and municipalities and private industries to obtain loans from banks and private financial institutions at reasonable rates of interest. In my opinion such loans will have a tendency to improve economic conditions and relieve unemployment.

I apologize to the Senate for taking the time to make this explanation but in view of the closeness of the vote, I believed an explanation should be made.

Mr. McCARRAN obtained the floor.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me?

Mr. BARKLEY. Mr. President-

Mr. McCARRAN. Mr. President, I am limited in the purpose for which I may yield. I yield only for a question.

Mr. CLARK of Missouri. Will the Senator yield to me for

the purpose of asking a question?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri for the purpose of a question?

Mr. McCARRAN. I so yield.

Mr. CLARK of Missouri. Will the Senator yield so that I may give notice that as soon as I can obtain the floor I shall make a motion to reconsider the vote by which the amendment was agreed to?

Mr. NEELY. Mr. President, I make the point of order that such a motion would be out of order.

The PRESIDING OFFICER. The Chair rules that only one motion to reconsider is in order.

Mr. CLARK of Missouri. Mr. President, a parliamentary

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. As I understand, the vote by which the amendment was rejected having been reconsidered, and the amendment having been agreed to, the Chair rules that another motion to reconsider would not be in order.

The PRESIDING OFFICER. That is the ruling of the

Mr. CLARK of Missouri. That ruling is entirely satisfactory to me, although I think it is erroneous from a parliamentary standpoint. [Laughter.]

The PRESIDING OFFICER. The Chair is pleased that the Senator from Missouri agrees with the error. [Laughter.]

Mr. McCARRAN. Mr. President-

Mr. RUSSELL. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Has the modification of the amendment offered by the Senator from Nevada become a part of his amendment?

The PRESIDING OFFICER. The modification has become a part of the amendment.

Mr. McCARRAN. Mr. President, I do not propose to take much of the time of the Senate, because the matter involved in this amendment has been so frequently discussed by the junior Senator from Nevada and by others on the floor of the Senate.

During the past 30 days the country has passed through a condition which to my mind should enlist the careful attention of the Congress. Both the House and the Senate should give careful consideration to the question of whether or not the wage structures, established over nearly half a century by those who must earn their livelihood by a wage, shall be torn down by the Federal Government through the use of Federal money.

Mr. President, apparently the trend is in that direction. In 1933, when for the first time the Federal Government engaged in public relief, some of us inaugurated a movement to make certain that that wage structure constructed on the blood of the toilers of the country should not be torn down, the result of which effort was afterward embodied in an Executive order. We are now interested in seeing to it that

the mistake made by the conference committee having charge of the bill known as the relief measure is corrected. That conference committee struck out of the bill a provision which was adopted by the Senate of the United States and placed therein another provision which resulted in the tearing down of the rate structure of the country, and in causing discord, confusion, and unhappiness throughout the land.

I hope that by the adoption of my amendment the relief measure may be so amended as to overcome that mistake.

Mr. LODGE. Mr. President, will the Senator yield?
Mr. McCARRAN. I yield to the Senator from Massa-

Mr. LODGE. Is it not true that as the law now stands W. P. A. wages in the cold-weather States of the North and West will have to be reduced on September 1, and that the first part of the Senator's amendment intends to correct

that condition?

Mr. McCARRAN. Yes. I thank the Senator from Massachusetts for directing my attention to the matter by a specific question. His statement is exactly correct. In other words, it is proposed to tear down the wage structure of those regions in which higher wage standards have been maintained, so as to balance with the lower wage standards of other sections of the country.

I have had placed on the desk of each Senator a graph showing the three zones which have been established by a study pursuant to Executive order. Those three zones have, in the first instance, what is known as the prevailing wage for those particular zones, established after a study extending over months and years.

Secondly, the graph reflects what is known as the standard wage, or monthly wage, or so-called security wage. So the security wage would not be affected by the amendment, but the prevailing wage per hour would be sustained. That is the object and aim of the amendment, and nothing more.

Mr. LODGE. Mr. President, will the Senator yield for a further question?

Mr. McCARRAN. I yield to the Senator from Massachusetts.

Mr. LODGE. In other words, as the amendment stands, it contains two propositions: One is the prevailing wage and the other is the prevention of the cut which will come in September unless some action is taken.

Mr. McCARRAN. The Senator is entirely correct; and if I had been talking for hours, I could not have expressed the

situation more emphatically.

Mr. President, I again say that I shall not occupy much of the time of the Senate, because I have been through this question, and we have gone back and fourth on it for nearly 7 years. I contend that the wage structure which was established for the toilers of America, some of whom gave their lives to build up American wage standards, should not be torn down by the greatest employer of labor in all the world; in other words, that the United States of America, using the taxes of the taxpayers of the country to maintain those who may be on relief, should not thereby tear down a structure that has been established to maintain an American standard of wages.

Let us see how it has affected our condition up to this point. From the time when the conference report to the relief bill was adopted it has gone out broadcast that a continuous systematic reduction in the hourly wage would be effected; so much so that we have heard it declared that those on relief were going on strike. Nothing was more untruthful than that statement. But those who have been on relief, those who are dependent on relief, are brothers, if you please, of those who built a standard of wages in this country, and, naturally, they are not going to engage in a destruction of the wage structure, because they were a part of the great fabric that built it up. So we say the Federal Government, under the relief administration, having worked this thing out systematically, scientifically, and satisfactorily, let it be continued to the end, so that, first of all, that the toilers of America may hold their heads high and say that, though some of them were out of employment, some of them were on the relief rolls, unfortunately, yet not one of those who went on the relief rolls ever lent his efforts, by reason of his poverty, to the destruction of the American wage standard anywhere in any locality in the country.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. McCARRAN. I yield to the Senator from Florida.

Mr. PEPPER. I wonder if the Senator will allow me to to make a brief statement and to ask him a question?

Mr. McCARRAN. Certainly.

Mr. PEPPER. No Member of this body was more anxious to see the prevailing wage become the wage that would be paid to the W. P. A. workers than was I. The question I wish to ask the Senator is if he is not excluding the possibility of the fixing of a prevailing wage for the whole month? In other words, the important thing is not to have the prevailing wage for 2 days out of a week, with no opportunity to work the other 3 days. Why can we not make this fight on the issue of fixing not less than the prevailing wage for the whole month's work and, at least, give the workers 130 hours a month work, as is provided for in the existing law and let the wage be not less than the prevailing wage for the whole 130 hours?

Mr. McCARRAN. I will say to the Senator from Florida that I encountered that very question here in 1933. I recall a question then propounded to me by a very able Senator on this floor. He cited the daily wage of a journeyman plumber and said to me, "Do you want to establish and maintain a wage of \$12 a day for plumbers in this country?" When I brought to his attention the fact that the annual income of a journeyman plumber was approximately \$1,200, we were confronted with the fact that while we established an hourly wage the Government, under the relief program, established a security wage. So the security wage was a ceiling under which we could work. If Senators will consult the chart or graph which has been placed on their desks they will see that for skilled labor the security wage was, say, \$48 a month, \$50 a month, or \$60 a month, or whatever it may have been, in the respective wage zones. It was established, after long study, that in one zone the scale of wages was different from that in another zone, I take it, because the cost of living and the attendant circumstances were found to be different.

Mr. RUSSELL. Mr. President-

Mr. McCARRAN. I should like to answer one question at a time.

Mr. RUSSELL. I merely wish to say that, in my opinion, the wages within the several zones were fixed arbitrarily and capriciously, but I have never heard anyone undertake to say that they were based on the cost of living. As a matter of fact, Mr. Hopkins, when I first raised this question in 1935, said they were not based on the cost of living, but more on the standard of living that obtained in the various zones.

Mr. McCARRAN. I am trying to answer the question of the Senator from Florida, and am glad to have the suggestion of the Senator from Georgia.

Mr. PEPPER. Mr. President, I am afraid I did not make myself clear to the Senator from Nevada. I think this is a very vital question, and one that we might as well devote some little attention to now as at any other time. Heretofore there has been fixed what is called a security wage. My theory is that when a man is working on the W. P. A. he should not only get the prevailing wage for the time he works, but he should be allowed to work a reasonable number of hours per month. The law now fixes 130 hours a month. So, what I want to ask the Senator, as the security wage fixed by any outside authority cannot prevail against the provision that we may write into the law, why does not the Senator make his amendment provide that each worker shall be given 130 hours a month, as the law now provides and that for the whole 130 hours he shall get not less than the prevailing wage in the community in which the work is being performed?

Mr. McCARRAN. That was the identical thought that I had in the first instance in 1933, but I was confronted with

the proposition that it was a relief measure, that it was not promulgated with the idea of going into competition with private enterprise, which is entirely true, because we should not use Federal money for anything save and except necessary relief. I am for that principle all the way down the line. What we sought to do then, and what we seek to do now is, first of all, to maintain the wage standard that has been established in this country—

Mr. PEPPER rose.

Mr. McCARRAN. I am going to answer the Senator as best I can, if he will be patient with me. Secondly, that the security wage or the ceiling determined the necessary limit to which the Federal Government should go to pay those who are on relief per month, and that ceiling should not be interfered with, as it was established after long study, in which perhaps the thought expressed by the able Senator from Georgia may have entered, though I am sorry if it did. I did not think that they would be guilty of capriciousness; I hope they were not; but a study was made of my section; it was made in my State; it was State-wide and broadcast. They went into every section of the 110,000 square miles of my State to determine what was the living standard, the necessities of living, within that particular locality.

Mr. RUSSELL. Mr. President, the Senator asserted that they went into every section of Nevada. I think the Senator is confusing the security wage with the hourly wage rate. I do not think anyone undertook to come into any section of the country and fix the security wage. If the Senator will look at the chart, which he has so kindly furnished us, he will see that there are only three wage areas, and one of them only embraces four or five States. As a matter of fact, two-thirds of the Nation, about three-fourths of the population, and three-fourths of those on W. P. A. are embraced within the first wage area, and identically the same wage is paid in region No. 1. Certainly it was not necessary to go into every section of Nevada and every section of New Mexico and every section of California in arriving at the monthly wage.

I concede that the Works Progress Administration contend that they went into every community, and found out what was the prevailing hourly wage, but in fixing the security wage the States were arbitrarily, in view of their geographical location, brought within certain wage areas. As to the hourly wage, they did seek to find the hourly wage in every community, but no one can give any reasonable formula for the wide variations in the monthly security wages paid in the various areas.

Mr. McCARRAN. I may say, in reply to the able Senator from Georgia, that the so-called security wage must have been established after a study as to what was necessary, because the security wage, if I understand it correctly, means the essential accumulating wage for a period which is 30 days. Am I reasonably correct in that?

Mr. RUSSELL. I think the Senator is correct. It is the amount fixed by the Works Progress Administration for each W. P. A. worker to receive for 1 month, or for 30 days, without regard to the number of hours he might work, determined by the prevailing hourly rate.

Mr. McCARRAN. That is right, based on necessity, if I may amend the thought of the Senator from Georgia, because certainly we were not going to pay out of the Federal Treasury anything more than what was necessary to take care of one by relief payments.

Mr. PEPPER. Mr. President, will the Senator yield again?

Mr. McCARRAN. I yield.

Mr. PEPPER. If the Senator is talking about mere subsistence, merely keeping body and soul together in the worker, why does he concern himself with the prevailing wage? If the Senator is going to let a man work just 1 day a week, and is going to pay him enough in 1 day to enable him to get his security wage, why do we not attack the thing directly, and get away from this foolishness of calling the job a relief job, and castigate persons who ever again refer to it as a relief job, and call it properly and honorably made work for American people to do?

The law now fixes 130 hours a month as the time we say a man ought to work. Let us fix the prevailing wage for 130 hours' work a month, and then we shall be giving the American workers at least approximately what he is entitled to receive.

Mr. McCARRAN. Mr. President, if the doctrine of the able Senator from Florida would go forward I could not go with it, except to the extent that I should like to have private industry take hold of and absorb those who are on relief, and put them on an unlimited hourly wage in keeping with the rules and regulations established by the various employees' organizations throughout the country. In other words, if I may answer further, I hope the Federal Government will never step into a category where it will take over all the industries in the country, and thus deprive the private investor and the private industrialist of any hope of going forward. All we are trying to do, as I hope to understand the matter, is to take care temporarily of those who have been deprived of an opportunity to sustain themselves and their dependents because, forsooth, they have been unable to find employment in private industry.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. I will yield in just a moment. If the Federal Government steps in and says, "We are going into competition with private industry; we are going to take all the unemployed and keep them unemployed as long as we can keep them at the prevailing wage with unlimited earnings," then private industry will say, "We cannot go forward." But the hope of every worker in America today is to get off relief. The hope of every worker in America today is to get where he can earn not only the security wage but a decent wage carrying out the prevailing-wage structure, the hourly structure, and eventually carrying out the monthly structure, if you please, where his efforts may earn what they deserve in private industry.

I now yield to the Senator from Florida.

Mr. PEPPER. Mr. President, does the man who works upon a P. W. A. job get only the security wage?

Mr. McCARRAN. The man who works on a P. W. A. job gets the prevailing wage; and let me say, if I may, that I say that to the credit of the Secretary of the Interior, who, as Administrator of the Public Works Administration, without a single word from Congress, incorporated into the P. W. A. the prevailing-wage standard. But the man working on P. W. A., as P. W. A. has gone on, not only earns the prevailing wage but is working under a system whereby the contractors of the country have entered into the life of the

P. W. A., and have become a part of it; and therefore he is not on relief. The worker who works on P. W. A. never has been on relief. He has been working for a contractor who has entered into the spirit of the Public Works Administration.

Mr. PEPPER. Does the Senator make the matter of whether the worker works for a contractor or directly for the Government determine whether or not he is on relief? What

does the Senator mean by "relief?"

Mr. McCARRAN. I am sorry we have to use that word; but when we enacted the law in 1933, and from then on, we have carried it on. It means to take hold of those who have not a job and give them a chance to support themselves in decency. That is what is meant by "relief."

Mr. PEPPER. What about the man in a shipyard, building ships that the Government is constructing? There, the Government puts up all the money. Is that man on relief?

Mr. McCARRAN. Not at all; but the system we are dealing with in the act which we passed appropriating \$1,700,000,000 for relief is a different system, and applies to a different proposition than regular Government employment.

Mr. PEPPER. I will ask the Senator another question. When a man works for the Government in the construction of a post office, all the money for which is put up by the Government, and all the supervision of which is made by the Government, is that man on relief?

Mr. McCARRAN. But the post office is built by contract. I am not sufficiently familiar with the shipyard system of the

country to say whether the Government builds the ships, or whether they are built under the contract system. Some one can correct me on that point.

Mr. PEPPER. When we build one of the dams that are built out in the West, where the Government puts up all the money for a reclamation project or an irrigation project, in that case the Government is putting up the money for construction, and the Government is taking care of the supervision. I will ask whether or not, in the opinion of the Senator, that is a relief job.

Mr. McCARRAN. Certainly not. Let me draw the Senator's attention to this fact: Take the greatest engineering project in all the world, located in my own State, known as the Boulder Dam. In all the world and in all the world's history there has never before been such a project. Every ounce of the cement that was laid there was laid under contract, under competitive bids; and the men who worked there worked under a standard of wages established by the workers of the country as the employees of private industry, and not of the Government.

Mr. PEPPER. Yes; but I will ask the Senator if all the money is not being put up by the Federal Government?

Mr. McCARRAN. True.

Mr. PEPPER. So the question is not a substantial one as to the method by which the work happens to be executed, whether through a contractor or directly through the Government, but it is a question of who puts up the money.

The Senator will see that what I am trying to get at is the fact that I quarrel with the right of anybody—not the Senator from Nevada, because I know his opinion and how he feels on this general subject—I quarrel with the right of any man to say that when the Government builds a dam, such as the great Boulder Dam, when the Government builds a ship in a shipyard, when the Government builds a post office in a town or a city in America, when the Government contributes to the construction of a highway, or when the Government builds anything of that category, that is entirely different from the case in which the Government makes it possible to build a sewer system, a highway, a schoolhouse, or any of the public works that have been done by the W. P. A.

I ask the Senator, is it not time for us to abolish the distinction which seems to have grown up in the minds of some people of calling the worker on Boulder Dam, a man engaged in honorable employment in his life work, and calling the man who is building a sewer system or a highway or even a dam under the W. P. A. a failure in life, working on relief, with the limitations of a niggardly security wage?

Mr. McCARRAN. I am going to answer the Senator as best I can, trying to keep in mind the elements of his question.

First of all, there is nothing in the law, so far as I know, which looks down on the man who works in W. P. A. Everything possible has been done to do away with that idea. We only regard such a man as being temporarily out of employment, and we seek to encourage him so that the temporary unemployment shall not be permanent. In other words, if I understand the spirit of relief in America today—and I hope I understand it—it is that the man who, by force of circumstances, is put into relief, is there only momentarily. What we are seeking to do is to build up private industry and encourage private endeavor so that private capital will employ men, not for \$48 per month, not for \$60 per month, but for the entire month, at the wage structure and wage scale of the particular class of labor to which they belong.

Mr. PEPPER. I will ask the Senator if the P. W. A. worker is not in the same category. Do we regard him as a permanent worker? I thought the money appropriated to P. W. A. was just as much an emergency appropriation, just as much designed to take care of unemployment and to put people to work who are now unemployed, as the money appropriated for W. P. A. work.

Mr. McCARRAN. No, Mr. President; I will say to the Senator from Florida that the Public Works Administration was inaugurated for the purpose of constructing permanent national improvements. It might have occurred during the period of greatest prosperity. It should have occurred when the country was in its greatest prosperity. It would have been well for us if we had built some of those things to improve our national welfare and our national existence. The Public Works Administration projects are those in which the Government seeks first of all to encourage private money to come out of hiding, or to encourage private money to be invested in permanent works; while, on the other hand, the Works Progress Administration was established to take care of those who could not be absorbed in either the Public Works Administration or private industry, as private industry was so crippled under the depression.

Mr. PEPPER. Mr. President, referring to the exact language of the Senator's amendment, I will ask him if the effect of the amendment is not to abolish the provision that was in the bill which is already the law he is seeking to amend, which would have raised wages in the South up to the same standard by which wages in the rest of the country were governed, with an allowance only for the difference in

the actual cost of living?

Mr. McCARRAN. I am going to answer that categorically, no; then I am going to answer it further, if I may.

This amendment does not propose to tear down any wage scale. The amendment proposes and encourages the uplift of all wage scales. What we are seeking to do is to overcome that which seemed to be the result of the conference report, namely, to tear down from the top by perhaps building up from the bottom. We do not propose to destroy, and the amendment does not destroy, the possibility of the wage worker in the South having an elevation of his wages. We encourage that, and that is exactly the language of the amendment, and with that in mind I placed an amendment which I had read into a previous bill in my amendment today, so that the wage structure of the deep South could come up to that of the belt, or zone, between the deep South and the farther North.

Mr. PEPPER. Mr. President, I will ask the Senator, then, if this is not a fair statement of the effect of his amendment, taken all together: Under the existing law there are three regions, the Northeast, the North, and the Northwest, region 1. Region 2 embraces the States of Kansas, Oklahoma, Missouri, Kentucky, West Virginia, Maryland, Delaware, and perhaps one other State in the West. Region 3 embraces the deep South and the Southwest, Texas, Louisiana, Arkansas, Mississippi, Tennessee, Alabama, Georgia, Florida,

South Carolina, North Carolina, and Virginia.

Under the existing law a man in Florida doing a certain job will get the same compensation for the work he does as a man doing the same work in Oregon, or in Maine, or in West Virginia, or in Georgia, or in any other State of the Union, with an allowance only for the difference in the cost of living in the different places, whereas under the Senator's amendment the most the worker in region 3, which is the deep South, could get for doing a given piece of work is the same wage or compensation a man doing the same work in the same length of time would get in region 2; but, under the Senator's amendment, he could never get the same compensation the man gets who does the same job for the same length of time in region 1, which is a majority of the whole United States. Is that fair?

Mr. McCARRAN. Mr. President, I am going to answer that question specifically as best I can. It is a long question, but I

will do the best I can with it.

First of all, let me go back a little in history, if I may deal with history. In 1933, when the first relief bill was pending in the Senate, I offered the first prevailing-wage amendment, which provided, in substance, that the prevailing wage in the several localities of this country should be maintained. I intend to go at length into this question, and I hope the able Senator from Florida will bear with me. I realize that the workers of this country had built a wage structure in the several sections of the country. They built that structure themselves. The workers of this country have never received

anything from legislation. They made the structure themselves; they worked it out by hard experience; and then they came to the various legislatures, whether it was the Federal legislature or the State legislatures, and presented their problems as those problems had been worked out by them, and they had their ideas crystallized into law.

We tried then to have the prevailing wage structure maintained in this country. I may say to the able Senator from Florida that at that time this study had not been completed. Perhaps we might criticize and say we were voted down and lost; but that is water gone over the wheel. The idea is that since that time a study has been made, under an Executive order made by the President, made by the relief administration, made in conjunction with the wage workers, and that study reflects itself, I am advised, as best it can be, in the graph I have placed on the desk of each Senator.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. Pardon me, and let me finish the answer to the Senator's question.

Mr. PEPPER. The Senator does not mean to say that anyone has found that a man is entitled to less money for doing a given job in one State than for doing the same job in another State?

Mr. McCARRAN. If the man himself, or that class of toilers and laborers and workers to which he belongs, during a period of years, for himself and for those who unite with him in his brotherly efforts for the uplift of labor, has established a scale, then I say that no one should try to tear it

Mr. RUSSELL. Mr. President-

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Nevada yield to the Senator from Georgia?

Mr. McCARRAN. I yield.

Mr. RUSSELL. I know the distinguished Senator from Nevada has perhaps dealt more with the prevailing-wage amendment than has any other Member of the Senate. I recall when the first large relief bill was pending, in 1934, the \$4,880,000,000 bill, the Senator from Nevada for the first time introduced this proposal relating to the wage scale. But I cannot clear my mind of the impression that the Senator from Nevada is confusing the prevailing hourly rate with the monthly rate.

Mr. McCARRAN. I am not. I am trying to clarify the matter. Perhaps I am failing in what I have been attempting to do.

Mr. RUSSELL. I think the remarks of the Senator as to the building up of the hourly wage rate are entirely correct, but I still insist that the hourly wage rate has nothing whatever to do with the monthly wage rate.

I have before me data furnished by the Works Progress Administration, which show that within the same State a man will work in one city for 50 cents an hour as a common laborer and will receive a monthly wage scale of, say, \$52. In another city of the same size another man will be working for 40 cents an hour, but he will receive a monthly wage rate of \$52, or the same amount. The monthly wage has nothing to do with the facts related by the Senator from Nevada, but only the hourly wage, because within the same wage area, in region No. 1, whereas the W. P. A. workers in cities of the same size will receive the same monthly compensation; there are literally thousands of different rates of hourly wages. One worker will be compelled to work 120 hours a month to earn his maximum amount, and another worker in another city will earn exactly the same maximum amount, but will work perhaps 90 hours, because the hourly rate in that city will be much higher. So I say that the security wage which is fixed has no relation whatever to the degree of unionization or the efforts of the workers which have brought about a higher hourly wage. I concede freely that the hourly wage, the prevailing wage, does depend upon the prevailing rate paid for hours of toil in the class of toil within a city-

Mr. McCARRAN. Within a zone.

Mr. RUSSELL. No; within a locality, the hourly wage rate relates to a locality, down to the subdivisions of government. There will be two cities in the same county where a different hourly wage will be paid, in a number of instances, but the workers in the two cities will receive the same compensation for a month's work, the difference being that one will work more hours than the other at a prevailing rate which is lower.

Mr. McCARRAN. Taking up the thought of the able Senator from Georgia, I may say, in keeping with my first amendment, which afterward was incorporated into an Executive order, if the prevailing wage as incorporated in that first amendment had gone forward, probably we would not today be confronted with the situation which faces us. But those who executed the relief saw fit to make a study, and they did make a study; and it must be said that that study was made diligently and was made honestly. That study was not, as I understand it, to deal with the question alone of what was the prevailing wage in a particular section, but, together with that, what was the cost of living, and what were the attendant circumstances in a particular section. Out of that the three zones appear to have been worked out. If there is a desire to abolish the ceiling or the security wage. I do not suppose any W. P. A. worker in all the world would object to it. Certainly I would not object to it. But we are dealing with the taxpayers' money; we are not dealing with the question of what a worker should have, but what we can afford to give him to take care of him for the time being in keeping with his class of toil.

Mr. RUSSELL. Mr. President, I agree with that conclusion of the Senator from Nevada. Of course, if we were undertaking to pay the prevailing hourly wage for 130 hours a month for every person upon the rolls of the Works Progress Administration, it would mean that either we would have to multiply the appropriation many times or there would be only three or four hundred thousand people who would be able to have employment.

Mr. McCARRAN. That is correct. What we are trying to do by relief is to take care as best we may of the greatest possible number who need relief. We are not trying to say to every man, "Make a career out of this line of endeavor." I want to say to the Senate that, so far as my individual effort is concerned, I would discourage such a suggestion to the last word.

But what we are trying to do is to say to the worker, "You shall not starve, and we will try to find the means to enable you to live decently during a period until industry can give you a proper income." So long as we say to industry that it is to be discouraged, just so long will we destroy the possibility of private industry absorbing the needy of this country. It is time for America first of all to say, "We are going to put our shoulder to the wheel of private industry. We are going to give it every opportunity to go forward. We are going to encourage it after it gets going."

Mr. PEPPER. Mr. President, I will ask the Senator, to what language in the existing section 15 does he object, as the law now reads? What is there in the existing law which defeats the purpose the Senator has in mind?

Mr. McCARRAN. I have here before me section 15. The Senator has it before him.

Mr. PEPPER. Yes.

Mr. McCARRAN. I wish to say preliminarily to answering the Senator's question that he understands the amendment which I now offer does not apply to this bill.

Mr. PEPPER. Understand what?

Mr. McCARRAN. That my amendment does not apply to this bill specifically. That the amendment applies to the Relief Act.

Mr. PEPPER. Oh, of course. I have section 15 of the Relief Act before me.

Mr. McCARRAN. This amendment, in the identical language in which it is now presented, save and except the perfecting amendment I offered after having some consultation with the Senator from Georgia, is in language identical to that which was adopted by the Senate when the

relief bill was under discussion. I take it the Senator is advised as to that.

Mr. PEPPER. Mr. President, we have an existing law, of which section 15 is a part. The Senator has some objection to that. For some reason or other section 15 defeats the purpose which he has in mind, which is a worthy purpose. What I am getting at is this: Can we not achieve the Senator's purpose by changing the wording of the amendment which he has offered so as not to have the effect of lowering the wages in the South, which we are trying to pull up and keep up?

Mr. McCARRAN. First of all, the amendment would not

lower the wages in the South.

Mr. PEPPER. That could not be avoided under the amendment as now framed.

Mr. McCARRAN. I will answer the question so far as I can. The administration has announced the plan, and under it the result has been a lowering of wages throughout the country under the present relief law as it now stands, that is lowering the hourly wages, so much so that we are now confronted with an unhappy situation. I say now, and I hope the Senator will bear with me, that I am sorry to see that situation arise. I have not been aided particularly by the fact that those on relief have been credited with striking. I am sorry that such a thing has taken place. I would rather have those within the relief administration come to Congress and say, "Here is a situation. Please remedy it."

Neither have I been aided by something which happened yesterday. I am sorry that a certain expression was made yesterday by an outstanding man who has been in the past apparently a great champion of labor. I have been greatly set back and my cause has been greatly impaired by that unfortunate statement. I regret it more than can any other man who might address the Senate today. I will go no further than that, but will return to the Senator's question.

It is better a thousand times that we maintain the standard of wages in this country as they have been established by the efforts of the toilers than to tear them down or to permit any administration to tear them down, either by misconstruction or misinterpretation. If we write my amendment into the bill, there can be no misinterpretation.

While I am on my feet, and in reply, I hope, to the Senator's question, let me read from the hearings of the subcommittee of the House Committee on Appropriations in charge of deficiency appropriation, Seventy-fourth Congress, a statement made by that outstanding and very able man who is today the Secretary of Commerce of this country, who was then in charge of relief. I read from page 28, where he says:

Our experience has led us to believe that we should pay the hourly rate prevailing in the community and to continue to put a top limit on the amount we pay in a month.

It was out of that thought, it was out of that philosophy, it was out of that study that these zones were created, and that the security wage was established. Now it is desired to raise the monthly security wage of the South I do not know of anyone who has any objection. Certainly the Senator from Nevada has not.

Mr. PEPPER. Then, why does not the Senator change the wording of his amendment so that it will not so greatly affect the South? We do not want to pull down the scale of the wages in Nevada or in any State of the Union. The fight has been made in the South, particularly by the Senator from Georgia, the Senator from South Carolina, and the rest of us helping as best we could, to pull up the wage scale in the South. We voted for the wage and hour law, and some of us were severely criticized for doing so. We have now tried to abolish freight-rate differentials, and the Senate approved the abolition of that discrimination against the West and the South. Then we tried to abolish the W. P. A. differentials, so it might not be said to a man in one section of the country, "For a certain time of work we will give you a certain figure," and to a man in another

section of the country, "For the same length of time, and for the same type of work, we will give you another figure." That is not democratic. That is not American. It is not consistent with any sound governmental policy. The Congress has abolished that W. P. A. differential except as it relates to the difference in the cost of living.

The Senator from Nevada is absolutely correct in his contention that we do not want to pull down the wage scale anywhere, but under the Senator's amendment our people in the South will not be able to get as much as the people in region 1 get for the same type of work, even after making allowance for difference in cost of living.

So, if the Senator will modify his amendment so as to provide that not less than the prevailing wage shall be paid to any worker on the W. P. A., and provide that no wage scale shall be lowered from what it was, we will support the Senator 100 percent.

We do not want to lose the little advantage we gained in bringing our people up to an approximate parity with the people of the rest of the country who are doing the same kind of work. I know that the Senator, sensitive and conscientious as he is in the cause of the people who labor, will be willing to make such change in the phraseology of his amendment, so that those of us who have the same objective which he has will not be brought to the necessity of differing with him on the amendment.

Mr. McCARRAN. Mr. President, I may say to the able Senator from Florida that my whole aim and object during my mature life has been to raise the earnings of the toiler, and especially the toiler in the lower classes, so to speak. I would never object to anything that would raise the earnings of the toiler in the most humble walk of life. But I am opposed to, and I will continue to oppose, anything that may be construed to tear down the earning of the toiler in any walk of life, when he by his efforts and his endeavors has built it up, even though in some instances some people may criticize it and say it is too high.

An incident stands out very vividly in my mind. When I was making the fight for the prevailing wage in 1933 a very able Senator said to me, "Plumbers demand \$12 a day." But when I draw the fact to the Senate's attention, as I drew it to the attention of that able Senator, that the earnings of a journeyman plumber for a year are only \$1,200, then the whole situation is made clear. The plumber receives \$12 a day, but his yearly earnings are only \$1,200, which is much less than the American standard of wage. He cannot support himself and his dependents on \$1,200 unless his dependents, as they become mature, enter employment. His little girl from the time she is a tot must go out and get work in order to help support herself and the family. Those are the things we are trying to fight against, in order to maintain the structure, so that the wage scale of America shall not be torn down.

Mr. PEPPER. I will say to the Senator from Nevada that we all know that he has that high purpose, and we are in accord with him. Here is the Senator from Georgia who offered an amendment. He stated on the floor the other day that he does not want to pull down anyone's wages. The Senator from South Carolina [Mr. Byrnes] and I made the same statement. We do not care to reduce wages paid in any section of the country. But does the Senator want to say to any people in the deep South, "No matter how worthy you are, no matter how faithfully you labor on any job in W. P. A., you can never get as much for that work as a man doing it no better in region 1 of the United States, even after making allowance for the difference in the cost of living"? The Senator does not want to hold those people back, does he?

Mr. McCARRAN. Mr. President, I would not hold anyone back.

Mr. PEPPER. Will not the Senator be agreeable, then, to such a technical modification in his amendment that it will achieve what he wants to achieve and keep the wage scale up to the prevailing wage, but at the same time allow people

in the South doing the same kind of work to receive not less than the same wage, with only a proper allowance for the difference in the cost of living?

Mr. McCarran. Mr. President, the Senator was present when I proposed a substitute for the then existing section in the relief bill. That substitute was adopted. The Senator from Georgia also was present. That very amendment offered as a substitute was taken into conference, and, to use a very homely expression, it was kicked out the window, and the language which is now in the law was substituted.

That language has resulted in tearing down the wage structure of this country. Why? Because of the 130-hour provision. If a man worked on W. P. A. for 130 hours and received the prevailing wage, he would receive much more than the security wage. Therefore, 130 hours at the prevailing wage was not acceptable, so it was decided that the only thing to do was to cut down the prevailing wage, so that although a man worked 130 hours he would not receive more than \$48 a month, or \$60 a month, or whatever it might be, in his respective class.

Mr. RUSSELL. Mr. President, I will say to the Senator from Nevada that neither the Senator from Florida nor myself was on the conference committee in dealing with the bill, so we could not have "kicked his amendment out the window."

The difference is—and I ask the Senator from Nevada to confirm this statement—that the change brought about in the language in the House bill as it originally came over to the Senate was to the effect that under the prevailing hourly wage amendment one worker would work, say, for 40 hours in a month, and at the hourly rate at the end of 40 hours he would have earned the full amount of his monthly security wage. The House language changed the relation of the worker from that of an hourly employee to that of a monthly employee, requiring him to work 30 hours a week for the same amount of security wage as had been paid before the passage of the bill. Is not that correct?

Mr. McCARRAN. That may be correct as a general statement; but we sought to correct the situation by the substitute which I offered, which was adopted.

Mr. President, I have occupied the time of the Senate for a much longer time than I had anticipated. I shall yield the floor. I ask for a vote on my amendment. I hope that the amendment in its present form, with the perfecting amendment, may be agreed to. The perfecting amendment was not in accord with all the views of the able Senator from Georgia, but I am glad to say that he thought my amendment was much better with the perfecting amendment. With that in mind I incorporated the perfecting amendment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. PEPPER. I wonder if the Senator would be agreeable, in the perfecting amendment, to striking out "region 2" and inserting "region 1"?

Mr. McCARRAN. Mr. President, if we do that, we shall tear down the wage scale. I have made a study of that question. The suggested modification would tear down the wage scale, the daily wage, or the hourly wage, of region 1. That is the situation we now have. I have gone along with the Senator so that the deep South may receive the benefit of the wages of the middle region. I want to be fair; and I think the Senators from Georgia and Florida want to be We are entering into an experimental activity. I have hoped to provide some benefit in the South by this amendment. When I use the pronoun "I" I do not mean to say that I have that matter in charge. I do not mean to be presumptuous. However, I believe that those who are zealous in their desire to raise earnings in the South will accept the amendment and go forward with it. If the experiment is not well founded, I will be the first to try to improve it.

Mr. TYDINGS. Mr. President, I wish to take only a moment. The Senator from Nevada [Mr. McCarran] has offered an amendment, and I should like to offer, if it is in

order, a perfecting amendment to that amendment, which does not deal with its philosophy but with kindred subjects. The amendment I should like to propose reads as follows:

That no dues, assessments, or fees paid by members of any That no dues, assessments, or fees paid by members of any organization, lodge, or group, whether said organization, lodge, or group is, or is not, incorporated, shall be contributed to any candidate for office, or to any committee or political party, in any political campaign unless said dues, assessments, or fees were specifically, solely, and directly contributed by the members of any organization, lodge, or group for the sole purpose of aiding a particular candidate, committee, or political party.

Any person violating the provision of this section shall be fined not more than \$5,000, or imprisoned in the penitentiary for not more than 1 year, or both, in the discretion of the court.

more than 1 year, or both, in the discretion of the court.

I am told by the Senator from Pennsylvania that there is in Pennsylvania a manufacturers' association which is composed of various members and that money is collected in Pennsylvania by the manufacturers' association and is used by the officers thereof by way of contributions to political

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes.

Mr. GUFFEY. That amendment is different from the one drawn by the Senator which I first read. The amendment as now drawn would not affect the Manufacturers' Association of Pennsylvania.

Mr. TYDINGS. Why would it not?

Mr. GUFFEY. Because the amendment would not apply if the dues, "assessments, or fees were specifically, solely, and directly contributed by the members of any organization for the sole purpose of aiding a candidate" or party.

Mr. TYDINGS. How can I change the amendment?

Mr. GUFFEY. I have never seen the amendment since it has been changed. It is different than the first time I saw it. Mr. TYDINGS. I do not agree with the Senator at all, because the amendment provides-

That no dues, assessments, or fees paid by members of any organization or lodge or group whether said organization, lodge, or group is, or is not, incorporated, shall be contributed to any didate for office or to any committee or political party in any political campaign unless said dues, assessments, or fees were specifically, solely, and directly contributed by the members of any organization, lodge, or group for the sole purpose of aiding a particular candidate, committee, or political party.

If I did not put it in that way, it would not do anything because an individual can give money for political purposes.

Mr. GUFFEY. That would not affect the Manufacturers Association of Pennsylvania or prevent them from making contributions. It would not do that. I do not want the Senator to say that I am in favor of the amendment, for I am not.

Mr. TYDINGS. The amendment is intended to prevent any manufacturers' or other association in Pennsylvania or anywhere else in the United States from contributing the proceeds of dues, assessments, or fees paid by members of the organization unless the members of the organizations directly contribute the money for use in a political campaign. In other words, it would be impossible to take routine payments and hand them over to a political campaign committee without the consent of the members. That is all there is to this amendment.

Mr. GUFFEY. If the Senator from Maryland thinks that Joe Grundy, a former Member of this body, could not get around this amendment with his political organizations, the Senator is mistaken.

What the Senator from Pennsylvania Mr. TYDINGS. ought to do is to tighten it up more. Certainly it is not going to make it any worse, and, to that extent, is going to make it that much better. Under this amendment, if adopted, Mr. Grundy could not contribute for political purposes a single, solitary dollar without violating the law unless those who contributed to the fund did so for the sole purpose of aiding a particular candidate, or a particular party, or a particular committee. In other words, he could not take the dues that come in and hand them over without those who paid the dues knowing that their good money was being handed over to a political party.

Mr. BURKE. Mr. President, will the Senator yield? Mr. TYDINGS. I yield.

Mr. BURKE. Does the Senator have in mind any instances in the recent campaign of any association or organization, incorporated or otherwise, that made contributions that would be in violation of this amendment if it were

Mr. TYDINGS. Now that the Senator has suggested it to me, I will say that it would cover the case where the Democratic Party borrowed half a million dollars from one organization, and, so far as I know, the men who paid that half million dollars did not pay it as a political assessment in all cases—they may have done so in some cases—but they took the concern's money and handed it over. If any group in this country want to contribute their good money to political-party candidates or campaign, they have a perfect right to do so, but dues, fees, and assessments by Mr. Grundy or anybody else ought not to be collected under the supposition that they are going to be used for general purposes and then donated specifically to a candidate without the consent of the donor.

I hope the Senator from Nevada, my friend, will not object to this perfecting amendment, which is in the interest of fairer, bigger, and better elections.

Mr. McCARRAN. No; I cannot accept the amendment. Mr. TYDINGS. Then, at the proper time, I shall offer the

Mr. President, a parliamentary inquiry. Is it in order to offer the amendment I have suggested as a perfecting amendment to the amendment of the Senator from Nevada?

The PRESIDING OFFICER. It is in order.

Mr. TYDINGS. If it is in order, at the proper place in the amendment, I shall offer it as a new section.

Mr. DAVIS. Mr. President, I urge the Senator from Nevada to accept the amendment and make it a part of his amendment, because if there is anything we want to do now it is to stop political financing, especially by those who have a selfish interest.

Mr. McCARRAN. Mr. President, I am making a battle here for the toilers of America and not to make a muddle out of some political situation. I am fighting for those who work; I am trying to see to it that the wage structure of America shall not be torn down. I cannot and will not support the amendment of the Senator from Maryland as a part of my pending amendment. However, I think it might well have had a place on the Hatch bill which we passed some time ago, or it may have a proper place in legislation; but phases of legislation such as this have their proper place, and I certainly hope when and if the Senate votes on this particular proposal it will vote it down as applying to the pending amendment.

Mr. ADAMS. Mr. President, I desire to discuss briefly the pending bill. I want to offer what I think is a perfecting amendment, and I inquire, as the pendency of the amendment of the Senator from Maryland would prevent my doing so, if the Senator from Maryland will withdraw his amendment?

Mr. TYDINGS. It would not hurt my amendment to do that. I am going to offer it in the best of faith. I have no objection if the Senator wants to offer a perfecting amendment that deals specifically with some language in the pending amendment; I think I would only be fair in temporarily withdrawing the amendment until that situation is met. Then, I shall offer it again as an additional amendment, when it will not be in the third degree.

Mr. NORRIS. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it. Mr. NORRIS. Is it possible for the Senator from Mary-

land, under the rules of the Senate, to offer an amendment to the amendment of the Senator from Nevada without first obtaining the floor? Can he offer such an amendment while the Senator from Nevada is occupying the floor?

The PRESIDING OFFICER. The Senator from Maryland had the floor, and while he had the floor he offered the amendment.

Mr. NORRIS. I did not know that. I thought he did not have the floor.

Mr. TYDINGS. I offered the amendment, and explained it. Now having control of my amendment, under the rules of this body, I temporarily withdraw it until the Senator from Colorado can offer his amendment and have it disposed of, when I shall again offer my amendment as a perfecting amendment to that of the Senator from Nevada.

The PRESIDING OFFICER. The amendment of the

Senator from Maryland is withdrawn.

Mr. ADAMS. Mr. President, I think it is necessary to say a word or two as to the existing situation and to go back to the conference report on the relief bill that has been mentioned in connection with the situation. The relief bill which passed at the end of the fiscal year wiped out the prevailing-wage legislation. That was done at the recommendation and in accordance with the argument of the Relief Administrator, Colonel Harrington. That amendment came from the House of Representatives. It was adopted by the Senate committee without any real controversy in the committee. It came on the floor, and the Senator from Nevada, cooperating with some others, secured the insertion of the prevailing-wage amendment. The bill went back to conference with a difference between the House amendment with the 130-hour provision and the prevailing-wage provision inserted by the Senate in accordance with the law then existing and in accordance with the law that had existed.

The conference committee on the part of the Senate earnestly endeavored to carry out the wishes of the Senate. Those Senators whose minds go back to that evening will recall the pressure that was upon that conference committee. It was necessary either to make concessions in order to reach an agreement with the House or there would have been two and a half million men and women on the streets the next morning. It was a question of accepting a situation perhaps unsatisfactory or accepting a situation unfortunately worse.

Speaking for myself, and I know for the other conferees, it is not fair to refer to the amendment of the Senate as being "kicked out the window." If Senators will go back and study the records of that conference committee, they will find that of one-hundred-and-thirty-odd amendments put on the bill by the Senate, in only four instances did the Senate conferees recede, and in only about 10 other instances did they recede from Senate amendments with amendments. In the neighborhood of 110 Senate amendments were accepted in toto. All Senators who are familiar with conference proceedings know that in a bill with a multitude of amendments no group of conferees representing one body can have accepted every single amendment which they present.

In the proceedings in the Senate committee an amendment restricting the differentials in wages between those employed in some lines of work in different sections of the country was offered by the junior Senator from Georgia [Mr. Russell] and was incorporated in the bill. That amendment was accepted by the House. That presented this practical situation, which is the one that disturbs some of us today; and at this point I speak for no one but myself:

We have extended the hours of work of the man on relief from those which had existed, varying with the amount of his hourly wage, to a 130-hour period. Some protests were made against that extension. There was a definite increase in the number of hours that the relief worker was compelled to work to get his security wage. Then, in the amendment of the Senator from Georgia, coupled with a provision in the House amendment, there was a certain not inconsistency, but, to me, a somewhat unexpected result. The House amendment provided that in the change from the prevailing wage to the 130-hour wage provision there should not be any substantial change in the average monthly wage of relief workers in the country. The amendment of the Senator from Georgia was definitely intended to increase, and would have the effect of increasing, the hourly wage of some of the workers in the South. Consequently, when the two clauses were construed together, the Relief Administration said, whether rightly or wrongly, "If we are to carry out the provisions of the amendment of the Senator from Georgia and raise wages in certain areas where they are low, we shall be compelled to reduce the scale in some other sections."

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. ADAMS. Yes.

Mr. PEPPER. I wonder if the Senator has any figures to indicate how much additional appropriation would be required for the W. P. A. if the same number of workers now carried were continued in employment, and were paid not less than the prevailing wage for work that might be done in communities in which they are employed.

Does the Senator understand what I have in mind?

Mr. ADAMS. I do not.

Mr. PEPPER. What I mean to say is this:

Let us suppose that all the W. P. A. workers who are now employed should continue upon the W. P. A. rolls, but that instead of being paid the security wage which they are now being paid for 130 hours' work a month they should be paid not less than the prevailing wage for the 130 hours, and suppose the same rate of pay should prevail all over the United States, with an allowance only for the difference in the cost of living. The effect of that would be this:

The worker in the South, which is region 3, the worker in the region between the South and the North, which is region 2, and the worker in region 1, for the same type of work, would get the same wage, with only an allowance for the difference in the cost of living between the different sections; so that the worker in the North would really get, for the whole 130 hours per month that he worked, not less than the prevailing wage, and the workers in zone 2 and in zone 3 would get the same wage as the worker in zone 1, with an allowance only for the difference in the cost of living.

Mr. ADAMS. If I get the Senator's inquiry, it is, assuming that we continue the 130-hour requirement, and then pay the prevailing wage for the full 130 hours—

Mr. PEPPER. Pay the prevailing wage in the higherwage brackets, and then pull zones 2 and 3 up to the same level as zone 1, with an allowance only for the difference in the cost of living between zone 1 and zones 2 and 3.

Mr. ADAMS. I should say to the Senator that it would require easily double the relief appropriations now made.

Mr. PEPPER. So, in the opinion of the Senator, if we were to appropriate an additional \$1,500,000,000, we will say, it would be possible for every W. P. A. worker now employed to remain in employment, to continue to work 130 hours per month, and for those in region 1, which is the North, to continue to get the prevailing wage, not for a part of a month but for the whole 130 hours, and then for the workers in regions 2 and 3 to get the same wage as the workers in region 1, with an allowance only for the difference in the cost of living between zones 2 and 3 and zone 1?

Mr. ADAMS. I say that it would take easily double the present amount, because we know that many of those on the relief rolls in the high hourly wage brackets do not work a full half month. If we carried those workers, they would have to be paid twice as much. But the Senator has in mind a somewhat different conception than the one which I think underlies the relief program. The relief program is strictly a relief program, with the idea of meeting the necessities of those upon whom misfortune has come without their fault. I have frequently heard the Senator say that he thinks the Government owes every man a full-time job at full-time wages.

Mr. PEPPER. Mr. President, I do not know whether or not I would use the word "owe." I should say that it is the duty of the Government, when private opportunity is not presented for a person who is able to work and is willing to work to get a job, to make it possible for that kind of person to get a job, and to receive for the work he does a fair wage which is not less than the prevailing wage.

Mr. ADAMS. That is an entirely different thing. The Senator believes the Government owes to every unemployed person the obligation to furnish him employment. I am not discussing that question. I am not arguing it. I am merely saying that what we are discussing is a bill founded upon the theory of meeting merely relief needs. We find persons in distress. Only a portion of the unemployed, a third of the unemployed, are in distress. We have gone to the extent of providing relief only in a meager way. That is the theory. Our bill specifically limits the expenditure to those who are in need. We have many unemployed who do not meet that test, and I do not care to discuss the obligation of general governmental employment. I simply want to talk about the relief situation.

Mr. PEPPER. Mr. President, so far as I know now I shall interrupt the Senator with only one additional question, if I may; that is, to say, Is it not a fact that the persons who are now employed upon P. W. A., and the persons who are now employed upon many other governmental projects, financed partially or wholly with Federal money, would be in the same class with the W. P. A. worker if they did not have those jobs? Therefore, are we not discriminating without justification against the man who happens to be getting his job through the W. P. A. instead of getting it through the P. W. A. or some other agency of the Government which is doing just as much made work as is the W. P. A., and for the same purpose of providing employment and improving the economic condition of the country?

Mr. ADAMS. I am unable to see any discrimination when the Government liberally—not lavishly, but liberally—appropriates to meet the necessities of its unfortunate citizens. I am unable to see any discrimination, because in building a battleship we hire an expert draftsman. We hire an expert man to handle steel. He is employed not because of his necessity; he may have a million dollars in the bank; but he has a certain type of skill which we need in building our battleships. We are employing persons in those jobs upon the basis of services rendered.

The relief agency is a case of made work in order to meet two things: One, meager necessities; the other, to provide work so that the morale of the people will be maintained, and they may feel in their hearts, "We are not objects of charity. We are working for what we get."

As I say, I think they are entirely different fields.

Mr. President, the situation which was presented after the 30th of June was this: It has been brought to our attention rather acutely by some things that have happened; and some of us who have been watching the situation-notably, men like the Senator from Nevada [Mr. McCarran]are apprehensive of what will occur on the first of September when the other amendment goes into effect. That is, by our acts men have had their length of service extended in order to obtain the same security wage—a thing well within our control, whether we agree to it or not. But now if we add to that, if we lengthen the period of their service and then cut their wages, some of us are apprehensive of the result. So on the first of September we shall have a situation, as it is presented to me-as I say again, I am speaking only of my own understanding-in which the application of the existing law means that we have extended the period of service to earn the security wage; we have taken out the prevailing wage; and then, without any increase in appropriations. under the restrictions of the act we have done this: In order to be accurate, let me read the act. It says:

The Commissioner shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1 which shall not substantially affect the current national average labor cost per person of the Work Projects Administration.

Which means that the average must be maintained. If we increase the wages of the men working upon W. P. A. in Colorado, or Nevada, or Wyoming, or Georgia, we must take them down a corresponding amount in dollars in some other place or places.

I heard the speech of the Senator from Connecticut [Mr. MALONEY]. I am very much concerned. It seems to me

this is a matter to be given serious thought and serious consideration. I am among those who voted for the prevailing wage when the proposal first came before the Senate, which I think was in 1935, and I voted for a similar proposal at other times. I am frank to say that I have wondered whether or not the maintenance of the prevailing wage in the relief scheme was as essential to the union wage outside as workers have thought; but I have accepted their judgment in the matter.

I have questioned whether or not damage was being done to the wage scale by extending the period of service to 130 hours. I have wondered whether having W. P. A. men work 130 hours in the place of working 60 or 70 hours might not be protecting the regular wage men not on relief from a competition which sometimes is unfair. But I am merely saying I have gone along, accepting the judgment of those who should be experts on the wage situation.

We now come to the present problem. An amendment has been offered by the Senator from Nevada [Mr. McCarran] primarily to reestablish the prevailing wage scale. That is what the Senator has in mind. What is close to his heart is the reinstatement of the provision which he caused to be inserted in the law in 1935, 1936, 1937, and 1938. The other things which are sought to be added are accepted I think perhaps in a friendly and conciliatory spirit, rather than with enthusiasm.

Mr. McCARRAN. Mr. President, I may say that they are incorporated in the amendment by reason of the study made pursuant to Executive orders made from 1935 on.

Mr. ADAMS. Mr. President, I move that subsection (a) of the amendment of the Senator from Nevada be stricken from his amendment.

The PRESIDING OFFICER. The Senator from Colorado offers an amendment, which the clerk will state.

The LEGISLATIVE CLERK. It is proposed to strike out subsection (a) of the amendment proposed by the Senator from Nevada, as follows:

(a) The Federal Works Administrator (hereinafter referred to as the "Administrator") shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less urbanized areas.

Mr. O'MAHONEY. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. O'MAHONEY. I desire to ask the Senator whether it is his desire by this amendment to eliminate that provision of the amendment offered by the Senator from Nevada which would prohibit the differentials in monthly security wages now made effective by the Works Progress Administration. Those differentials are such that there have been set up in the country three wage regions in which a different schedule of wages is paid to men on relief for the same work for the same time, a schedule under which discriminatory monthly wages are paid to workers within the same region for exactly the same work, the same type of work, and the same number of hours.

Mr. ADAMS. Mr. President, the amendment which I have offered will leave in the McCarran amendment the prevailing-wage provision as it existed in the law in 1936, 1937, and 1938, and which is the second subdivision of the amendment of the Senator from Nevada.

Mr. McCARRAN. Mr. President, I appreciate the spirit of the Senator from Colorado, but let me say to the Senator that, in my judgment, if his amendment to my amendment

should prevail, it would be a serious step backward, and one which would injure the cause we are trying to foster, because in the amendment as we have drafted it, and in the form in which we shall insist in trying to present it to the Senate, we have incorporated all the study which has been made and all of the differentials which have been worked out, and we have tried, by a perfecting amendment I have presented today in the way of a modification of my amendment, to meet as nearly as we could the differential of the lower zone with the differential of the higher zone. I really sincerely look upon the proposed amendment of the Senator from Colorado as a step backward, and I hope he will not persist in pressing it.

Mr. ADAMS. Mr. President, the first thing the Senator from Nevada and other Senators should keep in mind is that if the first section of his amendment should be adopted 250,000 people must go off the relief roll.

Mr. McCARRAN. Of course, I contradict that statement. If it were true, it would be disastrous, but it is not true at all.

Mr. ADAMS. I rely on a statement from Colonel Harrington, and I desire to read a letter from him on that point. He writes me as of today:

In accordance with your request, I am attaching a memorandum showing the effect of the amendment proposed by Senator Mc-Carran to section 15 (a) of the Emergency Relief Appropriation Act of 1939 upon the wage scale of the Work Projects Adminis-tration and upon the amount of employment that can be pro-vided with the appropriation.

I am not discussing the second section of Senator McCarran's proposed amendment which restores the prevailing hourly rate, as I am sure you are perfectly familiar with the pros and cons of that question.

This is his memorandum:

JULY 28, 1939.

MEMORANDUM

Subject: Effect of amendment proposed by Senator McCarran to section 15 (a) of the Emergency Relief Appropriation Act of 1939.

Senator McCarran proposes that section 15 (a) of the Emergency Relief Appropriation Act of 1939 be amended to read as follows. "Sec. 15. (a) The Federal Works Administrator (hereinafter re-

ferred to as the 'Administrator') shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payearning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor upon the basis of the degree of urbanization, or any other factor that will tend to discriminate against the less urbanized areas."

The effect of this amendment would be that all monthly secu-

The effect of this amendment would be that all monthly secu-rity wages would have to be maintained at not less than those which were being paid on June 30, 1939, and that no differentials in such wages for workers engaged in similar work in the same wage area would be permitted. In other words, the wages of all workers in each of the four wage classes, namely, unskilled, inter-mediate, skilled, and professional and technical, would be raised to the highest wage which was being paid to that class within the wage region on June 30.

The fixing of a schedule of monthly earnings on the basis of

The fixing of a schedule of monthly earnings on the basis of the proposed amendment would mean that no consideration would be given to actual differentials in living costs, living conditions and

be given to actual differentials in living costs, living conditions and customs, and wages paid in private industry.

For example, in Wage Region No. 1, which comprises 30 States in the East, North, and West, and where 66 percent of Work Projects Administration employment exists, all unskilled wages would be raised to \$60.50 per month, which was the unskilled wage being paid in New York City on the date mentioned.

A map is attached-

It is the same map to which the Senator from Nevada has referred in his discussion-

A map is attached which shows the three wage regions of the Work Projects Administration, and at the bottom of the map is a table giving the security wages fixed for these regions. In certain localities, such as New York City, for example, the rates shown in the table have been raised by as much as 10 percent to meet specific conditions. However, under the language of the

amendment these highest wages become the controlling wages for

the entire region.

The following table shows by regions the wages which would result under the operation of the amendment.

Schedule of monthly earnings

Wage region	Professional and technical work	Skilled work	Interme- diate work	Unskilled work
Region I	\$98.70	\$93. 50	\$71.50	\$60.50
Region II	86.90	79. 20	63.80	49.50
Region III	79.00	72. 00	57.00	40.00

A hasty estimate indicates that the effect of the amendment would be to raise the average national wage from \$52.50 per month would be to raise the average national wage from \$52.50 per month to approximately \$62 per month. This, of course, would reduce in inverse ratio the amount of employment that could be given with the appropriation. In other words, instead of being able to provide employment for an average of 2,050,000 persons in the fiscal year 1940, it would only be possible to provide an average employment of 1,770,000, a reduction of 280,000.

With the subsequent amendment which has since been offered, the number to be let off would have to be increased somewhat, because we are now raising the wage scale of

Mr. President, we are not dealing with an appropriation bill. We are dealing with a situation as to which the appropriation has been fixed. We are dealing with a definite sum. If Congress should increase the wages it would result in reducing the number among whom the money can be divided. If we want to go back and change the appropriation that is another story, but we are now dealing with a fixed sum, and if we increase the wages in one area the result will be the reduction in another area of the number of persons who can be employed.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. ADAMS. I yield.

Mr. LUNDEEN. So far as I am concerned I am willing to go back and increase the appropriations to meet the situation, and I want the RECORD to show that. We are still in session, and we have plenty of billions for wars across the great oceans. We can find the funds for all that, but we quibble about jobs for the unemployed. Why not appropriate the necessary amounts to do this job right? If we fail there will be labor trouble in America now and later. We can give a decent American standard of living to unemployed American citizens and thus save them from poverty, hunger, and destitution. Let the record show my position.

Mr. ADAMS. Mr. President, I may suggest to the Senator that perhaps we had better deal with this bill. In other words, here is a bill dealing with a lending program. It is not primarily a relief bill. I shall be very glad to see cured in this measure the unfortunate situation which has developed unexpectedly, but we cannot increase the appropriation in this measure, and I think before we start out and put into effect by this measure a provision which will put 280,000 or 300,000 people on the street, we had better give some thought to it.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. ADAMS. I yield.

Mr. McCARRAN. The Senator is an outstanding and most efficient member of the Appropriations Committee. I have the honor to serve with him on that committee. And he can undoubtedly tell us what was the total relief appropriation for 1938, in the original bill, plus that in the deficiency bill. Can the Senator give us in round figures what it was?

Mr. ADAMS. Roughly, \$2,200,000,000. Of course, the Senator understands I am not underwriting those figures.

Mr. McCARRAN. I understand that. Approximately \$2,000,000,000. We have appropriated \$1,700,000,000 for 1939. I do not think the Senator, from his experience-and we have served together in the Appropriations Committee-has any idea that \$1,700,000,000 will be sufficient to take care of relief during 1939.

Mr. ADAMS. I will say to the Senator that when it comes to the number of unemployed, as to their locality and their wages, I have no source of information other than the Works Progress Administration. I sometimes differ with them as to financial matters which are available in public records; I sometimes differ with them as to their conclusions, but the figures which were put into the relief bill which was passed very recently, are in accord with the recommendations of the President and of the relief Administrator, and furnished what they said would meet the needs. I do not underwrite their figures. As a member of the Appropriations Committee, like the Senator from Nevada, I have had to accept their figures, and have done so.

Mr. McCARRAN. The Senator recalls that we were called upon to appropriate money in a deficiency measure so as to take care of those who might be let off the rolls. That is correct, is it not? In other words, we were asked for \$100,-000,000, and we gave \$50,000,000. Am I correct?

Mr. ADAMS. Yes. The whole story is this: In 1938 at

Mr. ADAMS. Yes. The whole story is this: In 1938 at the time we were making the original appropriation, conditions had been getting bad in the country. Mr. Hopkins said to us, "I think it would be better to make the appropriations for 7 months rather than for the full year, and then we can adjust it." Then, upon further consideration we thought that the 7 months would expire about the 1st of February, and that we had better make provision until the 1st of March, by which time Congress would have been in session for 2 months, so we increased the appropriation sufficiently to cover that additional month.

Then a recommendation came in for an amount for the remainder of the year, and Congress did not see fit to accept the recommendation. Then a further request was made. The amount that Congress gave was \$50,000,000 less than was requested. My own judgment is that the Congress was sustained in its action by the facts.

Mr. McCARRAN. Does the Senator recall the average security wage for skilled labor, as we considered it at the time we were making the additional appropriation—the average security wage, which means the monthly earnings for skilled labor?

Mr. ADAMS. No. I will say to the Senator that the figure that is in my mind as the average security wage in the United States is \$52.50. That was the item that we were figuring on, and the incidental cost—materials and overhead—brought it to \$61 per person. That was the figure we used in making our computations.

Mr. McCARRAN. I am probably in error, because the Senator had more to do with it than I had, since he was chairman of the subcommittee, but I thought it was in the neighborhood of \$65 a month.

Mr. ADAMS. Sixty-one dollars a month.

Mr. McCARRAN. Sixty-one dollars a month. I accept the Senator's figures. With that in mind, with the present existing appropriation, there is no necessity, as I see it, for letting off any number of those who are in need, and of failing to maintain the present existing security wage in the respective three zones, notwithstanding the statement by Colonel Harrington, whose splendid ability and efficiency I recognize.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. ADAMS. I yield.

Mr. TYDINGS. In order to bring before the Senate the information which came before the subcommittee of the Committee on Appropriations over which the Senator from Colorado presided when this matter was being heard, let me ask if it is not a fact that there are people certified as entitled to employment on the W. P. A. rolls who cannot be provided for by the appropriation that has already been made?

Mr. ADAMS. Mr. President, I do not pretend to know. As I just stated to the Senator from Nevada, the relief administrator will come to us and say, "We need a certain sum of money for the next year." The President sends a message in which he says, "We need a certain sum of money,"

And the Congress has granted that sum of money and some additional money. In other words, the Congress for the current fiscal year has accepted the figures of the President and Colonel Harrington.

Mr. TYDINGS. That is true, but the point I wish to make is that Colonel Harrington and others—I think it was Colonel Harrington-stated to the committee that there were people certified who would not be provided for under this appropriation, because, of course, to take care of all the millions out of employment would require a larger sum of money than this. I was only pointing out the fact to show that if fewer people divide the available money the greater will be the number of people who are certified for relief who will get no relief at all. I was simply drawing the comparison which the Senator was making, in a different way, that people certified for the relief rolls will get no money today as it stands, and the fewer people who get the money we have appropriated, there will be that many more, in addition, who will get no relief at all. I think that statement was brought out by Colonel Harrington.

Mr. ADAMS. I am glad to have the Senator's statement. Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. ADAMS. I could not refuse.

Mr. O'MAHONEY. The Senator is always most gracious. It seems to me that much of the discussion is irrelevant to the issues which are really involved.

Mr. ADAMS. Well, does the Senator think there is anything unusual about that? [Laughter.]

Mr. O'MAHONEY. Perhaps not. But the purpose of that part of the amendment offered by the Senator from Nevada which would be stricken out by the perfecting amendment, or modifying amendment, I should say—

Mr. ADAMS. I think the Senator's first term was correct.
Mr. O'MAHONEY. "Modifying" is a better word—offered
by the Senator from Colorado, was to eliminate certain discriminations in the present monthly wage scale—

Mr. ADAMS. Let me ask the Senator a question.

Mr. O'MAHONEY. I was merely making a preliminary statement.

Mr. ADAMS. Yes, but let me ask him as to his preliminary statement. Does the Senator know of any sound reason why everyone in the United States, regardless of living conditions and living costs, should be put upon an exact equality as to the relief they are getting?

Mr. O'MAHONEY. Certainly not. But in region No. 1, with respect to unskilled work we have the curious condition that in some cases those workers are permitted to earn \$55 a month; in other cases in the same region \$52 per month; in other cases \$48 per month; in other cases \$44, and in other cases \$40. Those are discriminations within the same wage region in the amount of monthly wages paid to persons who are doing exactly the same kind of work, and who work exactly the same number of hours. The same discriminations exist in region No. 2 and in region No. 3, which includes the State of Georgia.

Mr. RUSSELL. If the Senator will permit me, I should like to point out to him that the discrimination he has shown by the chart does not really portray the extent of the discrimination, because in the city of New York wages have been arbitrarily increased by 10 percent. Therefore, in region No. 1, instead of the maximum figure being \$55, as related by the Senator from Wyoming [Mr. O'Mahoney], it should be \$60.59. Common labor in New York City receives \$60.59.

Mr. ADAMS. The paragraph in the amendment which I am seeking to strike out provides for a certain schedule of earnings, which shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area. The wage area runs from Maine to California. In other words, this amendment exacts the same wage, and it practically means that the New York scale, of which the Senator from Georgia speaks, which is high, would be the scale which would have to be applied throughout the vast area running from Maine to Washington to California. That is what I think should be corrected, and what Colonel Harrington says will involve throwing off the

relief rolls from 280,000 to 300,000 persons, because the money at hand will not pay the New York scale of wages

throughout the country.

Mr. O'MAHONEY. My interest is only in developing some language which will reach the difficulty which is sought to be corrected. If the Senator will glance at the amendment offered by the Senator from Nevada and will read that amendment, eliminating the words on page 2, in lines 5, 6, and 7, between the word "differentials" in line 5 and the word "between" in line 7, the provision would then read:

After August 31, 1939, the monthly earning schedule fixed by the Administrator shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less-urbanized areas.

Would not that language meet the criticism of Colonel Harrington?

Mr. ADAMS. Mr. President, the two provisions, even as improved by the Senator from Wyoming, leave subsection (b), establishing the prevailing wage scale, in conflict with them. We had testimony before the Banking and Currency Committee to the effect that there is a certain scale of wages in the building trades in Chicago, accomplished as a result of the activity of labor in the protection of their interest. If we go 50 miles outside, we find a scale for the same work which is a half or a third of that in Chicago. The prevailing wage in the rural area of Illinois 50 miles from Chicago may be \$4 a day for certain work, while in Chicago it may be \$12 or \$14 a day. What the Senator suggests would equalize those wages, and there is only one equalization possible; that is, to raise the rural rate up to the city rate.

Mr. O'MAHONEY. I think the Senator is mistaken. There is a distinction between the prevailing rate of wages and the monthly schedule. The prevailing rate of wages refers solely to an hourly scale, and the monthly schedule refers to the monthly pay check. The whole theory of the administration of W. P. A. down to this hour has been that where the prevailing rate of wage was paid the worker would be permitted to work only so many hours at the prevailing rate of wages, which would produce the monthly schedule fixed arbitrarily by the W. P. A. Administrator. So there is really no conflict between the two. If this amendment were modified as I have just outlined, it would merely mean that the arbitrary differential in the monthly schedule based upon the number of people in a particular county would no longer be the factor which would guide the W. P. A. in making the monthly rate. It would not affect the prevailing wage at all.

Mr. ADAMS. Mr. President, I am quite conscious of the fact that there are unfair differentials which amount to discriminations. They can be readily picked out. On the other hand. I am apprehensive that in attempting, by an amendment to a lending-and-spending bill, to meet the situation in two or three lines we may produce a condition much worse than that which we are seeking to cure. In supporting the amendment, if it is amended, I am interested in meeting the acute situation which threatens us today, and will threaten us on the 1st of September. I think if we go afield in attempting to adjust the difference in wages between a certain community in Montana and a certain community in Wyoming we shall lose our way. I think if we will establish the prevailing-wage law as it was, under which we have operated for 3 years, we shall have done quite a job under a lending bill, without hearings and simply depending upon those things which we have previously heard.

I am submitting largely the views of the relief administration which has these matters to handle. I do not pretend to know the facts. I have read the letter of Colonel Harrington, who is much concerned about the matter. If the part which I have asked to have stricken out is not stricken out, we shall find 300,000 persons thrown off the relief rolls, the very last thing any Senator wants to see happen.

Mr. McCARRAN. May I say to the Senator while he is on his feet, if I may have his attention—

Mr. ADAMS. Certainly. The Senator can always have my attention, as he knows.

Mr. McCARRAN. I am very grateful for the Senator's courtesy.

The point to which I wish to invite the attention of the Senator is that, so far as taking persons off the relief roll is concerned, I have no apprehension; but I have grave apprehension when we start to tear down the wage structure of the country. There is no necessity for taking 280,000, or any number of persons, off the relief rolls.

Mr. ADAMS. If we should put the prevailing wage back, it would protect the wage structure, would it not? If we put back the original McCarran amendment, it would protect

the wage structure.

Mr. McCarran. I think that is true; but together with the restoration and maintenance of the prevailing wage I should like to have the benefit of such a study as has been made and carried out by the administration under Executive order. It may make a difference, in that we may have to come back and appropriate more money. I am not worried about that at all. We did it before, and we can do it again. I would rather appropriate more money than to destroy the self-respect of the workers of America, who for half a century have builded and constructed a wage structure in keeping with American standards of living.

Mr. ADAMS. Mr. President, I know nothing as to the details. I have assumed that the great relief organization, especially during the years when Mr. Hopkins operated it and worked out the table for the three wage areas, did not do so arbitrarily and without study. I assume that the table represents a definite effort to meet certain conditions.

There are differences in living standards; there are differences in living costs; there are differences in necessities. In my judgment what the Government should do is to measure the relief needs. I have always felt that the one standard the Government should apply to each citizen is, "If you are in distress your need is what we will consider." Two men may be neighbors. The needs of one may be slight, and the needs of the other may be great. The obligation of our Government as to those two men as individuals is to meet their respective individual needs.

From the map and tabulations submitted, the Works Progress Administration evidently felt that living costs and living conditions in certain neighborhoods require relief, on the average, greater per month than in some other areas.

Mr. RUSSELL. Mr. President, will the Senator yield? Mr. ADAMS. In a moment. The Senator from Nevada has added as an additional sentence to his amendment the provision that all the monthly wage provisions applicable to region 3, which is designated as the deep South, shall be raised to conform to the monthly security wage rates in region 2. In other words, if there is anything that is arbitrary, it would seem to be arbitrary to lift the average monthly wage in a whole area.

I am not defending the figures. I merely say that the agency which we equipped and financed to obtain the information brought us certain figures. I for one have been inclined to act upon the judgment of that agency.

I now yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, the Senator from Colorado is usually so logical that I must confess that I have been somewhat shocked to hear his argument this afternoon, in which he meets himself coming back. He has argued with great force and vehemence that the Works Progress Administration, in its omnipotent wisdom—

Mr. ADAMS. Now, now! I am willing to go quite a distance, but I will have to stop a little short of that.

Mr. RUSSELL. I shall modify the statement. The Senator from Colorado has argued that the Works Progress Administration, in its wisdom after an examination and after going into the facts, has fixed a wage scale in the deep South that is less than one-half of that in 30 States of the Union, in many cases for doing work of the same type; yet he says he believes that the present law should be changed because it depends upon a difference in living costs.

If the Senator from Colorado is correct, and the Works Progress Administration, in fixing these almost criminally low wages in the South, relied upon any difference in cost of living, language in the present law cannot possibly bring about the reduction of one dime in the monthly security wage that is paid in the area of the State of the Senator from Colorado, enjoying the highest monthly wages in the entire United States.

Mr. MINTON. Mr. President, if this amendment were presented under different circumstances, I should be very happy to vote for it. I believe in the principle incorporated in the amendment. I do not believe, however, that this is the place for the amendment, because of the peculiar situation which exists at the other end of the Capitol. Because of the peculiar situation over there I think this amendment, if attached to the bill, would defeat the bill, and we should have no bill at all.

Because I am anxious to see the bill passed and become a law, I shall be compelled to vote against a principle in which I believe, and vote against the amendment of the Senator from Nevada.

Mr. BYRNES. Mr. President, the question of wages is the most difficult problem with which the Works Progress Administration has had to consider.

In the beginning, the Congress adopted the proposal presented by the President, that of a security wage. Later, when the McCarran amendment was offered in the Senate, we all remember the controversy which resulted in a compromise amendment fixing less than the prevailing wage. Thereafter, in several of the States, the prevailing wage was established by the Executive; and, as a result, the following year the Congress established the prevailing wage.

As a result of the establishment of the prevailing hourly wage for W. P. A. workers, the W. P. A. had to adopt 4,000 different schedules. By the language of the act the Administrator had to determine the prevailing hourly wage of the professional and technical worker, the skilled worker, the intermediate and unskilled worker. We know that there was no reasonable way in which the Administrator could determine the hourly wage of the artist, the teacher, the doctor, and so forth, because they have never worked on an hourly scale of wages; so, as a result, 4,000 different scales of wages were established throughout the United States.

The result has been this: In the city of Washington a bricklayer is paid an hourly wage of \$1.75. The security wage for a bricklayer in the city of Washington is \$72.50 per month. Therefore, when a bricklayer in this city works 41 hours he has earned the security wage, and cannot be permitted to work any longer for the W. P. A. during that month. When he works 41 hours—that is, five 8-hour days—the rest of the month he cannot work for the W. P. A.

The normal bricklayer, under the circumstances, looks for another job. When he finds another job, he takes it at less than the prevailing wage; and the upstanding citizen who has not gone upon the relief roll has thereby lost a job, because the W. P. A. worker, having earned his security wage of \$72.50, could go out and take that employment.

The Committee on Unemployment and Relief caused an investigation to be made, trying to get to the bottom of this trouble, in the hope that we might make some recommendation which would solve the difficulty. I had almost 8,000 men interviewed by representatives of the Unemployment Committee. They were sent to five large cities of the country-Omaha, Chicago, Philadelphia, New York, and Boston, Of the 7,982 men interviewed, 5,049, or 63 percent, when asked the question, stated that they had employment other than W. P. A. employment. Of the total number interviewed. 81 percent had been on the pay rolls continuously from January 1, 1937. Of 5,049 workers who admitted receiving outside earnings, 4,312, or 85 percent, had such employment during the same months for which they had already received pay from W. P. A. A little less than one-fourth-24 percent-were found to be working outside at the same occupations and at lower hourly rates of pay than they were paid by the W. P. A. Of the 4,312 who admitted outside earnings during the month, 2,389 gave the names of their employers: the others declined; and in the great majority of cases the

outside earnings were discovered to be in excess of those stated.

The Administrator of W. P. A. has been making an honest effort to remedy this situation. Of all the tasks in the Government of the United States, in my opinion, the most difficult, the most thankless task, is that of administering W. P. A. From the beginning I have held the theory that gentlemen are wrong when they say there is no difference between establishing the prevailing wage for men engaged in private employment and establishing it for men engaged in W. P. A. employment. There is this difference:

When a man is engaged in building a post-office building. as has been suggested this afternoon, he is in the employ of a contractor. Whenever employed by a contractor, he is working for a man who is seeking profit; and whenever that man is seeking profit out of the labor of the employee, we rightfully say that he must be caused to pay the prevailing wage. I have voted for the prevailing wage in the Walsh-Healey bill, in the Bacon-Davis bill, in the P. W. A. measures, and on every occasion when the question has arisen with outside employment; but when my good friend from Nevada [Mr. McCarran] was discussing the matter with the Senator from Florida [Mr. Pepper], and they were saying that they saw no difference, I wondered why they could not realize that when a contractor hires a man, he hires the man because he is qualified as a skilled worker, because he is the best man the contractor can get. Unless the contractor believes that the man he employs is the best carpenter or best bricklayer he can get, the contractor will not employ him. When the Navy Yard employs a man, he is employed as the result of an examination. Notice of the examination is posted in every post office in the country, and a man receives the job only if, by reason of his examination, he demonstrates his qualifications as a skilled

The W. P. A. employment is on an entirely different basis. We give a man a job there, not as the result of an examination to determine his qualifications for the job, but solely because he has proved, not his qualifications, but that he is in need. His necessity alone is the qualification for the job which is given him by the taxpayers.

The carpenter who has never gone upon W. P. A., when he fills the gasoline tank of his little Ford automobile to go to work, pays a tax of 1 cent on every gallon of gasoline, which comes to the Federal Government to aid his neighbor who is out of a job.

We must believe that as a rule—there are exceptions—the skilled worker has lost his job because he was the least competent of the workers upon the job. Therefore, he is forced to go and ask for certification on the ground of his need. So there is an entirely different basis for the employment of W. P. A. workers.

We said that we did not believe in the dole. I am one of those opposed to it. Notwithstanding the fact that we know we could follow the example of Great Britain, and could supply food, flour, and bacon, and so on, to the man who is on relief at far less cost by means of the dole, we determined that employment by the Government would maintain his morale, enable him to hold up his head and say he was not the object of charity, but that he was rendering a service for what was given to him by his neighbors through the instrumentality of the Government of the United States; so we have given him employment. When we have given him employment, it has been upon work which in many cases was not essential. It is not like the post-office building. He has been given work upon projects which have been suggested only after careful consideration by local officials as furnishing the man an opportunity to work instead of to get something for nothing from his

We find ourselves today confronted with great dissatisfaction because the Congress put into the last relief act a provision requiring a man to work 130 hours per month, which, as my neighbor says, means 30 hours per week. If we look at the law we find that that is the cause of the trouble; for the

security wage, which is an entirely different thing from the prevailing wage, was not changed. The security wage is fixed; but the bricklayer in the city of Washington who heretofore has worked 41 hours to get \$72.50 is now called upon to work 130 hours for the same \$72.50.

What is the result? If the Administrator had a project here in the city of Washington for the construction of a building, he would employ bricklayers from the relief rolls. When the bricklayer worked 41 hours he quit, after 5 days. The job had to go on, so another bricklayer was brought in from the relief rolls, and he could work for only 5 days, and then he had to go. Then another one came in. The unskilled worker, however, the man at the bottom of the ladder, the man about whom we cry here, had to work right on through to 129 or 120 hours per month, while the bricklayer would come in from the same relief roll, work 5 days, get \$72.50, and say to his assistant, "Good-bye; I am going fishing for the rest of the month." The unskilled worker stayed on, and saw three men come in and walk out and get more money than he got, thus causing great dissatisfaction.

Mr. HATCH. Mr. President-

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from South Carolina yield to the Senator from New Mexico?

Mr. BYRNES. I yield. Mr. HATCH. I have not been on the floor during all of the address of the Senator from South Carolina, but when he made the remark about the skilled worker going fishing, I wondered whether he had explained to the Senate the facts we learned in the investigation about just what the skilled laborer did instead of going fishing.

Mr. BYRNES. Mr. President, there is not the slightest doubt in the world that from the standpoint of the organized worker, of the skilled worker, who is not on the relief roll, the law as it stands today is the first effort made for his protection. He cannot possibly compete with a man on the relief roll. I have talked with men connected with the labor organizations. They have my sympathy today. They are in what we call a "hot spot" in ordinary conversation. But that man knows that he is being hurt every day by the man upon W. P. A. who gets a job as a skilled worker, because for the rest of the month he is taking work from him every day. He will go out to Chevy Chase, or to Cleveland Park, or to some of the other suburbs, and build a garage for a man at a lower hourly rate than he got from W. P. A., and he takes a job away from some other man every time he does such a thing.

How long does the unskilled worker labor? A statement has been furnished me by the officials of the W. P. A. In New York City the unskilled laborer, the common laborer, works 123 hours now. He has to work 123 hours in order to get his \$60.27. The bricklayer works 46 hours; the carpenter works 53 hours.

Mr. RUSSELL. What is the monthly wage?

Mr. BYRNES. Approximately \$86.48 a month for the bricklayer. The carpenter gets \$92.75 for 53 hours. The painter gets \$91.50 for 61 hours. When the carpenter quits at the end of 53 hours his assistant, who has been helping him, has to stay on and work 123 hours for the lowest wage that is paid under the existing scale.

Let us see about the unskilled laborer in Chicago, because if we are interested in anyone, for once let us give some thought to the common laborer, the man who needs help. How many are there? Of 2,500,000 on W. P. A. projects in June, there were only 221,000 skilled workers. Seventy-five percent of the workers on W. P. A. are unskilled, 15 percent intermediate, 10 percent professional and technical. Most of the time spent in the Congress of the United States in considering W. P. A. has been taken up in discussing the problems of the 10 percent professional and technical, and the 15 percent intermediate. Let me take a few moments in talking about the 75 percent of the two and a half million, who are entitled to some consideration at the hands of Congress.

They are not complaining today. Let us take the cities of this country. The unskilled laborers work 123 hours in New York City today. The new law would make them work only 7 hours more. In Chicago they work 110 hours. Louisville, Ky., they work 129 hours. In Oklahoma City they work 112 hours. In New Orleans they work 114 hours. In Atlanta, Ga., they work 134 hours, more than the new provision calls for. In Los Angeles they work 110 hours, in Seattle, Wash., 90 hours. Those are the figures for the unskilled workers. The complaint has not come from them. The complaint comes from the 10 percent technical and professional, whose wages have been fixed by the hour for the first time in their business experience, and from the 15 percent intermediate, 220,000 of the skilled workers.

I know this is a difficult problem. I discussed this matter, as I have stated, with gentlemen who are at the top of organized skilled workers. I asked them if they could not find it possible to agree with the proposal made by the unemployment committee, which proposal was that the wages should be based upon an annual rate. I asked them to submit to me some proposal which they thought would take care of their situation, and I assured them in advance that if it were in any way reasonable they would find a sympathetic listener in me.

They could not do it, and I well understood, because they are not in a position, with the situation which exists in the organized labor field today, with two groups, to make any suggestion about any change in the law which might hurt one or the other. I found that that could not be done.

We know we cannot continue under the system I have described without causing the greatest dissatisfaction to the vast army of unskilled workers.

I ask to have inserted in the RECORD the statement to which I have referred of the rates of pay for the various classes in the five or six cities, which table I have gotten from the W. P. A.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the Record, as follows:

Hourly rates of pay, hours of work, and monthly earnings for selected occupations in 8 cities, February 1939:

City and occupation	Hourly rate	Hours of work	Monthly earnings
New York City:			THE PARTY
Common laborer	\$0.49	123	\$60, 27
Bricklayer	1.88	46	86. 48
Carpenter	1.75	53	92. 75
Painter	1, 50	61	91.50
Chicago, Ill.:		2760	
Common labor	. 50	110	55.00
Bricklayer	1.70	50	85. 00
Carpenter	1.62	53	86, 12
Painter	1.66	50	85, 00
Louisville, Ky.:			
Common laborer	.35	129	45, 15
Bricklayer	1.05	71	74, 55
Carpenter	. 95	78	74. 10
Painter	.80	93	74, 40
Oklahoma City, Okla.:	.00	00	12.20
Common laborer	.41	112	45, 92
Bricklayer	1, 50	48	72.00
Carpenter	1. 25	58	72. 50
Painter	1.00	72	72. 00
New Orleans, La.:	1.00	12	12.00
Common laborer	. 35	114	39.90
Bricklayer	1. 25	59	73. 75
Carpenter	1.00	74	74. 00
Painter	.75	99	74. 00
Atlanta, Ga.:	. 10	99	74. 20
Common laborer	.30	134	40, 20
	1, 25	57	71.87
Bricklayer	.90	80	72.00
Carpenter	.85	85	72.00
Painter	. 80	85	72. 25
Los Angeles, Calif.:	***	***	
Common laborer	. 50	110	55.00
Bricklayer	1. 25	68	85, 00
Carpenter	1. 10	77	84, 70
Painter	1. 10	77	84. 70
Seattle, Wash.:			1144401704
Common laborer	. 58	96	55. 68
Bricklayer	1.50	57	85, 50
Carpenter	1, 24	69	85, 56
Painter	1. 24	69	85, 56

¹ All fractions dropped.

Mr. BYRNES. Mr. President, under the new proposal, the building projects upon which skilled workers can be employed will be greatly reduced by reason of the provision that the contribution by the Federal Government cannot exceed \$52,000. Heretofore a large number have been employed because W. P. A. has engaged in constructing large buildings. In one case I remember they built a hotel in the State of Oregon, costing a million dollars, and then there was a great enterprise in the city of New York, costing twelve to fifteen million dollars, I belive, and others throughout the country have furnished employment to a large number of men. But under the new proposal the administration would not be permitted to engage in such projects. Therefore the number of men who are going to be hurt in any way by this new proposal is exceedingly limited.

The number of nonrelief skilled workers who are employed today is 10,182. In other words, in addition to the skilled workers taken from relief rolls, 10,182 men have been employed who were not on relief, key men in some of the industries. After all, it is not a serious matter.

We have read of much trouble out in the city of Minneapolis, Minn. I took the trouble to inquire as to the scale of wages there. The unskilled workers labor 100 hours in the sewing rooms. Under the new proposal the increased time they would have to work would amount to 30 hours. But the security wage is higher there than in most places. It is \$55 a month. They would have to work 30 hours more.

The Senate has been working for the last 3 days from 11 in the morning to 11 at night, and I submit that when it comes to asking the skilled workers, the 220,000, to work for a longer period than the 40 hours they have been working it is not an undue hardship. They could go to work at 7 o'clock in the morning and work until 12, which would make 5 hours; and if they work 6 days, just spending the morning, it would make 30 hours, and that would make up the 130 hours for the month.

While we can be sympathetic about things as men want to be, when we ask a man to work from 7 to 12, 6 days in the week, or ask him to work 4 days in the week, it is not imposing an undue hardship on him. We have been accustomed to working for that length of time, and even for a longer time.

There is this serious complaint: The skilled worker says it does amount to an injury to the man who is not upon relief but who is out in industry. That has caused me to give serious consideration to their complaint. There is a fear on their part that if there is any reduction in the wage of W. P. A. it will affect the wage of the man in private employment.

I certainly would not want to bring about that result. I would be opposed to the new provision if I thought it would have such a result. But I contend that inasmuch as there is the difference that the contractor, or the Government, employs a man only if he can prove his qualifications, it is on an entirely different basis from the W. P. A., which must take a man who is certified regardless of whether he is the best man but because of his need. I do not believe that causing 220,000 skilled workers throughout the Nation to work for 130 hours on W. P. A. will result in a reduction of the wages paid to men in private employment.

I believe that if anyone can be fair about this question, I think I can be. The bill was passed, and in the conference, because the Senate had adopted the prevailing-wage provision, notwithstanding the views I might hold upon it as to W. P. A., I stood with the Senate conferees, because I believe that when the Senate has taken a position, Senate conferees should stand out as long as there is any chance of securing an agreement. At 11:30 o'clock at night this was one of the four or five questions which had been debated for hours and upon which no agreement could be reached, because the Members of the House were strong in their views, and insisted upon them. Confronted with that, the Senate conferees receded on this matter, and, as the Senator from Colorado has stated, there were only four amendments out of the entire list upon which the Senate conferees entirely receded.

The Works Progress Administrator has not had a chance even to put into effect this new law. He is having difficulties because of the many changes in the law, and I submit to the Senate that the Congress should give to the Administrator a fair opportunity to put it into effect, and let us observe what will be the result.

So far as I am concerned, because of the changes in the law, after the adjournment of this session of the Congress I intend to ask the members of the Unemployment Committee to agree to return to Washington at some time in the early fall for the purpose of continuing the study of this question. I do not know what the effect of these other provisions will The Senator from New Mexico and the Senator from Montana and the others on the committee who have been making an earnest effort to find a solution to this very difficult question will have an opportunity to observe the effect of this and the other changes, and I believe that in January we should report to the Congress what effect they have had upon the W. P. A. workers throughout the Nation, and recommend the changes which the committee believes ought to

There is one other thing which would affect this question, and it would affect it adversely. It has given me some trouble because of the statement in the papers quoting the Administrator as saying that, by reason of the language inserted by the House the increase should not be substantially above the national average, he would possibly have to reduce the compensation paid in some of the States.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BYRNES. I yield.

Mr. McCARRAN. Let us be fair with each other. The Administrator did not use the word "possible." He said he would have to reduce so as to make an average. Is that correct?

Mr. BYRNES. If the word was not "possible"-then, whatever the word was.

Mr. McCARRAN. It was not even an equivalent word. The Senator used the word "possible."

Mr. BYRNES. I did, because that was my recollection. But I would not quarrel about the word. Whatever the word was, he said he would have to reduce the amount paid in some States. In the conference no one representing the House ever urged that that should be done, and therefore no one in the conference could speak for the conferees. But, as I said upon the floor a few days ago in response to a question by the Senator from Connecticut, certainly it was not my view that it should be done, and I do not think it ought to be done, and, believing that, I wrote to the Administrator a letter. Calling his attention to the provision in the joint resolution, I said:

JULY 26, 1939.

Col. F. C. HARRINGTON, Administrator, Work Projects Administration,

Washington, D. C.

Dear Colonel: The joint resolution making appropriations for work relief for the fiscal year provides, in section 15, that:

"The Commissioner shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1 which shall not substantially affect the current national average labor cost per person of the Work Projects Administration. After August 31, 1939, such monthly earning schedule shall not be varied for workers of the same type in different geographical areas to any greater extent than may be justified by difference in the cost of living. * * ""

It has been stated on the floor of the Senate that in considering this language you feared that in administering the second sen-

this language you feared that in administering the second sentence refering to the difference in the security wage, being based solely upon the difference in the cost of living, that you might find it necessary to increase the wage paid in certain sections to such an extent that you would substantially increase the current national average labor cost per person and thereby violate this section, unless you reduced the security wage in some States.

No one individual is authorized to speak for the conferees upon a legislative measure, but as one of the conferees, I desire to say that it was my thought that the language gave you sufficient discretion to enable you to administer the law without reducing the security wage in any one of the several areas. I realize that you have not had an opportunity to make such a survey as would enable you to determine the difference in the cost of living in the different geographical areas which would be necessary before you could announce any change in the security wage. But I want you to know, while you are considering the question, that in you to know, while you are considering the question, that in

the conference nothing was said to indicate it was the intention of the representatives of either House that the cost-of-living factor would mean a reduction in the security wage in any State. Sincerely yours,

JAMES F. BYRNES.

The Administrator has written me a letter which I wish

FEDERAL WORKS AGENCY, Work Projects Administration, Washington, D. C., July 26, 1939.

The Honorable James F. Byrnes

Dear Senator Byrnes: The receipt is acknowledged of your letter of today relative to the application of section 15 of the Emergency Relief Appropriation Act of 1939 upon the wage scale of the Work Projects Administration.

I have felt that the language of this section involved the granting of considerable discretion by the Congress to the Commissioner of the Work Projects Administration in fixing monthly sioner of the Work Projects Administration in fixing monthly wages, particularly as the determination of the wage scale involved the definition and interpretation of the phrase "differences in the cost of living." There were actually in effect on the date of the enactment of this legislation unskilled monthly wage rates which ranged from a maximum of \$60.50 in New York City to a minimum of \$26 in rural areas in the South. Since no interpretation of the phrase "differences in the cost of living" could cover so wide a variation, it is obvious that the lower wages must be raised.

raised.

However, the bulk of the employment of the Work Projects Administration is in the area in which the highest wages are paid. For example, 66 percent of all employment is in present wage region No. 1. The result of this is that the raising of security wages where they are lowest does not affect the national average in the degree that might be expected.

This whole question of wage scales is still under study by the Work Projects Administration. My present thinking is along the line of establishing three wage classes, i. e., skilled and professional, intermediate, and unskilled. This would involve consolidation of the former professional and technical rating with the

sional, intermediate, and unskilled. This would involve consolidation of the former professional and technical rating with the skilled rating, which I believe to be advisable.

In working out the new wage scales, it is my intention to make a realistic interpretation of the words "differences in the cost of living," and a reasonably liberal application of the provision that the national average labor cost as of the date of the enactment of the legislation shall not be substantially affected. This is obviously for the purpose of minimizing reductions in the present high-wage areas. Such action on my part would appear to be justified by what you indicate to have been the intention of the justified by what you indicate to have been the intention of the conferees on this legislation.

Sincerely yours.

Mr. McCARRAN. Mr. President, will the Senator yield to the extent of reading again the next to the last paragraph on the second page of the letter?

Mr. BYRNES. The Senator from Nevada wants me to read the next to the last paragraph of the letter. I show the letter to him.

Mr. McCARRAN. I want the Senator to discuss that. Mr. BYRNES. Yes; I want to do that.

Mr. McCARRAN. May I read the last paragraph so the Senator may discuss it?

Mr. BYRNES. Yes. I have read it, but the Senator may read it again.

Mr. McCARRAN. It is:

This is obviously for the purpose of minimizing reductions in the present high-wage areas

Will the Senator kindly discuss that?

Mr. BYRNES. Yes; that is what I am now going to

Mr. President, it is evident that, notwithstanding the statement contained in my letter, which I think is a correct statement of the attitude of the Senate conferees, and the fact that it was not argued nor contended by anyone that it would result or should result in a reduction of the wage scales, the Administrator still makes in his letter the statement that, while he is going to construe the provision liberally, it would be for the purpose of minimizing reductions, and that still means making reductions. So far as I am concerned, since it was never intended that there should be a reduction, whenever the deficiency bill comes to the Senate I intend to offer an amendment changing this substantial national average, so as to make certain that there shall be no reduction in the security wage in any area.

Mr. McCARRAN. Mr. President, will the Senator yield again?

Mr. BYRNES. I yield.

Mr. McCARRAN. That could not come before the Senate unless it should be on the third deficiency bill, which the Senator may have in mind.

Mr. BYRNES. I first thought of putting it on the deficiency bill.

Mr. McCARRAN. It would be subject to a rule.

Mr. BYRNES. No; not to a rule; but subject to a point of

Mr. McCARRAN. Yes; certainly. In other words, it would take a two-thirds vote to set aside the rule prohibiting legislation from being attached to an appropriation measure.

Mr. BYRNES. That is correct.

Mr. McCARRAN. Would the Senator permit me to interrupt him to say that that propaganda has gone throughout the length and breadth of the Senate during the last 24 hours, and the able Senator from Indiana [Mr. MINTON] just a moment ago stated that this was not the bill to which the amendment should be attached. In other words, it has been peddled out here that we should forget this bill, we should not consider attaching the amendment to this bill, because it belongs on the deficiency bill—the third deficiency bill, if such a bill comes to the Senate—and the able Senator from South Carolina knows that it would require a two-thirds vote of the Senate to attach it to a deficiency bill.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRNES. I yield. Mr. PEPPER. I should like to ask if it is not possible to attain everything the Senator from Nevada seeks to attain, that is to say, to prevent the reduction of the security wage anywhere in the United States, by merely striking out the average provision in section 15 of the existing law, and providing that the security wage shall not be reduced in any section of the country.

Mr. BYRNES. There is not any question that if such an amendment were attached to any bill at all it would accom-

plish what the Senator from Florida has in mind.

Every Member of the Senate knows that if an amendment to the deficiency bill is offered it would be subject to a point of order. There can be no question in the mind of anyone as to that. But who would make the point of order, Mr. President. With the statement of the conferees on the part of the Senate and the attitude of the Senate, who would make the point of order?

Mr. BARKLEY and Mr. McCARRAN rose.

The PRESIDING OFFICER. Does the Senator from South Carolina yield, and if so, to whom?

Mr. BARKLEY. Mr. President-

Mr. BYRNES. I yield to the Senator from Kentucky.

Mr. BARKLEY. May I not also ask the Senator whether, in his judgment, in view of the almost uniform action taken heretofore by the Senate on this proposition, and the almost unanimous adoption of the suggestion in the relief bill itself by the Senate, if any Senator made the point of order, if the same sentiment prevailed, would not two-thirds of the Senate vote to suspend the rule in order that the amendment might be considered?

Mr. BYRNES. I assume so, because in my humble opinion, knowing the attitude of the Senate, there will be no one to make the point of order on a proposal of that kind. But if anyone should make it-I may not be a prophet but I am willing to stake my judgment on the statement that not two-thirds but three-fourths of the Senate would vote favorably upon that amendment.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield. Mr. McCARRAN. Is it not the rule of the Senate and the rule of the Appropriations Committee that the chairman of the Appropriations Committee must make the point of order? Why lead the Senate astray on this matter? Why not be frank? If you do not want it on this bill, why would you want it on the third deficiency? If it is not

worth while on this bill, why would it be worth while on the third deficiency bill? Will there be a third deficiency bill? Perhaps there will be none. Why not do now what we should do? Let us be frank with the country, frank with ourselves, frank with our fellows in the Senate.

Mr. BYRNES. Mr. President, I am not interested in what bill an amendment is added to, except for results. I have had some experience around the Capitol, and I know that what the Senator from Indiana [Mr. Minton] stated a few moments ago has been stated time and again in the past 24 hours. Because I am interested in obtaining action upon the suggestion I have made to the Administrator, I would rather have the amendment offered to the deficiency appropriation bill, which must go through, rather than to offer it to the pending bill, which does not have to go through and which, according to information received by me and other Members of the Senate, may not go through. I believe in being practical. I know that the deficiency appropriation bill must be acted upon by the House. I know that this change was made by the House; and if we want action, the deficiency bill is the place to put the amendment. The Senate can adopt the amendment of the Senator from Nevada if the majority wishes to do so, and there will be no complaint from me. However, in addition to the proposal of the Senator from Nevada, I think we should do what I am suggesting and have suggested to the Administrator, and which I fear may not be covered in any other way.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BYRNES. I yield to the Senator. Mr. MINTON. Is it not possible that if the deficiency bill comes over with legislation contained in it, a point of order could not be made against it?

Mr. BYRNES. That is true. There is no question that if it contained legislation the situation would be different.

Mr. McCARRAN. The rule provides that a point of order must be made by the chairman of the committee. The Senator will not deny that. Let us be frank.

The Senator from Indiana has propounded a question.

Mr. BYRNES. The Senator from South Carolina has stated that he would offer such an amendment. He has stated as frankly as he could that he did not believe there would be one Member of the Senate who would make the point of order, but that if it were made the amendment would be adopted by a two-thirds vote, if not a threefourths vote. That covers the subject.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCARRAN. Mr. President-

Mr. BARKLEY. I do not want to interfere with the Senator from Nevada.

Mr. McCARRAN. The Senator from Indiana raised a question which I think should be cleared up. The rule provides that when an amendment proposing legislation is added to an appropriation bill the chairman of the committee must make the point of order against it. Am I correct?

Mr. BYRNES. No. Mr. President.

Mr. BARKLEY. Mr. President-

Mr. BYRNES. I yield to the Senator from Kentucky.

Mr. BARKLEY. There is no such rule of the Senate.

Mr. McCARRAN. I beg the Senator's pardon.

Mr. BYRNES. What the Senator has in mind is a rule of the committee.

Mr. BARKLEY. There is no such rule of the Senate.

Mr. McCARRAN. Does the Senator mean that the chairman of the Committee on Appropriations will not follow the rule of the committee?

Mr. BARKLEY. I do not think so; but the rule to which the Senator refers is a rule of the Committee on Appro-

Mr. BYRNES. If legislation is in the bill, only in the Appropriations Committee is there a rule, which may or may not be followed; but I believe in being practical about the matter. Regardless of what action is taken on the matter, I think it should be done upon a bill which will go to the

House with some hope of being enacted into law, which would make it impossible for the Administrator to reduce the security wage in any of the regions.

Mr. President, I think that is all. SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Adams] to strike out subdivision (a), as modified, of the amendment proposed by the Senator from Nevada [Mr. McCARRANI.

Mr. BARKLEY. Mr. President, I wish to make a very brief statement. I do not wish to prevent a vote or delay the matter. I am not only for the prevailing wage; but I have voted constantly and uniformly for it. I voted for it as late as the occasion when the recent relief appropriation bill was under consideration. I would vote for the prevailing wage as an independent bill. I would vote for it as an amendment to the deficiency appropriation bill, because I have believed in it, and I now believe in it. However, if it is added to this bill, and the bill shall fail-which might happen—then we should have no prevailing wage, and we should have no bill. Both might go down together.

In view of that situation I do not feel that I am at liberty to jeopardize the passage of one of the most important pieces of legislation which has come before this Congress by voting to add this particular amendment to the bill at this time. I say that in all sincerity. I do not say it in order to delay consideration of the principle involved in the amendment. I do not say it to evade my responsibility. I say it not only hoping, but expecting to have an opportunity to vote on the question on another occasion, within a very few days, because the bill to which reference has been made must come before us. It is now practically ready for consideration in the House of Representatives, and will be brought before us and passed on before the Congress adjourns, which I hope will be some time next week. So we should lose nothing so far as time is concerned, and I think we should gain much in the practical effort to deal with the question at a time when the amendment would not run the risk of defeating itself and at the same time defeating other legislation along with it. For that reason I cannot vote for the amendment offered by the Senator from Nevada; and I feel that under the circumstances the Senate would be taking a great risk in adopting it at this time.

Mr. McCARRAN. Mr. President, I desire to say the last word-and I hope it will be the last word-because I have

no desire to delay the consideration of the bill.

I would rather have had criticism of my amendment come from the friends of the prevailing wage. When I say that I do not wish to be understood as at all critical of the able Senators who have voted against this amendment time and again. I wish I could have had their support in times past. However, every time the prevailing wage has been brought forward before this body, I have been confronted with the same excuses, "Do not put it on this bill; do not put it on that bill; defer it; it is legislation which should not go on an appropriation bill."

I recall the first time that we offered the prevailing wage amendment. My recollection is that the relief bill which was then pending, appropriating \$4,800,000,000 or thereabouts, was deferred several weeks. I do not now recall the number of weeks. It was deferred to the extent that it was sent back to the Appropriations Committee. Some of us did not realize that when it went back to the Appropriations Committee it went back to be shorn of all amendments which had been adopted by the Senate, of which the prevailing wage amendment was one.

In 1935 the able Senator from South Carolina [Mr. Byrnes] did not support the prevailing wage amendment. Neither did the able Senator from Kentucky [Mr. BARKLEY] support it.

Mr. BARKLEY. Mr. President, my recollection is that I was absent from the city on that vote and did not vote, although my memory may be faulty. I know I was absent on one vote.

Mr. McCARRAN. The Senator is correct as to one vote. On the next vote he voted against it. I have before me a copy of the votes taken. Likewise, the able Senator from

South Carolina did not support it.

Let us go into the conference report and see what it amounts to. The conference report set aside an amendment which I offered for the prevailing wage and which was adopted by the Senate. I shall not be critical of the action of the conferees who represented the Senate; but when I find that my good friend from South Carolina was one of the conferees, and, so far as I can learn, he did not support the amendment, I can only say that to the best of his ability he tried to maintain the action of the Senate, but no more. That is regrettable.

We now have a bill which is all important. It is a bill which carries with it a great and wide expanse of influence and consideration. Why should not the prevailing-wage amendment go on this bill? The able Senator from Indiana indicates that it might go on the third deficiency bill. Based upon my experience, which is also the experience of the able Senator from Indiana, he would have to go through the labyrinth of having the rule set aside.

The rule is that if legislation is attached to an appropriation bill it is the duty of the chairman of the committee to raise the question; and notice must be given to set aside a

rule of this body.

We have no rule to set aside in the present case. We have only justice and fair play. I shall take the attitude of the able Senator from South Carolina, who says that he has been for the prevailing wage; and I shall take the attitude of the able Senator from Kentucky, who says he is for it. Let us vote it into the bill now, so that the country and the Relief Administration may know the attitude of this branch of Congress at least.

Mr. WAGNER. Mr. President, I should like to ask a question of the Senator, because I think in justice to him and to some of the others of us it ought to be made very clear what it was intended to attach to the deficiency bill. I did not understand that it was stated that the prevailing-wage amendment would be attached to that bill, or even attempted to be attached to the bill; but simply a provision that the section of the bill which refers to the average wage of labor should not result in a decrease in the wages paid by the W. P. A. Administrator. I do not want those who are interested in the prevailing wage to misunderstand. So far as I know, there has been no promise that any effort will be made to attach to the deficiency bill a so-called prevailingwage amendment. We must either obtain it in this bill or not at all.

Mr. McCARRAN. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to strike out subdivision (a), as modified, of the amendment proposed by the Senator from Nevada IMr. McCarran].

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Nevada, as modified.

Mr. ASHURST. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada [Mr. McCarran], as modified.

Mr. McCARRAN. Mr. President, I ask for a division. The PRESIDING OFFICER. A division is requested.

Mr. ASHURST. Mr. President, I again demand the yeas

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. WILEY]. That pair has been transferred to the senior Senator from New Jersey [Mr. Smathers]. I vote "nay."

Mr. MEAD (when his name was called). On this question I have a pair with the senior Senator from Utah [Mr. KING1. If the Senator from Utah were present he would vote "nay," and if I were at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. The Senator from California [Mr. Johnson] is necessarily temporarily absent. If present, he would vote "nay."

The Senator from Oregon [Mr. McNary] is necessarily absent. He has a general pair with the Senator from Mississippi [Mr. HARRISON].

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote if present, I withdraw my vote.

Mr. SHIPSTEAD (after having voted in the affirmative). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I understand that if the Senator from Virginia were present he would vote "nay." I have been unable to obtain a transfer, so I withdraw my vote.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate be-

cause of illness in his family.

The Senator from Arkansas [Mrs. Caraway], the Senator from Ohio [Mr. Donahey], the Senator from Iowa [Mr. GILLETTE], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. Harrison], the Senator from Utah [Mr. King], the Senator from Oklahoma [Mr. LEE], the Senator from Kentucky [Mr. Logan], and the Senator from New Jersey [Mr. Smathers], are unavoidably detained.

The Senator from Texas [Mr. Connally] is detained because of illness.

Mr. ELLENDER. My colleague, the senior Senator from Louisiana [Mr. Overton], is unavoidably detained. I am advised that if present and voting he would vote "nay."

The result was announced—yeas 38, nays 40, as follows:

YEAS-38 Slattery Thomas, Okla. Adams Frazier Maloney Ashurst Gerry Murray Barbour Gibson Neely Norris Thomas, Utah Vandenberg Bone Holt Johnson, Colo. Nye O'Mahoney Pittman Borah Van Nuvs La Follette Lodge Wagner Walsh Brown Capper Chavez Danaher Lucas Lundeen Reed Schwartz Wheeler Downey McCarran Schwellenbach NAYS-40 Andrews Hayden Russell Byrnes Clark, Idaho Clark, Mo. Austin Herring Hill Sheppard Smith Bailey Bankhead Holman Ellender Stewart Hughes McKellar Barkley George Tobey Bilbo Green Bridges Bulow Guffey Miller Townsend Truman Minton Pepper Radcliffe Tydings White Burke Hale Hatch Byrd NOT VOTING-18 Logan McNary Shipstead Smathers Harrison Connally Mead Overton Johnson, Calif. Wiley Donahey King Gillette Reynolds

So Mr. McCarran's amendment was rejected.

Mr. VANDENBERG subsequently said: Mr. President, I was unavoidably detained from the Senate when the discussion on the prevailing-wage amendment rather unexpectedly terminated. I do not wish to renew it; but I ask unanimous consent that I be permitted to have printed in the RECORD a brief statement at the point where the discussion took

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR VANDENBERG

This vote presents a perplexity because of its conflicting con-

I have always supported prevailing-wage amendments because I do not believe that the Federal Government should engage at substandard wages in works that are inevitably competitive with labor in the private-construction industry. This problem is inherent in any relief system which puts the Government into general construction. It is one of the reasons why I have believed for years that there ought to be a different and decentralized relief system free of this complication. We cannot afford to go on with

relief distributions which, on the one hand, fail to provide equitably and adequately for all citizens entitled to relief, and which,

relief distributions which, on the one hand, fail to provide equitably and adequately for all citizens entitled to relief, and which, on the other hand, carry us ever farther into the danger zones of deficit red ink. But that question involves the original and basic choice of a relief system. Since we are bound for another year to the centralized work-relief system, which includes competitive public construction, I see no consistent way to avoid prevailing wage requirements. The change, in other words, must be in the fundamental system and not in the formula for the operation of the existing system. The cure is not in raiding the prevailing wage but in constructively and courageously providing a different general system of relief. I have often offered just such a substitute and I have always been voted down. Until such a substitute is provided, I must continue to support the prevailing wage.

The other conflicting considerations involve, on the one hand, the merits of the prevailing-wage idea, and on the other hand the desperately unfortunate and ill-starred fact that strikes against the Government have been invoked by way of protest against the recent repeal of the prevailing wage. I would not surrender to a strike against the Government anywhere or any time, and I challenge the labor wisdom of any labor advice to the contrary. A continuation of such revolts would render correction of even legitimate complaints impossible. I resent these and other violences—including insufferable violence of speech—and I should welcome a way to conclusively rebuke them without at the same time doing violence myself to the principle involved in this issue and to those who would innocently suffer from our outraged reprisals. But these strikes are now substantially repudiated; and, in the presence of facts as they are, I doubt whether I am entitled to penalize all labor and its essential reliance upon the principle of the prevailing wage because of the offensive acts of a minority. Therefore I resolve this problem in favor of the

upon this issue.

Mr. BYRNES. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BARKLEY. I move to lay that motion on the table. The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky to lay on the table the motion of the Senator from South Carolina.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 188) to provide for the administration of the United States courts, and for other purposes.

ADMINISTRATION OF THE COURTS-CONFERENCE REPORT

Mr. HATCH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 188) to provide for the administration of the United States courts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment

of the House, and agree to the same with amendments as follows:
On page 2 of the engrossed House amendment, in line 17, after
the word "supervision" insert "and direction".
On page 4, in line 23, after the word "Budget" insert the following sentence: "All estimates so submitted shall be included in the Budget without revision (but subject to the recommendations of the Bureau of the Budget thereon), in the same manner as is provided for the estimates of the Supreme Court by section 201 of said Act."

On page 7, in line 8, strike the word "constitute" and insert in lieu thereof the words "be deemed to be".

On page 7, in line 14, insert quotation marks at the end of the line following the words "for such circuit".

On page 7, in line 15, strike "Sec. 309" and insert in lieu thereof "Sec. 2".

On page 8, in line 8, strike "Sec. 2" and insert in lieu thereof sec. 3". On page 8, in line 21, strike "Sec. 3" and insert in lieu thereof Sec. 4".

"Sec. On page 9, in line 6, strike "Sec. 4" and insert in lieu thereof Sec. 5." "Sec

On page 9, in line 12, strike "Sec. 5" and insert in lieu thereof sec. 6." "Sec.

On page 9, in line 17, after the words "of the courts," insert the words "and such other employees of the courts not excluded by section 304 of Chapter XV as hereinbefore set forth,".

On page 9, in line 19, strike "Sec. 6" and insert in lieu thereof

And the House agree to the same.

CARL A. HATCH, M. M. LOGAN, EDWARD R. BURKE, WARREN R. AUSTIN. JOHN A. DANAHER Managers on the part of the Senate. EMANUEL CELLER, WALTER CHANDLER. SAM HOBBS, EARL C. MICHENER,
JOHN W. GWYNNE,
Managers on the part of the House.

The report was agreed to.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes

Mr. MURRAY. Mr. President, I have an amendment lying on the table which I now offer and ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new section, to read as follows:

SEC. Subsection (b) of section 16 of the Emergency Relief Appropriation Act of 1939 is hereby amended to read as follows:

"(b) Employable persons who have been certified as in need of employment for a period of 3 months or more shall have preference in employment over persons who have had active employment status on such works projects continuously for 18 months or more: Provided, That this shall not result in the discharge of a person employed on works projects where he has made a reasonable effort to find suitable private employment, nor where project effort to find suitable private employment nor where project operations would suffer from his discharge nor where unusual hardship would result from such discharge."

Mr. MURRAY. Mr. President, this amendment is intended to modify the rigid provisions of section 16, subsection (b), of the Emergency Relief Appropriation Act of 1939. The act as approved contains the following language, which is subsection (b):

There shall be removed from employment on Work Projects Administration projects all relief workers, excepting veterans, who have been continuously employed on such projects for more than 18 months, and any relief worker so removed shall be ineligible to be restored to employment on such projects until after (a) the expiration of 30 days after the date of his removal, and (b) recertification of the state of the tification of his eligibility for restoration to employment on such projects. In the case of relief workers whose period of 18 months of continuous employment expires before September 1, 1939, this section shall apply to require their removal not later than August 31, 1939, rather than on such expiration date.

Under the language of that subdivision of section 16 it is estimated by Colonel Harrington, the Administrator of the Work Projects Administration, that this means the arbitrary dismissal, regardless of merit or need, of 650,000 workers, or 31 percent of the entire W. P. A. rolls. In addition to that, we at the same time have the further reduction of W. P. A. rolls which results from the provisions of the act making it necessary to reduce the W. P. A. rolls by next spring to 1,500,000 workers, as compared with the 3,000,000 average maintained during the past year.

All of this is being done absolutely without any study as to the needs of these people; without any study of the economic effects which this ruthless action will have on business; without the slightest study of the employment trends of the country; and, consequently, without the slightest knowledge of the dangerous consequences which may ensue, slowing down the splendid progress the country has recently been making toward recovery.

Some pretense of an argument might be advanced to justify the reduction of the W. P. A. rolls from an average of 3,000,000 during the past year to a million and a half by next spring on the basis of the mounting national debt, but not the slightest argument or reason can be advanced for the inhuman punishment sought to be inflicted upon innocent

W. P. A. workers by causing them to be arbitrarily removed from the rolls without any study of their needs or other con-The only philosophy back of this arbitrary provision is to punish these men and to justify the slander which has been made against them that they will not take jobs in private industry.

As a matter of fact, it has been demonstrated time and again that there are no jobs in private industry for these men to take; and the only reason why they are remaining on the rolls of the W. P. A. is because it is impossible for them to find employment in private industry.

As I have pointed out, no study whatever was made by Congress in enacting this legislation in regard to employment trends. The truth of the matter is that the continued development of new machinery and methods of labor saving are annually continuing to decrease the number of jobs in manufacturing industries. Testimony which was submitted to the Senate Committee on Unemployment and Relief a year ago dwelt on this situation and showed absolutely that unemployment and relief have come to be a condition that this country must face for many, many years to come.

Not only was no study made to justify this arbitrary dismissal of W. P. A. workers, but no thought whatever was given to the economic results which are sure to follow. This policy of firing W. P. A. workers without rhyme or reason has created a tremendous resentment across the country. It has had the effect of frightening millions of people into not spending money. Strikes and disorders have developed and confusion and uncertainty has been created. All this means that we are going to see a drop in business.

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. MURRAY. I yield to the Senator from Washington. Mr. SCHWELLENBACH. Would it not be possible, under the amendment which the Senator proposes, in those cases where there is an actual finding that people are staying on W. P. A. when they could find employment in private industry, for the Administrator to separate them from the W. P. A.?

Mr. WAGNER. Mr. President, if the Senator will yield, it is a requirement of the present law that if any worker on W. P. A. can secure employment in private industry at the same or similar work he is required to accept it.

Mr. SCHWELLENBACH. That is the point I am trying to make, that even with the amendment of the Senator from Montana it would not be possible for those who can find private employment to remain upon W. P. A.

Mr. WAGNER. No; it would not.

Mr. MURRAY. Mr. President, I have submitted the proposed amendment to Colonel Harrington, and I have received from him a letter in which he discussed not only this amendment but the amendment which has been before the Senate this afternoon, presented by the Senator from Nevada [Mr. McCarran]. In his letter to me discussing the amendment which I have presented, Colonel Harrington states:

> FEDERAL WORKS AGENCY. WORK PROJECTS ADMINISTRATION, Washington, D. C., July 26, 1939.

The Honorable James E. Murray, United States Senate.

My Dear Senator Murray: The following is in reply to your letter of July 24, 1939, requesting my views concerning S. 2765 to amend section 15 of the Emergency Relief Appropriation Act of 1939, which was introduced by you jointly with 21 other Senators. You also asked for my comments upon a proposed amendment to section 18 (b) of the same act. 16 (b) of the same act.

So far as the effect of S. 2765 upon section 15 (a) is concerned, it would require that all monthly security wages be maintained at not less than those which were being paid on June 30, 1939, and that no differentials in such wages for workers engaged in similar work in

differentials in such wages for workers engaged in similar work in the same wage area should be permitted.

Under the provisions of the present law, which go into effect on September 1, 1939, it will be necessary to reduce the monthly wages in certain sections of the country. My opinion on this matter is expressed on pages 21 and 22 of my hearings on May 23, 1939, before the subcommittee of the Committee on Appropriations of the House of Representatives which was considering the appropriation for work relief, and which I quote, in part, as follows:

"Regarding differentials in W. P. A. wage scales, I would like to point out that differentials in wages are recognized by employers, employees, and organized labor. As to whether the differentials now existing in the schedules of monthly earnings are justifiable or whether the differentials could be limited to a specified maximum is a question that should be based on varying of local conditions.

"In considering this matter I would like to emphasize the importance of fixing monthly earnings which bear a relatively close relationship to actual local conditions where the workers reside. It is my belief that the present monthly earnings do not exceed minimum subsistence standards and any general revision downward in the schedule of earnings as now established would make it impossible for workers to obtain for themselves and their families the necessi-

"It is my judgment, based on recent studies, that the present schedule of monthly earnings may contain too many levels of earn-ings, and it is my intention to take administrative action necessary to correct this condition."

The amendment which you propose would effectively prevent wage reductions, but the provision prohibiting wage differentials within the same wage area raises certain other problems. The wage structhe same wage area raises certain other problems. The wage structure of the country is an exceedingly complicated one, and, in my opinion, differentials in Work Projects Administration wages should be provided based on actual differences in costs and conditions of living and in wages in private industry. The application of S. 2765 would require that the wages of all workers in each of the four wage classes, namely, unskilled, intermediate, skilled, and professional and technical, should be raised to the highest wage paid within the wage region for each of the wage classes.

The fixing of a schedule of monthly earnings on the basis of the proposed amendment would mean that no consideration would be given to actual differentials in living costs, living conditions, customs, and wages paid in private industry which actually exist between areas within a State as well as between States.

As an example, the lowest unskilled monthly wage of \$40 which is now being paid in any of the States in wage region No. 1, which comprises the Eastern, Northern, Western, and Middle Western States, would be increased to \$60.50 per month, which is the highest monthly wage which was being paid to unskilled labor in this region on June 30, 1939. Similarly, in wage region No. 3, comprising the Southern States, the lowest unskilled wage of \$26 would be increased to \$40, which is the highest unskilled wage paid in that region.

It is not known to what extent these increases in the monthly

It is not known to what extent these increases in the monthly wages would affect the average monthly labor cost. I am sure, however, that they would produce a substantial increase, and such an increase would decrease the number of persons who could be employed with the funds appropriated to this Administration by the Emergency Relief Appropriation Act of 1939.

If general legislation is adopted limiting wage differentials in private industry, or even within all agencies of the Federal Govern-ment, the Work Projects Administration should obviously conform to such legislation, but I do not believe that it should be singled out in this respect.

The amendment of section 15 (b) of the Emergency Relief Appropriation Act of 1939, which is proposed by S. 2765, would in effect restore prevailing hourly rates on the projects of this Administration. My views on this subject are also contained in my testimony on the Work Relief appropriation, and appear on pages 19 and 20 of that testimony as printed. From this I quote in part as follows:

"A great deal of consideration and study has been given to the advisability of the abandonment of the prevailing hourly rate of pay and the adoption of the principles of a monthly wage with a standard number of hours of work required each month. In addition, the Works Progress Administration has experienced the advantages and disadvantages of operating a works program the basis of monthly wages with standard, uniform hours of work for all workers and also of operating a works program on the basis of prevailing hourly rates of pay with hours of work varying according to classes of work.

"The advantages of operating a works program and employing workers on a monthly basis can be readily appreciated in view of the varying hours of work required for the different skills. In addition to making possible a more efficient and effective opera-tion, employment on a monthly wage basis requiring 130 hours of work each month from all workers would eliminate, to a large extent, the criticism that has been made of this administration that many workers particularly in the skilled occupations, are supplementing their W. P. A. wages by securing outside employment at substandard wages

"Moreover, it is believed that the principles of the monthly wage requiring 130 hours a month will be an important factor in determining need, since workers who are able to secure partime employment and who have any other means of livelihood would not, in general, accept employment on a works program requiring 130 hours of work per month at a subsistence wage except as a final resort. except as a final resort.

"It is my recommendation that persons employed on projects of the W. P. A. be required to work 130 hours per month and that the earnings of such persons be on a monthly basis with the requirement that substantially the present national average labor

cost be maintained. Allowances should be made for differentials in these earnings according to existing differentials in cost, continue to the continue of the cost of the cos

ditions of living, and the average earnings in private industry."

There are two other points in conection with S. 2765 which I would like to bring to your attention. The first is that the prowould like to bring to your attention. The first is that the proposed amendment to subsection (b) makes no provision for exemptions from the schedule of monthly earnings where such exemptions are necessary to protect work already done on a project; to permit making up lost time; in case of an emergency involving the public welfare; and in case of supervisory personnel employed on work projects. The omission of these exemptions, which are authorized under the existing law, would make it a rigid requirement that all persons employed on work projects be paid in accordance with the established schedule of monthly earnings which obviously would seriously handien the operation of ings, which obviously would seriously handicap the operation of a work program.

The second point is that S. 2765 provides that determinations as to wage scales shall be made by the Federal Works Administrator, whereas the present law places this responsibility on the Commissioner of Work Projects. I do not know whether it was your intention to make this change, or whether it was due to inadvertence, but I thought that your attention should be called to it. Due to pressure of time I have not consulted the Federal Works Admin-

pressure of time I have not consulted the Federal Works Administrator in this respect, and do not know his views in the matter. The amendment which you propose to section 16 (b) of the Emergency Relief Appropriation Act of 1939 would modify that section, which now requires the mandatory dismissal of workers who have been continuously employed on the W. P. A. for a period of 18 months or more. Under the present wording of the act, all certified workers, except veterans, who have been employed continuously for 12 months or more must be dismissed by August 21. tinuously for 18 months or more must be dismissed by August 31, 1939. This means that by that date the employment of approximately 650,000 persons must be terminated, which will impose severe hardships on many individuals and adversely affect the efficiency of project operations. Although the law provides that workers dismissed under this provision may be reinstated after a 30-day period if they have been recertified, it will be very difficult to accomplish such reinstatement without very considerable delays, especially as the total employment will be diminishing during this

I believe that it is desirable to give preference in employment to ersons who have been certified and awaiting assignment to Work Projects Administration jobs for some time over those who have been employed continuously for long periods. My testimony to this effect appears on pages 22 and 23 and 28 to 30 of the hearings on this appropriation before the subcommittee of the Committee on Appropriations of the House of Representatives. Specifically, I suggested that employable persons who had been certified as in peed for a period of 6 months or more and had not been given any need for a period of 6 months or more and had not been given emneed for a period of 6 months or more and had not been given employment should have preference in employment over persons who had been on the W. P. A. for a period of 3 years or more. In this connection I made the following statement:

"There has been discussed here in the committee and in debate

there has been discussed here in the committee and in decade the question of W. P. A. career workers, as they are called, the idea being that the benefits of W. P. A. employment might be rotated. But at the outset, I think the approach to it should be a very careful one, the suggestion I make is only the first step in what might eventually evolve out of this thing, and that is, a preference provision as to employment."

I believe that the amendment which you propose accomplishes the primary purpose of giving preference in employment to persons who are awaiting assignment over those who have been employed continuously for a long period, and at the same time allows sufficient administrative discretion so that the application of the policy would not result in the disruption of the program and the individual hardships which will come about under the present law.

Sincerely yours,

F. C. HARRINGTON, Commissioner.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. MURRAY. I yield.

Mr. WAGNER. May I inquire whether Colonel Harrington, the Administrator of the fund, favors the amendment which the Senator has offered?

Mr. MURRAY. Absolutely he favors it.
Mr. WAGNER. Will the Senator permit me at this stage to read a letter which I have just received from Mayor La-Guardia in reference to the Senator's amendment?

Mr. MURRAY. Certainly. Mr. WAGNER. The mayor states:

DEAR SENATOR: A delegation of frantic mothers just called on me, explaining the embarrassment caused to one of the most worth-while projects—nursery schools—through the 18 months' rule. This is typical of what is taking place throughout W. P. A. projects. As I stated to the committee and as the mayors have stated in their memorial to Congress, if a person needed work relief for 18 months, it is no solution to the problem to drop them for that reason them for that reason.

May I urge you to continue your efforts to have this vicious provision of the recent act amended at the earliest possible

He encloses a petition signed by the mothers who called upon him and many others urging the adoption of the amendment which the Senator from Montana has offered. and which I hope will be agreed to.

Mr. MURRAY. Mr. President, absolutely no justification can be advanced for the language which is incorporated in the bill. The only purpose I can see to justify it is a desire to carry out the slander against the workers on W. P. A., to the effect that they will not accept employment in private industry, and that they are seeking to make a career of their jobs on W. P. A. As a matter of fact, there are no jobs available in private industry. More than 750,000, or nearly a million, men and women are now on the certified lists of those eligible for employment on W. P. A. It is reasonable to assume that if there were such jobs in private industry as are spoken of, these people who are on the certified lists. eligible for work on W. P. A., would gladly accept those positions. But, as a matter of fact, as I have stated before. there are no such jobs.

The unemployment conditions in this country are not improving in any satisfactory degree. As a matter of fact, we are constantly met with the introduction of machinery and new methods in the factories and manufacturing establishments of the country, a condition which is increasing unemployment rather than improving the situation. So that it seems to me most unwise to undertake at this time to throw these men off of the relief rolls, and make them hunt for jobs, which cannot be found, which do not exist. It is a punishment of these people which cannot be justified upon any basis.

I submit to the Senate that the only justification for it is a desire to carry out this campaign of misrepresentation against the W. P. A. The result of the whole thing is that newspapers all over the country are laughing up their sleeves at the embarrassment of the administration with this condition confronting it.

I have here an article from a Wall Street magazine, which discusses the situation in the following language:

When Congress hikes homeward in another week or so, it will leave hanging on its own doorstep, and, of course, on Roosevelt's, a succession of headaches sufficiently potent to turn the usually quiet intrasession period into a wild scramble for position, and insure that, come January, there will be a humdinger of a fight from the comping going from the opening gong.

This article goes on to discuss this very situation and purports to charge that-

In principle this suggestion came in the first place from within the W. P. A. organization.

That statement in the article is absolutely unfounded, absolutely without any justification, and intended to make it appear that someone connected with the Works Progress Administration authorized or supported the amendment which was put into the act as it was passed.

As a matter of fact, in the letter from Colonel Harrington he has clearly stated his position. His testimony appears in the hearings before the House committee and shows that he never had any idea of proposing or supporting any such provision. It is not only an injustice to the workers themselves, but it is a great injustice and embarrassment to the W. P. A., because it will result in great inefficiency in their operations if they are compelled to remove from the rolls 650,000 workers in one fell swoop. Anyone can understand what demoralization that will create in the program of the Work Projects Administration.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. MURRAY. I yield.

Mr. PEPPER. As I understand, the amendment of the Senator from Montana is designed to prevent these people who have been working on the W. P. A. for as much as 18 months from being thrown off the rolls.

Mr. MURRAY. That is exactly what it is intended to accomplish.

Mr. PEPPER. I was going to call the attention of the Senator to section 17, paragraph (a), which reads as

SEC. 17. (a) No person in need who refuses a bona fide offer which pays the prevailing wage for such work in the community where he resides and who is capable of performing such work shall be employed or retained in employment on work projects under the funds appropriated in this joint resolution for the period such private employment would be available.

Is it not therefore a fact that with that language of the bill, without the 18 months' provision, there would not be any W. P. A. worker who would stay on the W. P. A. rolls who could honestly get a job in private employment under reasonable working standards?

Mr. MURRAY. That is clearly the fact. The Administrator has been undertaking to carry out that principle without any legislation whatever, and I have no doubt that he is succeeding.

Mr. PEPPER. So, even without this 18 months' provision in the law, the people would not remain on the W. P. A. who had a fair chance of going into private industry?

Mr. MURRAY. Absolutely not.

Mr. PEPPER. I ask the Senator whether it is not also a fact that the existing law has removed aliens from the W. P. A. rolls?

Mr. MURRAY. It has such a provision. Mr. PEPPER. And that the rolls have also been purged by a special investigation ordered by the Congress.

Mr. MURRAY. The Senator is absolutely correct. I thank the Senator for referring to these points.

Mr. PEPPER. And whether, in addition to that, some five or six hundred thousand W. P. A. workers who were certified by State agencies, who were on the W. P. A. rolls in January, have been cut off since that time?

Mr. MURRAY. That is absolutely the fact.

Mr. PEPPER. So that in addition to the fact that the W. P. A. worker was first examined by a State agency and certified as in need of a job by a competent State socialservice worker; then, in addition to that, was scrutinized by the W. P. A. staff itself, and since that time has been specially examined, and the ones found not to be needy have been taken off the rolls-

Mr. MURRAY. That is all very true.

Mr. PEPPER. And in spite of the fact that no aliens can be on the rolls, and in spite of the fact that no one can be on the roll who can get a job in private industry-in spite of all those facts, we are asked to take off more hundreds of thousands because they are needy, because they cannot get jobs elsewhere, just because they have been unfortunate enough to be on the rolls for 18 months.

Mr. MURRAY. The Senator has made a very accurate statement of the situation.

Mr. SCHWELLENBACH. Mr. President, would it not be accurate to say that they cut off everybody they could get an excuse to cut off, and now they want an arbitrary reason for cutting others off?

Mr. MURRAY. The Administrator of W. P. A. acknowledges all these points which are being presented, and his letter, which has been read already, shows that, from the studies he has given to the situation, it will mean that he will be compelled, under the language of the bill, to immediately let off 650,000 persons. There is absolutely no justification for this, and in view of the statement of Colonel Harrington, who is in charge of the Works Progress program, it seems to me that there should be no hesitation on the part of the Senate in supporting the amendment I have offered, especially in view of the fact that the amendment is substantially the same as the one that was adopted in the Senate when the appropriation bill was before us at the time the law was enacted.

Mr. SCHWELLENBACH. On that last point, is it not true that the amendment of the Senator from Montana is substantially the same as the amendment which was presented and proposed by the Senate Committee on Appropriations after hearings and study of this subject?

Mr. MURRAY. That is true.

Mr. MALONEY. Mr. President, will the Senator yield? Mr. MURRAY. I yield to the Senator from Connecticut.

Mr. MALONEY. The Senator read from an article in a publication which he referred to as a Wall Street publication. I should like at this time to read briefly an article which was published in the last edition of Labor, the publication of the railroad brotherhoods. I quote:

MAYORS PREDICT COLLAPSE OF W. P. A.—RELIEF AGENCY CANNOT FUNC-TION WITHOUT MORE FUNDS, CONGRESS IS WARNED

Unless Congress appropriates additional relief funds and removes hampering restrictions on administration, the W. P. A. program

That is the judgment of men who are in best position to know the facts—the mayors of American cities.

Through their organization, the United States Conference of Mayors, they have issued this statement:

"What we are now seeking to impress upon Congress, with all

the emphasis and seriousness in our power, is that if the law stands as recently enacted, problems lie just ahead which must be faced jointly by W. P. A., the cities, and the unemployed, which will be so serious that their full import is not yet even generally realized, even by Congress.

"The bill works definite hardship on more than 2,000,000 American citizens—about 8,000,000 if we count in their families—people

who through no fault of their own are in dire need."

Mr. MURRAY. I thank the Senator for that contribution. Mr. MEAD. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from New York. Mr. MEAD. First of all I want to compliment the Senator on the excellent argument that he is making in support of the meritorious amendment. I wish to say to him that I am in agreement with the point that has been made by the Senator from Florida, supported by the Senator who has just relinquished the floor. But in addition to the argument that has been made in support of the amendment, and realizing the chaos which will result from its enforcement, it will result in a necessary constant check of the personnel in all the offices located throughout the United States, and as they approach the 18-month period it will be necessary to lay them off. This will result in a lack of efficiency of administration, added cost of administration, and it will disrupt some of the projects which are being conducted at a very high rate of efficiency, so that it will increase the cost, it will reduce the efficiency and it will result in malad-

ministration. Mr. MURRAY. Mr. President, the letter from Colonel Harrington corroborates the very statements that the Senator from New York has just made.

I wish also to call attention to some editorials on this subject. I have before me an editorial from the Philadelphia Record of July 18, which is as follows:

> [From the Philadelphia Record of July 18, 1939] TWO MORE BLOWS AT W. P. A.

The mischief that has been done to the W. P. A. system by hasty, ill-advised, last-minute legislation is only now beginning to be realized. Prevailing wages were cut out without sufficient study or discussion. We have seen the unfortunate results of that step.

Two other changes with shattering implication will shortly go into effect. They transcend the prevailing-wage issue in importance.

Deep wage cuts, not only in hourly rates but in actual total monthly compensation, are disguised in this innocent sentence of the new act: "After August 31, 1939, such monthly earning schedule shall not be varied for workers of the same type in different geographical areas to any greater extent than may be justified by differences in the cost of living."

That means W. P. A. workers in the South will have to be paid the same wages as those here in the East, except for the small difference in the cost of living—about 6 percent.

But unskilled W. P. A. workers in the South today receive \$26 per month. Unskilled labor in Philadelphia draws \$60.50 per month. We have no objection to seeing wages in the South raised;

they should be raised. But W. P. A. has only a limited appropriation—\$1,477,000,000 as against \$2,250,000,000 for last year. The new clause means, therefore, that wages will be equalized by raising the southern rate and reducing the northern rate.

It is reported that the southern rate may go up to about \$45 a month, while the northern rate is dropped to \$50 a month or pos-There will be corresponding cuts in the higher

classifications for skilled labor.

classifications for skilled labor.

The least Congress could have done (it still has time to act before August 31) was to establish minimum standards below which W. P. A. wages could not go. Then equalize it, if it wanted to cut out sectional differences. The crude, unthinking method chosen is a piece of rank sectionalism, aimed like a loaded gun at the North, corresponding in spirit to the new clause limiting individual W. P. A. projects to \$52,000 of total cost.

Preparations for the second change have already been started in this city. All W. P. A. workers of 18 months' standing, except World War veterans, will be fired. They may not be rehired for a month, and then only upon recertification from direct relief officials. Colonel Harrington estimates that this will call for 650,000 dismissals, or 31 percent of all W. P. A. workers. In New York City

dismissals, or 31 percent of all W. P. A. workers. In New York City alone 75,000 will be fired.

If the same ratio holds here, it will mean 7,000 W. P. A. workers will be laid off in Philadelphia September 1. A survey is now being made here to determine how many will get their "403's" or

dismissal notices.

dismissal notices.

In addition, the reduced appropriation makes mandatory a permanent reduction of W. P. A. by next spring to 1,500,000 workers, compared with the 3,000,000 recently employed.

All this without study of the need, without study of the economic benefits of W. P. A. to business, without study of the employment trend. It is legislation by blunderbuss. There has never been a clearer indication of the lack of a basic philosophy of relief in Congress; it patently does not know what it wants to accomplish.

It will be inexcusable for Congress to adjourn and let the disaster take place on September 1. There is time to reopen the question and to try to draw up a relief program that has some relation to the needs of the country and of the jobless, a relief program with

a sense of direction.

I read another editorial of July 25, published in the same newspaper:

YOU CAN'T SELL MORE GOODS TO PEOPLE WITH LESS MONEY

"Sharp gains scored by business during June-July period."
"Relief rolls jump to 737,691 in State; 100,000 above 1938."
These two headlines from yesterday's news columns suggest a

paradox. Actually, they are not.

Business gains do not show in business figures until long weeks after the purchasing power behind them has been distributed.

There is a lag.

Relief figures, on the other hand, are up to date. No lag there. They show the relief situation as of this week.

On the basis of the experience of the past few years, then, those relief figures mean that a month or so hence the business fearures will account the second of the past few years.

You can't sell more goods to people who have less money. If this were all of the relief picture it would be bad enough. Unfortunately, it isn't all.

The present policy of firing W. P. A. workers willy-nilly; the cruel device of enforced "vacations"; the reduction in W. P. A. expenditures; the cut in individual W. P. A. wages—

All these have the effect of frightening millions into not spend-

ing money.

And that means a drop in business.

W. P. A. workers, of course, can't save much. But every time a
W. P. A. worker is laid off, or forced on "vacation," the terrifying
uncertainty of his existence is driven home to his relatives, his

neighbors, and his friends.

neighbors, and his friends.

Conservatively, it may be estimated that a W. P. A. cut affects 10,000,000 Americans besides the W. P. A. workers themselves. The jobs of those people are none too secure. Heretofore they have more or less thought of the W. P. A. as a last resort if their own jobs should vanish. Now they hold no hope in that direction. So they save every cent possible.

And if they save only 10 percent of their incomes, the loss in buying power will run at least \$30,000,000 a week.

That this is not guesswork but reasoning based on fact is demonstrated by the Federal Reserve figures, which show that today the total savings of individuals in mutual savings banks is more than it was in 1929 and that savings in the form of life insurance have

to was in 1929 and that savings in the form of life insurance have reached an all-time peak.

Millions are scared. And they are all customers.

This is not, of course, to decry saving. But there is a limit to the amount which can be saved out of the Nation's current income without undermining the husbness which pays the income

without undermining the business which pays the income.
Business, by its very nature, is the exchange of labor for money and money for goods.
Would that Washington recognized these human elements in

the economic picture.

The relief rolls, by their sharp rise, show only the first effects of the "vacations" and lay-offs.

The other effects—on business—will be slower in appearing.
But a loss of business follows a loss of purchasing power as the night follows the day.

That's not economics; it's experience.

Editorials and articles have appeared in newspapers all over the United States, and the inquiry is, "Has this action of Congress been justified?"

Mr. PEPPER. Mr. President, will the Senator yield to me for a question?

Mr. MURRAY. I yield. Mr. PEPPER. I will ask the Senator if it is not the understanding or if he has not heard the estimate made that about 500,000 people every year are thrown out of employment in this country by reason of technological improvement, and if in addition to that there is not a net of about 600,000 people who come every year into the labor market, that is to say, become employable in excess of those who come out of the employable class? If a million people, roughly, each year are added to the employable class; that is, that have to get jobs in addition to those who already have jobs, by next June, beginning with the period of January 1, 1939, there will be approximately one and a half million people who will have to be taken care of and go into the employment market who were not there in January 1939? Would that not be the fact?

Mr. MURRAY. That is absolutely a true picture of the

situation confronting the country.

Mr. PEPPER. In addition to that, if the law remains as it is, with the 18 months' provision in it, the 3,000,000 who were on W. P. A. rolls in January 1939 would all be off by the 1st of July 1940, would they not?

Mr. MURRAY. The Senator states the situation very

clearly.

Mr. PEPPER. And the conclusion would be, therefore, that if the law remains as it is, and these economic factors are as the Senator indicates he thinks they are, that will mean, of necessity, that private enterprise in this country between the 1st of July 1939 and July 1, 1940, will have to take care of four and one-half million people in addition to the ones who are now employed. And I will ask the Senator if anyone in this Chamber thinks that private enterprise can absorb those four and one-half million people in addition to the ones who had jobs in January 1939?

Mr. MURRAY. The Senator's statement demonstrates the absurdity of the situation created and what would have to be done if the law remains as it is now. But, of course, no such thing can happen. I submit that on the statement of Colonel Harrington and upon the plain facts and the necessities of the situation, the amendment should be adopted. The act must be corrected in order to avoid a serious condi-

tion of affairs.

Mr. ADAMS. Mr. President, will the Senator yield to me to make an inquiry?

Mr. MURRAY. I yield.

Mr. ADAMS. As the Senator knows, this matter has been before the Senate Committee on Appropriations. At that time Colonel Harrington submitted to us his draft of what he thought would be the proper provision. The Senator has that before him?

Mr. MURRAY. Yes. I have the bill as it passed the

Mr. ADAMS. That varies somewhat from the Senator's amendment. Would the Senator, who relies upon Colonel Harrington's statement, be willing to accept the amendment which Colonel Harrington then prepared, and which the committee approved, and which the Senate adopted?

Mr. MURRAY. I consulted Colonel Harrington in connection with this subject, and while it is true that, as the Senator has just stated, the language of my amendment is slightly different-it contains an additional clause-it has the approval of Colonel Harrington, and will enable him more efficiently and satisfactorily to handle the situation, and it seems to me there would be no justification in eliminating it merely because it was not in the form in which he presented it to the committee during the hearing.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. McCARRAN. I am at a loss to understand exactly what the amendment is which is referred to by the able Senator from Colorado.

Mr. ADAMS. I am referring to the amendment in reference to the 18 months' period.

Mr. McCARRAN. Do I understand the Senate adopted the same amendment?

Mr. ADAMS. Yes.

Mr. McKELLAR. What amendment is that?

Mr. ADAMS. The Senator from Montana has it. He can read it to the Senator.

Mr. McCARRAN. That was adopted in the committee and brought into the Senate, was it not?

Mr. ADAMS. Yes; and approved by the Senate.

Mr. McCARRAN. That is to the effect that one who has been in W. P. A. for 18 months shall be laid off for 30 days? Mr. ADAMS. No; that is not the point of the amendment.

Mr. MURRAY. No; the amendment that we adopted in the Senate eliminated the provisions that came over from the House, which undertook to lay persons off after they had been on W. P. A. for 18 months. Following is the language adopted in the Senate:

Employable persons who have been certified as in need of ema period of 3 months or more, and who have not in that period been given employment on works projects, shall have preference in employment over persons who have been in employment status on such work projects for a period of 18 months or more.

Mr. ADAMS. That does not discharge anyone from the W. P. A. It merely says that if a person has been in need of relief for more than 3 months, as between that person and one who has been on the relief rolls for 18 months, the one who has not had help should have a preference, but if there was no one crowding him, no one who was in greater need, no one who had been without relief for 3 months or more, then the one who had been on 18 months could stay. We criticized the House amendment because of its arbitrary removals, and we accepted Colonel Harrington's suggestion that there should be a preference given to those who needed immediate relief as against those who had had it continuously for 18 months.

Mr. McCARRAN. What will be done with the man who is let off, and who has, nevertheless, dependents who have been on the verge of starvation for 30 days? What relief does

Mr. ADAMS. Colonel Harrington suggested the preference. Here we have the same man who has not had any help for 3 months as compared with the one who has been getting help for 18 months.

Mr. MURRAY. The man who is let off after having been on for 18 months, goes on direct relief, and he takes direct relief until he can get back on again, or goes into private employment.

Mr. McCARRAN. What does he receive in the way of direct relief?

Mr. ADAMS. It depends a little on where he is. If he is in New York City, which was one of the inspirations for the legislation-in New York City 42.1 percent of the people on relief have been there 3 years or more. That was one of the things that led to the introduction of that type of an amendment.

Mr. McCARRAN. What does the man who goes off for 30 days and must go onto direct relief, which is the dole, get by way of a dole?

Mr. ADAMS. He gets whatever the particular community distributes under this fund. In New York City he would get about \$20.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. MURRAY. I yield.

Mr. BYRNES. I should like to make a statement in view of the Senator's statement, although I dislike to make a different statement.

Mr. ADAMS. I am sure the Senator will make a correct

Mr. BYRNES. No. The mayor of New York City in one conversation with me about the time our Committee on Unemployment was considering this question, stated that

they were exceedingly liberal; I think the Senator from New York [Mr. Wagner] would be in better position to state the situation than I am. As I remember, however, \$50 was allowed on direct relief, according to Mayor LaGuardia, in cases where it was necessary for medicinal care and so forth. That is the highest amount that I know. The amount varies throughout the country.

Mr. McCARRAN. If a person could get \$50, he had better stay on direct relief, because he can get that amount

without working at all.

Mr. BYRNES. Of course, if he happens to be a skilled worker, he would get about \$90 there.

Mr. WAGNER. Is it not a variable amount?

Mr. BYRNES. Yes. Mr. WAGNER. When medical care is needed for the family the higher figure to which the Senator refers is given.

Mr. BYRNES. I think the city of New York is the most liberal of all the cities in the country in the way of direct relief. Relief varies, but it goes down in amount in the smaller towns. The amount provided depends on the municipality.

Mr. WAGNER. Still it is far below what a family would actually need to live reasonably comfortably. Let me ask the Senator a question. Assuming that is true that in New York 42 percent of those on W. P. A. have stayed there for 3 years, does that furnish any proof that they could acquire some other employment?

They cannot acquire any other employment. I know as a matter of fact that the law is very strictly observed in New York City. The administrator is Colonel Sommervell, who is probably one of the ablest administrators in the country. If there is any private employment which has an opening for any of those on the roll, they must accept it; and we are gradually bringing those on relief into private employment. To punish a man because after 18 months he has not been able to obtain employment is something that I cannot appreciate.

Mr. ADAMS. It is not a question of punishing them. It is a question of taking care of those who are off relief and

cannot get on.

Mr. WAGNER. We had better try to get them all on. That would be my way of doing it. However, the appropria-

tions do not permit it.

Mr. PEPPER. Mr. President, I was very much interested in the question which the Senator from Nevada asked a moment ago. I do not believe the cost would average \$10 a month, taking the whole United States. It would not be that much in my State, and I wonder if Senators believe it would be much more than that on the average. I do not believe the cost of direct relief, dissociated from jobs, would average \$10 a month per person anywhere in the United States.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. SCHWELLENBACH. The last part of the discussion came as a result of the discussion between the Senator from Montana [Mr. Murray] and the Senator from Colorado [Mr. Adams] as to the difference between the amendment of the Senator from Montana and the amendment adopted by the Senate when the relief bill was before us. I should like to have that difference explained. My understanding is that in substance the Senator from Montana is offering the same amendment which the Senate once adopted.

Mr. MURRAY. Yes. In that connection I wish to say that my amendment accepts the formula which was adopted by the Senate, except that it adds this language:

This shall not result in the discharge of a person employed on works projects where he has made a reasonable effort to find suitable private employment or where project operations would suffer from his discharge or where unusual hardship would result from such discharge.

I discussed the matter with Colonel Harrington, and he approved of the additional language, which would be helpful in administering the act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. Murray].

Mr. MURRAY. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Andrews	Clark, Mo.	Hughes	Schwartz
Ashurst	Danaher	Johnson, Colo.	Schwellenbach
Austin	Davis	La Follette	Sheppard
Bailey	Downey	Lodge	Slattery
Bankhead	Ellender	Lundeen	Smith
Barbour	Frazier	McCarran	Stewart
Barkley	George	McKellar	Taft
Bilbo	Gerry	Maloney	Thomas, Okla.
Bone	Gibson	Mead	Thomas, Utah
Borah	Gillette	Miller	Tobey
Bridges	Green	Minton	Townsend
Brown	Guffey	Murray	Truman
Bulow	Gurney	Neely	Tydings
Burke	Hale	Nye	Vandenberg
Byrd	Hayden	O'Mahoney	Van Nuys
Byrnes	Herring	Pepper	Wagner
Capper	Hill	Radcliffe	Walsh
Chavez	Holman	Reed	Wheeler
Clark, Idaho	Holt	Russell	White

The PRESIDING OFFICER. Seventy-six Senators have answered to their names. A quorum is present.

Mr. SCHWELLENBACH. Mr. President, during the time we have had the W. P. A. there has been criticism of it. It has been said that persons stay upon the W. P. A. too long; and very definite charges have been made that the W. P. A. has been made a career service by persons who do not want to take jobs in private employment. As a result, in January of this year Congress ordered an investigation by the W. P. A., and ordered the W. P. A. to take from its rolls those persons who had been on the W. P. A. rolls for such length of time and under such circumstances that that conclusion could be reached about them.

The W. P. A. made an investigation and a purge. Then when the last relief appropriation bill came to the Congress the House of Representatives included a section which automatically and arbitrarily provided that those who had been on the rolls for more than 18 months should be given a 30-day furlough, as it was called. It is all very well to refer to it as a 30-day furlough. One Senator remarked that people who had worked for a year and a half should have a month's vacation. However, that is not the way it has worked out or will work out. When a person gets off the W. P. A. roll and loses his position he loses all his status and must come back at the end of 30 days for recertification, which means that the 30 days is extended almost indefinitely and that for many months thereafter he does not get back.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. PEPPER. I wonder if the Senator from Washington thinks that the prospect of such a vacation without pay for W. P. A. workers is likely to inspire purchasing-power confidence in them?

Mr. SCHWELLENBACH. I do not see how it could inspire anything but gloom in the mind of any W. P. A. worker.

Our own Committee on Appropriations, recognizing what the problem was and recognizing the situation presented by the House bill as it came over to this body, on its own initiative changed that rule, eliminated the House provision, and inserted its own amendment. I think the Senate unanimously adopted the amendment. However, when the measure went to conference, unfortunately just a few hours before the end of the fiscal year, in order to make it possible for a bill to be adopted prior to the end of the fiscal year, our conferees were compelled to give in to the House, and the House language stayed in the bill as it was adopted.

The Senator from Montana [Mr. Murray] has given us the figures as to the number of persons who will be arbitrarily taken from the W. P. A. rolls unless this rule is changed in some measure prior to the time of the conclusion of this ses-

sion of Congress. In my opinion, this is the only measure on which we can practically hope to obtain such an amendment of the present act as to bring it in accord with the unanimous opinion of the Senate at the time the Senate passed upon the bill, so as to relieve the possibility of the distress which would be caused.

I do not know of anything more cruel that has been done in the whole administration of relief than laying down this arbitrary rule. The amendment which the Senate adopted upon the recommendation of the Appropriations Committee and the amendment of the Senator from Montana do not give to anybody the right to a career service in the P. W. A. They recognize that those who stay on W. P. A. more than 18 months, and who could secure work in private employment, should be separated from the W. P. A. rolls; but that there should be some fairness and some measure of justice in the administration of the act.

As the law now stands there cannot be fairness and there cannot be any measure of justice. Those members of the legislative body of the National Government who are so very much interested in the problem of the danger to our form of government should consider this particular matter as being of extreme importance. If hundreds of thousands of people are to be unjustly and unfairly deprived of an opportunity to work on W. P. A., then I believe it can be conservatively said that the next few months will see very serious times in the United States.

That statement is not in the nature of a threat. It is in the nature of a recognition of the practical circumstances which will exist. If the Government is to be in the business of furnishing employment, it must furnish such employment upon the basis of fairness; and it cannot be fair so long as it has an arbitrary rule.

Under the present law there is no discretion. No judgment is allowed to the Administration. The rule is arbitrary. After 18 months elapse the Administrator must arbitrarily throw a certain number off relief; and at the end of 30 days they start their quest in an effort to get back on.

The pending amendment is simply a reaffirmation by the Senate of what its Appropriations Committee thought was right and what the Senate thought was right; and is simply an effort to have some justice and fairness in deciding upon who should remain on the rolls after they have been there for a period of 18 months.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. Murray].

Mr. AUSTIN. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered. The Chair was about to order the clerk to call the roll.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. Wiley], which has been transferred to the senior Senator from New Jersey [Mr. Smathers]. I vote "yea."

Mr. HARRISON (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. McNary]. Not knowing how he would vote, I withhold my vote.

Mr. AUSTIN (when Mr. Norris' name was called). I announce that the Senator from Nebraska [Mr. Norris] is necessarily temporarily absent from the Senate and that, if present, he would vote "yea."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I transfer that pair to the senior Senator from Nebraska [Mr. Norris], who, if present, would vote as I have voted, and will allow my vote to stand.

Mr. AUSTIN. I announce the general pair of the Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. Glass].

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of illness in his family.

The Senator from Colorado [Mr. ADAMS], the Senator from Mississippi [Mr. Bilbo], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. HATCH], the Senator from Utah [Mr. KING], the Senator from Oklahoma [Mr. Lee], the Senator from Kentucky [Mr. Logan], the Senator from Illinois [Mr. Lucas], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. PITTMAN], and the Senator from New Jersey [Mr. Smathers] are unavoidably detained.

The Senator from Texas [Mr. Connally] is absent because

The Senator from Oklahoma [Mr. Lee] is paired with the Senator from Utah [Mr. King]. I am advised that if present and voting the Senator from Oklahoma would vote "yea," and the Senator from Utah would vote "nay."

The result was announced—yeas 43, nays 32, as follows:

YEAS-43

Andrews Ashurst Bankhead Barbour Bone Borah Brown Capper Chavez Danaher Davis	Downey Frazier Gibson Gillette Green Guffey Hill Hughes Johnson, Colo. La Follette Lodge	Lundeen McCarran Maloney Mead Minton Murray Neely Nye O'Mahoney Pepper Radcliffe	Schwartz Schwellenbach Slattery Thomas, Okla. Thomas, Utah Truman Vandenberg Wagner Walsh Wheeler
	NA'	YS-32	
Austin Bailey Barkley Bridges Bulow Burke Byrd Byrnes	Clark, Idaho Clark, Mo. Ellender George Gerry Gurney Hale Hayden	Herring Holman Holt McKellar Miller Reed Russell Sheppard	Smith Stewart Taft Tobey Townsend Tydings Van Nuys White
Direct	The state of the s	OTING—21	
Adams Bilbo Caraway Connally Donahey Glass	Harrison Hatch Johnson, Calif. King Lee Logan	Lucas McNary Norris Overton Pittman Reynolds	Shipstead Smathers Wiley

So Mr. Murray's amendment was agreed to.

Mr. ASHURST. Mr. President, I know the temper of the Senate at this time; the Senate is weary of long speeches. If I were disposed to be guilty of such an impropriety I would not at this time attempt to make an extended address under the circumstances. The importance of the amendment for which I shall ask consideration will not be judged by the length of the address I may make.

Mr. President, no speech that I could make could more clearly explain the amendment than the amendment will explain itself. At the risk of tiring the Senate, I shall ask that the clerk read the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert a new section, as follows:

Sec. 21. There is hereby established a Commission to be known as the Mines Finance Commission, composed of three Commissioners to be appointed by the President with the advice and consent of the Senate.

Every Commissioner appointed under this section shall have the following qualifications: He shall be a citizen of the United States; shall have been an actual bona fide resident of the State from which he is appointed for at least 3 years next preceding his appointment; he must have been engaged in active mining for at least 5 years next preceding his appointment; he must have had at least 5 years next preceding his appointment; he must have had at least 3 years' active underground mining experience; his mining experience must have been in metal mines in the United States; he must be a resident of one of the metal-mining States and familiar with the needs of prospectors and small-mine owners and operators. No Commissioner shall be interested in any manner with any individual, partnership, corporation, or mining enterprise applying for a loan from the Commission, or interested directly or indirectly in any business connected with any mining loan by the Commis-

sion. Every Commissioner shall devote his entire time to his duties as prescribed in this section.

The Commissioners shall each receive an annual salary of \$7,500, payable in monthly installments by the Treasurer of the United States. Such salaries shall be paid from the Mines Finance Commission fund, plus necessary travel expense.

The first Commissioner appointed shall serve 1 year, the second 2 years, and the third 3 years. Thereafter all Commissioners shall serve 3 years

The principal office of the Commission shall be located in one of the metal-mining States where there are public mineral lands sub-ject to location under the mining laws of the United States.

The Commission shall have power to employ and discharge such clerical and technical assistance as it may deem necessary and fix their compensation. All employees of the Commission shall be citizens of the United States

The Commission is authorized and empowered to make one or

The Commission is authorized and empowered to make one or more loans to metal-mine owners or operators in sums not to exceed \$5,000 to any one borrower, and to arrange the terms of such loans in accordance with the provisions of this section.

All loans shall be made with the reservation that if, at any time before the full amount of the loan is expended, the Commission determines that further expenditure of money would be fruitless the unexpended portion may be withheld.

determines that further expenditure of money would be fruitless the unexpended portion may be withheld.

Loans shall be made only to citizens of the United States, or to associations or corporations, a majority of whose stock is owned by citizens of the United States. All loans shall bear interest at the rate of 4 percent per annum, payable semiannually.

The Commission shall take as security for loans a first lien on all ore in the property on which the loan is expended, payable in royalies of 15 percent of the net smelter, mill or mint returns therefrom. Loans may be granted to parties operating under a lease or other contract, provided the owner of the property consents to the creation of such lien, and to the rules of the Commission.

The loans herein provided for shall be made to facilitate the development of commercial and strategic metallic minerals.

There is hereby authorized to be appropriated for the use and purposes of this section the sum of \$150,000,000. To supply said fund the Secretary of the Treasury is authorized and directed to issue silver certificates and deliver the same into a fund to be known as the mines finance fund and kept by the Treasurer of the United

as the mines finance fund and kept by the Treasurer of the United States. Said issue of silver certificates shall be charged against the issue heretofore authorized against silver purchases under the Silver Purchase Act. Said fund shall be subject to withdrawal by the Commission.

The Commission shall make a report to the Secretary of the Treasury as of June 30 and December 31 of each year showing the entire status of the funds handled by the Commission, together with a detailed report of the condition of each loan made.

The Mines Finance Commission shall exist for 10 years from and after its creation. The Commission shall so conduct its affairs that all transactions can be closed within the terms of the contractions.

that all transactions can be closed within the terms of its existence. The term of office of all Commissioners shall expire with the life of the Commission, regardless of the time of appointment.

The Commission may make use of any State agency created for the purpose of encouraging the development of mineral resources,

the purpose of encouraging the development of mineral resources, and to pay such State agency such sums as the Commission shall deem reasonable for such service rendered in effectuating the purposes of this section, performed for the Commission upon its prior request. The Commission shall, wherever feasible, utilize such State agencies for the carrying out of the purposes of this section.

The functions of the Commission shall not in any manner encroach upon the functions of Reconstruction Finance Corporation, the purpose of this section being to prepare meritorious prospects for class B and class A mining loans under the Reconstruction Finance Corporation Act. When a property is qualified for a loan by Reconstruction Finance Corporation by reason of a loan granted under this section, the Commission may arrange with Reconstruction Finance Corporation to absorb the loan granted under this section either on the basis of assumption and payment of such loan by Reconstruction Finance Corporation or by pro rata participation by Reconstruction Finance Corporation or by pro rata participation by the Commission in the returns from such Reconstruction Finance Corporation loan.

The Commission shall have power to adopt rules and regulations for the administration of this section, and to alter, amend, and

repeal the same.

All limitations upon the kind of minerals for the development or extraction of which Reconstruction Finance Corporation is under extraction of which Reconstruction Finance Corporation is under the corp existing law authorized to loan money, and particularly as contained in section 14. Public Law No. 417, Seventy-third Congress, approved June 19, 1934, as amended, are hereby removed, and Reconstruction Finance Corporation is hereby authorized to grant mine loans to all classes of mineral properties as the Commission is herein authorized.

Mr. ASHURST. Mr. President, I repeat that the amendment itself carries a stronger argument than I could make, but I wish in a few sentences to strip it of its legal verbiage and explain in my own language what it means.

The amendment extends and enlarges the power of the Reconstruction Finance Corporation so that the Reconstruction Finance Corporation may make loans to small mines and prospects. In the present situation the Reconstruction Finance Corporation may make loans only to facilitate the exploration and development of gold mines, silver mines, and tin mines.

In the long history of mankind the element of personal courage in warfare has frequently determined how the scales are tilted. In the battles of antiquity the warriors used weapons made of iron, copper, tin, zinc, wood, tough bull-hides, and now and then a spear point or an arrowhead of volcanic glass or other stone. But at the present time many metals are used in industry and in warfare. I cannot enumerate them all, but a few of them are aluminum, antimony, chromite, copper, iron, lead, manganese, mercury, nickel, tungsten, platinum, molybdenum, vanadium, and zinc.

My amendment would set up a mines finance commission to deal with loans and advances. Loans could be made to the owners or lessees of legitimate mines producing or likely to produce any of the metals in addition to those upon which loans may now be authorized; for, I repeat, only gold, silver, and tin are made the subjects of mining loans at this time.

Under the amendment no loan shall be made to any person or any association of persons upon any one mine for a larger sum than \$5,000, and the security will be the ore and the smelter returns. At any time when the Reconstruction Finance Corporation or the commission proposed to be set up should be of the opinion that the loan should not be further extended they would have the power to stop further loans and foreclose on the ore already developed.

I am fortunate, and the auspices are quite favorable, in that probably one of the most, if not the most, experienced of all the Senators in prospecting happens to be the present distinguished Presiding Officer, the President pro tempore of the Senate, the senior Senator from Nevada [Mr. Pittman]; but I know that all Senators, whether they are from the so-called mining States or not, know what a prospector is. The prospector is sui generis. There is none other like him. He dwells in the future; he has faith in the future. He is willing that a couple of burros be his companions. By the way, I wish I had the time, as I have the inclination, to pay a tribute to the burro; he conquered the desert. The prospector goes with his burro, with a grubstake—the word "grubstake" is a definite, valid locution; it is known to the law.

His grubstake arises from the fact that some friend of the prospector, some merchant or other person advances to the prospector food, blankets, powder, and other equipment, with the understanding that whatever the prospector discovers in the way of metals, the man furnishing the grubstake shall be entitled to whatever proportion of the discovery the contract calls for, and such a contract is valid

Many able and thoughtful persons erroneously believe that a man may easily go out and, through some happy stroke, and without much effort, discover a rich mine. That is a castle in Spain. It might happen in the realm of fiction, but such experience is so rare in this practical world that no substantial dependence can be placed upon it. The development of a mine is like the development of a great river. The Mississippi River, for example, our greatest river, does not spring forth full panoplied like Minerva from the brow of Jove; it comes from a small alpine spring here, a slender stream there, some snow melting on yonder hills, slender stream joining stream, multiplied again and again, gathering in volume as it flows, until it becomes a mighty river, fed originally by a multitude of meandering streams.

So it is with a mine. The prospector goes forth with his grubstake; he finds what appears to him to be a good prospect—he is a practical man, skilled in geology in his rough way—he finds "float," he knows that the "float" did not move up hill against gravity, so he looks above the ground whence the float may have come. He stakes out his claim; he does discovery work, and, with faith in himself and his mighty arm and unerring eye directing the point of a miner's pick, he develops his prospect.

He may not have adequate means and his backers may not have adequate means with which practically to develop the prospect but if he can borrow \$2,000, \$3,000, or \$5,000, he may develop his discovery. The probabilities are that it may be a distressing failure, but he is—I was going to say endowed, but I shall say he is endued with hope and zeal. He believes in his country, he believes in his luck and, with courage and strength, he strikes the adamant breast of the mountain and streams of metal gush forth—sometimes; not always.

Mr. President, the Government may not in the nature of things employ prospectors and direct prospectors. For the discovery of these metals so important to industry and to national defense we cannot depend upon the Government; we must depend upon the initiative, the boldness, the zeal and the courage of the prospector.

Therefore this amendment, if it should become a law, would give encouragement to the prospector. I hope Senators will not be frightened when I say that the sum authorized is \$150,000,000. No one's cheek should blanch and no one should have a rush of blood to the head because of the mention of \$150,000,000. If I should, forsooth, add another cipher thereto I do not think it would cause any great rush of blood to the head, so accustomed are we to large figures.

The Secretary of the Treasury is authorized to issue silver certificates, mark you, to the amount of the \$150,000,000, against the billion dollars worth of silver now stored. A billion or more dollars of silver is stored, I believe, near West Point. The gold is stored at Fort Knox, Ky., doing no one any good, but is withdrawn from the veins and channels of trade.

The amendment is not inflationary, it merely provides that against this billion dollars in silver the Secretary of the Treasury may issue silver certificates to the amount of \$150,-000,000, which would create the fund upon which and out of which the prospectors might make applications for their loans.

Mr. President, I did not draw the amendment. I am not such master of accurate terminology in mines and metals as is evidenced by the amendment. The amendment was drawn by some very capable Arizonians who understand the use of such language. It was carefully scrutinized and introduced by the Representative in Congress from Arizona [Mr. Murdock], who is familiar with these matters. It has been offered in the House by Representative Scrugham, of Nevada, who is a practical mining man.

I am not an "inflationist." I do not wish to be known as one who would willfully waste any public funds, and I think all my colleagues feel the same way.

If I thought this amendment would be the medium or the instrumentality of wasting public funds I would not offer it; but I do not perceive what harm can come from issuing silver certificates to the amount of \$150,000,000 against our buried silver and allow such certificates to circulate among the people.

Under the amendment no man, no set of men, could secure on any one property a loan of over \$5,000; and I think, if the Presiding Officer were parliamentarily in a position where he could bear me out, he would say that many prospects may fairly be demonstrated by the expenditure of \$5,000, although in the case of many mines some forty or fifty or a hundred thousand dollars is sometimes required to demonstrate the value of the mines.

Mr. President, it may be asked, why does not the Reconstruction Finance Corporation do this now? Because the Reconstruction Finance Corporation must adhere rigidly to the law.

The Reconstruction Finance Corporation, as I understand, cannot make a mining loan on other than a gold, silver, or a tin mine.

The Reconstruction Finance Corporation has made some loans on mines. The figures I am about to give, Mr. Presi-

dent, may be inaccurate, but, so far as I am able to check them they have an approach to accuracy. There has been authorized by the R. F. C. to be loaned on gold, silver, and tin mines \$13,934,500 and of that authorization the R. F. C., for reasons known best to themselves and probably because they err on the side of caution and conservatism, retain \$7,421,000, leaving only \$6,513,500 that the R. F. C. has loaned on mines.

I repeat, they have loaned \$6,513,500 on mines.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. McCARRAN. I wonder whether the Senator has in mind the fact that one who applied for a loan from the R. F. C. and who could meet the requisites of the R. F. C. would in reality not need a loan at all?

Mr. ASHURST. Yes.

Mr. McCARRAN. In other words, if he had that which the R. F. C. would require as the basis for a loan he would not even require a loan.

Mr. ASHURST. That is true.

Mr. McCARRAN. So the whole proposition is out of line.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. ASHURST. I yield. Mr. ADAMS. I think the statement should be supplemented, because the R. F. C. can make two types of loans, class A and class B, one of them limited, I think, to smaller amounts, which are rather more of the speculative type. That is, there is not an unreasonable exactness with reference to smaller loans.

Mr. ASHURST. That is the class B loan.

Mr. ADAMS. Yes.

Mr. ASHURST. That is quite true, and I am glad to have the able Senator from Colorado and the able Senator from Nevada question me, because they know more about mines and mining than I do.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. McCARRAN. I may say, in view of the fact that the able Senator from Arizona was born in the greatest mining State of all the world, and then, through no volition of his own, went into the State of Arizona, that he has by reason of his contact with both States, he being a native of my State and a resident of another State, a very intimate knowledge of the whole subject of mining. He is most apologetic. He need not be, because he knows more about mining than any of the others of us do. But I conclude with a question. With regard to the two classes of loans referred to by the able Senator from Colorado, neither of those classes has been given its proper status by the Reconstruction Finance Corporation, because the Reconstruction Finance Corporation is composed of those who have no particular faith in a mining venture, and every mine is a venture.

Mr. ADAMS. Is not the great State of Nevada represented on the Reconstruction Finance Corporation?

Mr. McCARRAN. I am not certain about that.

Mr. ADAMS. Is not former Senator Henderson on it?

Mr. McCARRAN. I think he was nominated from the State of California. Am I right about that?

Mr. ADAMS. I thought he was from Nevada.

Mr. McCARRAN. I think he was nominated from the State of California. Then I think the Senator from California refused to accept him as a resident of the State of California, and so he is on the Board as a representative of the State of Nevada. Whichever State he represents, the result follows that neither the State of Nevada nor the State of California have received any benefits by reason of his presence on the Board. What I mean by benefits is that we have received no consideration-

Mr. ASHURST. No special consideration. Mr. McCARRAN. For small mine ventures.

Mr. ASHURST. I wish to be understood as not quarreling with the R. F. C. It is suggested now and then that they lose some money. It would be unthinkable that they should not. Only a man with an imagination fleet as the wings of Mercury could expect that the R. F. C. in all its enterprises and ramifications would lose no money. I marvel that they have lost so little.

Let me finish the presentation of the figures. There has been authorized for mining loans \$6,513,500. There has been disbursed for mining loans \$4,486,000. Of that there has been repaid \$1,827,000. I may be wrong about that. But those are the figures I obtained yesterday.

So, Mr. President, I do not want the Government to engage in any wild speculation. A mining claim located in accordance with the law depends upon the prospectors' or the owners' further compliance with the law, if he have no patent. A great many excellent lawyers who have never had any experience in mines are unable to understand how a prospector and miner may hold against all persons and even against the United States a lode claim or a placer claim when he has no title other than his location, which is kept alive by assessment work each year. But that is the law. If he makes a discovery and if he keeps it alive, he can hold it. It may be mortgaged, sold, or made the basis of a stock flotation.

Mr. LUNDEEN. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Minnesota?

Mr. ASHURST. I yield.

Mr. LUNDEEN. I once traveled with a Congressional party through Nevada, and I shall never forget the thrill which we experienced when we came to the little town of Winnemucca, the birthplace of the distinguished Senator from Arizona. Mr. President, now as always, I am swept along by the wonderful flow and current of his eloquence. His presentation is most pleasing, and, as always, his arguments are irresistible.

Mr. McCARRAN. Mr. President, we cannot hear what the Senator from Minnesota is saying.

Mr. WALSH. Mr. President, his statement is so complimentary that perhaps he feels it should be reserved entirely for the Senator's ears.

Mr. ASHURST. Mr. President, the statement was so complimentary that I wish the kind Senator from Minnesota had spoken louder so others might hear. [Laughter.]

Mr. LUNDEEN. I wish to say that it is wonderful to know that the eminent Senator remembers people from whom he sprung; that he remembers those pioneers, those noble men who crossed the prairies and the mountains and settled in the section where he was born. I am glad to know that in the day of his greatness here he has not forgotten those people. I am pleased and happy to be a neighbor of the Senator in the Senate Office Building. A more agreeable neighbor I have never known. His wit and unfailing good humor is unsurpassed. Kindly and generous, he is the personification of a courteous gentleman. Nevada and Arizona may well be proud of their Senator, who wears his toga with all the dignity of a Roman senator.

Mr. ASHURST. Mr. President, I have no words with which to reply to such splendid compliments except to say "I thank you."

I now yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I may add to that which has been said by the able Senator from Minnesota. In view of the fact that the Senator from Arizona sprang from those who lived in my State—and he is a native of my State—I join in every expression made by the Senator from Minnesota and in every expression that might be made by any Senator complimentary of the Senator from Arizona, whose official life in the Senate has extended over some quarter of a century.

Mr. PEPPER. Mr. President, before the Senator makes reply I desire to include this remark. In conformity with the utterance and the spirit and the sentiment so well expressed by the able Senator from Minnesota and by the able Senator from Nevada, I wish to add my little appreciation of the Senator from Arizona, who is the living antithesis of that

despicable character who Shakespeare portrayed as having climbed up the ladder of success, and to whom he referred in this wise:

> But 'tis a common proof, That lowliness is young ambition's ladder, Whereto the climber upward turns his face; But when he once attains the upmost round, He then unto the ladder turns his back, Looks in the clouds, scorning the base degrees By which he did ascend.

Mr. ASHURST. Mr. President, knowing myself intimately as I do, I wonder how men could be so kind as to say these things of me. All I can say is that I am very humble and very grateful.

Mr. President, some Senators have suggested that I should distinguish between nonmetals in the mineral world and Then there are of course minerals that are not The minerals that I am sure are not metals are, among others, pyrites, china-clay, coal, fluorspar, graphite, nitrates, petroleum, coal, phosphates, potash, sulphur, and

These nonmetals would not be eligible for a loan under this amendment for reasons that I need not go into now. It is obvious to many Senators why they do not need to be brought under the provisions of the amendment.

Mr. President, I ask to include in the RECORD a report of the Committee on Mining Loans, Yavapai County Council, Arizona Small Mine Operators' Association.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The report is as follows:

REPORT OF COMMITTEE ON MINING LOANS, YAVAPAI COUNTY COUNCIL, ARIZONA SMALL-MINE OPERATORS' ASSOCIATION

It is vitally necessary that a new plan be presented to the mining public to relieve the present unfortunate conditions in the small-

The reasons are here presented in the form of a resolution:
Whereas the entire mining sections of the United States, comprising 12 States and Alaska, produced in 1937 only 71,095,711 ounces of silver, which cost the Government a little more than 67

ounces of silver, which cost the Government a little more than 67 cents per ounce, authorized for coinage at \$1.29 per ounce, or a total cost of \$54,992,532, or a profit to the Treasury of 100 percent, all out of the pockets of the silver miners; and

Whereas a reduction to \$0.6464 per ounce paid for silver in 1938 caused a reduction in production to 60,264,573 ounces, or a drop of roughly 70,000,000 to 60,000,000 ounces, with an attendant closing down of many mining properties, throwing out of employment thousands of miners and putting them and their dependents on relief. This is reflected not only in the increase of Federal, State, and local relief expenditures from \$194,562,000 per month in 1937, to \$247,671,000 per month in 1938, but by a considerable reduction in the number of lode mines in Arizona alone; and

Whereas the retention of the \$0.7757 per ounce price of 1937, throughout 1938, if only by keeping former mines producing at the same rate as in 1937, would have cost our Government only \$9,107,361 more for silver authorized to be minted at a profit of over 100 percent, and would have kept many thousands of miners and their dependents off the relief rolls, as shown in the previous

over 100 percent, and would have kept many thousands of miners and their dependents off the relief rolls, as shown in the previous paragraph. This is readily seen from the fact that the fixed price of \$0.7757 in 1937 increased the number of producing lode mines in Arizona alone from 847 in 1936 to 888 in 1937; and Whereas a large percentage of those miners thrown out of employment are the owners of, or are interested with others in prospects of sufficient surface and other showings to merit continued interest in their development; and

prospects of sufficient surface and other showings to merit continued interest in their development; and
Whereas class B of the R. F. C. loans for development of mines has failed to operate beneficially by reason of many impossible requirements, some bad features being inherent in the law itself and some in the regulations, for example, one requirement being that applications must contain a detailed statement of the applicant's proposed plan of operation after the development program has been completed, with full information concerning the financing of such operations, when no one, with a mortgage on his mining property and developed ore could place a second mortgage to private capital for further operation unless a bonanza were struck rivate capital for further operation unless a bonanza were struck (such bonanzas being very rare even among our largest producers), or unless the R. F. C. would grant a class A loam—a remote contingency, evidenced by the fact that while \$10,000,000 was placed as a limit for allocation to class B loans a mere \$724,500 was placed in only 48 loans in the entire United States and its possessions. The R. F. C. found only 126 borrowers for either class of loan, and of the amounts loaned only one-third was actually disbursed; and

Whereas mining for the money metals is noncompetitive and when productive constantly adds to the volume of the medium of exchange in circulation; and Whereas miners are wholly consumers and in mining the money metals are noncompetitive with industry at large, being forced to

buy freely of all industrial commodities, thus being a great aid in keeping the manufacturing establishments busy with attendant continued employment in many industrial centers; and

Whereas the extension of loans to other than gold, silver, and

Whereas the extension of loans to other than gold, silver, and tin will aid largely in the discovery and development of strategic minerals for the national defense, a matter which is at present concerning the Congress deeply: Now therefore

It is recommended that the following new plan be set up for encouraging the small miner not only to become a producer but an employer, thus not only eliminating him and his dependents from the relief rolls, but also those whom he will be required to employ, and their dependents; and to aid in the improvement of national economic conditions and the development of strategic minerals for the national defense.

minerals for the national defense.

This plan as outlined by your committee is hereafter set forth for the consideration of all interested and termed "Mines Finance" Commission, small metal-mine loans, class C."

INTRODUCTORY COMMENTS REGARDING THE PURPOSE FOR, FINANCING OF, AND LEGISLATION TO MAKE POSSIBLE THE HEREIN CONTEMPLATED LOANS

It is clear that the R. F. C. class B mine loans, which were designed to aid the owner of mining claims to develop his claims, has generally failed of the purpose for which it was intended. To support this claim it is only necessary to refer to the Seven-Year Report of the Reconstruction Finance Corporation, issued February

Report of the Reconstruction Finance Corporation, issued February 2, 1939, and read the short paragraph on page 13 dealing with mining loans. The R. F. C. states:

"One hundred and forty-four loans, in the amount of \$12,655,500, have been authorized to 126 borrowers for mining, milling, and smelting ores, and development of ore bodies. Of this, \$7,392,000 has been canceled and \$4,179,700 disbursed; \$1,531,252 has been repaid. Eighty-seven of these loans, aggregating \$1,440,500, have been approved under the section of the act which authorizes loans up to \$20,000 to one borrower for development; \$716,000 of this has been withdrawn or canceled."

With this short comment in a 28-page booklet, the R. F. C. dis-

With this short comment in a 28-page booklet, the R. F. C. dismisses the subject of mining loans.

Now, it is quite clear that if so few borrowers have been found among the whole mining industry for loans which were supposed to have a popular and stimulating effect on mining, one (possibly both) of two things is wrong: Either there are no suitable mining properties remaining in the United States which merit the expenditure of development loans or the basic purpose of these loans was misconstrued when the enabling legislation and rules of the R. F. C. were formulated. The mining industry will by no means R. F. C. were formulated. The mining industry will by no means admit the former, for it is an obvious absurdity. We must, therefore, deal with the fact that the R. F. C. loans, at least the class B development loans, have not served the purpose for which they were

development loans, have not served the purpose for which they were intended because of the way they are set up.

This committee feels that not only is it possible for a class of loan to be devised that will reach meritorious mining properties needing such loans but that it is possible to finance such loans from the miner's own money now in the Treasury of the United States, i. e., the unissued portion of silver certificates representing the Treasury's 100-percent profit.

In this way the silver profits, which at the present time benefit no one, will be used to aid the industry which produced them. The Treasury at present is authorized to issue this currency in the form of silver certificates. We feel that \$150,000,000, a small proportion of the vast silver reserves, is not too much to ask for loans which will have a broad enough base to aid the whole mining business. So much for the source of the funds with which to finance these loans. finance these loans.

It is equally clear that the R. F. C. loans have failed of their purpose of helping the small mine owner because of the narrow restrictions placed upon the Corporation as a banking organization by the law itself. It is not commonly understood that the R. F. C. has no choice and that a modification of this provision is not merely a matter of changing corporate rules. The same thing, indeed, applies to the restriction of loans to gold, silver, and tin

properties.

A new loaning body is definitely indicated, one which can take a part of the surplus silver money now existent and devote it to

a part of the surplus silver money now existant and devote it to the needs of the small-mine operator without the inhibiting restrictions of the R. F. C. and this body we have attempted to set up. Specific legislation to this end has been drafted and is made a part of this report.

In drafting the new legislation for the proposed small metal-mine loans the Committee has had in mind the necessity of extending the loans to all classes of metal mines so that the potential production of both commercial and strategic war minerals will be encouraged.

In order to allow the R. F. C. to take up the financing of worthy properties which these class C loans may have put in a suitable state for further expenditure, a clause has been introduced in our act broadening the powers of the R. F. C. to include all metallic minerals. The committee feels, however, that private capital will take over many of the mines aided by these small metal mine loans. metal mine loans.

As these loans are to precede and not to replace the R. F. C. type of loan, the amount which may be loaned to any one bor-

rower has been restricted to \$5,000.

The proposed act setting up the mines finance commission to administer funds for the small metal mine loans has been framed in such a way as to avoid having in its personnel individuals who may not be in sympathy with the mining business, and to insure

that the commission and its personnel will be thoroughly conversant with mining business in all its phases.

In avoiding mortgages on the mining properties of borrowers, or on their equipment, some security had to be designated. We believe repayment of the loan by means of a 15-percent royalty on the net smelter, mill, or mint returns solves this problem. A lien will be taken on the ore exposed during the operation of the loan, payeble from proceeds.

This class of loan may be absorbed by a class B or a class A R. F. C. loan, and payments made under the latter will be prorated between the R. F. C. and the M. F. C.

between the R. F. C. and the M. F. C.

As a matter of mines finance commission policy, your committee has so drawn the act governing the commission's activities that the commission must work as closely as possible through the State Bureau of Mines, Mineral Resources Department, or other similar suitable bodies which are or may be set up in the particular States where the small metal mine loans may be granted. The data collected by the commission's engineers will be exchanged with present State mining organizations, and they in turn will furnish information to the mines finance commission. information to the mines finance commission.

Mr. ASHURST. Speaking for a moment of small mines, let me remind the Senate that small mines make the great mines. Possibly my friend in the chair and others here more familiar with mines know of mining properties that were from the start rich from top dirt down. Possibly the mountain of silver near Virginia City in Nevada might have been originally, from the start, great, but many if not most of the important and great mines have grown from small and humble beginnings.

Mr. McCARRAN. Mr. President, I may say to the Senator from Arizona when he refers to Virginia City, that out of one tunnel into the earth, one shaft into the earth, we produced \$800,000,000, which money lent itself to the continuity of this Nation. I am glad the Senator made mention of Virginia City in his splendid argument, because Virginia City started from nothing. It was merely a prospector who found some dark metal in his pan when he was panning for gold, and, finding that dark metal, he wondered what it was.

Then he sent it to an assay office, and he found it was silver. He then followed it on to its source, and the great Comstock Lode was thereby discovered. The Comstock Lode produced more wealth for the Nation than any one agency we have ever known.

Mr. ASHURST. That is true.

Mr. President, I have no memory for anything that has been said about me in the course of a long political life that was not felicitous. I have no memory for anything but good, but I wish to tell of an incident which took place a very few days after I was inducted into this body many years ago. I feel inspired to say that the first figure I met-certainly among the first-was the able senior Senator from Idaho [Mr. Borah], then, as now, pursuing serenely and bravely a course of devotion to the public service certainly never excelled and rarely equaled in the annals of our country.

Another Senator was not so gallant toward me. He made bold to say, "I do not think we should have such States as Nevada and Arizona, with their wild ideas. I welcome you here-but dubiously. I wish we did not have Nevada and

Arizona."

He was a patriotic man. I believe he had been a soldier. I said in reply, "Senator, out of modesty I will not speak for Arizona, but I will speak for Nevada." It so happens, as the Senator from Nevada has said, that I was born in Nevada. I contend that Nevada has produced more statesmen per capita than any other State in the Union. [Laughter.]

I said to the Senator, "So you think Nevada should not have been a State?"

He replied, "No; I do not."

I said to him, "Senator, read your history. A Caesarian operation was performed on Utah Territory and Nevada was made a State against her will. Then when paper money was refused by the bankers of the land during the war between the brothers it was the silver of Nevada which paid the soldiers and sustained Abe Lincoln."

He said in reply: "I feel ashamed and rebuked. I wish I had not said what I said."

I thank the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ari-

Mr. BANKHEAD. I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Colo.	Schwartz
Andrews	Davis	La Follette	Schwellenbach
Ashurst	Downey	Lee	Sheppard
Austin	Ellender	Lodge	Shipstead
Bailey	Frazier	Lucas	Slattery
Bankhead	George	Lundeen	Smathers
Barbour	Gerry	McCarran	Smith
Barkley	Gibson	McKellar	Stewart
Bilbo	Gillette	Maloney	Taft
Bone	Green	Mead	Thomas, Okla.
Borah	Guffey	Miller	Thomas, Utah
Bridges	Gurney	Minton	Tobey
Brown	Hale	Murray	Townsend
Bulow	Harrison	Neely	Truman
Burke	Hatch	Norris	Tydings
Byrd	Hayden	Nye	Vandenberg
Byrnes	Herring	O'Mahoney	Van Nuys
Capper	Hill	Pepper	Wagner
Chavez	Holman	Pittman	Walsh
Clark, Idaho	Holt	Radcliffe	Wheeler
Clark, Mo.	Hughes	Reed	White
Connally	Johnson, Calif.	Russell	

The PRESIDENT pro tempore. Eigthy-seven Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. Ashurst].

The amendment was rejected.

Mr. TOWNSEND. Mr. President, I send to the desk an amendment which I ask to have stated.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. TOWNSEND. I yield.

Mr. McCARRAN. In view of the fact that the Senator's amendment pertains to a different subject, and that we are about to pass from the question of the prevailing wage. I wonder if the able Senator from Delaware would permit me to offer an amendment and to have it voted on? I will say to the Senator that I shall not occupy more than 2 or 3 minutes of the time of the Senate.

Mr. TOWNSEND. Mr. President, I should like very much to accommodate the Senator, but I shall occupy only a few minutes myself. I have only a very short speech, which will take but a short time.

The PRESIDENT pro tempore. The amendment offered by the Senator from Delaware will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

Sec. — All power and authority of the President and the Secretary of the Preasury with respect to the acquisition of foreign silver under the Silver Purchase Act of 1934, under section 43 (b) (2) of title III of the act of May 12, 1933, as amended, and under any other provision of law in force on the date of enactment of this act, shall cease and terminate on the date of enactment of this act; and all proclamations, orders, rules, regulations, and other action promulgated, made, issued, or taken by the President or the Secretary of the Treasury with respect to foreign silver pursuant to any such power or authority shall cease to be effective on and after such date. For the purpose of this section, the term "foreign silver" includes any silver not mined subsequent to July 1, 1938, from natural deposits in the United States or any other place subject to the jurisdiction thereof.

Mr. TOWNSEND. Mr. President-

Mr. ADAMS. Mr. President, will the Senator yield for a question?

Mr. TOWNSEND. I yield to my friend from Colorado.

Mr. ADAMS. Does the Senator's amendment include a repeal of the tax which was laid on silver-purchase profits under the Pittman Silver Act?

Mr. TOWNSEND. It does not.

Mr. ADAMS. Does not the Senator think that repeal of the tax should be included?

Mr. TOWNSEND. I have no objection to it being in-

Mr. ADAMS. Would the Senator accept a modification of his amendment to that effect?

Mr. TOWNSEND. I would.

Mr. President, my amendment calls for the repeal of all provisions of existing statutes which permit or compel the Government of the United States to buy foreign silver. The purpose of my amendment is so well understood by the Senate that I need not here explain it again in detail. One month ago this body, by an overwhelming vote, put on record its clear desire that this Government terminate, now and for good, the buying of foreigners' cast-off silver.

At West Point a deep hole has been dug in the mountainside to bury the cast-off and unwanted metal which China, Japan, Mexico, Canada, Spain, and a score of other countries have been selling us for millions of dollars of real American cash. The Treasury of the United States is no cemetery for the interment of worn-out foreign coin. Foreign silver buying is inexcusable, and the country is simply tired of it.

Let me call the Senate's attention to the excerpts from newspaper editorials on silver which I inserted in the RECORD during my speech on July 26. They appear on pages 10034-10036 of the Congressional Record. These 63 editorials are merely a sample of the country's almost unanimous and plainly recorded view that the purchase of foreign silver must stop. These recent editorials—and there are scores more like them-come from all section of the Nation. They come from Maine and California, from Minnesota and Louisiana—from the length and breadth of the land. It will be noted that our own silver States are represented among the protesting editorials. All agree that buying foreign silver is indefensible.

Mr. President, while it is not my function here to defend the purchase of foreign silver—and I emphasize that my amendment does not touch the present domestic-silver law in any way-I again remind the Senate that Mr. Marriner S. Eccles, of Utah, has testified several times this year that nothing will so work to the detriment of the domestic silver producers as retention in the statutes of the provision to buy foreign silver.

Mr. Eccles, however, gave us a far more important reason for buying no more foreign silver. He proved that the issuance of silver certificates has already greatly complicated the task of the monetary and credit authorities. The hearings on my bill fully developed that point.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. TOWNSEND. I yield. Mr. McCARRAN. The Senator has made a statement to the effect that the purchase of foreign silver is indefensible. Will the Senator kindly permit me, within his time, to make an expression so that he may answer it within his time?

Mr. TOWNSEND. Yes. Mr. McCARRAN. The fact of the matter is that the great nations which purchase from us our surplus commodities use silver. In other words, we must recognize the silver dollars of the nations which buy farm and other commodities from us.

Mr. TOWNSEND. To what countries does the Senator refer

Mr. McCARRAN. I speak of the South American countries and of the Orient. The Orient recognizes silver as its primary money. In other words, the nations of the Orient are monometallists. The nations of South America are monometallists, and in each instance silver is the metal.

When we first established money in this country silver was recognized as one of the two metals that should be basic to the money of the country; namely, gold and silver.

Would the Senator now say that we shall repudiate the money of a country which is the greatest purchaser of our surplus farm commodities?

I want to say to the Senator that I cannot go along with him. I hope his amendment will not prevail, because, if it does, it will destroy everything that is in keeping with our whole idea of selling our surplus commodities, both farm and industrial, to nations that would buy from us and use silver as their money, which we must of necessity recognize. If we do not recognize their money, we will close our ports, if you please.

Mr. TOWNSEND. Mr. President, I want to say to the Senator, as he well knows, that there is no country in the

world which is on a silver standard-not one-and we are simply purchasing silver from foreign countries.

Mr. PITTMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Lucas in the chair). Does the Senator from Delaware yield to the Senator from Nevada?

Mr. TOWNSEND. Yes; I yield.

Mr. PITTMAN. India is not on the silver standard; and yet, when an Indian desires to buy a piece of cotton cloth to cover himself with, he has to obtain a certain amount of silver with which to buy a dollar with which to buy the cotton cloth. In the long run, it does not make any difference what we call the standard; a person buys with what he has. Silver is all the people have in India, and it is all they have in China.

Mr. TOWNSEND. Mr. President, we can never sell abroad the silver which we have imported. There is no chance in the world of our doing so.

Mr. PITTMAN. Mr. President, may I ask the Senator another question?

Mr. TOWNSEND. Yes.

Mr. PITTMAN. The Treasury Department reported, day before yesterday, that silver was flowing from the United States to London. Is that a fact? That was reported.

Mr. TOWNSEND. Just 1 day.

Mr. PITTMAN. The Senator knows that at the price of 35 cents an ounce silver is moving out of the United States.

Mr. TOWNSEND. At the price of 35 cents an ounce there was 1 day when the foreign silver market was higher than our market. Today our market is higher than the foreign market, so silver is coming this way again.

As I have said, we can never again sell abroad the silver we have imported. My hearings developed expert Government testimony on this point, too. So why do we keep on buying it under a mandatory law which sets no end to the treadmill purchases?

The only excuse now advanced in defense of this law, which was originally advocated as a means of raising the purchasing power of the Orient for our bathtubs, our shirts, and our shoes, is that Mexico wants us to act under it.

Mexico, we are told, wants us to keep on pouring out American dollars by the million in exchange for silver for which we have no imaginable use. Mexico, whose silver we have been buying as fast as it could be pulled out of the ground, ever since 1934; Mexico, which has seized American lands and properties without prompt payment; Mexico which has owed our claimants money as long as I can remember-Mexico tells us if we want to get some of the pending problems settled, we must keep on importing its silver. Mexico even has the nerve to suggest that since we have raised the return on American-mined silver from 64 cents to 71 cents an ounce, we should raise the price on Mexico's silver to 47 cents.

Mr. President, I think we should not be dissuaded, on any basis smacking of blackmail, from dropping an erroneous and wasteful policy, hurriedly adopted in 1934. That I mention Mexico now is only because Mexico is the excuse which defenders of the foreign-silver program gave us last month. But with or without Mexican silver, the purchase of the foreign metal should be stopped completely and at once.

If we now stop all buying of foreign silver, the act of July 6, 1939, still requires the Treasury to take off the market about 65,000,000 or 70,000,000 ounces of silver a year, or however much we may produce in this country. This is a decided benefit to all foreign sellers of silver, Mexico included. Sixty-five million or seventy million ounces is about twice as much as was taken off the market by five countries under the London silver agreement of 1933; and whereas that agreement took 35,000,000 ounces off the market each year for only 4 years, we now are going to take our entire domestic production off the market until silver ceases to be mined

When the Senate a month ago voted to discontinue buying foreign silver, the Treasury immediately lowered its price for foreign metal from 43 cents an ounce to 35 cents an ounce; yet even that price of 35 cents was higher-and it is still

higher—than the market value of silver abroad. This shows the absurdity of the foreign-silver program.

I earnestly urge the Congress to heed the country's wishes

in this matter.

Mr. PITTMAN. Mr. President, I advocated the Silver Purchase Act. I had in mind the stabilization of monetary systems in various places in the world. I did not anticipate that there would be the purchase of the mine-production of certain countries. It was not in my mind, and was not involved in the stabilization that I had in mind. I had in mind the stabilization that took place in Mexico for a while. Mexico had a greatly inflated paper currency. Our Government entered into an agreement with agencies of Mexico by which they agreed to maintain 25-percent reserves of silver and 75 percent in United States dollars behind their currency, and that the limit of their currency issues should be upon the basis of 40-percent reserves, which would absolutely prevent inflation. The Mexican Government undertook that. They undertook to coin their own silver and take up their paper currency. In 1 year they coined over \$300,000,000 worth of silver coins and took up \$300,000,000 worth of paper currency; and then there was a change in Mexico. The plan which was laid out went to pieces.

In China the authorities nationalized silver. They took all the silver from the banks. They changed the value of their silver coins by reducing their silver content. They themselves took up over \$300,000,000 in paper currency with the new coin currency. China's currency was based upon 25-percent silver reserves and 75-percent United States dollars. They had the soundest currency anywhere outside of the United States at the time the invasion of southern

China by Japan took place. That ended it all.

I must say that my aspirations with regard to the Silver Purchase Act were not carried out. I feel certain today, however, that there is a change of program. The changed program does not any longer affect the domestic purchase of silver. The program did affect the domestic purchase of silver before we had a law fixing the price of silver, because the tendency was for domestic silver to go up or down with foreign silver. We no longer have an interest, from the

domestic standpoint, in the price of foreign silver.

As illustrative of the change of policy, the price of foreign silver—or the world price of silver, we may call it, as distinguished from the domestic price—fell from 45 cents an ounce to 35 cents an ounce in 30 days; why? Because the Treasury was not bidding for foreign silver. The Treasury is not bidding for foreign silver today, and that is the reason why silver moved from the United States to London. As long as there is a chance of the United States putting up silver, the owners of silver will sell to the United States. When silver is not purchased by the United States it will move into the channels of trade. It will not come to the United States but will go to other countries.

But this is what I want to say to the Senator. It is almost entirely foreign to this argument, but I think it is a very

serious argument:

Admitting that possibly some of us might have handled the matter differently from our viewpoint, that, however, is past. The Senator from Delaware has had his bill before a subcommittee of the Committee on Banking and Currency for how long?

Mr. TOWNSEND. For 2 or 3 months.

Mr. PITTMAN. Two or three months. It must be a subject of importance, or the Senator would not have had the bill before a distinguished committee like that for 2 or 3 months. There must be more than one question involved in it, or the committee would not have had it under consideration for that length of time. The Senator has had hearings, has he not?

Mr. TOWNSEND. Yes; we have had extensive hearings, and they have been printed.

Mr. PITTMAN. Very distinguished experts have appeared before the subcommittee?

Mr. TOWNSEND. They have.

Mr. PITTMAN. And yet the subcommittee has not yet made up its mind. The bill has not even been reported to the full Committee on Banking and Currency.

Mr. TOWNSEND. May I make an explanation of that in

the Senator's time?

Mr. PITTMAN. Just a minute.

I want to say that in the very last hours of the session, when no one here even has a chance to read the Senator's amendment, no one even has a chance to offer amendments to it, because we do not know what it is and do not understand it, the Senator leaves a committee which he appealed to 2 or 3 months ago, when they have not even reported the bill to the full committee, and comes in before the Senate, and asks us practically to discharge the Committee on Banking and Currency, of which he is a member, and act on this matter today.

Mr. TOWNSEND. Mr. President, in the hearings the testimony was overwhelmingly in favor of this amendment.

Mr. PITTMAN. Did the committee so decide?

Mr. TOWNSEND. Three weeks ago the subcommittee was ready to report, and at the request of one member of the committee that we defer action for some testimony from Secretary Hull, for whom I have the highest regard, we deferred action until Secretary Hull could come before the committee. This was on a Thursday or a Friday.

Mr. BARKLEY. Mr. President, will the Senator yield?

That is hardly an accurate statement.

Mr. TOWNSEND. What is an accurate statement?

Mr. BARKLEY. I am the member of the committee who asked that the matter be deferred, because it involved certain negotiations between the State Department and one of the countries involved in the production of silver.

Mr. TOWNSEND. In regard to which Secretary Hull

had made certain statements.

Mr. BARKLEY. Action was not delayed in order to enable Secretary Hull to appear before the committee. The matter was delayed in order that the State Department might be consulted with respect to the effect of this sort of legislation upon negotiations in which they are now involved with respect to one of the countries producing silver. There was no understanding that Secretary Hull was to come before the committee. There was no request that Secretary Hull should come before the committee.

Mr. TOWNSEND. I wish to say to the Senator that he is entirely mistaken. The chairman of the subcommittee, the Senator from Virginia [Mr. Glass] asked Secretary Hull to come before the committee, and Sunday 2 weeks ago Secretary Hull called up the Senator from Virginia and asked him to defer his appearance for 5 days. The Senator from Virginia came to me and asked me what to do. I said, "I have the highest respect for Secretary Hull, and we will defer it for 5 days."

Mr. BARKLEY. I am talking about the deferring of the action of the subcommittee, of which I happen to be a

Mr. TOWNSEND. That is exactly right.

Mr. BARKLEY. In order that the State Department might be consulted about this, and it was consulted. I do not know anything about any conversation which occurred between Secretary Hull and the Senator from Virginia, who is chairman of the subcommittee. I was not present. But I do know that the State Department is vitally interested in negotiations with respect to certain matters pending now between it and a country producing silver, and at the request of the State Department the matter was deferred.

Mr. TOWNSEND. I am trying to tell the Senator exactly what happened.

Mr. BARKLEY. I suppose that it was hearsay with the Senator, just as it was with me. He did not carry on the conversation with the State Department.

Mr. TOWNSEND. No, but the Senator from Virginia [Mr. Glass] told me that Secretary Hull asked him to defer it for 5 days. He had asked him to come before the subcommittee. I said, "Very well, we will defer it for 5 days."

On a second request from the Senator from Virginia, he asked that it be deferred until last Saturday, I think it was, or last Saturday week. I do not recall which, but, anyway, some date in the last week. I said, "Very well, we will do that." I expected, of course, to take the amendment before the full committee last Friday, but when I left the committee I had a definite understanding with the chairman that we would go over until Monday, and that we could offer any amendment. When I returned the bill had been reported, and came before the Senate. That is the history of it. I have deferred to Secretary Hull so far as I thought was reasonable

Mr. WAGNER. Mr. President, will the Senator from Nevada yield?

Mr. PITTMAN. I yield. Mr. WAGNER. I hope the Senator from Delaware does not desire to convey the impression that he did not have every opportunity, if he wanted it, to consider the proposed legislation.

Mr. TOWNSEND. I am not trying to convey such an impression, but the Senator will remember that I sat down beside him and asked him if we were going to have a meeting on Saturday, and he said we were not. Then I left with that understanding. I am not complaining about it, I am merely stating the situation.

Mr. WAGNER. The Senator from Ohio was authorized to vote for the Senator from Delaware, so I assumed he understood there was to be a meeting. But I do not want to get

into an argument over veracity.

Mr. TOWNSEND. I left on Friday before the committee

hearings were over.

Mr. WAGNER. If the Senator from Nevada will permit, let me say that I am proud to be chairman of the Banking and Currency Committee. There is not in this body, as the Senator will agree, a more deliberative and more industrious committee than the Committee on Banking and Currency, and never has a bill been reported from that committee in a slipshod manner.

What is the situation in regard to this question? Are we to have the practice, before a committee is through with its deliberations on a matter so important and complex as this, of depriving a committee of its right to consider a bill? Are we to institute a practice by which, while a subcommittee is still deliberating on it, a bill is to be brought to the floor before the Senate has the advantage of our deliberations and our report?

Mr. TOWNSEND. Mr. President-

Mr. WAGNER. Permit me to make my statement, and then the Senator can refute it if I am mistaken about it.

I knew the subcommittee was having its hearings upon the silver bill, just as it was on some other legislation, and I conferred on several occasions with the chairman of that subcommittee. I may say here that there is no more able member of the committee than the Senator from Virginia [Mr. Glass]. He told me that he was not prepared to report yet, that he had not concluded his hearing. I said to him, "Just as soon as you conclude your hearings and are ready to report, I will call a meeting of the full committee. After the testimony is printed we will have a meeting of the full committee and discuss the matter the way we discuss every bill before our committee."

There are members of the Committee on Banking and Currency on the floor at this time, and I think they will sustain me at least when I say that every bill which is reported to that committee from a subcommittee is fully and thoroughly discussed.

I do not know the merits of this proposition, because I have been waiting for a report from the subcommittee, and also an opportunity to read the testimony. The subcommittee has not yet reported to the full committee, the full committee has had no opportunity to study this question and give the benefit of its views to the Senate, yet we are asked now, in the last moments of the session, to pass upon so important a piece of legislation.

I want to say to the Senate, if I may, that when that subcommittee does report, the report will immediately be taken up by the full committee, and one way or the other the Senate Banking and Currency Committee will report the result of its deliberations and the result of its conclusions to the Senate. That will be the time, I think, when the Senate can properly and intelligently take up the subject. If the practice were otherwise there would be no need of having standing committees at all.

Mr. TOWNSEND. Mr. President, will the Senator from

Nevada yield?

Mr. PITTMAN. I yield to the Senator.

Mr. TOWNSEND. Let me say to the Senator that this amendment was adopted once by the Senate practically unanimously. The hearings have been studied for 4 or 5 weeks, and the Senator has had the privilege of seeing them; he is chairman of the committee. The Senator from Delaware requested the Senator from Virginia [Mr. Glass] to call a meeting of the subcommittee, and that was done. The Senator knows who was there, and that the meeting was deferred. We deferred a report until we could hear from Secretary Hull.

Mr. WAGNER. I did not participate in the discussion on the floor because I did not feel that the Senate would pass on an amendment which was pending before a committee and being studied by a committee.

Mr. TOWNSEND. The Senator was one of the conferees who kicked the amendment out of the conference.

Mr. WAGNER. That is true.

Mr. PITTMAN. Mr. President, I will conclude quickly. There have been a number of occasions when there have been motions to discharge committees which had under consideration matters referred to them, but I have never known of a committee being discharged from the consideration of a matter referred to it when it diligently pursued consideration of the subject. I think twice in the 26 years I have been a Member of the Senate a committee has been discharged when the evidence showed that they had made no effort during a long period of time to give consideration to the bill in question. Even recently, when certain action was taken by the Committee on Foreign Relations of the Senate. it was widely discussed here informally and in the press as to whether or not, in opposition to the will of the Committee on Foreign Relations, the so-called neutrality measure should not be offered as a rider to some other bill. That did not receive sufficient encouragement even to induce an offer.

Mr. VANDENBERG. Mr. President, will the Senator

Mr. PITTMAN. I yield.

Mr. VANDENBERG. Is not the Senator completely answered by the fact that the Senate itself took jurisdiction of this particular amendment 4 weeks ago and adopted it? Did not the Senate at that time decide whether or not it wanted to take jurisdiction? It did take jurisdiction; it did adopt the amendment; and it certainly is entitled to adopt it again, particularly in view of the fact that it was thrown out in a very questionable fashion in a very pell-mell con-

Mr. PITTMAN. I agree that the offering of the amendment of the Senator from Delaware was in a very pell-mell. confusing, fashion. Two other amendments had been adopted already which no one expected to be adopted, when the Senator's amendment was offered, and no one even took the pains to ask for a division or roll call. But that is neither here nor there.

By that pell-mell vote to which the Senator from Michigan has referred, the customs of this body were not discarded. This body prepares legislation through committees; it selects its own committees, which it respects; and when, as the chairman of the Committee on Banking and Currency has stated. and as the colloquy has shown, a subcommittee has for 3 months been taking evidence on this subject, serious evidence of acknowledged experts, and the subcommittee have not as yet determined whether to advise the Senate to vote for or against the bill, or whether to advise them to vote for it with substantial amendments, I say the usual custom should be followed.

Considering the facts and the present policy of the Treasury Department, which is very largely related to the policy of the State Department, as shown by the report of the State Department, which has not advised on this matter, considering the fact that the whole world is in turmoil today, and considering the fact that this question undoubtedly involves some other countries of the world it is not proper to act on this question in haste.

I would be ready to take the matter up in January, when the Committee on Banking and Currency decides whether they should report favorably or unfavorably on the bill, or whether they should report on it with amendments. Certainly no bill any Senator ever drafted and sent to a committee was perfect in the first stage. I have never offered a bill but that the wisdom of some committee did not suggest amendments which were superior to my ability. Yet the Senator comes here at this late hour of the night and throws an amendment before this body and asks us either to accept it or reject it without knowing what it is or what amendments should be offered to it.

Mr. TOWNSEND. Mr. President, will the Senator yield? Mr. PITTMAN. I yield.

Mr. TOWNSEND. I wish to say that this amendment is precisely the same as the one which was adopted by the Senate, and that all in the world it would do would be to stop this country from buying foreign silver. That is all this amendment would do.

Mr. PITTMAN. Yet not even the subcommittee of the Committee on Banking and Currency, which the Senator asked to have appointed, the subcommittee of which he himself is a member, which he admitted had taken evidence for 3 months, has reported a conclusion to the full committee. The Senator is a member of the committee, and he has an obligation to it, and it is just as though he has asked for the discharge of his own committee.

Mr. TOWNSEND. The committee has been ready to report, and the only reason why it did not report was a request from Secretary Hull for additional time. That is the only reason why it did not report.

Mr. PITTMAN. That could only be a subcommittee report. Then there is the full committee. I am actually surprised, and I think that when the Senator stops to think it over he will regret that he has moved to discharge his own committee.

Mr. BARKLEY. Mr. President, I find it difficult to understand the heat which the Senator from Delaware has generated over the subject of the purchase of foreign silver. He seems to be obsessed with the notion that unless we quit buying foreign silver the foundations of the American Republic will crumble.

What are the facts about the purchase of foreign silver? In the confusion which surrounded the silver situation 3 or 4 weeks ago the Senate did, on a viva voce vote, agree on an amendment offered by the Senator from Delaware prohibiting the purchase of foreign silver. Whether that amendment would have been adopted on a roll call is a matter of speculation, and may be anyone's guess.

The whole matter of silver went to conference. Our country was then and is now engaged in negotiations with a silver-producing country upon certain matters vitally affecting American interests. I felt then as I feel now, that those negotiations involving infinitely more than is involved in the purchase of silver from that country, should not be thrown out of the window because of a desire to prohibit the purchase of silver from that or any other country, and by our refusal to purchase silver from that or any other country, to deny more than \$100,000,000 worth of exports from the United States to silver-producing countries of the world.

The Senator from Delaware introduced a bill 2 or 3 months ago. That bill was referred to the Committee on Banking and Currency, and I will say, to the credit not only of that committee but to its distinguished chairman [Mr.

WAGNER, that no bill ever comes out of that committee which has not received meticulous and careful attention in every detail from the members of that committee. I see here the distinguished Senator from Maryland [Mr. Radcliffe] who is a member of that committee and will corroborate what I am saying.

In the circumstances that surrounded the bill then before the Senate and the House in conference—the monetary bill—against which there was a futile fillbuster, in my judgment, the amendment of the Senator from Delaware was not retained. It is of no use to go into the details of that conference. It was not retained. And there was nothing questionable about the methods by which it was rejected, in spite of the Senator's statement.

Following that conference report, the subcommittee met to consider the Senator's bill, and it was upon my suggestion—even my appeal to the subcommittee—not to take hasty action on that bill in the light of information which I had received from the State Department involving infinitely more than the value of silver we purchase from any one country. That was on Friday or Saturday. The matter went over to the next week. In the meantime I consulted still further with the State Department, in which my suggestion at the committee meeting was confirmed and emphasized.

The Senator from Delaware refers to a telephone conversation between Secretary Hull and the chairman of the subcommittee, the Senator from Virginia [Mr. Glass]. I do not know what occurred in that conversation, but I have understood that the Secretary of State stated to the Senator from Virginia what I had previously stated to the subcommittee and what I am stating here, and asked that the matter go over; asked that negotiations between the State Department and one of our neighbors in the Western Hemisphere be not interfered with in a very vital matter by the passage of a bill of this sort.

Mr. TOWNSEND. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. TOWNSEND. He asked that the matter go over 5

Mr. BARKLEY. I do not know how many days he asked that it go over. He asked that it go over. The subcommittee has not been called to consider the Secretary of State's request that it go over.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. WAGNER. I asked the Senator from Virginia [Mr. GLASS] whether he was prepared to report upon that bill, and the Senator told me that the subcommittee was not ready to report on the bill.

Mr. TOWNSEND. Mr. President, I have not contended that the Senator from Virginia was. I am telling of the conversation which took place and what the Senator told me

Mr. BARKLEY. Since the conversation between the Secretary of State and the Senator from Virginia has been brought into the discussion, I am reminded of the fact that the Senator from Virginia told me that the Secretary of State had asked him that this matter be deferred before the passage of the bill introduced by the Senator from Delaware, which he now offers as an amendment to this bill, would operate to terminate negotiations between the United States and one of our neighbors in the Western Hemisphere, involving matters infinitely more valuable to America than the amount we pay that country for the silver.

The Senator from Virginia is not here and he is not in the city. Because of his physical condition he has gone to Virginia. What the Senator from Delaware is doing is practically asking the Senate of the United States to do what he has never asked the committee on Banking and Currency to do, and that is to discharge its own subcommittee from consideration of the bill which he introduced in order that the full committee might pass upon the merits of the proposed legislation.

Mr. TOWNSEND. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. TOWNSEND. I am simply asking the Senate to consider a bill which they passed by practically a unanimous vote and which went to conference and was kicked out the window.

Mr. BARKLEY. Yes; I understand "practically by unanimous vote" under circumstances that did not afford any Senator any opportunity to consider the merits of the measure or its consequences.

Mr. TOWNSEND. The Senator had the privilege of asking for a record vote.

Mr. BARKLEY. Oh, yes; of course we have many privileges here that we do not exercise.

Mr. President, to adopt this amendment on this bill would be equivalent to the discharge of the Committee on Banking and Currency. More than that, it would be the equivalent of the discharge of a subcommittee of the Committee on Banking and Currency from the further consideration of this measure.

This amendment has no more relationship to the bill under consideration than the amendment repealing the neutrality law would have to this bill, and if the Senate is going to adopt amendments of this character, we might as well go into extraneous questions that have no connection with or relationship to the bill.

Mr. TOWNSEND. Mr. President, will the Senator again yield?

Mr. BARKLEY. I yield.

Mr. TOWNSEND. I do not think there is any less reason for my bill coming before the Senate than the bill which provided for wasting our money by buying foreign silver.

Mr. BARKLEY. I know the Senator thinks that. Mr. TOWNSEND. We have no use on earth for it.

Mr. BARKLEY. I know the Senator thinks that. I want to call attention to a few facts in connection with the purchase of silver by the United States. If the United States ceases to buy foreign silver, the immediate reaction, the immediate effect of that action, would be reduction of exports of more than \$100,000,000 a year to the countries that produce silver and pay for the exports that we sell to them with silver. The Senator cannot contend that silver is of no value.

Mr. TOWNSEND. May I ask the Senator a question?

Mr. BARKLEY. Yes.

Mr. TOWNSEND. It has been testified here that we have a billion ounces of silver buried at West Point for which we have no earthly use. Does the Senator contend that we should continue to purchase something for which we have no use and send our goods to foreign countries?

Mr. BARKLEY. That is not all that is involved in this problem. The value of silver is not destroyed by its purchase and being stored by the Government. In all the history of the world silver has had a value, and will always have a value.

Mr. TOWNSEND. It only has a value now that our Secretary of the Treasury has fixed for it. He fixes the value every day.

Mr. BARKLEY. We thrashed out the question of the price of domestic silver here nearly a month ago. The adoption of this amendment would have no effect upon the price of domestic silver. The Government is buying all the silver produced in the United States, and it is paying for it the equivalent of 71 cents an ounce, and it is fixed by law. It is a permanent law until repealed by Congress, and no matter what happens to the price of silver in the world market, which has gone down to 35 cents, the United States will continue to pay 71 cents an ounce. So, the stopping of the purchase from foreign countries of silver—which will always have a value—will result in the reduction of our exports to other countries of more than \$100,000,000 a year in American products.

It may be that no one is concerned about our finding a market in the other nations of the world for the products

of American labor in field and in factory, but the sale of \$100,000,000 or more than \$100,000,000 worth of American products means the employment of many thousand American laborers, and the termination of those sales in the markets of the world means the termination of employment for many thousand American citizens.

We are now considering a bill designed to increase employment; we have been appropriating from the Treasury of the United States two or three billion dollars a year to give American citizens work, and yet we are asked now to adopt an extraneous amendment that has no connection with the bill, the result of which will be to throw more men out of employment in the United States.

Mr. TOWNSEND. Will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TOWNSEND. We are asked now to adopt an amendment that will stop wasting our substance and keep it at home

Mr. BARKLEY. I know. I understand that the Senator believes that. The Senator seems to draw no distinction whatever between the increase or even the maintenance of our foreign trade and the employment of American labor. There are Members of the Senate and there are other American citizens who think that our foreign trade is of no consequence. Ten percent of all we produce in the United States is sold to foreigners; and our ability to sell that 10 percent has a very vital effect upon the price received for the 90 percent that we sell to the people of the United States.

If we stop selling to other nations the 10 percent of our exports we have either got to stop producing that percentage or dump it upon our own markets, and thereby drive down the price to the producers of these American products, in addition to throwing out thousands if not hundreds of thousands of men from the opportunty to enjoy the right

to earn their living in the sweat of their brow.

We have been undertaking to build up in the Western Hemisphere a feeling of confidence in the American Republic. For a long time there has been a feeling in certain nations in South and Central America that the United States had a mercenary purpose; that we had no interest in the Western Hemisphere except to dominate it. It has not been so many years since the policy of "dollar diplomacy" actuated our Government in its dealings with other nations. We have been trying to build up a feeling of confidence and respect among all the nations of the Western Hemisphere in the good faith and the honor and integrity and in the unselfishness of the United States of America.

To cease the purchase of silver in foreign countries would result in a severe blow to certain Latin-American countries which are among our best customers.

Mr. TAFT. Mr. President, would the Senator go so far as to advocate exports even though we only get a bad debt for those exports?

Mr. BARKLEY. That has nothing to do with the question now under consideration.

Mr. TAFT. I think it has a very direct bearing.

Mr. BARKLEY. Well, the Senator and I disagree about that.

Mr. TAFT. The question is-

Mr. BARKLEY. We are not asking that we export American products in return for bad debts. Silver, which has all through history had a value and will continue to have a value, is not a bad debt.

Mr. TAFT. As I understand, the Senator argues that we should stimulate exports, whether we get something for them which is worth anything or whether it is not worth anything, in order to promote the good-neighbor policy in South America. Is that what the Senator means?

Mr. BARKLEY. If the Senator understands that he is still lacking and deficient in understanding. I said nothing of the sort; I intimated nothing of the sort; and I believe nothing of the sort. I do not think that silver can be placed upon the same basis or in the same category as bad debts of the type to which the Senator refers.

Mr. McCARRAN. Mr. President, I listened to the question of the able Senator from Ohio, who, it is hoped, will be allowed

to relinquish his duties in the Senate to become the next President of the United States. I wonder what he meant when he asked whether or not we should take something that is worth nothing, as against something which is worth something. Is that what the Senator said?

Mr. TAFT. I am about to move to reduce the amount allotted to the Export-Import Bank; and I wondered whether the Senator's argument with regard to silver went so far as to advocate the acceptance of bad loans in order to stimulate exports. I am glad to know that his argument does not go that far

Mr. McCARRAN. May I continue, with the permission of the Senator from Kentucky?

Mr. BARKLEY. I yield to the Senator.

Mr. McCARRAN. When we take silver we take that which is the basis for the money of America. In 1792, when we established our mint and our money, bimetallism, namely, gold and silver, was made the basis. We established the value of those metals in trade. We established their value as the money of the country. We cannot relinquish that basis, repudiate the silver which is daily offered to us from foreign countries, and say to them, "We will give you our surplus commodities, but we will not take your money, not-withstanding the fact that your money has been established as the basis of our money."

That is the whole question involved. It is not a question of purchase, because we do not purchase. We simply take silver as a basis of exchange for our surplus commodities.

Mr. BARKLEY. Mr. President, I thank the Senator from Nevada. When we export American products and take silver in return, we take it at the world price.

Mr. McCARRAN. That is correct.

Mr. BARKLEY. The world price happens now to be about 35 cents an ounce.

Mr. McCARRAN. And we put it out at \$1.29. Between the two we make a profit.

Mr. BARKLEY. Let us assume that we do not at this time need all this silver. If we do not accept payment for our exports in silver, we must accept it in gold if the countries buying our products can obtain the gold. Gold is the medium of international exchange among most of the nations of the world. We have more gold than silver.

Though we have silver which we do not need, we have even more gold. But when we sell American wheat, cotton, automobiles, agricultural machinery, tobacco, and other American products to foreign countries we take in return what they can pay for it in silver; and silver has a market value in the world. When we stop buying silver from them we practically serve notice on them that we do not desire to have any business relations with them because we refuse to allow them to pay for the products we send them in the thing which they have to pay for them.

Mr. McCARRAN. Mr. President— Mr. BARKLEY. I yield further.

Mr. McCARRAN. Nothing gratifies me more than the fact that the President pro tempore and myself have been able to convert the splendid ability of the Senator from Kentucky to realize the real truth of the problem involved; and I am glad that the senior Senator from Nevada and the junior Senator from Nevada may have contributed something which has won over the leadership of the majority.

Mr. BARKLEY. I am willing to give credit to both Senators from Nevada to the fullest extent for my conversion. The Senator is familiar with the old adage that so long as the light holds out to burn the vilest sinner may return.

Mr. President, we are sending to Mexico more than \$62,-000,000 worth of American products. Mexico produces annually more than \$1,000,000 ounces of silver. Peru buys from us \$17,000,000 worth of American products and produces 20,000,000 ounces of silver. Chile buys from us \$25,000,000 worth of American products and produces more than 1,000,-000 ounces of silver. Bolivia buys from us between \$5,000,000 and \$6,000,000 worth of American products and produces more than 10,000,000 ounces of silver.

What are these countries buying from us? I speak now only of the countries in the Western Hemisphere, whose

friendship, cooperation, faith, and confidence we are undertaking to establish and to retain. How can we retain that confidence; how can we buttress the fortifications of democracy in the Western Hemisphere, if we deny to our sister nations of the Western Hemisphere the right to buy American products and to pay for them in the commodity which they produce? The silver which they exchange for our products buys agricultural machinery, radios, typewriters, industrial and electrical machinery, automobiles, and trucks and parts thereof, metals and manufactures, including a great variety of iron and steel products, petroleum and products derived from petroleum, such as gasoline, fuel oil, and greases, textiles and textile products, including raw cotton, cotton goods, and chemical products of all kinds, in addition to raw agricultural products produced on the farms of the United States.

I am wondering whether the Senate of the United States, in the international chaos which surrounds the nations of the world today, is willing to serve notice on the American republics that we have no desire to do business with them; that all our protestations of friendship are hypocrisy; and that we are willing to stop selling to them what we need to sell in order to employ thousands of American workmen, because we are unwilling to accept in payment the thing which they can export to the United States.

I do not wish to take the time of the Senate any further. I hope the Senate will not say to the Banking and Currency Committee "Notwithstanding your record and reputation for careful consideration of every bill referred to you; notwithstanding that for reasons which are sufficient and sound the subcommittee has not seen fit to report the bill to the full committee and the full committee has not seen fit to discharge the subcommittee from further consideration, you shall no longer consider the implications, ramifications, and consequences of this legislation." In the posture in which we find ourselves today, not only in the western world but throughout the world, the chaos, confusion, suspicion, and fear which surround the people of every nation. I hope the Senate of the United States will not say to the western world, "We are yet mercenary; we are yet selfish; we are yet provincial. We do not propose any longer to have either commercial or diplomatic relations with you because we do not want to buy from you any more silver, which, in all the history of mankind from the beginning of the world until now. and in all the years that lie before us, has had and will continue to have value in the markets of the world."

For that reason and others I could urge except for the lack of time, I hope the amendment will not be agreed to.

Mr. BORAH. Mr. President, I desire to speak very briefly on this matter, because I presume it will come to us in a different way hereafter. I hardly suppose it will be finally disposed of at this time.

Mr. President, I agree with the view entertained by the Senator from Delaware [Mr. Townsend] with reference to the purchase of foreign silver. I am opposed to continuing that program. But that is not what at this time seems to me to be the controlling question. Lately I have had occasion to appreciate the integrity, and the necessity of maintaining the integrity, of committees and the procedure of the committees in this body. I do not want to see established a rule by which we will take away from a committee, either under the dictation of a majority in this body or of anybody else, the consideration of important matters which are still before the committee, and with respect to which there is no evidence that the committee is seeking to avoid action or unreasonably delay action.

If I thought that the committee in this instance was guilty of refusing to act when it should act, and as speedily as it should, I should feel entirely different about the matter; but the Senate ought to maintain its machinery of doing business in all its integrity, and it ought to do so as against majorities and as against the dictation of those outside the Senate.

There is nothing more necessary than that we ourselves determine in what manner we shall proceed and how we shall dispose of our business in the Senate. I have had reason to believe that there is nothing more important than that the Senate appreciate the maintenance of its machinery in all its integrity. I therefore do not feel that I want to vote to take away from the committee an important matter of this kind, without any evidence of the fact that the committee has failed to do its duty, and without any evidence that the committee has failed to meet the situation.

I am not at all impressed with the trade argument which is so thoroughly accentuated in these days with regard to the matter of purchasing foreign silver. I should like to have the committee go a little further with the examination it has already made and examine into the question of what is behind the purchase of silver, aside from the question of trade. In my opinion there is much back of it. If there is trade value to it, of course we want to maintain it. We want trade everywhere. We want trade in Japan, Germany, and wherever we can get it. Trade is not a thing of likes and dislikes; and it will be well if our Government remembers that fact. I am in favor of a policy which will pursue that course; but I think when we come to investigate the question of trade with reference to the purchase of silver, we shall find that the trade question is a secondary question in this matter. But with reference to the question of discharging the committee and passing upon the measure at this time, my experience of late teaches me to believe that I should not in any way join in a program which will disregard the integrity of the machinery of the Senate.

Mr. SHIPSTEAD. Mr. President, I call the attention of the Senate to the fact that this afternoon the Senate, almost by unanimous vote, took a bill out of the hands of the Banking and Currency Committee and passed it. It may be that it broke the machinery of the Senate; but, at any rate, the majority of the Senate, almost by unanimous vote, sustained that proposal. I maintain that the Senate as such is supreme over its committees, and that when its committees fail to report, when its committees try to pigeonhole legislation, the Senate always has a right to override its committees, because the committees are the servants of the

Mr. BORAH. Mr. President, of course, the committees are the servants of the Senate, and the Senate can always take a bill away from a committee when it thinks proper; but what I said was-and my position was and still is-that so long as a committee is acting with due regard to the rights of the Senate, there is no evidence of an attempt to pigeonhole a bill, there is no evidence of bad faith upon the part of the committee, the committee is having its hearings or has had its hearings and is now considering the matter and prepared to consider it; I think the committee ought to be permitted to do so.

Mr. WAGNER. Mr. President, I do not want to prolong this discussion, but I hope the senior Senator from Minnesota [Mr. Shipstead] did not intend to intimate that the Banking and Currency Committee is pigeonholing this particular legislation. I explained, when the Senator was not on the floor, that a subcommittee at the head of which is the senior Senator from Virginia [Mr. GLASS]-and nobody would ever suggest that he would deliberately evade his responsibility-has held hearings for over a period of 2 months. The hearings have not yet been concluded. I asked the Senator from Virginia shortly before he left-I am sorry that he is not here now-when he expected to report the bill, and he said he was not ready to report it. Just as soon as the report of the subcommittee comes to the full committee the full committee will take up this matter. I will say to the Senate that the committee will report one way or the other upon the legislation after it has deliberated upon the subject.

I desire to say on behalf of the Committee on Banking and Currency that never, certainly never since I have been its chairman, and never that I recall since I have been a member-although I will speak with certainty of the time since I have been chairman—has there been a report made by the committee by polling the members upon the floor of the Senate. No bill has ever left the committee except after

thorough discussion. We certainly will discuss this matter just as soon as the subcommitte reports upon it, and then report to the full Senate regarding it.

Mr. SHIPSTEAD. Mr. President, is the Senator from New York referring to the silver proposal of the Senator from

Mr. WAGNER. I am referring to the amendment which the senior Senator from Delaware is now offering as to the pending bill. It was introduced separately as a bill by the Senator from Delaware, and referred to our committee. It was then referred to the subcommittee headed by the Senator from Virginia [Mr. GLASS]. The Senator from Virginia. who has been a very busy chairman, took up the matter some 2 months ago and held hearings over a period of 2 months. The hearings have not been concluded. Nobody would even intimate that the Senator from Virginia would be a party to a scheme to delay the consideration of this legislation.

As I say, the Senator from Virginia told me just recently that he was not quite ready to report on the bill. As soon as the report comes to the full committee, like every other report from the subcommittee, it will be immediately taken up by the full committee, considered, and a report thereon made to the Senate, either adversely or favorably or with amendments, whatever the determination of the committee may be. I do not know a single instance in which there has been any delay by the committee after its subcommittee has reported to the full committee.

That is the exact situation.

Mr. BORAH. Mr. President, may I ask the Senator directly and frankly whether there was any effort upon the part of anyone, to the knowledge of the Senator from New York, to delay this matter?

Mr. WAGNER. Absolutely not. Mr. FRAZIER. Mr. President, it has been stated here, and I think correctly, that this particular bill was held up at the request of the Secretary of State. If that is what Senators call democracy, they have a different definition of democracy than I have.

Mr. WAGNER. If that is so, I was not informed about it. I assume that the Secretary of State, like any other official, has a right to present to the subcommittee any testimony he may wish to give upon a particular subject. I know of no delay, however. Whether or not the Secretary asked to be heard, I do not know. If he had, it would not have been an unreasonable or unusual request. I think the Senator will agree with me that he has never known an instance, after the subcommittee has reported to the full committee, in which the particular legislation reported was not promptly taken up by the full committee, considered, and reported upon. Am I accurate in that statement?

Mr. FRAZIER. I think the Senator is accurate in that statement.

Mr. SHIPSTEAD. Mr. President, it seems to me this is a subject which has no complications. What is the reason why it should take more than 2 months to get a report upon it? What is the great, complicated secrecy in regard to this question?

Mr. WAGNER. I am not able to inform the Senator as to that. We were waiting for the subcommittee to report. There must be some questions involved, because testimony was taken for a period of a month and a number of witnesses and experts appeared. There are kindred subjects involved which I think ought to receive careful consideration. As was suggested by the Senator from Idaho [Mr. Borah], the question of trade undoubtedly is involved. Our full committee has never discussed the bill, and we have never had the testimony of the subcommittee presented to us. It seems to me this is rather hasty action upon so important a matter, and the question is whether we shall maintain the orderly procedure of this body and the integrity of our committees.

Mr. TOWNSEND. Mr. President, I am surprised that the Senator says this is hasty action when the committee has held hearings, and they have been printed for 2 months, and in those hearings the witnesses were unanimous in saying that we ought to stop the purchase of foreign silver. Then to

say that this is hasty action is astonishing. We are acting tonight on a \$2,300,000,000 bill. How long has it been before the committee? It came in about 15 days ago.

Mr. WAGNER. Was the Senator's bill ever considered by the full Committee on Banking and Currency?

Mr. TOWNSEND. Not this amendment: no.

Mr. WAGNER. That is just what I am saying; but it is before our committee.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Townsenp].

Mr. TOWNSEND and other Senators called for the yeas and nays, and they were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Sheppard
Andrews	Davis	Lodge	Shipstead
Ashurst	Ellender	Lucas	Slattery
Austin	Frazier	Lundeen	Smith
Bailey	George	McCarran	Stewart
Bankhead	Gerry	McKellar	Taft
Barbour	Gibson	Mead	Thomas, Okla.
Barkley	Gillette	Miller	Thomas, Utah
Bilbo	Green	Minton	Tobey
Bone	Guffey	Murray	Townsend
Borah	Gurney	Neely	Truman
Bridges	Hale	Norris	Tydings
	Harrison	Nye	
Brown			Vandenberg
Bulow	Hatch	O'Mahoney	Van Nuys
Burke	Hayden	Pepper	Wagner
Byrd	Hill	Pittman	Walsh
Byrnes	Holman	Radcliffe	Wheeler
Capper	Holt	Reed	White
Chavez	Hughes	Russell	
Clark, Idaho	Johnson, Calif.	Schwartz	
Clark Mo	Johnson Colo	Schwallenbech	

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Townsend]. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote on this question, I transfer my pair with him to the senior Senator from Oregon [Mr. McNary], who, if present, would vote as I am about to vote. I vote "yea."

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. Wiley], which has been transferred to the Senator from New Jersey [Mr. Smathers]. I am, therefore, at liberty to vote. I vote "nay."

Mr. LA FOLLETTE (when his name was called). On this question I have a pair with the senior Senator from Louisiana [Mr. Overton]. If the senior Senator from Louisiana were present he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. Glass], who is absent. I understand he has a special pair on this vote, so I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of illness in his family.

The Senator from Texas [Mr. Connally] is absent because of illness. He has a general pair on this amendment with the Senator from Utah [Mr. King], who is unavoidably detained

The Senator from Mississippi [Mr. Bilbo], the Senator from Arkansas [Mrs. Caraway], the Senator from Ohio [Mr. Donahey], the Senator from California [Mr. Downey], the Senator from Virginia [Mr. Glass], the Senator from Iowa [Mr. Herring], the Senator from Oklahoma [Mr. Lee], the Senator from Kentucky [Mr. Logan], the Senator from Connecticut [Mr. Maloney], the Senator from Louisiana [Mr.

OVERTON], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained.

The Senator from Virginia [Mr. Glass] is paired with the Senator from Oklahoma [Mr. Lee]. I am advised that if present and voting, the Senator from Virginia would vote "yea" and the Senator from Oklahoma would vote "nay."

The result was announced—yeas 38, nays 41, as follows:

	1410000	MATERIAL DESCRIPTION OF THE PROPERTY OF THE PR	
Adams Ashurst Austin Bailey Barbour Bone Bridges Brown Bulow Burke	Byrd Capper Danaher Davis Frazier George Gerry Gibson Gurney Hale	Holman Holt Johnson, Calif. Lodge Lucas Lundeen Miller Nye Reed Russell	Shipstead Taft Tobey Townsend Tydings Vandenberg Walsh White
	NA	YS-41	
Andrews Bankhead Barkley Borah Byrnes Chavez Clark, Idaho Clark, Mo. Ellender Gillette Green	Guffey Harrison Hatch Hayden Hill Hughes Johnson, Colo. McCarran McKellar Mead Minton	Murray Neely Norris O'Mahoney Pepper Pittman Radcliffe Schwartz Schwellenbach Sheppard Slattery	Smith Stewart Thomas, Okla. Thomas, Utah Truman Van Nuys Wagner Wheeler
	NOT V	OTING-17	
Bilbo Caraway Connally Donahey Downey	Glass Herring King La Follette Lee	Logan McNary Maloney Overton Reynolds	Smathers Wiley

So Mr. Townsend's amendment was rejected.

Mr. BARKLEY. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. WAGNER. I move to lay that motion on the table. The PRESIDENT pro tempore (putting the question). The motion to lay on the table is agreed to.

Mr. WHEELER obtained the floor.

Mr. JOHNSON of California. Just a moment.

The PRESIDENT pro tempore. The Senator from Montana has the floor.

Mr. JOHNSON of California. I rise to a question of parliamentary law.

The PRESIDENT pro tempore. The Senator will state it. Mr. JOHNSON of California. The Chair put the question as to those in favor of the motion, but he did not put any question as to the "noes." I do not care whether the result be one way or another; to that kind of parliamentary tactics I do not agree.

The PRESIDENT pro tempore. The Senator is entirely mistaken, and it will be left to Senators. The Chair did ask for the "noes." Without objection, the Chair will put the question again. [Putting the question.] The Chair is of opinion that the "ayes" have it.

Mr. BRIDGES. I ask for the yeas and nays.

Mr. McCARRAN. The result has been announced.

Mr. BARKLEY. I make the point of order that the Chair has announced the result.

The PRESIDENT pro tempore. The Chair stated the result in the first ruling. The Senator from Montana has the floor.

Mr. BRIDGES. May I ask, as a parliamentary inquiry, why did the Chair put the question again if the result had been stated?

The PRESIDENT pro tempore. The Chair did it out of respect for the Senator from California, who raised the question.

Mr. BRIDGES. It meant nothing whatever, if it was all over.

The PRESIDENT pro tempore. The Chair says again it was over at the first vote, undoubtedly so. The Chair put the question and waited.

Mr. JOHNSON of California. If the Chair asked for the "noes" in the first instance, I did not hear it, and for that reason I made the objection which I stated. I think that in

the haste that was pursued by the Chair he forgot to ask for the "noes."

The PRESIDENT pro tempore. The Chair has some privileges in this body. The Chair did ask for the "noes," and it was responded to by some. The Senator from California did not hear the request for the "noes," evidently.

Mr. JOHNSON of California. That is quite true.

The PRESIDENT pro tempore. Then the Chair stated that by unanimous consent he would put the question again.

Mr. JOHNSON of California. That was a very courteous and a proper thing for the Chair to do, but there were about 30 other Senators back of me who did not hear the Chair ask for the "noes."

The PRESIDENT pro tempore. The Chair has attempted to cure his haste, if it was haste, but he did ask for the "noes." The Senator from Montana is recognized.

Mr. WHEELER. Mr. President, I move to strike out on page 9, beginning with line 11, down to and including the word "section" on page 10.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 9, line 11, after line 10, it is proposed to strike out through line 2, on page 10, as follows:

RAILROAD EQUIPMENT

SEC. 7. Subject to the provisions of this act, the Corporation

shall have power

(a) Through public bidding or private negotiations to make contracts for, or to aid in financing by loan, lease, or otherwise, the purchase or construction of railroad equipment by a carrier or to be acquired by a carrier or carriers under contract and of such type and design as may, with the approval of the Corporation, be specified by the carrier or carriers by whom such railroad equipment is intended to be used, and to make contracts to aid in financing by loan, lease, or otherwise, the purchase, rebuilding, repair, or disposition of old railroad equipment; and
(b) To lease, with or without the option to purchase, or to sell

or rent upon such terms and conditions as it shall prescribe, any railroad equipment constructed, rebuilt, or repaired under this

Mr. WHEELER. Mr. President, if this amendment shall be adopted it will mean that that provision in the bill relating to railroad equipment will be stricken from the bill.

Mr. REED. A point of order. May we have order? I should like to hear the distinguished Senator from Montana. The PRESIDENT pro tempore. The Chair is attempting

to preserve order. Mr. WHEELER. Section 7 reads as follows:

SEC. 7. Subject to the provisions of this act, the Corporation shall

have power—

(a) Through public bidding or private negotiations to make contracts for, or to aid in financing by loan, lease, or otherwise, the purchase or construction of railroad equipment by a carrier or to be acquired by a carrier or carriers under contract and of such type and design as may, with the approval of the Corporation, be specified by the carrier or carriers by whom such railroad equipment is intended to be used, and to make contracts to aid in financing by loan, lease, or otherwise, the purchase, rebuilding, repair, or disposition of old railroad equipment.

Mr. President, under the terms of this provision the Corporation could buy equipment for a road and could take in part payment old equipment which a railroad has.

Mr. TOBEY. This would put Uncle Sam into the junk business, if nothing else, would it not?

Mr. WHEELER. That is true, it would put Uncle Sam and the Corporation in the junk business if they wanted to go into it.

Though I am not a member of the committee, I understand that the testimony before the committee shows that they intended to do exactly that thing. In other words, the Corporation could buy equipment for a railroad, and the railroad would have some old equipment, and they would trade it in as part of the purchase price, and the Corporation would lend them the balance of the money needed.

Mr. AUSTIN. Mr. President, I know it is difficult to maintain such order that all may hear, but I am sure the Senator from Montana is stating something of value which should be heard, and I ask that an attempt be made to restore order.

The PRESIDENT pro tempore. The point of order, of course, is well taken. There are a number of Senators present who desire to hear the argument being made. The Chair suggests that those who do not desire to listen retire to the cloak room. The Chair feels that he should state to the occupants of the galleries that they are guests of the Senate, and they will please not engage in conversation. Conversation causes confusion on the floor.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TRUMAN. Does not the Reconstruction Finance Corporation already have power to make these loans, and has it not already the funds with which to make loans for this very

Mr. WHEELER. The Reconstruction Finance Corporation now has the money, and it can make loans to the railroads for the purpose of buying new equipment.

Mr. TRUMAN. And this provision in the bill is entirely

unnecessary?

Mr. WHEELER. It is entirely unnecessary, except that if the Corporation wants to take in old equipment in exchange for new equipment, and apply it upon the purchase price, then the bill provides that they shall have 40 years in which to pay for it. The Corporation can lend the money to the railroads or lease the equipment to them for the period of 40 years, and lend the money to them at about one-half of 1 percent more than what it costs the Government of the United States. They can lease the equipment to the railroads for 40 years, and they can take an equipment trust and have them pay it off in 40 years, and before the 40 years expires the equipment which they take will be absolutely worthless, and of no value whatsoever. They cannot do this through public bidding but they can do it by private negotiation. There has never been in the history of the Senate, in my judgment, a more loosely drawn provision than this section giving the R. F. C. the power to make contracts and negotiate with railroads, and to turn equipment over to them. It is almost impossible of administration, and everyone who has studied the problem knows the Government will never get the money back.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHEELER. I yield. Mr. McKELLAR. Has the committee of which the Senator is chairman ever had this matter before it, or was it brought before it, or was the Senator consulted about the matter?

Mr. WHEELER. The Committee on Interstate Commerce has studied this problem of railroad financing for the last 2 or 3 years. There was never the slightest intimation of this proposal brought to the attention of any member of our committee; we were never consulted about it in any way, shape, or form, and I am sure that every member of the committee who knows anything about it would have been unanimously against a proposition of this kind, because we know what has been going on in the way of financing on the part of some of the railroads, and we also know of the tremendous losses which have already been sustained by the Reconstruction Finance Corporation in respect to some of the loans which it has made to the railroads. I happen to know of one particular instance of a loan of \$80,000,000 made to one railroad, and the securities for that loan, which the Government has today, have a market value which would not amount to 50 percent of the amount of the loan. How many other loans have been made which are in the same condition no one knows at the present time except the Reconstruction Finance Corporation. We do not have any positive, definite information, although I asked for such information something like 2 or 3 months ago.

Suppose a loan is made to a railroad, and as security the Government takes an old engine, or an old car, or an old machine of any kind or character; what are the farmers of the country going to say about that? Further, suppose the loan is made at the rate of one-half percent more than the money costs the Government to obtain. The farmers are going to say, "We want to make loans on the same basis."

A farmer might come in with a couple of mules and say, "Lend me the money to buy a pair of mules," and offer as security the old broken-down mules. Farmers in the Northwest will bring in old broken-down farm machines-threshing machines, plows, and harrows-and offer to turn them into the Government in order to get a loan with which to buy new equipment, and then the loan would be made on the

basis of 40 years in which to pay it back.

Mr. TRUMAN. Mr. President, I believe that if we took as security for loans a lot of old second-hand tractors and cultivators and other farm machinery in order to enable the farmers to buy new equipment we would be doing better than we would do under this provision of the bill.

Mr. BARKLEY. Mr. President, we are doing that very thing now under the Rehabilitation Act, and we have \$300,-000,000 in this bill for continuing the rehabilitation service under which farmers are able to purchase new machinery in lieu of old and equip their farms as they have been doing in a more modest way under the appropriation heretofore

Mr. WHEELER. I beg to differ with the Senator from Kentucky. There is not any method today by which a farmer can turn in his second-hand used machinery or horses or cows to the Government of the United States and get some new mules or some new machinery, and have his old equipment apply on the payment. The Government will be in the second-hand business and junk business if we do the same in the case of the farmers as with the railroads.

Mr. BARKLEY. The Senator is mistaken about that. Mr. WHEELER. No; I am not.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TOBEY. In the Committee on Banking and Currency, when this legislation was before that committee, and this particular section pertaining to the railroads was under discussion, I asked Mr. Jesse Jones where the genesis was for this legislation, and to save my soul I could not find out.

Furthermore, any railroad in this country can borrow all the money it wants to on equipment, and these equipment bonds go like hot cakes without the Government acting in

the capacity of a wet nurse in the matter.

Mr. WHEELER. Mr. President, I am glad the Senator called attention to that, because the evidence before the committee was to the effect that the railroads can go to any banking institution in the country and borrow money for equipment by giving equipment trust certificates, covering a period of years, but not more than 40 years.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. HATCH. I merely rise to ask the majority leader if he would not withdraw his statement about the rehabilitation of farmers as a comparison with this provision of the bill. Does the Senator realize the condition in which farmers must be before they can secure the type of aid to which he refers?

Mr. BARKLEY. I am familiar with the practices in the administration of the Rehabilitation Act. I was replying to the Senator from Montana who seemed to suggest that under the program of this bill and under the policy of the United States heretofore in vogue, we were not doing this; that we were not rehabilitating; that we were not making it possible for farmers to buy new machinery or to buy new stock or to equip their farms with them in order that they might carry on their operations with some fair chance for success.

Mr. HATCH. I merely wanted to say it is true that we have done a great work in the rehabilitation of a certain class of farmers; for those who are unable to help themselves under any circumstances; but to compare the law under which that has been done with this provision of the pending bill seems to me to be so farfetched that I hope the majority leader will not insist on that statement.

Mr. WHEELER. I thank the Senator from New Mexico. Mr. McKELLAR. Mr. President, will the Senator yield? Mr. WHEELER. I yield.

Mr. McKELLAR. What will the Government do with the old machinery and equipment that it will take as part payment on the new? What will become of that? What will it do with that? What use has the Government for it?

Mr. WHEELER. None whatever. There is only one thing that can be done with the old equipment. You can go out today and see old boxcars that are being junked by the railroads because they are of no value except as junk. You can find old engines being junked. When the engine is worn out, it is of no earthly use under the sun except for junk.

Mr. CLARK of Missouri. Well, we will be able to sell it to

Japan as scrap iron and steel.

Mr. CLARK of Idaho. Mr. President, will the Senator

Mr. WHEELER. I yield.

Mr. CLARK of Idaho. The Senator, as I understood him, stated that the railroads can now go into the capital market and procure capital for equipment loans.

Mr. WHEELER. Yes.

Mr. CLARK of Idaho. I think the Senator is entirely correct in that statement so far as the testimony before the committee was concerned; but it was also testified, I think, unanimously, by the witnesses who appeared that in order to do that the railroads had to pay 20 percent down in cash before they could be financed through a bond issue and through private-investment bankers.

Mr. Jones, I think it was, testified that many of the railroads were unable to put up 20 percent in cash and get the equipment loans made on a 100-percent basis that were fairly good. He testified also that the R. F. C. had made several such loans within the last 6 months and that they felt that a 100-percent equipment loan was a good loan if properly made and properly supervised, and that many railroads might be unable and are unable today to take advantage of the private-capital market because of the requirement of the 20-percent down payment.

Mr. WHEELER. I did not hear Mr. Jones' testimony. But let me say to the Senator that there is no doubt that the railroads today can buy equipment on the installment plan. The testimony before the Interstate Commerce Committee during the hearings was that the railroads could borrow all the money they wanted on equipment trusts.

But this measure goes further than that. This measure permits the railroads to turn in their old equipment and to make any kind of a deal on any kind of basis. In other words, we have thrown the matter wide open.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TOBEY. I want to point out this fact, that when Mr. John J. Pelley, representing all the railroads of this country. came before our committee and took up this matter, in answer to my question, he said that the whole thing should be dropped out of the bill. Then they revised the plan somewhat and modified it according to the present plan, and then they asked him about it, and he answered in effect in a spirit of fine tolerance, "Let it be in, although we do not need

The point I wish to make is that the R. F. C. has already established the policy of making equipment loans to the railroads, and even to railroads which are in financial difficulties, for it made a loan to the Denver & Rio Grande, a bankrupt road, at the rate of 2% percent, and it made a loan to the Western Maryland, a road in some kind of receivership, at the low rate of 1% percent.

It is a laughable thing, this proposal. There is only one thing to do, strike out this section from the bill; and that will make a bad bill a little bit better than worse. Then kill the

bill. [Laughter.]

Mr. BONE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BONE. In view of the fact that a great many if not all of the railroads have outstanding bond issues that are underlain by a blanket mortgage to secure their payment, as a result of which they have to issue equipment-trust certificates in order to get new money with which to obtain

new equipment to operate their roads, what sort of security could the Government be able to get in the face of that sort of financial condition, which is almost universal with the railroads?

Mr. WHEELER. The only thing they could do would be to get a Government loan for 40 years with which to buy equipment, but the equipment would be worn out in a period of from 15 to 20 years.

Mr. BONE. Obviously a mortgage could not be placed on equipment that is presently mortgaged, and it would of necessity have to rest on the new stuff. There is a question in my mind as to how valuable that kind of a mortgage would be

Mr. WHEELER. The R. F. C. are lending money to banks and receivers of banks at 3 percent. They are loaning money to mortgage-insurance companies at $3\frac{1}{2}$ percent. They are loaning it to the railroads generally at 4 percent, and in some instances on equipment trusts, as the Senator from New Hampshire said, at something less than $3\frac{1}{2}$ percent.

Industrial loans are made at 4 percent for a period of 2 years. Self-liquidating loans are made at 4 percent for a period of 2 years from April 1, 1931. R. F. C. securities are exempt from all Federal, State, and local taxation, except surtaxes, gift taxes, inheritance taxes, and estate taxes.

They are loaning money to the farmers of this country for $3\frac{1}{2}$ percent and up to as high as 5 percent.

Now it is proposed to make loans to railroads on equipment trusts for ½ of 1 percent more than the money costs the Government, over a 40-year period, when they are not in distressed condition so far as borrowing money on equipment trusts is concerned.

First, they can borrow it from any of the banks throughout the country. Secondly, they can borrow it from the R. F. C. on equipment trusts. There is no necessity for this provision in the bill; and the suggestion that they be permitted to turn in their old junk as part payment is perfectly ridiculous and should not be in the bill.

In addition to that, it is proposed to lease equipment to the roads for a 40-year period. If that is to be done why should not the Government buy equipment for the farmer and lease it to him for a period of 40 years, and let him pay for it in that length of time?

Mr. President, I say that if we do this the great utility interests and others will be down here asking to be accorded the same sort of treatment, and they will be entitled to it. Many manufacturers and other businessmen of the country are in distressed condition, and would like new machinery. Why should not the Government of the United States lend them money so they can buy equipment? Why should not the manufacturers be loaned money on the same basis, and the farmers and every other class of business?

I submit the provision should be stricken from the bill. Mr. CLARK of Missouri. Has the Senator ever heard in his life of a lessee who would take care of property as well

as the owner of the property?

Mr. WHEELER. No; I have not.

Mr. CLARK of Missouri. As a matter of fact, it was proved that at the time the United States Government itself took over the railroad properties during the war, the United States Government did not take as good care of the railroad equipment of this country as the owners had been in the habit of doing. It would be very much cheaper actually to loan the money to the railroads, or give it to them, than to undertake any sort of leasing proposition of this sort.

Mr. WHEELER. Yes. I have no objection if the Government wants to loan money to the railroads upon a proper basis. It is doing it. It is taking terrific losses and will take more losses. But if property is leased to the railroads, what will happen is as the Senator has said, and the Government will be in litigation with the railroads for the next 20 years. At the present time there are pending before the Interstate Commerce Commission claims on the part of the railroads for money which they say is due them by reason of

losses sustained during Government operation. Among other things, the railroads claim the Government did not keep the equipment in as good repair as it should.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. MINTON. Have not the railroads in the past always financed their equipment under trust agreements?

Mr. WHEELER. Yes.

Mr. MINTON. And have not they always been profitable to the people who held the trust agreements?

Mr. WHEELER. Yes.

Mr. MINTON. Why would the Government be taking a greater risk than those who have dealt with the railroads in the past for years?

Mr. WHEELER. Why should we loan the railroads money when they may borrow it from private institutions?

The reason we are passing legislation now is not merely for the purpose of putting the Government into the equipment-trust business. The Government is going into all classes of business. There is no more reason for making loans to manufacturers and farmers of the country than for making them to railroads.

The Senator says that the railroads may issue equipment trusts today. That is true. However, I have never heard of an equipment trust running for 40 years. No equipment trust runs for a longer period than the life of the equipment.

Mr. MINTON. There is nothing in the bill which compels the Reconstruction Finance Corporation to make a 40-year loan. It may make such loans for 10 years, or 20 years, or whatever the life of the equipment may be. The Senator assumes that the Reconstruction Finance Corporation is going to make a different kind of a contract than experience has dictated throughout the years.

Mr. WHEELER. Of course I do. I say that because of the fact that loans have been made to the railroads of the country which in my judgment should not have been made, and on which the Government has taken terrific losses. I know, and the Senator knows, that if we put such power into the hands of the Reconstruction Finance Corporation, pressure will be put on that body for long-term loans. What private concern has ever taken a lot of junk and worn-out material in part payment for new material? When has the Government of the United States ever taken a lot of junk and worn-out material in part payment for new material, as the testimony before the committee shows is proposed to be done?

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. MINTON. As I understand the Senator's argument, he anticipates that the Government is to make a contract on which it will lose money.

Mr. WHEELER. I have no doubt about it.

Mr. MINTON. In the next breath he tells us that equipment trusts have always been profitable. Why does he assume that the Government is going into an unprofitable business when everybody else has made money out of it?

Mr. WHEELER. Because every time the Government has gone into business it has lost money.

Mr. MINTON. I do not agree with the Senator; and the record of the Reconstruction Finance Corporation does not bear out his statement.

Mr. WHEELER. I submit that the record does bear it out; and I submit that the Government has lost money on railroad loans.

Mr. MINTON. It has not lost money on all the transactions of the Reconstruction Finance Corporation as a whole. The Senator knows that equipment trusts are the best security a railroad can give; and yet the Senator stands here and tells us that the United States is going bankrupt if it takes the same kind of contracts on which other people have been making money throughout the years.

Mr. WHEELER. The Government is not going to take the same kind of contracts.

Mr. MINTON. What makes the Senator think the Government is not going to take them?

Mr. WHEELER. Because of the testimony before the committee, and because I know what has been done.

Mr. MINTON. Does the Senator think that Mr. Jesse Jones and those running the Reconstruction Finance Corporation will make worse contracts than other people have been making throughout the years?

Mr. WHEELER. What is the use of talking with the Senator from Indiana?

Mr. MINTON. Or the Senator from Montana. He has his mind made up. He is not for the bill. He wants to tear it limb from limb.

Mr. WHEELER. Mr. President, I do not propose to let the Senator put words in my mouth.

Mr. MINTON. I do not propose to let the Senator from Montana put words in my mouth, either.

Mr. WHEELER. I am not trying to put words into the Senator's mouth.

Mr. MINTON. The Senator certainly did.

Mr. WHEELER. The Senator's mouth is big enough so that I can do it. [Laughter in the galleries.]

The PRESIDING OFFICER. The Senator from Montana will suspend. The Chair wishes to admonish the occupants of the galleries that they are here as guests of the Senate. and that the rules of the Senate do not permit any expressions of approval or disapproval.

The Senator from Montana may continue.

Mr. MINTON. I am willing to let the Senator's statement stand in the RECORD. It is all right with me if he wants to indulge in that kind of tactics.

Mr. WHEELER. I will take the remark out of the RECORD.

Mr. MINTON. No; leave it in.

Mr. WHEELER. I am perfectly willing to leave it in; but when the Senator comes before the Senate and says that I am trying to tear the bill limb from limb, I say he is stating something which is not at all in accordance with my views about the matter. I am opposed to making these loans. I say it is ridiculous to make them, and that the Government of the United States should never entertain a proposal of this kind.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TOBEY. I will say to the Senator from Indiana and to the Senator from Montana that when Mr. Jesse Jones, of the Reconstruction Finance Corporation, appeared before the committee, he was asked how much money the Reconstruction Finance Corporation had lost on its loans, and he said, "I am ashamed to tell how much." However, that statement was expurgated from the hearings. That was his

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. Mr. Jones, the Chairman of the Reconstruction Finance Corporation, was referring to small industrial loans. Nothing connected with railroad loans had any relationship to the statement made by Mr. Jones which is quoted by the Senator from New Hampshire.

Mr. WHEELER. I do not know anything about his testimony; but the Reconstruction Finance Corporation has made loans and has lost money on its railroad loans.

Mr. BONE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BONE. I should like to ask the Senator from Montana what security the Reconstruction Finance Corporation has been obtaining from railroads for past railroad loans. What has been the nature of the security?

Mr. WHEELER. It has taken bonds and securities of the railroads. It has taken all kinds of bonds and securities of various railroads.

Mr. BONE. Obviously, the Reconstruction Finance Corporation could not obtain mortgage liens on the railroads when they are covered by bond issues.

Mr. WHEELER. No. It has taken securities which the railroads have held. For example, many of the railroads hold the bonds and stocks of other railroads. The Reconstruction Finance Corporation has taken such things as security for loans.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. Briefly, is not the situation presented by this section of the bill that whereas the railroads have always been able to borrow money on equipment trusts, which are considered perhaps the very best railroad securities, or among the very best railroad securities, their equipment trusts are limited in terms to the useful life of the equipment?

Mr. WHEELER. Of course.

Mr. CLARK of Missouri. This section, in effect, sets up a series of equipment trusts based upon something like three times the useful life of the equipment, as proven by railroad experience.

Mr. WHEELER. Yes. When the proposal was first discussed, it was proposed to lease equipment to the railroads for a period of 40 years. That was the original idea of those who sponsored the bill. The proposal was to lease the equipment to the railroads for a period of 40 years.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. ELLENDER. Will the Senator point out, for the information of the Senate, the 40-year provision to which he has frequently referred?

Mr. WHEELER. Yes.

Mr. ELLENDER. Where is it? Mr. WHEELER. It is on page 17, section 17:

No project shall be constructed, nor any loan made directly or indirectly to construct any project, unless through its operations or from reasonable assurances or agreements it is determined by the agencies making the expenditure or loan that the amount expended, or the loan, with interest, will be repaid within 40 years.

Mr. ELLENDER. That language does not deal with the leasing of equipment. It refers to projects that may be constructed. What about the language on page 2, beginning in line 13? What does it mean? Does it not conflict with the language quoted by the Senator on page 17, section 17?

Mr. WHEELER. The language in section 3 on page 2

Such notes, debentures, bonds, or other obligations may mature at such time or times, not exceeding 30 years from their date, and contain and be subject to such terms, covenants, and con-

Mr. ELLENDER. Such terms as the lending Corporation shall determine. The notes or bonds may mature long before the debt incurred for the purchase of equipment.

Mr. WHEELER (continuing):

Subject to such terms, covenants, and conditions as the Corporation, with the approval of the Secretary of the Treasury, may prescribe.

Mr. ELLENDER. And not to exceed \$2,390,000,000. Mr. WHEELER. That is correct.

Mr. ELLENDER. Can the Senator reconcile those two provisions?

Mr. WHEELER. I must confess that I cannot; but I do not think the first provision applies-

Mr. BARKLEY. Mr. President, that situation is perfectly easy of explanation. The provision just referred to provides that the notes and debentures issued by the Reconstruction Finance Corporation to obtain the money with which to assist railroads, farmers, and many other activities may run for 30 years, although the agency may make loans for as long a period as 40 years. However, Mr. Jones testified before the committee that in such a case all the Corporation would have to do would be to reissue the 30-year bonds and obtain money for the extra 10-year period, so that the Corporation might be able to obtain some advantage by not extending its obligations longer than 30 years. However, there is no inconsistency between that provision and the provision of the bill fixing a 40-year maximum for loans made by the various agencies.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. McKELLAR. In the matter of making or losing money, is it not perfectly evident from reading this section that it will be impossible for the Government to make any money on these loans? On the contrary, it is absolutely necessary that it lose, and lose very largely.

Mr. WHEELER. I thank the Senator. I think he is entirely correct. I do not see how anyone could come to

any other conclusion.

Mr. McKELLAR. That must be the intent of the bill. Mr. WHEELER. Yes. One cannot read the bill and come to any other logical conclusion from the provisions of the

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DANAHER. I should like to direct the Senator's attention to page 9, line 16, where the Senator will find the words "or otherwise."

Mr. WHEELER. Yes. Mr. DANAHER. Has the Senator given thought to exactly what Mr. Jones had in mind by that language?

Mr. WHEELER. I do not think this is Mr. Jones' language. I do not think Mr. Jones ever had anything to do with drafting this language.

Mr. BARKLEY. Mr. President, if the Senator thinks so, he is mistaken.

Mr. WHEELER. Perhaps I am.

Mr. BARKLEY. The Senator is. I happen to know that

Mr. WHEELER. If the Senator says so, I will take his word for it.

Mr. BARKLEY. I know that is true.

Mr. DANAHER. Mr. President, will the Senator yield

Mr. WHEELER. I cannot believe that Mr. Jones ever thought he should be given power to make any kind of a loan he wanted to make, and to take junk as a part of the payment of the loan. If Mr. Jones ever proposed anything of the kind, then I must confess that I would lose a great deal of respect for his judgment.

Mr. DANAHER. Mr. President, will the Senator yield? Mr. WHEELER. I yield.

Mr. DANAHER. I was present when Mr. Jones made the statement on page 93 of the hearings to which I invite the Senator's attention. When he talks about financing railroads and assisting them by loan, lease, "or otherwise," that is Mr. Jones' idea. He wanted to buy railroad securities. He wanted to lend money to the railroads to buy in Why? He explained. On page 94 he their own bonds. explained that if the railroad were able to buy in its own bonds, it would be able the better to maintain its road and to keep more men at work. Moreover, he said that a railroad which has to skimp to pay its interest on outstanding bonds is able, by reducing the charges, to buy new equipment, and thus conform to the purpose and intendment of the bill.

The distinguished majority leader [Mr. BARKLEY] is quite correct in saying that the matter of the amendment was taken up with Mr. Jones, and that his purpose is as stated. Secondly, the words "or otherwise" imply that the Corporation may lend money to railroads to buy in their own bonds.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Indiana. Mr. MINTON. I have before me the United States News for May 29, 1939, in which is published the record of loans of 10 major governmental agencies; namely, the Reconstruction Finance Corporation, the Commodity Credit Corporation, the Export-Import Bank, the Federal Deposit Insurance Corporation, the Rural Electrification Administration, the Home Owners' Loan Corporation, the Federal Savings and Loan Administration, the United States Housing Authority, the Disaster Loan Corporation, and the Central Bank for Cooperatives. The record shows an operating profit, according to this newspaper, of \$414,300,729.

In the light of that kind of a record does the Senator think we may expect that the Government will make equipment trust loans so as to take a loss on them, as the Senator has indicated?

Mr. WHEELER. I do not think there is any question under the sun that the Government cannot make these loans in the manner testified to before the committee without taking a loss on them. One can come to no other logical conclusion. With all due respect to Mr. Jones, who has probably done as good a job as anybody could, I say that the Reconstruction Finance Corporation has lost money on railroad loans. I know that in the case of some of the railroads the securities taken by the Reconstruction Finance Corporation are not worth more than 40 or 50 percent, or perhaps not more than 33 1/3 percent, of the amount of the loans.

Mr. MINTON. Has the Senator heard of the loan recently made to the Southern Railway, from whose securities the

Government realized a profit of over \$1,000,000?

Mr. WHEELER. No; I have not heard of that particular loan. However, I can tell the Senator about a great many other loans with respect to which the Reconstruction Finance Corporation has taken terrific losses.

Mr. MINTON. What makes the Senator think that because the Government will make equipment-trust loans it will lose money, when everybody else who has made them has always made money?

Mr. WHEELER. I have tried several times to explain it to the Senator; and if I have not made it plain to him, it is undoubtedly my fault. I am not going to try to explain it again.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Virginia.

Mr. BYRD. The Senator from Indiana, in the statement he made, showed the book value of the loans. No appraisement whatever has been made of these loans. Furthermore. the Senator from Montana knows that the Commodity Credit Corporation, for example, has twice lost its complete capital stock-\$94,000,000 one year, and \$116,000,000 another

There is no question whatever that there are great losses in all the Government loans that have been made. They have not been disclosed because no appraisement has been made. The Senate recently adopted a resolution requiring

that the assets be appraised.

Mr. WHEELER. I thank the Senator. I have not the slightest doubt that if today we took the market value of the securities which are held by the R. F. C. and checked them up against the loans they have made, we should find that the R. F. C. had taken a terrific lot of losses, not only as to railroads but as to industrial concerns and pretty nearly every other corporation to which they have made loans. Of course, if the loans are carried on the books at their face value, the books are going to show an increase and a profit to the loaning agencies; but, as the Senator from Missouri says, we cannot cash in on those values at all.

Let us assume, however, that they were going to make money. The only reason why we are passing this legislation is to help out some concern that needs to have money and cannot get it at any other place. I challenge anybody to stand on the floor of the Senate and say that the railroads of the country cannot get money for equipment trusts from any reliable banking firm in the United States today. There is not any doubt that they can.

Mr. TRUMAN. Mr. President-

Mr. WHEELER. I yield to the Senator from Missouri. Mr. TRUMAN. The railroads already have power to get money for this very purpose from the Reconstruction Finance Corporation.

Mr. WHEELER. Exactly; there is no doubt about it. Mr. TRUMAN. And the R. F. C. does not need this section at all to do the business.

Mr. WHEELER. They do not need it to make legitimate loans.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. The R. F. C. has power to make loans to the railroads, of course. We all admit that; and they have made loans, not only to railroads for equipment purposes, but for other purposes. No losses have been sustained by

the Reconstruction Finance Corporation, however, on loans that have been made for the purpose of securing equipment.

Mr. WHEELER. That is true. Mr. BARKLEY. And there have been no final losses, as I understand, except in one case in which there was a false certification by a well-known concern of auditors or certifiers-Price, Waterhouse & Co., I believe. The Reconstruction Finance Corporation does have power to make direct loans, but it has no power to enter into contracts by which equipment may be manufactured on the plans and specifications of a railroad, and the R. F. C. may take a lease on that equipment, and in the contract provide for its repayment over a period of years, and provide for the ultimate ownership of the equipment by the railroad itself.

Mr. WHEELER. That is correct.
Mr. BARKLEY. Mr. Jones testified to that before the committee.

Mr. WHEELER. That is correct. What is being done in this bill, and the original purpose of it, is and was, for the Government to buy equipment and lease it to the railroads for a period of 40 years. Let us make no mistake about that. That is the purpose of the bill, and that is the very reason why these provisions were written into the bill.

Mr. MALONEY. Mr. President, will the Senator please

show me where the 40-year provision is?

Mr. WHEELER. The 40-year provision is in section 17,

on page 17.

Mr. MALONEY. If the Senator will read that section I should like to be corrected if I am in error—it seems to me to state that "no project shall be constructed nor any loan made directly or indirectly to construct any project"-

Mr. WHEELER. That is correct.
Mr. MALONEY. It does not seem to me that that applies to railroad-equipment loans.

Mr. WHEELER. Oh, yes; there is not any question about it. That is the reason why it was put in there.

Mr. MALONEY. I do not so understand it. Mr. BARKLEY. Mr. President, the 40-year limitation is a maximum for all the loans contemplated in the bill.

Mr. WHEELER. That is correct.
Mr. BARKLEY. It does not mean, however, that those loans will be for 40 years. We could not fix a different period with respect to all the four or five types of loans provided for in the bill. It was desirable, in the case of loans to municipalities or public bodies under the P. W. A. provisions, that the loans should be for a maximum of 40 years, and that under the Bankhead-Jones Act and the Rural Rehabilitation Act the maximum should be 40 years, and that under all these provisions for loans the maximum should be 40 years. There was no reason to make a different period for the railroads, but there is also no reason why they have to be for 40 years.

Mr. MALONEY. Is not that the only reason it was made 40 years-to protect the loans to which the Senator has just

referred?

Mr. WHEELER. Absolutely. Forty years is the maximum; but the Reconstruction Finance Corporation may make loans for 15 years, or 20 years, or 25 years. The mere fact that there is a maximum over-all, with regard to all the loans, does not at all mean that they will be for 40 years.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. WHEELER. I agree with the Senator from Kentucky that it is not necessary for the Reconstruction Finance Corporation to lease the equipment to the railroads for 40 years: but I am saying to the Senator that I happen to know that the idea was, when they talked to me-because I was talked to about it after the bill was introduced-that they should build or buy this equipment and lease it to the railroads over a period of 40 years.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Ohio.

Mr. TAFT. My recollection is that Secretary Morgenthau testified before the committee that one of the advantages of this power was that these loans could be made for 30 years, whereas private capital would never be willing to make them for longer than 15 years. That is my recollection of the testimony, and I think there is no doubt about it. He stated that it was the purpose. It was 30 years, not 40 years.

Mr. WHEELER. I thank the Senator.

Mr. FRAZIER, Mr. BYRNES, and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield; and if so, to whom?

Mr. WHEELER. I yield first to the Senator from North Dakota.

Mr. FRAZIER. Mr. President, I desire to state that in the hearings the Honorable Jesse Jones, when asked about the losses the R. F. C. had had on their old loans, made the statement that they had taken care of those losses by what they made in the rate of interest. That is, they got the money at a very low rate, and charged a high rate of about 3 percent for the loans they made. He said they took care of the losses in that way; but he said it could not be done under this bill, because they were limited under the bill at that time to one-eighth of 1 percent above what the money cost. Since that time it has been made one-quarter of 1 percent.

Mr. BYRNES. Mr. President, will the Senator yield? Mr. WHEELER. I yield to the Senator from South Caro-

Mr. BYRNES. Because the Senator has been discussing the matter-though it has been mentioned by the Senator from Kentucky-I think it should be said that section 17, to which the Senator has referred, was introduced by the Senator from Colorado [Mr. Adams] and myself, and the 40-year period was placed in that section because one or two of the subjects in the bill provided for loans for 40 years. As the Senator from Colorado stated, the reclamation projects by statute are made payable in 40 years; but we put at the end of the bill, after the various items, a blanket provision providing that there must be reasonable assurance of repayment of the amount loaned. If the Senator will notice the language-

Mr. WHEELER. I have read the language.

Mr. BYRNES. It says "to construct any project"; and we intended that to refer to the previous phases of the bill.

Mr. WHEELER. Yes; I have read it.

Mr. BYRNES. I only wanted to call the Senator's atten-

Mr. WHEELER. I thank the Senator for doing so; but I want to call his attention to the fact that, in section 7, where the bill says-

(a) Through public bidding or private negotiations to make contracts for, or to aid in financing by loan, lease, or otherwise-

Under that language the R. F. C. may lease the equipment to the railroads not only for 40 years but for 100 years, or for any time. There is no limit to the time for which they may lease it. So under the leasing provision they are not even limited to 40 years or anything else.

Mr. BYRNES. Inasmuch as the discussion as to Mr. Jones' view has taken place, I think the Senator should have called to his attention the fact, for whatever it is worth, that, on page 92 of the hearings, he stated that certainly they had no idea of providing loans for more than the life of the equipment, which, in his opinion, was from 15 to 20 years. He may not be administering the loans, however.

Mr. WHEELER. Of course; but the truth about the matter is, as the Senator knows, that Mr. Jones is not going to be administering the loans any longer. He has a title without any authority.

Mr. BYRNES. No; I will venture to say that the gentleman from Texas, Mr. Jones, will never be found in the fix of having a title but no authority. He will generally have more authority than the title conveys.

Mr. SCHWELLENBACH. Mr. President-

Mr. WHEELER. I yield to the Senator from Washington. Mr. SCHWELLENBACH. In view of the statement of the Senator from South Carolina that 40 years was just included as an over-all figure, and would not apply to railroad Ioans, if they are to be made only for the life of the equipment, and, as has been said here, that is 15 or 18 years, what would be the objection to a 20-year limitation, say?

Mr. WHEELER. Of course that would be very helpful if we were going to make these equipment-trust loans. Frankly, I would not have any objection to making loans to the railroads for equipment trusts. The R. F. C. has that authority, and does it at the present time; so there is not any necessity for writing into the legislation at this time provisions to give them power to make loans for equipment trusts. They have that power. They have done it in several instances. They have done it with two or three roads which are in the hands of receivers, and they have done it with some others; so there is not any reason for that. The provision that they really wanted was a provision for the Government to buy equipment. This provision gives the R. F. C. power not only to loan the railroads the money for equipment trusts, but in addition to trade in-and the record shows it-old equipment which they have as part of the purchase price. Then, again, the Government is going into the leasing business

Why should the Government, as a matter of fact, buy equipment? Do we want to start on a program of the Government buying equipment and leasing it to the railroads? If we do that, we are going to have to do it with the manufacturers. They are going to come down here and say, "We want some new equipment in our business. We want you to build us some equipment and lease it to us." Then the farmer is going to come in and say, "I want a new threshing machine. You buy it," and the Government will be leasing threshing machines, and we shall be going into all kinds of business.

I want to call attention to the fact that when the Reconstruction Finance Corporation bill was pending before the Senate in the Hoover administration, the Republicans on the other side of the Chamber stood up and said, "If we pass this R. F. C. legislation it will only be a question of time when the smoke will be coming out of the factory chimneys, and the railroads will be prosperous, and then the farmers out in the West will be prosperous." I then repeatedly said on the floor of the Senate that the R. F. C. legislation was bad legislation. I said, "When you start loaning money to the banks of the country, when you start bailing out the banks of the country and bailing out the insurance companies of the country, when you start loaning money to railroads, you cannot stop short of loaning money to every other class of persons in the United States."

I say to those who criticize this administration because of the fact that they have made loans to farmers, and those who criticize this administration because they have done a lot of other things, that the first wrong thing that was done was when we started to make loans through the R. F. C. to the banks, and the insurance companies, and the railroads, and when we bailed out some of the big private banking institutions of the country. According to the testimony before our committee we bailed them out because we took over the loans that were made. The R. F. C. bailed out some of the biggest private banking institutions in the country, and when we started doing that we could not stop it. We could not say to the farmer, and we could not say to the manufacturer, and we could not say to the merchant, "We are going to do this for the railroads, we are going to do it for the banks, we are going to do it for the insurance companies, but we will not do it for you."

If now we start building equipment for the railroads and leasing it to them over a period of 30 or 40 years, I say that we cannot avoid doing the same thing for every single class of people under the sun.

If we say to the railroads, "We are going to take back as part payment on some of your loans the old junk you have," we cannot refuse to do the same thing for the farmer, for the manufacturer, for the storekeeper. If we want to adopt such a policy, let us be frank about it, let us say we are going to do it for the railroads, for the manufacturer, for the merchant, for the farmer. Let us not start and not carry it through.

No matter what is said or thought, we would have to treat all alike.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. SCHWELLENBACH. I recognize that the Senator has several objections, but one of them is that a 40-year term is too long, and looking purely at that one objection, would that not be met by a 20-year limitation? If the statement of the Senator from South Carolina is correct—that they intend not to make loans longer than for the life of the equipment—I should like to know why such an amendment could not be included.

Mr. WHEELER. I would not have any objection, and I so stated when the bill was first introduced, if there were a desire to lend the railroads money to buy equipment. We are doing it now; but I objected to having the Government of the United States buying equipment and leasing it to the railroads.

We are asked to authorize lending them money to buy equipment, but when it is provided that the Government shall take back the old junk in part payment, and that it will give the roads 30 or 40 years in which to repay, and that the equipment is to be leased to the roads, I say we are going to get the Government into all kinds of difficulty.

When the Senator from Indiana says that I am urging these objections because I want to tear down the bill, I say to him that I not only made them upon the floor of the Senate, but I urged the President of the United States not to press this, because I felt it was a wrong policy and would lead us in the wrong direction. I did not go to him in a spirit of trying to tear down the proposal, but there are some Members of the Senate who, no matter what anyone says, if he votes and speaks his own convictions, think he must be looked upon as an enemy of the President of the United States. Some take that attitude because they are currying favor with the Chief Executive by denouncing everybody who has an opinion of his own.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield the floor.

Mr. MINTON. I should like to know whether the Senator from Montana is for the bill.

Mr. WHEELER. Yes: I intend to vote for the bill.

Mr. MINTON. I am glad to hear it.

Mr. WHEELER. The Senator could have heard it a long time ago, because I announced it some time ago.

Mr. BARKLEY obtained the floor.

Mr. SCHWELLENBACH. Mr. President-

Mr. BARKLEY. I yield to the Senator if he cares to propound a question to the Senator from Montana.

Mr. SCHWELLENBACH. I asked the Senator a very definite question, and I do not think he intended, by the latter part of his remarks, to intimate that because I asked him that question I was denouncing him.

Mr. WHEELER. Let me say to the Senator from Washington that I had no such idea. His remarks were entirely of a constructive nature, and I appreciate the suggestion he made. I would say it would be a fine measure, if the rest of the provisions were cut out, and the bill merely provided for the lending of money to buy equipment, limiting it to the life of the equipment trust. In that event I would not raise my voice in protest, I would say I would be for it. But that is not what it provides.

Mr. BARKLEY. Mr. President, I dislike to occupy the floor of the Senate so frequently, but, inasmuch as I am under some obligation in regard to the bill, I suppose the Senate will forgive me for injecting myself into the debate more frequently than I otherwise would.

For a long time we have recognized certain fundamental weaknesses in our railroad transportation system. I do not think it is profitable now to go into any detail in undertaking to attach responsibility for those weaknesses.

The Senator from Montana is chairman of the Committee on Interstate Commerce, a very able and diligent and industrious chairman. The Senator from Missouri [Mr. Truman] has been chairman for 2 or 3 years of a subcommittee of

that committee, and I am honored by membership myself upon it. During that time certain phases of the railroad situation have been rather carefully gone into.

For a good while there has been an almost universal cry, not from railroad people but from the country at large, that something must be done to save the railroads. Not only are those who have their money invested in railroads interested in preserving the roads as a part of our transportation system, but the approximately million men who are working on railroads in the United States are likewise interested, the traveling public is interested, the shipping public is interested, industry likewise is interested.

Other forms of transportation—the bus, the automobile, the airplane—have come into existence as competitors of the railroads, just as the railroads in a former day came in as competitors with the steamboat and the stagecoach. We have found the railroads in a situation where they have needed financial assistance. There has been a general accusation, with some justification, that in many cases the railroads are no longer owned by the railroads themselves, but by bankers. Undoubtedly there is some justification for the feeling among many Members of this body, and throughout the Nation, that before we ever get to a fundamental railway transportation condition, the railroads must be put through what is called the "wringer," in order to wring out the water which has been pumped into the securities of the railroads because others than executives of railroad transportation systems have sometimes obtained control of the railroads. But without regard to these causes, without regard to this historical background which surrounds the condition of our railroads, the railroads of this country are undoubtedly as a whole in a weakened financial and physical condition.

Various projects or proposals have come forward for the lending of more money to the railroads. We have authorized the Reconstruction Finance Corporation to lend up to \$350,000,000 to the railroads of the country, and under that jurisdiction the Reconstruction Finance Corporation has made direct loans to railroads, and it has also made equipment loans to railroads in order that they might improve their rolling stock, and perform their services as facilities for transportation throughout the United States.

Mr. BRIDGES. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. BRIDGES. I should like to inquire of the majority leader how long it has been that the heart of this administration has been bleeding for the railroads?

Mr. BARKLEY. How long what? Mr. BRIDGES. The heart of the administration has been bleeding for the railroads of the country.

Mr. BARKLEY. I am not talking about the heart of the administration and I am not talking about bleeding. I am discussing generally the condition of the railroads in the United States. I do not suppose the Senator from New Hampshire will dispute the premises I have laid.

Mr. BRIDGES. No; but it is the first time I have heard that the administration has bled very greatly for the railroads, and I wondered when this change of attitude took place.

Mr. BARKLEY. There are so many things in the world the Senator from New Hampshire never heard of that I have not time now to catalog them. [Laughter.]

Mr. BRIDGES. The Senator prefers cataloging a few of the things for himself first.

Mr. BARKLEY. I will attend to that in due time. I say that there is no dispute about the authority of the Reconstruction Finance Corporation to make a loan to a railroad. with the approval of the Interstate Commerce Commission, and on their certification that the railroad which is applying for the loan, and which is before the Reconstruction Finance Corporation on that application, is not in need of reorganization, that the security is of such a nature as to be reasonably calculated to insure repayment of the loan. Under the present law the R. F. C. cannot make a loan to a railroad without the approval of the Interstate Commerce Commission. That Commission must certify that the security is of such a nature as to reasonably assure repayment, and that the road is not in need of reorganization through processes of bankruptcy.

Various proposals have been made to increase the lending authority of the Reconstruction Finance Corporation, and before the Committee on Banking and Currency Mr. Jones suggested an amendment to the pending bill authorizing them to make loans up to \$150,000,000, in the aggregate, in order to enable the railroads to buy up their own securities at reduced prices in order that they might avoid the necessity for reorganization through the courts of bankruptcy. The committee did not agree with that amendment, and it is not

Mr. President, what is the condition which has made advisable the enactment of the provisions in the bill? I will say to the Senator from Montana and to the Senator from Washington and to other Senators that, so far as I am concerned, I have no objection to limiting the length of the loans to the railroads for equipment purposes to 20 years. Forty years was the limit adopted because it was not thought necessary to make a different period for different types of loans. It is 40 years for the R. E. A., 40 years for the Farm Security; 40 years for cities, towns, and counties under the P. W. A. program; and 40 years for the other types of loans; and it was not thought necessary to fix a different period for railroad loans, because we thought we could trust the officials of the Reconstruction Finance Corporation to make the loans on such terms and conditions as would be reasonably businesslike and sound.

What is the situation with respect to the railroad equipment? One of the outstanding and able men of the country. whatever may be said with respect to his policies, however much one may disagree with him, Mr. Marriner Eccles, the head of the Federal Reserve System, in his testimony before the committee, which was undisputed, and which was corroborated from other sources, gave the following informa-

Mr. Eccles. I think the committee will be interested in the considerations that led to its inclusion in this program.

That was with respect to the railway equipment-loan pro-

We have on the one hand, in the railroad-equipment industry, one of the most depressed of all our capital-goods industries. On the other hand, we have the railroads, with the supply of rolling stock rapidly declining in quantity and deteriorating in quality. Our supply of freight cars—

I ask Senators to listen to this because there is no dispute about it-

Our supply of freight cars is back to the level of 1905. over 40 percent of the freight cars are 20 years of age or older. Over 70 percent of the steam locomotives are 20 years of age or older, and only 3 percent are under 10 years of age. Some 13,000 locomotives of American railroads were built before 1910. Most of the machine-shop equipment of American railroads is universally acknowledged to be obsolete and in poor condition. Consequently, repair costs are high, both because of the age of the rolling stock and because of the character of the equipment of the machine shops. In no field, I believe, from the point of view of economy, recovery, or national defense, could the Government's credit be better used than in enabling the roads to modernize their equipment.

The success of this program depends upon low interest rates, long maturities, and no down payments, so that railroads can acquire new equipment at annual costs no greater and in some cases less than those arising out of the operation and maintenance of some of the present aged and obsolete equipment.

Mr. McKELLAR. Mr. President, I agree with the Senator from Kentucky in saying that we should do our best to help the railroads, but I am now looking at the provisions in this bill, and I call the Senator's attention to line 24, on page 9. subsection (b)-

(b) To lease, with or without the option to purchase, or to sell or rent upon such terms and conditions as it shall prescribe, any railroad equipment constructed, rebuilt, or repaired under this

That indicates that the Government by this section of the bill is going into the business of rebuilding, repairing, and constructing railroad equipment. What is the purpose of that? Is it the intention to ease the Government into the

railroad business in such a way that the railroads are to be taken over by the Government?

Mr. BARKLEY. No; I will say to the Senator it is not. One of the objections which was raised by the railroads themselves to the provision as originally introduced was that it might have authorized the Reconstruction Finance Corporation to construct equipment on the speculative prospect that it might lease it, or lend it, or sell it to some railroad.

Mr. John J. Pelley in his testimony before the committee objected to that provision because it might put the Reconstruction Finance Corporation in competition with railroad shops, or other industries engaged in the manufacture of railroad equipment, and it was never the intention to do that. So the bill was modified so as to provide that this equipment is to be constructed and repaired by contract, with the railroad doing the repairing and construction in its own shops, or in other shops if it wishes to do that, and when that railroad equipment is repaired, constructed, or rebuilt, the Reconstruction Finance Corporation may enter into a contract with the road for a rental or a lease over a term of years that will enable the railroad to acquire the equipment, improve its rolling stock, whether passenger or freight, to obtain new engines, to obtain modern boxcars, modern passenger cars, and, if necessary, to enlarge and equip its own facilities for manufacturing, or improving, or reconstructing the equipment necessary to operate the roads.

Mr. McKELLAR. Mr. President, if what we see in the public print is true, one of the troubles with the railroads now is that they have more equipment than they have goods to carry in their equipment, and it seems to me that what they need rather than equipment is business.

Mr. BARKLEY. They undoubtedly need business, but the equipment which the Senator has in his mind is obsolete and out of date; it is out of repair; it is antiquated; it is not sufficient to meet the requirements of a modern transportation system.

Mr. President, the bill does not contain any of the scare-crows or bogies which it may be possible to conjure up with respect to it. Mr. Jones in his testimony before the committee—and he was more elaborate and went into more detail in testifying before the House committee than he did before the Senate committee—was emphatic in his statement that he needed this authority, and that the railroads needed the equipment; that he had no authority now to lease, or to enter into a contract of lease, with the railroads.

In his testimony before the committee Mr. Eastman, with whose record and ability we are all familiar, testified that he favored the authority and the power conferred upon the Reconstruction Finance Corporation by the provisions of this bill, and that he was willing to risk the Reconstruction Finance Corporation, and especially Mr. Jones, in the exercise of the authority conferred upon the Corporation by this provision.

Mr. McKELLAR. Is it possible that Mr. Eastman, with his knowledge of railroads, testified that he believed that the Reconstruction Finance Corporation could go into the railroad equipment business and sell equipment to the railroads cheaper than the railroads can build equipment themselves?

Mr. BARKLEY. I may say to the Senator that it is not contemplated that the Reconstruction Finance Corporation will do anything of that sort.

Mr. McKELLAR. Section 7, paragraph (b), provides that the Reconstruction Finance Corporation shall—

Lease, with or without the option to purchase, or to sell or rent upon such terms and conditions as it shall prescribe, any railroad equipment constructed, rebuilt, or repaired under this section.

It has to repair it or reconstruct it before it can rent it.

Mr. BARKLEY. It has to do it under this section, and subsection (a) sets out in some detail the method by which this process or this program will be carried on. It provides that—

Through public bidding or private negotiation-

In the event a railroad had equipment which it desired to sell at public auction, and which might be bought by some other railroad that needed it, either before or after it had

been repaired or reconstructed, it might be desirable to dispose of it by either public bidding or by private negotiation.

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. BARKLEY. I yield.

Mr. SCHWELLENBACH. I call the attention of the Senator to line 22, page 9, the words after "or otherwise."

The purchase, rebuilding, repair, or disposition of old railroad equipment.

Would it be done by some other railroad company than the one which originally owned it? Is that what the language means?

Mr. BARKLEY. No; it might be done by any equipment manufacturer who might desire to purchase outworn equipment for the purpose of reconstructing it itself, and resell it to a railroad under a program by which that railroad would be able to refinance the operation either by purchase, or lease, or by loan.

Mr. SCHWELLENBACH. The Senator from Montana made what I consider to be a very potent argument against the provision which would permit the Corporation to take in old machinery, railroad equipment, and as one Senator put it, to go into the junk business. As I now understand the Senator from Kentucky, the Corporation would not do that itself at all. Yet I think the language in lines 22 and 23 on page 9 would be subject to the construction placed upon it by the Senator from Montana. It seems to me that if that is not the intent, there should be such amendment to that language as to make it certain that that is not the intent.

Mr. BARKLEY. Among the powers conferred by subsection (a) is to make contracts with the railroads—

To aid in financing by loan, lease, or otherwise, the purchase or construction of railroad equipment—

Also-

To aid in financing by loan, lease, or otherwise, the purchase, rebuilding, repair, or disposition of old railroad equipment.

Mr. SCHWELLENBACH. It seems to me that to make the provision certain and to meet the argument made by the Senator from Montana an amendment should be made in lines 22 and 23.

Mr. BARKLEY. If any clarifying language is necessary there, of course, I would not object to it, but frequently railroads might desire to exchange obsolete, outworn equipment which has some value, even if it has value only as junk. It is needless to try to ridicule this provision by referring to the equipment as junk. The railroads of the United States do have outworn and obsolete material that still has a value. They might desire to exchange that by some arrangement of financing which would be facilitated by the Reconstruction Finance Corporation, for new equipment, and that old, outworn, and obsolete equipment subsequently repaired and reconstructed, either by the railroads that took it over in exchange, or by some equipment construction company that took it over in exchange for modern and new equipment and machinery.

Mr. SCHWELLENBACH. I have no objection to the word "junk" or to "junking."

Mr. BARKLEY. I understand.

Mr. SCHWELLENBACH. It seems to me it would be absolutely impossible for the Reconstruction Finance Corporation to take over this old equipment, whether we call it old equipment or junk, or by any other name, and to dispose of it. If that is not the intention, it seems to me only logical that the possible construction that the Senator from Montana put on it should be obviated by amendment.

Mr. BARKLEY. I appreciate that. It certainly is not contemplated by the Reconstruction Finance Corporation, or the Banking and Currency Committee, or by anyone else that the Government of the United States shall go into the junk business, but, inasmuch as there are hundreds of thousands of particular pieces of equipment of various kinds that have reached the junk stage, that is, it is outworn and obsolete, although it has some value, certainly there could be no legitimate objection to making it possible for railroads to

provide themselves with modern equipment as a substitute for this outworn stuff.

It may be that much of it can be repaired and reconstructed so as to be modernized, and that operation ought to be facilitated. While there has been a depression among the railroads, and a falling off of their traffic, we do not anticipate that that condition will exist forever. It has been unequivocally testified that if there were any emergency, either in the United States or in the world situation, which might call upon the railroads of our country to render a major service to the American people, the railroads are now woefully lacking in equipment which would enable them to perform that service.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? Mr. BARKLEY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I will say to the Senator and to the Senate that I think there is merit in this proposal. The amendment may be a little unfortunate. Perhaps it ought to be changed. However, I will say that the operating manager of a railroad in receivership, which did not have 5 cents' worth of credit, told me that he found 2,400 obsolete freight cars on sidings. He said that the expense of moving them back and forth, storing them on the sidings, and so forth, was \$100 a year apiece, or \$240,000 a year. Not having any credit, and needing new equipment, he made a deal with a car manufacturer to take the obsolete equipment off his hands as scrap, and to give him an allowance for the scrap as the first payment on new equipment. The car dealer took title to the equipment, and the railroad paid a dollar a day for the use of the equipment, saving 35 cents a day on each car, which it would have paid to other railroads for the use of their cars.

As a result, the railroad turned a liability of 2,400 cars, which cost it \$100 a year apiece to carry on sidetracks, move back and forth, insure, and so forth, into an asset; and instead of paying demurrage on cars from other railroads at a dollar a day, the railroad paid the car company a dollar a day, and saved 35 cents on each car, which was applied to the payment for the cars.

The President's committee, which made a report on the railroads a year or two ago, reported that there were 300,000 obsolete cars on the sidings of the railroads of the United States. If it costs the Minneapolis & St. Louis Railroad \$100 a year apiece to carry those obsolete cars, for insurance, storage, and moving them back and forth on sidings, the same thing would be true of any other railroad. Carrying 300,000 cars as obsolete equipment on the railroads of the United States would therefore cost the railroads \$30,000,000 a year. If in some way the financing can be fostered without waste and if something can be done to facilitate scrapping the obsolete equipment and turning in the proceeds as part payment for new equipment for railroads which need it, I think the proposal has merit.

The amendment as worded may not properly safeguard the loans or the money which is provided. I have not seen the amendment this evening; but certainly there is merit in retiring obsolete equipment of railroads and applying the proceeds on new equipment, if it can be arranged. If Government finances were necessary, I should not object. I think it would be a good thing, and would be very helpful to the railroads. Some of the railroads have credit, and some have not.

Mr. BARKLEY. I appreciate the contribution made by the Senator from Minnesota. I think if there is one thing that is certain growing out of the investigations dealing with this subject, it is, as the Senator has said, that some of the railroads have credit, and some have not. In all likelihood, some strong railroads would never make any use of the provisions of the bill. However, others now have no credit, or have insufficient credit to enable them to borrow money directly from banks in order to carry out the modernization of their equipment; and when they borrow money they have to put up a 20-percent cash payment. In other words, they can borrow only about 80 percent of the value of the equipment.

Mr. TOBEY and Mr. WHEELER addressed the Chair.

Mr. BARKLEY. Just a moment.

Mr. Jones testified before the committee of the House of Representatives-I have forgotten whether or not he so testified before our committee-that a number of roads could take advantage of these provisions, but without them they must hobble along with antiquated, obsolete, outworn, inefficient rolling stock of all sorts. Many of them have not even the money with which to improve the facilities of their own shops so that they may improve their own rolling stock in their own plants.

I now yield to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, the Senator has referred to the testimony of Mr. Joseph Eastman, whom we all regard as an authority. I quote from Mr. Eastman's testimony in answer to interrogations by the Senator from Virginia [Mr. GLASS] and the Senator from Delaware [Mr. Townsend].

The Senator from Delaware asked this question:

Senator Townsend. You state that your recommendation was that Government funds be furnished for equipment. Under the authority given to the Reconstruction Finance Corporation and Mr. Jones, does not he have full authority to loan for equipment

at the present time? Mr. EASTMAN. He does.

Senator Townsend. Does he not have the authority to fix the rate of interest at any rate he may see fit?
Mr. Eastman. That is my understanding.

Further on the Senator from Virginia asked a question:

Senator Glass. Are not the equipment-trust loans regarded as a very sound method?

very sound method?

Mr. Eastman. They have been; yes, sir.
Senator Glass. Is there any railroad that you know of which would be unable to borrow by that method now?

Mr. Eastman. I do not know of any railroad that would be unable to do so, provided it is able to furnish the cash for the down payment. I am not sure that all would be able to or at least would be willing to; they might not feel that it was wise.

Senator Townsend. There is nothing to prevent the Reconstruction Finance Corporation from lending Government money to any of those?

Mr. EASTMAN, No.

With respect to the remarks of the distinguished leader of the majority with reference to the down payment, according to the testimony of Mr. Jones, and of Mr. Eastman, the Reconstruction Finance Corporation now may loan money to any railroad in the country on equipment to meet a down payment, or the whole payment, or anything it wishes to loan. It has the authority. The testimony of Mr. Jones is that the Reconstruction Finance Corporation has \$1,400,-000,000 of resources to lend. He further testified that it could take care of \$770,000,000, including railroads and everything else, for a year, or until the Congress next convenes, without the aid of the bill before us.

Mr. BARKLEY. The Senator knows that Mr. Jones testified that while the Reconstruction Finance Corporation had the authority to borrow \$1,300,000,000 more, he felt that as a business proposition it ought never to come nearer than \$1,000,000,000 to exhausting its borrowing power for all purposes.

Mr. TOBEY. But he did concede that he could go along for 1 year, and we could come back again next year.

Mr. BARKLEY. No.

Mr. TOBEY. That is his own testimony. I will read it to the Senator.

Mr. BARKLEY. If Mr. Jones felt that the railroads which need this equipment could now borrow it from him, and that he had enough money to meet their needs; if he felt that he needed no more authority, why did he come before the committee and say that this bill ought to pass, that he could use the money, that he did not have the power, and that he wanted it?

Mr. TOBEY. Perhaps for the reason that forces above Mr. Jones told him to, and for the same reason perhaps the same forces cut out his testimony and gave us a shadow of his testimony which is now before us.

Mr. BARKLEY. Mr. President, the Senator from New Hampshire has no basis upon which to make that statement.

Mr. TOBEY. I have this basis, that Jesse Jones' own statement was expurgated and changed from the truth to a falsebond.

Mr. BARKLEY. If it was expurgated it was expurgated by him, just as every other witness has the right to change his testimony and modify his statements.

Mr. TOBEY. At the suggestion or direction of somebody else.

Mr. BARKLEY. Nobody beside Mr. Jones modified or in any way changed his testimony.

Mr. TOBEY. Jesse Jones does not renege on any of his promises or statements.

Mr. BARKLEY. Ask Mr. Jones.

Mr. TOBEY. He is not here. I cannot ask him.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Senators will kindly be in order. The Chair desires to bring to the attention of the Senators engaging in this debate the rule of the Senate which requires that any Senator desiring to interrupt another Senator shall address the chair.

Mr. BARKLEY. Mr. President, just a moment-

Mr. TOBEY. Let me say to the Senator-

The PRESIDING OFFICER. Just a moment. The Chair does not desire to inject himself into this debate; but the reporters of the Senate, marvelous as they are, cannot report debate when two Senators are speaking at once.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER. It is the purpose of the present occupant of the chair to protect the right of the Senator who has possession of the floor. Therefore Senators are requested to address the Chair when they desire to interrupt the Senator who has the floor.

Mr. BARKLEY. Mr. President-

Mr. TOBEY. I respectfully say to the Chair that I asked the Senator to yield, and he yielded to me. I thought I was talking entirely in order, albeit too fast, as always.

Mr. BARKLEY. Mr. President—Mr. WAGNER. Just a moment-

Mr. BARKLEY. The Senator has imputed to somebody some irregular and improper motive.

Mr. TOBEY. Not at all.

The PRESIDING OFFICER. The Senator from New Hampshire will observe the rules of debate.

Mr. BARKLEY. The Senator has imputed to somebody some irregular and improper motive in connection with Mr. Jones' testimony. The Senator knows, as every other Senator knows, that when testimony is given before any committee, before it is printed the witness is given an opportunity to look it over for the purpose of revising it if he feels it

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BARKLEY. In a moment, I do not yield at present. The PRESIDING OFFICER. The Senator declines to

Mr. BARKLEY. The great offense of Mr. Jones evidently was that in testifying before the committee about small business loans, but not in connection with railroad loans at all, he was asked the question as to how much the Reconstruction Finance Corporation had lost on these small loans, and he said "Plenty." Somebody asked "how much?" Then Mr. Jones said, "I would be ashamed to estimate how much." When he corrected his testimony he merely modified that statement by saying "I am not at present prepared to estimate how much the losses are." Because on the spur of the moment and in a casual way Mr. Jones said, "I would be ashamed to undertake to estimate how much they would be," and later desired to modify that statement so as to read that he was not prepared to estimate how much the losses would be, he has been accused, or somebody else has been accused, of falsifying the record.

Mr. TOBEY. Mr. President, will the Senator yield? Mr. BARKLEY. He or somebody else has been accused of doctoring his testimony so as to make it show a falsehood.

The PRESIDING OFFICER. Does the Senator from Kentucky yield?

Mr. BARKLEY. Nobody else beside the witness had anything to do with the modification of that statement.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from New York.

Mr. TOBEY. Mr. President-

The PRESIDING OFFICER. The Senator yields to the Senator from New York.

Mr. BARKLEY. I will yield to the Senator from New Hampshire in a moment.

Mr. TOBEY. I thank the Senator.

Mr. WAGNER. Mr. President, the Banking and Currency Committee followed the same procedure with reference to Mr. Jones that it follows with reference to any witness who requests that the testimony be sent to him so that he may make such correction as he desires. Upon that request by Mr. Jones the testimony was sent to Mr. Jones, and in his own handwriting he corrected the testimony. That correction, in Mr. Jones' own handwriting, is in the possession of the Banking and Currency Committee. Nobody except Mr. Jones had anything to do with it; and he was given the same courtesy which is extended to other witnesses.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BARKLEY. Mr. President, before I yield to any-

The PRESIDING OFFICER. The Senator from Kentucky declines to yield.

Mr. BARKLEY. I decline to yield to anybody at the moment.

Mr. President, the same custom is followed by all committees of the Senate and of the House of Representatives.

Mr. TOBEY. Mr. President, will the Senator yield? Mr. BARKLEY. Just a moment. I will not yield now.

The PRESIDING OFFICER. The Senator from Kentucky declines to yield.

Mr. BARKLEY. We all know that in the rapid fire of questions and answers in committee hearings witnesses are likely to make statements on the spur of the moment which, upon reflection, they do not wish to have go into the permanent record. Witnesses before committees of the House and Senate are not the only ones who enjoy the privilege of revising and correcting their remarks after the testimony has been given or the statement has been made. Even a United States Senator, after he has made an extemporaneous speech on the floor of the Senate, frequently asks the reporters to return the transcript to him in order that he may revise his remarks so that no statements made on the spur of the moment and in the heat of debate may go into the permanent RECORD which he did not intend, or which may be misinterpreted or misconstrued.

That is done here every day, and every Senator knows it; and yet no Senator is ever charged with falsifying the record of his own remarks because he has enjoyed the privilege of going over them after he has made them in extemporaneous, and in some instances—as in the case of the Senator and myself-heated fashion. We have the record placed before us, and respect it. So Mr. Jones was given that privilege, as was Mr. Pelley, Mr. Eastman, Mr. Carmody, and all the other witnesses, including Mr. Eccles, although Mr. Eccles and the Secretary of the Treasury came there with prepared statements. Notwithstanding that, they were given a chance to look over their extemporaneous answers to questions propounded by the members of the committee, in order that they might be revised.

I am sure the Senator from New Hampshire-for whom I have the highest respect, for whose integrity and intellectual ability I have the greatest admiration-does not desire the RECORD here to show that because Mr. Jones changed one answer from "I would be ashamed to try to estimate the losses in small business" to a revised statement that he was "not prepared to do it," the Senator from New Hampshire desires to impute any dishonesty, or any desire to evade, or to delude, or to do anything else except to tell the truth.

Mr. TOBEY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New Hampshire?

Mr. BARKLEY. I do.

Mr. TOBEY. The Senator from Kentucky a few moments ago spoke of the debate or colloguy between the Senator from New Hampshire and his distinguished self, and spoke of a measure of heat in it. If there was any heat in evidence to the audience gathered around here, I apologize for it. There was a dead earnestness about it which is somewhat akin to heat, and heat generates earnestness, and vice versa. But I want to pay tribute to the Senator from Kentucky before I take up another matter. I honor him extremely. He has stood here for the last 3 days and borne the brunt of the whole business of this miserable bill; and he is the only Democrat on the other side of the aisle who has defended the thing. I honor him for it. He has been up against the guns, and he has carried on in man fashion.

I have no heat toward the Senator or toward Jesse Jones. I yield to no one in the country in my admiration for Jesse Jones. He is a straight shooter. He has made the most distinguished record of any agency of our Government, in my judgment, all the way through; but what I do say is that when it is claimed that he revised his remarks of his own volition, I am of the opinion that he never changed that matter at all-never! I believe it was suggested by somebody else-best represented by the algebraic expression "X,"

an unknown quantity.

Mr. BARKLEY. Mr. President, in reply to that, if the

Senator is going to something else-

Mr. TOBEY. No; nothing else-the same subject matter. Mr. BARKLEY. I was going to say that the Senator not only has no information but he has no justifiable suspicion that anybody other than Mr. Jones had anything to do with changing that one remark, and I am quite satisfied that nobody suggested to Mr. Jones that he change it. Mr. Jones is a fearless man. He is not bossed by anybody. If there is an unbossed man in the public service in the United States it is Jesse Jones.

Mr. TOBEY. Right. On the other hand, Mr. Jesse Jones is part of this administration; and my own judgment is that when he went ahead and made this answer, somebody in reading his testimony simply said, "Jesse, you spilled the

beans; set it right."

Mr. BARKLEY. Mr. President, I have the floor.

Mr. TOBEY. The Senator gave me the floor.

Mr. BARKLEY. I will give it to the Senator permanently. Mr. TOBEY. No; I do not want the Senator to give it to me permanently. I just want to say this in 1 minute more:

The Senator from Kentucky said that Mr. Jones had a right to correct his statement before it was printed. But, Mr. President, the hearings were printed. Here is the language right in the printed document; and after it was printed they get out a revised edition, if you please. It is not a question of correcting an extemporaneous remark before it was printed, but of changing material testimony. I do not like that way of playing the game; that is all.

Mr. BARKLEY. Mr. President, if I had the imagination of the Senator from New Hampshire, I would not be in the United States Senate. I would be a great writer, such as Dickens or Scott or Robert Louis Stevenson; because I suppose the Senator means that the merits of this bill ought to turn on whether Jesse Jones changed the word "ashamed" to "not prepared."

Mr. TOBEY. It is only contributory evidence; that is

all, sir.

Mr. BARKLEY. Mr. President, I regret that there has been any heat. I realize that I become earnest. My earnestness and zeal sometimes are mistaken for heat. We all know that even before the days of electricity, and before the days of the sulfur match, friction created heat, and sometimes a flame. It may be that friction in debate sometimes creates heat; but I have no heat toward the Senator from New Hampshire, neither am I frozen toward him.

Mr. TOBEY. Nor frozen to him, either; are you?

Mr. BARKLEY. Nor frozen to him-no, indeed; but I appreciate the earnestness and sincerity of the Senator from New Hampshire, even if it generates heat in him.

I do not think the merits of this bill or this railroad-loaning section turn on any change at all which Mr. Jones or anybody else made in his spontaneous replies to questions asked by cross-examiners on the committee. It may be said, in this connection, that all those who testified in behalf of this bill were cross-examined as if they were on trial for some heinous offense, and some technicality was sought in their testimony upon which to hinge an argument against this measure.

Mr. President, I shall not consume any more time. If there is any doubt about the language of this bill. I am perfectly willing to make it plain. In lines 21 and 22, in speaking of the contracts referred to there, "to aid in financing by loan, lease, or otherwise, the purchase, rebuilding, repair, or disposition of old railroad equipment," I am willing to add "or contracts between the Reconstruction Finance Corporation and the railroad involved."

That certainly would take away any doubt as to whether the Reconstruction Finance Corporation was to go into the junk business. I have no objection to and will offer an amendment limiting these loans or leases to a period of 20 years, which may be reasonably expected to be the life of the material

Mr. SHIPSTEAD. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Minnesota?

Mr. BARKLEY. Just a moment.

When any railroad has entered into a contract with the Reconstruction Finance Corporation by which it is enabled to obtain modern machinery and modern rolling stock, engines, cars, or otherwise, and begins to acquire an equity in that property by the annual payment of rental or leases. the railroad company may be depended upon to preserve that rolling stock as carefully as if it had simply borrowed the money from a bank, and had given a mortgage on the rolling stock in order that it might be able to equip itself.

I now yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, in line 14 there is a provision that the transaction shall be "through public bidding." If we should strike out the words "or private negotiations," it would read thus:

Through public bidding to make contracts for-

Then in line 15 strike out "or" and insert "and", and between "loan" and "lease" insert "or", so as to read:

and to aid in financing by loan or lease

Then in line 16, strike out "or otherwise," and the words "purchase or", having it read:

by loan or lease, the construction of railroad equipment by \boldsymbol{a} carrier or to be acquired by a carrier—

And so forth. Then in line 22, after the fifth word, "purchase", insert "loan." If that were done, the loan could be made, and title under the lease would be taken in the equipment by the Government as security.

I point that out, and ask the Senator's opinion as to whether that would not eliminate the ownership, except as the basis of a loan.

Mr. BARKLEY. I will say to the Senator that I do not think the words "private negotiations" ought to be eliminated, because otherwise the Reconstruction Finance Corporation could not make a contract with any railroad to help it obtain this rolling stock except by public bidding. is not necessary or advisable. All these loans and all these arrangements will be made between the Reconstruction Finance Corporation and the railroad involved. The equipment has to be constructed or repaired upon the application and specifications of the railroad itself. The term "public bidding" was put in because there might be instances in which old rolling stock might be exchanged for new or modern rolling stock, and it might be advantageous to sell that at public bidding.

Mr. SHIPSTEAD. That is all right.

Mr. BARKLEY. So I do not think it ought to be restricted to public bidding. In all these transactions between the Reconstruction Finance Corporation and the railroads in their individual capacity, contracts will be entered into between the R. F. C. and the railroads, whether they manufacture or improve their rolling stock in their own shops, or whether they obtain it in factories or plants like those of the American Locomotive Co., the Baldwin Locomotive Works, or the American Car & Foundry Co., which are engaged in the manufacture and fabrication of all sorts of rolling stock for railroad equipment.

Mr. SHIPSTEAD. Would the Senator object to having new equipment specified to be acquired under competitive bidding, in order to get as much value as possible for the

money backed by Government finance?

Mr. BARKLEY. I do not think that would be advisable, because many of the railroads have their own shops. They ought not to be required to enter into competition with some other railroad to furnish equipment that they themselves can manufacture; so that would not be advisable.

Mr. SHIPSTEAD. I agree with the Senator that so far as possible it would be very desirable that the railroads should make these cars in their own shops, in order to give actual railroad employees employment; but when the private companies that make cars make these cars, does not the Senator think there should be some safeguard, that the bids should be competitive?

Mr. BARKLEY. I do not see how that would be practicable, because contracts will be made, and they will be bilateral. They will be between the R. F. C. and the railroad company needing the equipment. A contract may involve the manufacture of the equipment in some manufacturing plant, but it ought not to be subject to public bidding, because otherwise it would put every railroad at a disad-

In order that the language may be clarified, Mr. President, I propose this amendment: On page 9, in line 21, after the word "contracts", insert "with any carrier or railroad-equipment manufacturer", so that the language would read:

And to make contracts with any carrier or railroad-equipment manufacturer to aid in financing by loan, lease, or otherwise, the purchase, rebuilding, repair, or disposition of old railroad equip-

I submit that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky, which will be stated for the information of the Senate.

Mr. WHEELER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it. Mr. WHEELER. There is a motion to strike out the whole section.

Mr. BARKLEY. Well, Mr. President-

The PRESIDING OFFICER. The Chair is ready to rule on the point of order. Under the rules and precedents of the Senate, amendments to perfect the text proposed to be stricken out by such a motion as that pending by the Senator from Montana are always in order. The point of order is not well taken.

The question is on agreeing to the amendment offered

by the Senator from Kentucky.

Mr. SHIPSTEAD. Mr. President, before the vote is taken I wish to say a few words. I think there should be a provision here that whenever a railroad has its own shops they should be given the preference, in order to give actual railroad men employment.

Mr. BARKLEY. Mr. President, of course the Senator knows that neither the Reconstruction Finance Corporation. nor any other lender, would require a railroad company to go outside of its own shops to equip it or to repair its own equipment. I do not know that there is any such language as that necessary.

Mr. SHIPSTEAD. I do not think they would, but the railroad executives themselves might go outside of their own railroads. There are instances where they have done so.

Mr. BARKLEY. They would be very poor executives if they went outside of their own shops.

Mr. SHIPSTEAD. We have plenty of such instances; that is the trouble with the railroads today.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, at the end of section 7 I offer an amendment, to add the words "Provided, That no loan or lease under this section shall extend for a term exceeding 20 years."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ken-

tucky.

The amendment was agreed to.

Mr. BARKLEY. I wish merely to state, in conclusion, that this provision should not be stricken out. If there are any further deficiencies in it the Senate can deal with them and correct them, but certainly the testimony of the agencies of the Government and of the railroads themselves ought not to be disregarded. When the amendment was offered and agreed to in the committee changing the language from the language to which the railroads objected, under which they thought there might be some compulsion under which they might operate, or authorize the Reconstruction Finance Corporation to go out and manufacture a lot of material in the speculative hope that they might rent it to railroadswhen that was eliminated, Mr. Pelley, speaking for the Association of American Railway Executives, said that they had no further objection to it, and that they thought it was satisfactory.

Mr. WHEELER. Mr. President, I wish to say that the amendments offered by the Senator from Kentucky do not change the defects in the language except insofar as the lending provision is concerned. I have said repeatedly that I would not have any objection to the lending provision, but it is not necessary, because the Reconstruction Finance Corporation can do everything that is included in this bill with reference to lending, and there is no question that the Reconstruction Finance Corporation has the money with which to do it, and is making that kind of loans.

I am objecting to the fact that there is an attempt to give the Corporation authority to lease to the railroads, and to take the old equipment in the deals. I submit that the

provision should be entirely stricken out.

Mr. REED. Mr. President, several Senators understood I would take a little time, but the hour is late, and I do not wish to consume the time of the Senate. I think it is time for a vote. I merely want to say to the Senate that I am in complete agreement with the Senator from Montana in his conclusion that this section should be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. TAFT and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. LUNDEEN. Mr. President, I merely wish to say for the RECORD that we can talk all we desire about railroads, but whether it is this year, or next year, or some other time in the future, one of these days we will come to Government ownership of the roads. I want that to appear in the RECORD.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. WHEELER]. The yeas and nays have been ordered, and the

clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote, I transfer my pair to the junior Senator from Vermont [Mr. Gibson], who, if present, would vote as I am about to vote. I vote "yea."

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. Wiley]. That pair has been transferred to the senior Senator from New Jersey [Mr. SMATHERS]. I am therefore free to vote, and I vote "nay."

The roll call was concluded,

Mr. AUSTIN. The Senator from Oregon [Mr. McNary] is necessarily absent. He has a general pair with the Sen-

ator from Mississippi [Mr. Harrison].

Mr. SHIPSTEAD (after having voted in the negative). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed how he would vote, and since I cannot transfer my pair, I withdraw my vote.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate be-

cause of illness in his family.

The Senator from Texas [Mr. Connally] is absent because

The Senator from Arkansas [Mrs. Caraway] is absent on important public business.

The Senators from Arizona [Mr. ASHURST and Mr. HAYDEN], the Senator from North Carolina [Mr. Balley], the Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senators from Oklahoma [Mr. Lee and Mr. Thomas], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained.

The Senator from North Carolina [Mr. Balley] is paired with the Senator from Arizona [Mr. HAYDEN]. I am advised that if present and voting, the Senator from North Carolina would vote "yea," and the Senator from Arizona would vote

"nav."

The result was announced—yeas 45, nays 32, as follows:

	YE	AS-45	
Adams Andrews Austin Barbour Bone Borah Bridges Bulow Burke Byrd Capper Clark, Mo.	Danaher Davis Frazier George Gerry Gurney Hale Holman Holt Johnson, Calif. Johnson, Colo. King	Lodge Lundeen McCarran McKellar Miller Norris Nye Reed Russell Smith Stewart Taft	Tobey Townsend Truman Tydings Vandenberg Van Nuys Walsh Wheeler White
	NA.	YS-32	
Bankhead Bilbo Brown Byrnes Chavez Clark, Idaho Downey Ellender	Gillette Green Guffey Hatch Herring Hill Hughes La Follette	Lucas Maloney Mead Minton Murray Neely O'Mahoney Pepper	Pittman Radeliffe Schwartz Schwellenbach Sheppard Slattery Thomas, Utah Wagner
	NOT VO	OTING—19	
Ashurst Bailey Barkley Caraway Connally	Donahey Gibson Glass Harrison Hayden	Lee Logan McNary Overton Reynolds	Shipstead Smathers Thomas, Okla. Wiley

So Mr. Wheeler's amendment was agreed to.

Mr. O'MAHONEY and Mr. CLARK of Missouri addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. Mr. President, I call up an amendment which is lying on the table.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield to the Senator from South Carolina.

Mr. BYRNES. Mr. President, I wanted to ask the Senator from Kentucky whether he would tell us what his plan is, and whether or not the Senate could now take a recess. We have been in session for twelve and a half hours continuously. Does the Senator from Kentucky think we could possibly finish with the bill tonight?

Mr. BARKLEY. Mr. President, it had been my hope that we might finish the consideration of the bill before we recessed tonight. Of course I had not anticipated that there would be so much debate and so much delay. May I inquire what long-winded speeches are in contemplation on the part of Members of the Senate? [Laughter.]

Mr. REED. Does that include the floor leader, Mr. President? [Laughter.]

Mr. NYE. Mr. President, I was about to ask whether the floor leader was including himself in his inquiry.

Mr. BARKLEY. Yes; I am willing to include myself. The length of what I say of course is governed by the length of what other Senators say. I do not intend to put myself at a disadvantage.

In all good faith, I was trying to ascertain how many speeches were to be made, and if I offended anyone by using the term "long-winded," I apologize to the Senator from Kansas.

Mr. CLARK of Missouri. Mr. President-

The President pro tempore. The Senator from Wyoming has the floor.

Mr. BARKLEY. Mr. President-

Mr. O'MAHONEY. Mr. President, I have the floor. yielded to the Senator from South Carolina in order that he might propound an inquiry to the Senator from Kentucky. I have not yet heard the reply of the Senator from Kentucky.

Mr. BARKLEY. I was laying the predicate for a reply. May I inquire of the Senator from Vermont, who is acting as the minority leader, whether he can inform me as to the prospects for further discussion?

Mr. AUSTIN. Mr. President, I am informed that there are two Senators who have speeches which they wish to make, which are of a substantial character, and lengthy,

Mr. BARKLEY. Then, at least my description was in part correct. If the Senator from Wyoming will yield further-

Mr. O'MAHONEY. I am very glad to yield.

Mr. BARKLEY. I wonder whether we could enter into an arrangement under which, if we recess until tomorrow, we could bring about a limitation of debate.

Mr. CLARK of Missouri. I object to any limitation of debate until I have an opportunity to make a motion to reconsider the last vote taken.

Mr. O'MAHONEY. Mr. President, apparently there is no answer to the inquiry.

Mr. CLARK of Missouri. I have no desire to debate the

Mr. O'MAHONEY. Mr. President, I do not care to yield unless there is a development of this question of recess.

I will say that I am very happy to reply to the suggestion of the Senator from South Carolina. I hope that an opportunity may develop for an immediate recess. My only concern is that I may retain the floor.

Mr. BARKLEY. I ask unanimous consent that beginning at 12 o'clock tomorrow, contemplating an 11 o'clock session, and during the remainder of the consideration of the bill. no Senator shall speak more than once nor longer than 20 minutes on the bill or more than once nor longer than 20 minutes on any amendment.

Mr. CLARK of Missouri. I object.

Mr. McCARRAN. I object.
The PRESIDENT pro tempore. Objection is made. The Senator from Wyoming is recognized.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. May I ask whether we could enter into an agreement by which we could limit debate subsequent to 1 o'clock tomorrow? And I will say to the Senator from Missouri [Mr. Clark] that as far as I am concerned, he can make his motion to reconsider now.

Mr. CLARK of Missouri. If the Senator from Wyoming will permit me to respond to what the Senator from Kentucky said-

Mr. O'MAHONEY. I yield.

Mr. CLARK of Missouri. I will not agree to any sort of a proposal for an agreement to limit debate until I shall have had an opportunity to make a motion to reconsider the vote by which the Wheeler amendment was just agreed to. Mr. BARKLEY. So far as I am concerned, the Senator

can make the motion to reconsider now.

Mr. CLARK of Missouri. Unless the Senator from Wyoming is willing to yield to me to make the motion to reconsider, I shall have to object to any agreement.

Mr. O'MAHONEY. Mr. President, my only concern about the matter is this: I know that there are probably about a dozen Senators who desire to offer amendments. I do not wish to be displaced. If I may have unanimous consent to retain priority, I shall be very happy to yield to the Senator from Missouri in order that he may make the motion to

Mr. CLARK of Missouri. I ask unanimous consent that the Senator from Wyoming may be permitted to yield for the purpose of my making a motion to reconsider without losing the floor so far as priority is concerned.

The PRESIDENT pro tempore. Is there objection? The

Chair hears none, and it is so ordered.

Mr. CLARK of Missouri. Mr. President, I move to reconsider the vote by which the Wheeler amendment was just agreed to.

Mr. TYDINGS. I move to lay that motion on the table. The PRESIDENT pro tempore. The question is on the motion of the Senator from Maryland to lay the motion of the Senator from Missouri on the table.

The motion to lay on the table was agreed to.

Mr. O'MAHONEY. I will not yield further, Mr. President, unless the Senator from Kentucky can effect an agreement

Mr. AUSTIN rose.

Mr. BARKLEY. Mr. President, will the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. I yield.

Mr. AUSTIN. I think it is practicable to enter into an agreement, with certain provisos which I think are not difficult for the majority leader to assent to.

In the first place would the majority leader modify his request by including in it a condition that there will not be an attempt made to reinject into the bill the highway provisions in any form whatever?

Mr. BARKLEY. I will say to the Senator that I have no control over other Senators. I have no intention of offering

any amendment on that subject.

Mr. AUSTIN. Mr. President, if the Senator would not object to a proposal of that kind it would become binding by the unanimous-consent agreement of the Senate, and therefore would put an end to a possible parliamentary situation which might prolong the session of Congress for some time. If the Senator is willing to make that a part of this proposal, and willing to provide in some manner for the two Senators who wish to be heard, we would have no objection to the request made by the majority leader.

Mr. BARKLEY. I will say to the Senator from Vermont that I am willing to make exceptions with respect to the two Senators. I understand the Senator from North Dakota [Mr. NyE] wants to speak, and the Senator from New Hampshire [Mr. Bridges] also wants to speak at some length, or at least beyond the time suggested by me. Is there any other Senator who wishes to speak?

Mr. AUSTIN. None that I know of.

Mr. BARKLEY. I do not here want to enter into any bargain by which I would be bound not to offer any amendment. I will say to the Senator that I am not going to offer it with respect to the highway situation, but I do not desire to be forced to enter into a bargain here without which I cannot get an agreement to limit debate.

Mr. AUSTIN. Mr. President, I understood that the majority leader was undertaking a bargain by making a

proposal

Mr. BARKLEY. No. That is a different kind of a bar-That is an agreement among all Senators. And I do not think the Senator from Vermont has any ground for feeling that I would not comply with any statement I make here with respect to my attitude or conduct.

Mr. AUSTIN. None at all. Mr. President, if my remark could be construed that way I withdraw it. That is not

what I meant.

Mr. BARKLEY. No; I do not think the Senator meant

Mr. AUSTIN. My proposal is simply that the unanimousconsent proposal shall exclude from it consideration of the subject matter of that part of this bill which the Senate has stricken out.

Mr. BARKLEY. I will say this to the Senator, that if anybody offers an amendment on that subject, I am willing to

exclude it from this agreement.

Mr. AUSTIN. I think the Senator misunderstood my proposal. I ask the Senator if he will exclude it in his proposal for a unanimous-consent agreement.

Mr. BARKLEY. Mr. President, is it understood that the two Senators who are to make rather lengthy speeches are to be recognized, and that we are to get rid of that matter first?

Mr. AUSTIN. That is satisfactory to us.

Mr. BARKLEY. Mr. President, does the Senator from Wyoming still yield?

Mr. O'MAHONEY. I am glad to yield.

Mr. BARKLEY. I ask unanimous consent that upon the convening of the Senate tomorrow at 11 o'clock, the Senator from North Dakota [Mr. NyE] and the Senator from New Hampshire [Mr. Bridges] may be permitted to speak without limit, and that following those addresses during the remainder of the consideration of the bill no Senator shall speak more than once or longer than 15 minutes on the bill, nor more than once or longer than 15 minutes on any amendment, excluding any amendment with respect to the highway provisions of this bill stricken out.

Mr. HOLT. I object.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate

proceedings.)

ADDITIONAL REPORTS OF A COMMITTEE

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 1789) to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, reported it with amendments and submitted a report (No. 1034) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2141) to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes, reported it with amendments and submitted a report (No. 1035) thereon.

Mr. O'MAHONEY, from the Committee on Indian Affairs. to which was referred the bill (S. 2843) granting easements on Indian lands of the Wind River or Shoshone Indian Reservation, Wyo., for dam site and reservoir purposes in connection with the Riverton reclamation project, reported it without amendment and submitted a report (No. 1036) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. SHEPPARD, from the Committee on Military Affairs. reported favorably the nominations of sundry officers for appointment, transfer, or promotion in the Regular Army.

Mr. McKELLAR. from the Committee on Appropriations, reported favorably the nomination of Lt. Col. Philip Mathews, United States Army, retired, to be Work Projects administrator for Pennsylvania.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

ADDITIONAL BILL INTRODUCED

Mr. GREEN introduced a bill (S. 2916) for the relief of Joseph V. Broderick, which was read twice by its title and referred to the Committee on Claims.

REFERENDUM ON WAR

IMr. La Follette asked and obtained leave to have printed in the Record a communication from Maj. Gen. William C. Rivers, United States Army, retired, in the New York Times of Tuesday, July 25, 1939, on the subject of a war referendum; which appears in the Appendix.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock tomorrow.

The motion was agreed to; and (at 11 o'clock and 37 minutes p. m.) the Senate took a recess until tomorrow, Saturday, July 29, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 28 (legislative day of July 25), 1939

RAILROAD RETIREMENT BOARD

Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement Board for a term of 5 years from August 29, 1939 (reappointment).

WORK PROJECTS ADMINISTRATION

Denis W. Delaney, of Massachusetts, to be Work Projects administrator for Massachusetts.

COLLECTOR OF INTERNAL REVENUE

Thomas B. Hassett, of Fitchburg, Mass., to be collector of internal revenue for the district of Massachusetts, to fill an existing vacancy.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 28, 1939

The House met at 12 o'clock noon.

Rev. Edward B. Wilcox, pastor of Trinity Methodist Church, of Washington, D. C., offered the following prayer:

Almighty and everlasting God, whom to know is life eternal, and whom to love is perfect joy, stand Thou among us in this hour. Bestow, we pray Thee, the blessings of Thy divine wisdom upon these Thy servants, who labor for the welfare of their country. Grant that they shall ever continue in unselfishness and love their great share in guiding the destinies of this land wherein Thou hast vouchsafed unto us a dwelling place. Do Thou cause Thy blessing to rest upon Thy servant, the President of these United States, and all who are in authority with him. Direct us, O Lord, in all our doings with Thy most gracious favor, and further us with Thy continual help, that in all our works begun, continued, and ended in Thee, we may glorify Thy holy name, and finally by Thy mercy obtain everlasting life. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 162. An act to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

H.R. 5375. An act to promote nautical education, and for other purposes;

H. R. 6746. An act to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes; and

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2697) entitled "An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrnes, Mr. Bankhead, Mr. Brown, and Mr. Townsend to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. Hayden, Mr. Byrd, and Mr. Tobey as the members on the part of the Senate of the Special Committee to Express to the American Association of State Highway Officials the appreciation of Congress on the accomplishments of the association in highway development, pursuant to the provisions of House Concurrent Resolution No. 10, agreed to July 25, 1939.

The message also announced that the Vice President had appointed Mr. Barkley and Mr. Gibson members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers of the Board of Governors of the Federal Reserve System.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution and move its adoption.

The Clerk read as follows:

House Resolution 279

Resolved, That David J. Ward, of Maryland, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Immigration and Naturalization.

The resolution was agreed to.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title:

H. R. 5407. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

AMENDMENT OF BANKRUPTCY ACT

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on yesterday he last night signed the enrolled bill of the House (H. R. 5407) to establish a uniform system of bankruptcy throughout the United States.

AMENDMENT OF RETIREMENT ACT OF APRIL 23, 1904

Mr. MAY submitted a conference report and statement on the bill (S. 839) to amend the Retirement Act of April 23, 1904.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a speech over the radio delivered by myself.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

Mr. Brooks asked and was given permission to revise and extend his own remarks in the Record.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, in our country today 1 American in every 6 is receiving public charity in one form or other. In Great Britain, one in seven is on some kind of public bounty. In 1881 only 1 American in every 565 received assistance, while 1 in 32 was on the dole in England.

We have become 94 times poorer in the last 60 years, while Britain has grown only 5 times more badly off in the same period. Ask the new dealers to explain this phenomenon.

THE LATE SIMON M. HAMLIN

The SPEAKER. The Chair recognizes the gentleman from Maine [Mr. OLIVER] for 1 minute to make an announcement.

Mr. OLIVER. Mr. Speaker, as once again the Grim Reaper exacts his toll of mankind, it becomes my sad and solemn duty to advise the membership of this House of the passing into the Great Beyond of former Representative Simon M. Hamlin of South Portland Maine.

Simon M. Hamlin, of South Portland, Maine.

Mr. Hamlin, or "Sime," as he was affectionately known to those of us who were intimately acquainted with him, was an outstanding character. Those of you who associated with him in the Seventy-fourth Congress will recall his unquestionable integrity, his sincerity of purpose, and his loyal devotion to his party. His community, his State, and his Nation have lost in the passing of Simon Hamlin a man who was the finest type of citizen, a loyal and devoted son, and a great patriot. Those who knew him personally have lost a friend.

It shall be my purpose at a later date to extend more detailed remarks in his memory.

EXTENSION OF REMARKS

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include a short editorial written by the distinguished newspaper publisher, Frank E. Gannett, of Rochester, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

[Mr. Plumley addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial from the Steuben Republican.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include an editorial from the Chicago Daily News.

The SPEAKER. Is there objection?

There was no objection.

JOHN L. LEWIS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, as a member of the Committee on Labor of this House, I want the House to know that when the chairman of the committee, the gentlewoman from New Jersey [Mrs. Norton], yesterday thanked John L. Lewis for his fine contribution to the committee after he had made his vicious and uncalled for assault on that courageous American, Jack Garner, she was not speaking the sentiment of the committee. And I as one of the committee resent the statement of Mr. Lewis. [Applause.]

Mr. DUNN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN. Mr. Speaker, before the Labor Committee went into session yesterday a motion was made and carried that none of the Members should have the right or the privilege to interrogate any person who appeared before the committee. Three of the members of the committee voted against that motion, and I was one of the three. The gentleman from Pennsylvania [Mr. Gross] was one of those who voted for that motion.

Mr. MARTIN of Massachusetts. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. The gentleman from Pennsylvania cannot divulge what happened in the committee.

The SPEAKER. The gentleman from Pennsylvania will suspend. The gentleman from Massachusetts [Mr. Martin] makes the point of order that the gentleman from Pennsylvania is undertaking to disclose the proceedings before a committee of the House on a matter which has not been reported by the committee to the House. The rules and precedents sustain the point of order made by the gentleman from Massachusetts, and the gentleman from Pennsylvania, under the rules, is not privileged to discuss matters which occurred before the committee.

Mr. DUNN. Very well, Mr. Speaker. May I proceed?

The SPEAKER. The gentleman may proceed in order, but he cannot disclose or interpret matters that occurred before the committee on measures that have not been reported to the House.

Mr. DUNN. Did not the gentleman from Pennsylvania [Mr. Gross] do the same thing?

The SPEAKER. The gentleman from Pennsylvania [Mr. GROSS] did divulge matters which occurred before the committee, but no point of order was made, and, therefore, the Chair could not act on his own motion.

Mr. DUNN. I just want to say that the gentlewoman from Massachusetts [Mrs. Norton], our chairman, was not responsible for that and the gentleman from Pennsylvania [Mr. Gross] was.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a brief statement concerning the President, written by one of my constituents.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

IMPORT PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT OF 1933

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act, which I send to the desk.

The Clerk reported the title of the bill. The SPEAKER. Is there objection?

Mr. TREADWAY. Mr. Speaker, I reserve the right to object. It is my understanding that this involves a form of tax that is equivalent to a tariff. If I am correctly informed in that particular I ask the gentleman why such a measure as that should not go to the Committee on Ways and Means instead of to the Committee on Agriculture. I did not suppose that the Committee on Agriculture would have the right to impose any tariff duties in any bill which it reported.

Mr. JONES of Texas. Mr. Speaker, when the triple A bill in 1935 was under consideration section 22 was put in as an incident to the bill. That is, in any effort to secure better farm prices in this country naturally it was necessary to have some provision about imports that interfered with the price levels. This provision was placed in the bill applicable to any program that might be fashioned under the Triple

A act. Within that act, but not as an integral part of it, was section 32, which provided for using certain funds for the purchase and distribution of surplus commodities in this country or for the export of those commodities.

In the interpretation of that it has been thought by legal counsel that the provisions of section 22 would not be applicable to purchases under section 32. This simply is an amendment to strengthen section 22, make it more flexible, and make certain that it applies to any program under section 32. Simply because section 22 was in the original farm act, this amendment to that act went to the Committee on Agriculture. Otherwise it would have gone to the gentleman's committee. If this were coming up as a first impression it would go to the gentleman's committee. However, in view of the gentleman's well-known position, I do not think he would object to this strengthening of that particular provision.

Mr. TREADWAY. No; I am not opposing that-

Mr. JONES of Texas. I will state to the gentleman that it is no thought of ours to try to take jurisdiction away from the Ways and Means Committee. We have all that we can say grace over now, and but for the fact that this is an amendment to a provision which was in the A. A. A. Act, as a protective measure to the operations under the act, this would not have been sent to our committee.

Mr. TREADWAY. Then does not the inquiry lie against the original provision? How did the original provision get in?

Mr. JONES of Texas. The gentleman knows that under the rules of the House, when a bill is presented that covers more than one subject, its reference is governed by the major purposes of the bill. It was essential to have such a provision in any proposal that might have for its effect the securing of better prices to the American farmer.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield. Mr. McCORMACK. What the gentleman says is correct in that respect undoubtedly, but this is an amendment to a specific section of that act, which amendment is purely within the jurisdiction of the Ways and Means Committee. mere fact that section 22 or 32 might be a part of the Agricultural Adjustment Act, which properly comes before the committee of which the gentleman from Texas is chairman, it does not necessarily follow that the committee has jurisdiction over a specific amendment to that, where the specific amendment comes within the jurisdiction exclusively of the Ways and Means Committee.

Mr. JONES of Texas. I will state that my committee had no particular desire to handle this legislation, but we had an exact illustration of it in what happened yesterday in connection with the barter provision, which naturally would be within the jurisdiction of the Committee on Agriculture, because it involves the Commodity Credit Corporation which is a set-up in agriculture. But on account of the fact that in a comprehensive bill, the Commodity Credit Corporation was originally established in the terms of a provision that was reported by the Banking and Currency Committee, the parliamentary authorities in the House have referred all subsequent legislation-and another measure which was introduced yesterday—to the Committee on Banking and Currency. Since the original provision was embodied in that act and is a part of that act, an amendment thereto, according to the parliamentary authorities, is referred to the committee having the original jurisdiction. That is logical, I think. I hope the gentleman will not object to this.

Mr. McCORMACK. I am addressing myself-

Mr. JONES of Texas. I will state that I have consulted with several members of the Ways and Means Committee. I am sorry I did not get to see the gentleman.

Mr. McCORMACK. I am not so mentally constructed that the gentleman would have to consult me.

Mr. JONES of Texas. I understand that.

Mr. McCORMACK. Unanimous consent can be exercised arbitrarily, but it should not be. It should be exercised as a trust. But will the gentleman explain what this bill does, and why its passage is necessary? Is it connected with the export bounty or subsidy on cotton that has recently been put into operation by the Secretary of Agriculture?

Mr. JONES of Texas. It refers to no particular commodity. I will state to the gentleman that it applies already to the entire agricultural program. But in using section 32 funds, which were used in connection with 17 commodities and will probably be used with reference to more this year, if by the purchase of those commodities the price is better in this country, it may be used with reference to any of them. It may be necessary, and probably will be necessary, if there is considerable exportation of cotton, in order to protect cotton textiles, as well as the cotton farmer, if such a program is carried out; but it would be true with reference to lard or any other of the numerous commodities in connection with which a purchase and distribution program is carried out, either here or abroad.

Mr. McCORMACK. In other words, as a result of the export subsidy we have to pass this law now in order to

protect our markets?

Mr. JONES of Texas. Oh, no. This bill was passed in 1935, and applies to everything except section 32, and, in my judgment, it would apply to that. However, the Legal Division has held that section 32, while in the Agricultural Adjustment Act, was not an integral part of that act, and therefore it has to be broadened, since we have additional funds, and it will apply to all commodities. It is necessary not only as to cotton, but as to any other commodity that section 32 may be used in connection with. That is the only change.

Mr. McCORMACK. Did the gentleman's committee go into the entire question of the effect of this proposed bill upon the whole tariff situation, or did the gentleman just confine it-

Mr. JONES of Texas. Oh, yes. When the original act was presented, we had numerous witnesses and spent some days considering this particular provision. This simply makes it cover what it was intended to cover originallythe whole A. A. A. program.

Mr. McCORMACK. But when a tariff question comes up, it is not a tariff question alone that the Ways and Means Committee considers, but it is the effect on the entire sit-

Mr. JONES of Texas. Yes. We went into that thoroughly, and on this particular amendment we consulted representatives of the Tariff Commission and the State Department and the gentleman's committee. We had a meeting and went into it thoroughly.

Mr. McCORMACK. Conference with the committee of which the gentleman from Massachusetts is a member?

Mr. JONES of Texas. I say with some representatives of his committee.

Mr. McCORMACK. The gentleman's answer shows clearly that they went into the whole tariff question in the consideration of this bill, but certainly it is a bad precedent to have these conflicts between committees. I am glad to note, however, that some committee in the House besides the Committee on Ways and Means is going into the tariff questions.

Mr. JONES of Texas. We are interested only in the principle that is essentially a part of the program, and I hope the gentleman will not destroy the program.

Mr. McCORMACK. The gentleman from Massachusetts does not bow to the gentleman from Texas in his support, whether I have been wise or unwise, of farm legislation.

Mr. JONES of Texas. I agree that the gentleman has been very generous, and I have a high regard for his judgment and ability.

Mr. McCORMACK. But we want to know what we are doing.

Mr. JONES of Texas. That is right.

Mr. McCORMACK. And this bill is necessary to protect the American market against the export of American farm products-raw products.

Mr. JONES of Texas. No; against the import of such products.

Mr. McCORMACK. But we have got to export them before they are imported.

Mr. JONES of Texas. No, no; most of this fund, a major portion of it, will be used in purchasing and distributing among the low-income groups in this country.

Mr. McCORMACK. We have a subsidy with reference

to the export of raw cotton, have we not?

Mr. JONES of Texas. In its exact sense, I think the effect of the subsidy is simply to release cotton from the artificial barriers of a loan that keeps it above the market level of the world price; so the effect of it is not in its essence a subsidy. It is simply a release of cotton from the artificial barriers so it can flow naturally as it would if we did not have the Federal loan policy.

Mr. McCORMACK. We will call it an inducement.

Mr. JONES of Texas. In an exact sense, I think it is not an inducement, it is simply a removal of the barrier so it can flow naturally.

Mr. McCORMACK. But the finished product can come back into this country and go on the world markets at lower cost than if those inducements, or whatever the gentleman may call it, did not exist.

Mr. JONES of Texas. That depends. All cotton grown abroad will still flow except for the tariff, and we have a

tariff on the finished product.

Mr. McCORMACK. Why do we not put the raw cotton into our own factories and turn it into the finished product in the United States, give the American worker employment on it, and then export the finished product to the foreign market under a subsidy, or whatever the gentleman calls it?

Mr. JONES of Texas. I may state to the gentleman from Massachusetts that part of it will be used that way, and I think the major portion of it may be. I think the gentleman is correct in his position, but we have such a tremendous supply that we are really almost compelled to make disposition of it by the use of all available methods.

Mr. McCORMACK. My friend from Texas with his arguments, convincing as usual, and with his personal charm,

overwhelms me. [Laughter and applause.]

Mr. TREADWAY. Mr. Speaker, under my original reservation of objection, I would like to make one observation in connection with the statement of the gentleman from Texas.

The SPEAKER. The gentleman from Massachusetts is

Mr. TREADWAY. I am very much impressed with the merit of the proposal. It contains, as the gentleman has said, in the amendment they are offering a very distinct tariff provision. I congratulate the gentleman on including that in any measure he may support. I want to say further, though, that it seems to me we ought to have a little better understanding from time to time when measures naturally follow within the jurisdiction of a certain committee are taken up by some other committee. We have had several instances in the Ways and Means Committee of bills containing joint provisions that would make the bills referable either to our committee or some other committee; and that is the case here. I think, therefore, we, as the Committee on Ways and Means, ought to have had the original legislation on the amendment that the gentleman is anxious to have included.

Mr. JONES of Texas. Replying to the gentleman from Massachusetts, I may say that it has always been my philosophy of tariff that it should be on a revenue basis, but that whatever tariff system is in effect should be applicable generally; in other words, it should be a tariff for all or a tariff for none.

On the other proposition I thoroughly agree with the gentleman, but I may state that I am confident the gentleman's committee has reported more legislation that probably dealt with agriculture than the Committee on Agriculture has legislation falling within the jurisdiction of the Committee on Ways and Means. I have seen it occur a number of times. Under the peculiar rules of the House, however,

this practice is indulged in, and the major purpose of the bill controls its reference to a particular committee.

Mr. TREADWAY. Mr. Speaker, I withdraw my reserva-

tion of objection.

Mr. RICH. Mr. Speaker, reserving the right to object, I may say to the gentlemen on the Committee on Agriculture that if the Committee on Ways and Means will not give a tariff on things that are necessary to protect agriculture. then I think the Committee on Agriculture is within its jurisdiction in going ahead and giving us a good Republican tariff, because that is the only thing that is going to save this Nation: A good Republican tariff. I congratulate the gentleman and the Committee on Agriculture from bringing that in at this time. [Applause.]

Mr. JONES of Texas. The gentleman is entitled to his free opinion. I disagree with him, however, and refuse to

accept his label.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 22 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted by section 1 (k) of the Agricultural Marketing Agreement Act of 1937, as amended, is amended by inserting after the words "Soil Conservation and Domestic Allotment Act, as amended", wherever they appear, the words and figures ", or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended"; by inserting in subsection (a) after the word "being" the words "or likely to be"; by striking out in subsection (b) the words "limitations on the total quantities of any article or articles which may be imported" and by inserting in lieu thereof the words "fees on, or such limitations on the the total quantities of, any article or articles which may be entered, or withdrawn from warehouse, for consumption"; by striking out in subsection (b) the expression "July 1, 1928, to June 30, 1933" and inserting in lieu thereof the expression "January 1, 1929, to December 31, 1933"; and by amending subsection (c) to read as follows: "The fees and import restrictions proclaimed by the President under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be specified in such proclamation, revocation, suspension, or modification, and such fees, which shall not be in excess of 50 percent ad valorem, shall be treated for the purposes of all provisions of law relating to customs revenue as duties imposed by the Tariff Act of 1930."

Mr. JONES of Texas. Mr. Speaker, by direction of the

Mr. JONES of Texas. Mr. Speaker, by direction of the Committee on Agriculture, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. Jones of Texas: On page 1, line 11, strike out the word "likely" and insert in lieu thereof the words "practically certain."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUPPRESSION OF CERTAIN SUBVERSIVE ACTIVITIES

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States; to require licensing of civilian military organizations; to make unlawful attempts to interfere with the discipline of the Army and Navy; to require registration and fingerprinting of aliens; to enlarge the jurisdiction of the United States circuit court of appeals in certain cases, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that it shall be in order to consider the substitute amendment recommended by the Committee on the Judiciary now in the bill; that such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill; that any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Celler]?

There was no objection.

The SPEAKER. The question is on the motion.

Cummings

CALL OF THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I make a point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-three Members are present; not a

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

	[Rol	l No. 147]	
Alexander Boren	Curley Dies	Holmes Hook	Routzohn Secrest
Bradley, Mich. Buckley, N. Y.	Dingell Douglas	Jarrett Kennedy, Martin	Shafer, Mich. Short
Bulwinkle	Eaton, Calif.	Lanham	Smith, Ill.
Byron Caldwell	Eaton, N. J.	Lea McLean	Smith, Maine Smith, Wash.
Cannon, Fla.	Fay	McMillan, Thos. S.Stearns, N. H.	
Casey, Mass.	Fernandez Fish	Maciejewski Magnuson	Stefan Sumners, Tex.
Cluett Cole, Md.	Fitzpatrick	Massingale	Sweeney
Cole, N. Y.	Flannery	Mitchell Patman	Thomas, N. J. Wadsworth
Connery	Gilchrist Harrington	Pauman	White, Idaho
Crowther	Harter, N. Y.	Reed, N. Y.	Woodruff Mich

The SPEAKER. Three hundred and sixty Members have answered to their names. A quorum is present.

Romine

On motion of Mr. CELLER, further proceedings under the call were dispensed with.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication, which was read:

WASHINGTON, D. C., July 28, 1939.

HOD WILLIAM B. BANKHEAD.

Hennings

Speaker of the House, Washington, D. C.
DEAR MR. SPEAKER: On Tuesday, July 25, 1939, in pursuance of
House Resolution 272, I was elected to serve as a member of the

Committee on War Claims.

In view of the pressure of my duties as a member of other standing committees of the House, I desire to be excused from serving on the Committee on War Claims.

Please accept my resignation from the Committee on War Claims, effective immediately.

effective immediately.

Thanking you for your consideration in this matter, I am, Respectfully,

MATTHEW A. DUNN.

Zimmerman

The SPEAKER. Without objection, the resignation will be

There was no objection.

SUPPRESSION OF CERTAIN SUBVERSIVE ACTIVITIES

The SPEAKER. The motion now pending is the motion of the gentleman from New York [Mr. CELLER] that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5138.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were-ayes 193, noes 31.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5138, with Mr. CHAPMAN in

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

Mr. MARCANTONIO. Mr. Chairman, I object.

The Clerk read as follows:

Be it enacted, etc.,

TITLE I

SECTION 1. It shall be unlawful for any person by word of mouth or in writing, or by transmission by radio, to advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by the assassination of any officer of the United States, or any officer of any State of the United States, or any officer of any subdivision thereof, or by any other unlawful means. by any other unlawful means.

SEC. 2. It shall be unlawful for any person with intent to over-throw or destroy the Government of the United States, or the

government of any State of the United States, or any subdivision thereof, by force or violence, or by any other unlawful means, to print, publish, edit, issue, or knowingly circulate, sell, distribute, or publicly display any book, paper, document, or written or printed matter in any form containing or advocating, advising, or teaching the doctrine that the Government of the United States, or the government of any State of the United States, or any subdivision thereof, should be overthrown or destroyed by force or violence or by any other unlawful means.

SEC. 3. It shall be unlawful for any person to openly, willfully, or deliberately justify or defend by word of mouth or in writing the assassination or unlawful killing or assaulting of any officer of the United States, or any officer of any State of the United States, or any officer of any subdivision thereof, because of his official charor any omeer of any subdivision thereof, because of his omeial character or act, or openly, willfully, or deliberately justify or defend or teach, spread, or advocate the propriety, desirability, or necessity of overthrowing or overturning the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by any other unlawful means.

SEC. 4. It shall be unlawful for any person to organize or help to organize or become a member of, or affiliate with any society, group, or assembly of persons who teach, advocate, or encourage the over-

throw or destruction of the Government of the United States, or the government of any State of the United States, or the govern-ment of any subdivision thereof, by force or violence, or by any other unlawful means.

SEC. 5. That it shall be unlawful for any person to organize, participate in the organization of, conspire with any other person for the purpose of organizing, join or be a member of any civilian military organization unless such organization shall have obtained from the Secretary of War a permit to function as such civilian military organization. The Secretary of War shall be authorized in his discretion to issue such permit for such time and under such conditions as he shall see fit to impose and subject to revocation within his discretion at any time without notice: Provided, That the Secretary of War shall report the issuance of each such permit to the Congress immediately if the Congress be in session, and if the Congress be not in session at the time of the issuance of such permit the Secretary of War shall make public his action in issuing such permit within 1 week from the date of issuance of such permit and shall report such issuance during the first week of the ensuing session of Congress: Provided further, That any such permit issued by the Secretary of War shall be only of temporary and contingent effect until 30 days after the report thereof to the Congress: And provided further, That any such permit shall be revogress: And provided further, That any such permit shall be revo-cable at any time by act of Congress.

SEC. 6. The Secretary of War shall be authorized to require at any

time that the organizer or organizers of any prospective civilian military organization or the members or officers of any existing civilian military organization submit to him a statement under civilian military organization submit to him a statement under oath of the proposed or existing purposes, activities, membership, mediums of propaganda employed or to be employed, present or proposed sources of financing, and such other information as to him shall seem appropriate; the Secretary of War shall be authorized to investigate such organization, and to report on such statement and investigation to the President.

SEC. 7. The term "civilian military organization" for the purposes of this act shall be deemed to include any camp, school, society fraternity order league lodge brotherhood, institute, or

poses of this act shall be deemed to include any camp, school, society, fraternity, order, league, lodge, brotherhood, institute, or any group of two or more persons whatsoever which engages in, or meets for the purpose of engaging in, study, drill, or discussion of military or naval science, strategy, formations, functions, or methods, or the use of actual or imitation military or naval firearms, signals, symbols, codes, or methods of military or naval communication or transportation, or any such group which by its written rules or constitutions or by its oral oaths or teachings advocates the denial to any citizen or group or class of citizens of any protection, privilege, or immunity guaranteed by the Constitution and laws of the United States on account of the race, color, or religious or political faith of such citizen, group, or class of citizens by use of force, violence, threats, intimidation, or economic coercion.

Sec. 8. The term "civilian military organization" shall be deemed

SEC. 8. The term "civilian military organization" shall be deemed

not to include—

(a) Military training or drills or parades by units of the United States Army, Navy, Marine Corps, Coast Guard, Regular or Volunteer, National Guard, Organized Reserves, citizens' military training camps, Reserve Officers' Training Corps, or Organized State Militia, by members and instructors of cadet or reserve corps of any institution of learning under the supervision of the War Department or by members and instructors of cadet or reserve corps of any institution of learning under the supervision of the War Department or
the State governments, nor shall it be applicable to parades by war
veterans who are members of exclusively veterans' societies, by
troops of a foreign government whose admission to the United
States has been consented to by the United States Government,
nor shall it be applicable to persons while acting or appearing in
any theater or in any motion-picture or television production;
(b) Any organization expressly authorized by the law of any
State:

(b) Any organization expressly authorized by the law of any State;
(c) The police organizations of any State or governmental subdivision thereof to which police power has been delegated by such State: Provided, however, That no organization of two or more persons incidental or auxiliary to such State or local police force, volunteer, special, or reserve police not paid by such State or governmental subdivision thereof or paid partly by such State or

governmental subdivision and partly from some nongovernmental source shall be exempt from the provisions of this act.

SEC. 9. It shall be unlawful for any person to advise, counsel, urge, or solicit any member of the Army or the Navy of the United States to disobey the laws or regulations governing the Army or the Navy or to disobey the lawful orders of a superior, or to publish or distribute any book, pamphlet, paper, print, article, letter, or other writing which advises, counsels, urges, or solicits any member of the Army or the Navy of the United States to disobey the laws or regulations governing such military or naval forces, or to disobey the lawful orders of a superior.

lawful orders of a superior.

SEC. 10. Any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 9 of this act may be taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title XI of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes", approved June 15, 1917 (40 Stat. 228; U. S. C., title 18, ch. 18).

SEC. 11. The term "member of the Army" as used herein shall include all members of the Army of the United States as defined in section 1 of the National Defense Act of June 3, 1916, as amended (48 Stat. 153; U. S. C., title 10, sec. 2), when in active Federal service.

TITLE III

SEC. 12. That section 7 of the Naturalization Act of June 29, 1906, as amended (U. S. C., 1934 ed., title 8, sec. 364), is amended by adding at the end thereof a new sentence, as follows: "No person shall be naturalized or be made a citizen of the United States who believes in any form of government for the United States contrary to that now existing in the United States or who is a member of, or affiliated with, any organization which advocates any form of government for the United States contrary to that now existing in the United States."

SEC. 13. It shall be unlawful for any alien or citizen or resident.

SEC. 13. It shall be unlawful for any alien or citizen or resident of any foreign country, the boundaries of which touch the boundaries of the United States of America or are contiguous thereto, to habitually cross said international boundary line for the purpose habitually cross said international boundary line for the purpose of seeking employment, or engaging in any employment, vocation, or trade, either as skilled or unskilled labor employment, in the United States of America, to and from his or their residence or residences which are outside of the borders of the said continental United States. The provisions of this act shall not be applicable to any person who is a bona fide employee of any common carrier operating between the United States and any foreign contiguous

territory.

SEC. 14. That an alien who entered the United States either from

SEC. 14. That an alien who entered the United States either from a foreign territory or an insular possession, either before or after the passage of this act, shall be promptly deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; U. S. C., title 8, secs. 156, 156), as amended, regardless of when he entered, if he—

(1) At any time after entry is convicted of an offense which may be punished by imprisonment for a term of 1 year or more, or of a crime involving moral turpitude, the said deportation to be made by the Secretary of Labor forthwith at the time he is released from confinement, or is placed upon probation, or is prographed. pardoned; or

(2) Has been convicted of possessing or carrying any concealed

or dangerous weapon; or

or dangerous weapon; or

(3) Knowingly possesses or carries any weapon which shoots or
is designed to shoot, automatically or semiautomatically, more
than one shot without manual reloading, by a single function of
the trigger or any firearm that has a muffler or silencer; or
(4) Has been convicted of violation of a State narcotic law; or
(5) Knowingly encouraged, induced, assisted, abetted, or aided
anyone to enter or try to enter the United States in violation of

law; or

(6) Any alien engaged in espionage for a foreign government or international political agency seeking to change the character of the Government of the United States, or influence its policies; or

(7) Any alien who is a member of any association, society, or group which advocates, teaches, or advises a change in the form of government of the United States, or engages in any way in

domestic political agitation; or

(8) Does not within 1 year after the enactment of this act, or if he enters thereafter does not within 1 year after entry, declare his intention to become a citizen of the United States and fails to use due diligence to become a citizen of the United States: Provided, That this particular provision shall not apply to nonimmigrant aliens admitted temporarily under section 3 and to nonquota immigrant aliens admitted temporarily under section 4 of the Immigration Act of May 26, 1924, so long as the said nonimmigrant and nonquota immigrant aliens maintain the temporary admission status under which they were admitted: And provided further, That the literacy test shall not be required of alien immigrants who have resided in the United States for a period of 20

SEC. 15. It shall be the duty of every alien residing in the United States who is 18 years of age or older to register, as provided in this act, once each 6 months. It shall be the duty of every person having in his custody in the United States any alien who is less than 18 years of age to have such alien registered, as provided in this act, once each 6 months. The Commissioner of Immigration

and Naturalization is authorized and directed to provide, by rules and regulations, for the registration once each 6 months of any alien residing in the United States who is less than 18 years of age and who is not in the custody of any person.

SEC. 16. The duty of any alien 18 years of age or older to register shall be discharged by appearing before a Federal court official and answering such inquiries as such official may ask for the purpose of filling out a registration form for such alien. The duty, under this set of any appear having an alien in his careful rules. under this act, of any person having an alien in his custody who is less than 18 years of age shall be discharged by appearing together with such alien, before a Federal court official and answering such inquiries as such official may ask for the purpose of filling out a registration form for such alien.

SEC. 17. The Commissioner of Immigration and Naturalization is authorized and directed to require such officials of the Immigration and Naturalization Service as he may designate to fill out a registration form for each alien who enters the United States after the date of enactment of this act. No such alien shall be permitted to enter the United States unless upon arrival at the port of entry he answers such inquiries as any such official may ask him for the purpose of filling out a registration form with

ask him for the purpose of filling out a registration form with respect to such alien.

SEC. 18. Every alien who is registered under the provisions of this act shall, upon his first registration (whether before a Federal court official or an official of the Immigration and Naturalization Service), be under a duty to permit his fingerprints to be taken by such official; and any such official shall be under a duty to fingerprint any such alien who appears before such official for his first registration.

to fingerprint any such alien who appears before such official for his first registration.

SEC. 19. The Commissioner of Immigration and Naturalization is authorized and directed to prepare, within 30 days after the date of enactment of this act, forms to be used by the Federal court officials and officials of the Immigration and Naturalization Service for the registration of aliens. Such forms shall contain inquiries with respect to (1) date, manner, and place of arrival of the alien in the United States; (2) activities in which he has been, and intends to be, engaged; (3) length of time he expects to remain in the United States; (4) criminal record of such alien; and (5) such other matters as the Commissioner may determine, The Commissioner shall furnish to every official, required under this act to register aliens, all necessary quantities of copies of such forms together with such instructions for filling out such forms as he may deem necessary.

SEC. 20. The first registration under this act of aliens residing

forms as he may deem necessary.

Sec. 20. The first registration under this act of aliens residing in the United States upon the date of enactment of this act shall be made within 60 days after the date of enactment of this act. Sec. 21. All registration forms with respect to, and the fingerprints of, any alien registered under this act shall be forwarded to the Commissioner of Immigration and Naturalization and shall be retained by him as a part of the records of the Immigration and Naturalization Service with respect to such alien.

Sec. 22. (a) Any alien heretofore or hereafter admitted to the

Naturalization Service with respect to such allen.

SEC. 22. (a) Any alien heretofore or hereafter admitted to the United States who has not become a naturalized citizen of the United States within 5 years after the date of enactment of this act or 5 years after the date of his entry into the United States, whichever may be the later, and any alien who willfully fails to register as required by this act, shall, upon the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in sections 19 and 20 of the act entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States," approved February 5, 1917, as amended amended.

(b) No alien who is deported from the United States under the provisions of this act shall thereafter be permitted to enter the

United States.

TITLE IV

SEC. 23. It shall be unlawful for any person to attempt to commit or to conspire to commit any of the acts prohibited by any provisions of this act.

provisions of this act.

Sec. 24. Any person who violates any of the provisions of this act shall be punished by imprisonment for not more than 10 years or by a fine of not more than \$10,000, or both, and, in addition thereto, any alien who violates any of the provisions of this act shall be forthwith deported in the manner provided by existing law immediately upon his release from the custody of the court in which he is tried. No person who violates any provision of this act shall be eligible for employment by the United States Government or by any corporation the stock of which is wholly owned by the United States Government, for a period of 5 years after his conviction.

Sec. 25. Should any foreign government refuse to permit the return to that country of any of its citizens or nationals who may have been ordered deported under the provisions of this act, then

have been ordered deported under the provisions of this act, then the immigration quota from such country to the United States shall be forthwith suspended and revoked notwithstanding any other existing law, regulation, or treaty to the contrary, until such time as such foreign government shall permit the reentry to that

country of such deported person or persons.

TITLE V

SEC. 26. That any alien who has been or may hereafter be ordered deported by the Secretary of Labor under the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States" (39 Stat. 874; U. S. C., title 8, sec. 156), relating to criminals, prostitutes, procurers, or other like immoral persons; or under the act of October 16, 1918, entitled "An act to exclude and expel from the United States

aliens who are members of the anarchist and similar classes," as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008; U. S. C., title 8, sec. 137); or the act of May 26, 1922, entitled "An D. S. C., title 8, sec. 13/1; or the act of May 26, 1922, entitled "An act to amend the act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes,' approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175); or the act of February 18, 1931, entitled "An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics" (46 Stat. 1171; U. S. C., title 8, sec. 156 (a)); but whose deportation was not or may be accepted. of any law regulating trains in narcotics" (46 Stat. 11/1; U. S. C., title 8, sec. 156 (a)); but whose deportation was not or may hereafter be not effectuated within 60 days after the date of the order of deportation because of the failure or refusal of the consular or diplomatic or other officers of the country of the alien's nationality, as determined by the Secretary of Labor, to issue a passport or other authorization permitting his return to the country of such nationality, shall be taken into custody and transported to such place of detention as may be designated by the Secretary of Labor, and there, or in such other place or places as may be thereafter designated by or in such other place or places as may be thereafter designated by the Secretary of Labor, confined, though not at hard labor, until such time as deportation shall have become feasible; or until the Secretary of Labor, upon sufficient evidence of good cause, shall order the release of such alien, temporarily or permanently, with or without

release of such alien, temporarily or permanently, with or without rescinding the order of deportation.

SEC 27. The Secretary of Labor is hereby authorized and directed to arrange for appropriate places of detention and to this end may select established institutions or may establish such appropriate places of detention as may be necessary, including such acreage for farming as may be desirable to provide an opportunity for voluntary employment and a part of the farm products required for the sustenance of the inmates. The appropriation of such sums of money as may be necessary from time to time for the establishment, maintenance, and operation of such place or places of detention and for the care of detained aliens in institutions already established, including the cost of the removal of such aliens to such places of detention, is hereby authorized.

ing the cost of the removal of such aliens to such places of detention, is hereby authorized.

SEC. 28. The control and management of any place of detention established hereunder, or so much of any place already established as may be utilized for the purpose of detention of aliens under this act, is hereby vested in the Secretary of Labor, who is hereby authorized to employ such officers and employees as may be required for the proper care and detention of such aliens; such officers and employees to be selected, appointed, and compensated in accordance with the existing civil service and classification requirements of law.

with the existing civil service and classification requirements of law.

SEC. 29. Notwithstanding the provisions of section 20 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 156), the Secretary of Labor is authorized and directed to detain aliens of the classes described in this act and his authority to do so shall not be questioned except upon petition filed with the circuit court of appeals for the circuit in which the place of detention of the particular alien is located and for this purpose the circuit courts of appeals are hereby invested with original and exclusive jurisdiction to hear such petitions and determine the question of the legality of the detention under this act, and the decision of any such court in any such case shall be fine!

such court in any such case shall be final.

SEC. 30. Before the Secretary of Labor may order the release of any alien detained hereunder or rescind the order of deportation for such alien, he must prepare and file with all the other papers relating to such case a synopsis of the evidence upon which such order is to be made and the reasons for such order.

Mr. SMITH of Virginia (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. SMITH]?

Mr. MARCANTONIO. Mr. Chairman, I object.

Mr. HOBBS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOBBS. I think the Clerk is reading that part of the bill that has been stricken out by the committee amendment.

The CHAIRMAN. The part of the bill that has been stricken out, so far as the bill is concerned, is before the Committee now.

Mr. BARNES. Mr. Chairman, in view of the unanimous consent of the chairman of the Committee on the Judiciary, was that not dispensed with and the substitute to be considered?

The CHAIRMAN. That does not cover the first reading of the bill in Committee.

The Clerk concluded the reading of the bill.

The CHAIRMAN. The gentleman from New York IMr. CELLER] is recognized for 1 hour and the gentleman from Kansas [Mr. Guyer] is recognized for 1 hour.

Mr. CELLER. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. Hobbs].

Mr. HOBBS. Mr. Chairman, I yield myself 10 minutes. Mr. Chairman, it might be well to refresh our recollection for just a minute as to the exact contents of this bill. To my mind it is one of the most important bills that has ever been presented in this body. There is no security in this country for life, liberty, the pursuit of happiness, or property without adequate national defense. There can be no adequate national defense as long as subversive influences threaten to undermine the loyalty and devotion of our fighting forces. Therefore, at the instance of the Army and the Navy, after full hearings and consideration, title I was approved by your Committee on the Judiciary. This title applies to those who would circulate subversive literature or spread subversive propaganda among the personnel of our Army, Navy, Marine Corps, or Coast Guard, with the intent to interfere with, impair, or influence the loyalty, morale, or

The officers testified before our committee that they were loath to ask for this provision in peacetime but that conditions had become worse, that propagandists were now gaining a foothold to some extent among the enlisted men of our Army and Navy, and that but for the high character and splendid loyalty that has always obtained among the rank and file of our men they would have had to ask for the enactment of this bill much sooner. So, then, title I interdicts the exertion of subversive influences with the intent to undermine the loyalty, morale, or discipline of our fighting

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. HOBBS. I yield gladly to the gentleman from Mis-

Mr. COCHRAN. I am in sympathy with an effort to secure legislation that will correct some of the conditions to which the gentleman has referred, and intend to support this bill, but as I read section 1, I see that it shall be unlawful for anyone to advise, urge, solicit, or induce any member of our armed forces to disobey the laws or regulations governing those forces or the lawful orders of a superior officer. This is going pretty far, but nevertheless this provision is in the bill. Let us say there are four or five privates in the charge of a corporal.

They may be doing some minor work about a military post. It so happens that one of them has a little money. When the corporal is not on the scene the one with money urges the rest of the soldiers across the street from the reservation and get some refreshments, and the men are discovered there. The men may say, "He got us to go over there; he had some money." This man induced the other men to disobey the order of the corporal. Still that man would be subject to punishment of 10 years in the penitentiary or a \$10,000 fine for doing that.

I say it is all right to pass laws to protect our Army and Navy against those who would want to destroy our armed forces or the country, but certainly something should be said on this floor to let the Army and Navy and the Marine Corps know that it is not the intent of Congress to apply this law to minor violations by the boys in the Army and Navy who might disobey a regulation by going out and having a good time for a few hours or violate some minor regulation.

Mr. HOBBS. The gentleman is preeminently correct. We are assured by the Army and the Navy that all misdemeanors and offenses of every kind and character whatever, committed by the boys in these services, will be handled as they have been since the foundation of our Government, by courts martial.

Mr. COCHRAN. Under the language of this bill men committing such offenses could be reached, could they not, if the officers wanted to do it?

Mr. HOBBS. No, sir. It is the propagandist, the one who is disseminating subversive influences, at whom this title is aimed. It does not apply to our boys in uniform at all.

Mr. COCHRAN. Absolutely, and we should eliminate such a propagandist.

Mr. HOBBS. The penalties the gentleman envisions are the maximum discretionary penalties. You might as well say that the fine would be 1 cent, without hard labor. is in the discretion of the courts of justice to administer

this act, and to fix the punishment to fit the crime. The penalties named are a ceiling, not a floor.

Mr. COCHRAN. The gentleman, speaking as a member of the committee, feels that it is the intent of the committee that misdemeanors and minor cases should be handled as they have been in the past and that this act should not be applied to them?

Mr. HOBBS. The courts martial will regulate the conduct of the men in the service. This law would apply to those who would seek to undermine the loyalty of our armed

Mr. COCHRAN. I believe that such a statement in the RECORD, showing the intent of the committee, should be noted by the Army and Navy. They will have no reason to say now "Congress wrote the law; we must carry out its provisions to the letter." It should not apply to minor offenses.

Mr. HOBBS. I believe we can safely trust our Army and Navy authorities and the courts of justice. I wish to say to the gentleman that I do not believe, and neither did the committee, that there ought to be any distinction made between inciting to insubordination and any other form of disloyalty. Any influence that advocates disobedience in any military or naval establishment is just as vicious and vile and potentially destructive as anything can possibly be, for discipline and obedience to orders of superior officers are the sine qua non of successful functioning in any military organization.

The second title is a long title because of the Ramseyer rule, under which we rewrote the whole section of the code which we were amending. Essentially, however, it does only this: It adds four grounds of deportation, first, knowingly and for gain, aiding illegal entry; second, espionage; third, conviction of a State narcotic law violation; and, fourth, unlawful possession of machine guns or similar weapons. Of course, it applies only to aliens.

The general law now covers violation of the Federal narcotic law. This provides that violation of a State narcotic law shall also be a ground of deportation.

We also have a committee amendment which will be offered later adding a fifth ground-violation of the Marihuana Taxing Act of 1937. I neglected to say that there will also be a committee amendment to title I which will extend the coverage to the Reserve of the Navy and the Reserve of the Marine Corps.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am happy to yield to the distinguished gentleman from Ohio.

Mr. JENKINS of Ohio. Would it be any trouble to the gentleman to recount again the four or five additional grounds he mentioned?

Mr. HOBBS. First, knowingly, and for gain, aiding illegal entry; second, espionage; third, conviction of violating a State narcotic statute; and fourth, possession of machine guns, sawed-off shotguns or other weapons of that kind, without legal authority. Then if you adopt the committee amendment adding a fifth ground of deportation the bill will also interdict the peddling or smuggling of marihuana cigarettes to high-school children, and all others, for that matter; in other words, a violation of the Marihuana Taxing Act of 1937.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman vield in that connection?

Mr. HOBBS. Certainly.

Mr. JENKINS of Ohio. The distinguished gentleman has stated the additional grounds of deportation that are included in this bill, and one of them has something to do with the carrying of weapons like sawed-off shotguns. I would like to ask the gentleman this question: Does his amendment adhere closely to the present statute against carrying such weapons? In other words, unless it does the administrative officers will have a gool deal of difficulty in enforcing the law, but if it does correspond exactly with the law which the Attorney General recently advocated and which we subsequently passed, then the work will be very easy under it.

Mr. HOBBS. We have the assurance of the Department that this law will be enforcible. The language is "without legal authority."

Mr. JENKINS of Ohio. And the same thing applies to peddling marihuana. If you follow the present marihuana statute it will be all right.

Mr. HOBBS. Yes.

Mr. CELLER. Mr. Chairman, will the gentleman yield? Mr. HOBBS. I yield to the gentleman from New York, the acting chairman of our committee.

Mr. CELLER. As to the carrying of sawed-off shotguns and other weapons by aliens without legal authority, which means without a permit, that means that the administrative officer, the Secretary of Labor or whoever is in charge, would arrange an order of deportation without a trial in any kind of court. The mere possession of these prohibited weapons would be sufficient to deport that alien.

Mr. HOBBS. That is right, and we maintain that it should be exactly that way. Our guests in this country have no right to abuse our hospitality by arming themselves with that kind of paraphernalia. Every State of the Union interdicts the possession of burglarious tools. We maintain that these guests of ours in our national home are perfectly welcome to live here if they will not insist upon having or carrying machine guns or similar death-dealing weapons. Such weapons are made for one purpose only-to take human life.

Title III amends the law so that it will express clearly what the recent decision of the Supreme Court of the United States in the Strecker case held that it did not provide with sufficient clarity. The congressional intent to make membership in any organization advocating the overthrow of this Government by force or violence, at any time, and without regard to its duration or continuance, a ground of exclusion or of deportation, is by this title plainly set forth.

Title IV provides that no immigration visa shall issue in any foreign country, to any applicant, without fingerprinting the applicant in triplicate and furnishing one copy to our consular agent there, one to the immigration authorities at the port of entry into this country, and one copy to our Federal Bureau of Investigation.

Mr. MASON. Mr. Chairman, will the gentleman yield? Mr. HOBBS. I yield, with pleasure, to the gentleman from

Mr. MASON. Does this cover visas issued for temporary residence, like visitors, or does it only cover visas issued for permanent residence?

Mr. HOBBS. It covers both, the idea being that it is only the work of a moment to take finger impressions and that the racket which has obtained in years past, as we have heard so often on the floor, of buying a name, will be prevented by absolute identification. There is no stigma connected with it. It is simply a part of the machinery of identification.

Mr. CELLER. Mr. Chairman, will the gentleman yield? Mr. HOBBS. I am happy to yield to the distinguished acting chairman of our committee.

Mr. CELLER. I believe title IV is limited to those seeking permanent entry, because section 8 reads as follows:

No immigration visa shall hereafter be issued to any alien seeking to enter the United States unless

And so forth. So I think it is limited to those who come here permanently and does not apply to those who come here temporarily.

Mr. HOBBS. Possibly I am in error and if so I stand corrected. Frankly, I had given no thought to the meaning of the word "immigration" in that respect.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Certainly. Mr. MASON. Does the gentleman mean that the word "immigration" placed before the word "visa" designates it as a permanent visa?

Mr. HOBBS. It may do so, technically, and that is the interpretation which the acting chairman of our committee puts upon it and, therefore, I stand corrected. Title IV, therefore, only applies to those who are coming in under the immigration quotas, and not to those asking for visitors' visas.

These, Mr. Chairman, are the only four titles in the committee bill. Everything else has been stricken out. We have worked hard and faithfully. If you will read our report of this bill you will see what we struck out, and why. We have brought you a good, clean, carefully drawn bill and one of

tremendous importance.

The finest compliment paid this committee bill was paid it in the debate on the rule. Many Members thought that the bill was too weak, many other Members thought that the bill was too strong. We submit that that means that it must be pretty good. With confidence, then, we invite your careful scrutiny. Appreciation of its meaning and significance will mean its speedy and, possibly, unanimous passage. It is for the common weal. It will benefit every citizen and every good alien. It is in the interest of good government. It will make our beloved country a better place in which to live. Our homes and our children will be safer and happier because of this enactment. When this bill becomes law, the blessings of life, liberty, and pursuit of happiness will be more fully assured.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield to the gentleman.

Mr. HINSHAW. In the debate on the rule the subject was brought up of a possible comparison between this bill and the alien and sedition laws of the past. Would the gentleman discuss that subject and show any possible like-

ness or unlikeness between them?

Mr. HOBBS. With pleasure. The alien and sedition laws which were stricken from the statute books through the advocacy of their repeal by Jefferson, Madison, and other patriots, gave to the President power to expel all such aliens as he might adjudge dangerous to the peace and safety of the Nation. His decision was final. There was no trial by jury or court. He was bound by no rules of evidence. He was a "court of star-chamber." His ipse dixit was the law. His judgment might be based on mere gossip. There was no right of cross-examination, nor of appeal. Under such laws, freedom of speech and every other guaranty of our Bill of Rights were unknown, and an alien had no rights whatever. Since their repeal no such legislation has disgraced our statute books.

Mr. GEYER of California. Mr. Chairman, will the gentle-

man yield?

Mr. HOBBS. With pleasure.

Mr. GEYER of California. Does my colleague want to say that this bill before us does not infringe on the right of freedom of speech?

Mr. HOBBS. I certainly do, and most emphatically.

Mr. GEYER of California. The gentleman does not think it forbids anyone advocating the overthrow of the Government, and that that is not infringing the freedom of speech?

Mr. HOBBS. If I recollect correctly, there is no such provision in this bill; but if there were, it would be but a curb upon the abuse of the right of freedom of speech.

Mr. GEYER of California. Then I have read it wrongly.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Yes.

Mr. MARCANTONIO. The gentleman will concede that this bill makes advocacy of the overthrow of the Government by force and violence a deportable offense?

Mr. HOBBS. I do not think so.

Mr. MARCANTONIO. It definitely does on various pages. I am sure the gentleman does not want to remain in error.

Mr. HOBBS. I think the gentleman is talking about those titles in which we amend existing law, and those provisions are in the old law, not the new. This is so in both titles II and III.

Mr. MARCANTONIO. That is true.

Mr. HOBBS. Therefore this bill does not add anything at all of that kind to the law which has existed since 1917.

Mr. MARCANTONIO. Except that the definition of advocacy has been extended by the present language. In other

words, on page 24 we have (a) allens who are anarchists, (b) aliens who advise, advocate, or teach or who are members of or affiliated with any organization, association, society, or group, that advises, advocates, or teaches opposition to all organized government. That is new language.

Mr. HOBBS. That is on page 24?

Mr. MARCANTONIO. That is correct. It is subdivision (b). And the gentleman will also find new language in subdivision (c).

Mr. HOBBS. Oh, that is title 3.

Mr. MARCANTONIO. Yes.

Mr. HOBBS. Title III amends the law that Mr. Justice Roberts, in his decision in the Strecker case, said we should amend if we meant to make it so that conduct or membership which had ceased would be just ground for deportation, but, mark you, this does not change the law one whit on that subject. It simply says that no matter how far in the past membership in an interdicted organization may have been, nor of how short duration, it shall constitute, as we maintain it should, ground for deportation.

Mr. MARCANTONIO. On that point, if the gentleman will permit me, I think the gentleman is very familiar with the decisions on this type of cases, particularly criminal statutes. The gentleman is undoubtedly familiar with the case of People against Gitlow, in which the court held that

mere advocacy could not be made a penal offense.

It is only when advocacy ceases and incitement begins that the Congress may in the case of citizens make it a penal offense. Does the gentleman believe that our bill of rights can continue by leaving it to a jury to determine when mere advocacy ceases and when incitement begins? Can we get 435 Members of this body to unite on one opinion as to where is the line of demarcation?

Mr. HOBBS. I am very happy to answer the gentleman as best I can. The position I take with respect to that matter, and which I believe this House will take, is that citizens of the United States have constitutional guarantees of freedom of speech which do not apply to aliens, and which never can be stretched so as to apply to aliens. Aliens in the United States are exactly analogous to visitors in your home. No guest in your home has the same rights as do your children. They have no vested right to remain here. They have no right even to a hearing unless that be granted them by specific act of Congress. The Supreme Court of the United States has so decided.

But even if aliens had the same rights as do citizens, no question as to freedom of speech is here involved. They can say anything they please so long as they stop short of advocacy of violence in the overthrow of this Government. The abuse, not the use, of freedom is inhibited. That has been the law all the time. All I am saying is that in title III we do nothing to change that law. In title II, which the gentleman from California [Mr. GEYER] questioned, we did not change any law on this subject. The McCormack amendment to the change of penalty in the espionage law did that. We struck out title I when the McCormack amendment passed the House. What we are saying here is simply this, that whether advocacy amounts to incitement or not, we do not want any of those guests in our home to be advocating the burning of that house and the killing of the hosts. That is all. [Applause.]

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I will be happy to yield to my friend.

Mr. MURDOCK of Utah. I asked the gentleman to yield for the purpose of having him explain, and I know that he will very thoroughly, this phase of the bill. I will cite an example in order to get it before the Committee as it should be. Suppose that a citizen of Russia, who was a Communist over there—probably he could not help it, because, as I understand it, that is the only party there is in Russia—but suppose that by reason of the fact that even in Russiahe had decided that he wanted nothing to do with communism, and to get away from the vice of communism and come to a country where he can worship and also believe

politically as he sees fit, he leaves Russia and lawfully enters the United States.

Of course, when he enters he is a member of the Communist Party, notwithstanding the fact that he left Russia to get away from it. When he entered here he could not be anything but a member of that party. When he entered the United States lawfully and is a member of the Communist Party, he immediately renounces his affiliation with that party. He immediately denies his belief in communism and states openly that he believes in our democracy and wants to take advantage of it; that he left Russia and came here to be able to do it, and then he lives here for a period of 1 year or 2 years, or, for that matter, 10 years, and during that 10 years he demonstrates that he has in good faith renounced all affiliation with communism; he demonstrates without doubt that he is a firm believer, in good faith, in the democratic principles of our Constitution; with the citizens of this country in the community where he lives he has demonstrated his position by act and by every utterance that he has made; he has lived an honest life; he has mingled with those citizens; he has endeared himself to them, and they love and respect him and want him to stay here, and he wants to stay here; but under the viciousness of this act-and I say that this phase of it is vicious-if he is picked up there is absolutely no defense. Once the fact is proved that he is a Communist, he must return, if he can return, to the country of Russia. Is that

Mr. HOBBS. That is not exactly correct. In Russia membership in the Communist Party is not obligatory.

Mr. MURDOCK of Utah. If the gentleman will yield, I want to assume the facts as they are. I will assume that it is not obligatory, but by reason of not having full information, by reason of not knowing the liberty and opportunities afforded by American democracy we have here, he, unfortunately, through misinformation or no information, became a member of the Communist Party.

Mr. HOBBS. I will say to the gentleman that my information is that under the Russian system that could not happen. Under the Russian system you have to prove yourself to be a good Communist before you are elevated, as

they say, to membership in the party.

Mr. MURDOCK of Utah. Well, I want to state the premise just exactly as it is. We will assume, then, that even in Russia he demonstrated that he was a Communist and that for the time being and by lack of information he was a good Communist; his fidelity to the party could not be questioned, but that ultimately he wants to renounce it and come to America, and does renounce it.

Mr. HOBBS. Now so much for that. I submit there is no such case as the one hypothesized in the gentleman's major premise. But I would say that if this act were enforced, it would be impossible for him to have been here

for 10 years, because he could not even enter.

Mr. MURDOCK of Utah. Well, I said 2 years.

Mr. HOBBS. He could not enter at all. He is required to be stopped at the port of entry if he has been a member of any organization advocating the overthrow of our Government by violence. That is, if it be proved that the party to which he belonged was one that advocated overthrow of our Government or of all government by violence. [Applause.]

There are too many good aliens wishing to come here for us to take or keep those who have ever espoused the cause of assassination of men or government. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes

to the gentleman from Illinois [Mr. REED].

Mr. REED of Illinois. Mr. Chairman, I am pleased to support this legislation, which, in its present form, comes to this body with the approval of an overwhelming majority of the members of the Committee on the Judiciary, without regard to their political affiliations.

Last week when the House debated the rule for its consideration, I listened with considerable interest to the arguments advanced by the opponents of this bill. Almost at the outset a dire warning was sounded, presumably to the

Democratic majority of the House, to stop, look, listen, and reflect upon the disastrous fate of the old Federalist Party in 1800 due, it was said, to the espousal and enactment by the Congress controlled by that party during the administration of President John Adams, of the so-called alien and sedition laws. It was pointed out that the rebuke administered by the American voters to the party in power in 1800 was one from which it never recovered and was the beginning of a series of defeats that finally sent the Federalist Party down the road to oblivion. The inference was manifest that a similar fate awaits the Democratic Party in 1940 if by a substantial vote of its Representatives and Senators the Smith bill is enacted into law.

While I can agree that the fears and apprehensions of the gentlemen as to the probable results of the elections in 1940 are well founded, it will not be because of Democratic support of this worthy measure. Other issues and innumerable sins of commission and omission will be the cause in 1940 of the withdrawal by the people of their political affections that they might transfer them to more efficient and competent recipients. The only unfavorable reaction that the party in power can suffer as the result of the passage of this bill is because of the tardiness of its Representatives in not seeming to realize until 1939 the need of this type of legis-

lation.

But the comparison of the pending bill to the old alien and sedition laws seems to me to be the acme of absurdity. Let us glance for a moment at the old Alien Act of John Adam's time. Boiled down it amounts to this: Congress in 1798 granted the President arbitrary and despotic power to order all such aliens as he should judge dangerous to the peace and safety of the United States, or should have reasonable grounds to suspect were concerned in any treasonable or secret machinations against the Government, to depart from the United States within such time as he specified in his order. There was no appeal from his edict. There was no unbiased tribunal to sit in judgment as to the reasonableness of his suspicions or the soundness of his judgment. At the whim of one man, who might be laboring under prejudices created through unsubstantiated rumors or malicious fabrications, decent, law-abiding men, women, and children who had, through their own energies established themselves as residents of a given community could have been ordered to pack their belongings and depart from the United States—to go wherever someone might be kind enough to receive them. Their only recourse was to appeal to the mercy and reason of him who mistrusted them and this remedy was not open to them except at his sufferance. He was the court of first and last resort. He was the prosecutor, judge, jury, and executioner.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. REED of Illinois. I yield.

Mr. O'CONNOR. On page 27 we find this language:

It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act, at any time, of no matter how short duration or how far in the past, irrespective of its termination or of how it may have ceased, shall require deportation.

I want the gentleman to put me right if I am wrong in my construction of this language, because I think the gentleman perhaps is more informed upon this subject than I, as he is a member of the committee reporting this bill. My construction of this language is "once a Communist always a Communist," whether or not a man reforms.

Mr. REED of Illinois. There was some discussion of this subject during the time the committee was addressed by the distinguished gentleman from Alabama [Mr. Hobbs]. In my opinion, this bill does not of itself provide that a person must be deported because he is a Communist. It was stated by the gentleman from Utah [Mr. Murdock] on the floor a few minutes ago that an alien may come from Russia; that at the time he lived in Russia he may have been a member of the Communist Party; that he comes to America, and then, ipso facto, he would be deported because of his former affiliation with the Communist Party. The bill does not say that.

To be subject to deportation under this bill he must have been a member of a party or an organization which advocated, not the overthrow of the Russian Government but the overthrow of the Government of the United States. If that were a principle of the Communist Party while he was a member of that party in Russia, and he then and at that time advocated the overthrow of the Government of the United States, that in itself would be enough to deport him if he came over here; and it should be.

Mr. O'CONNOR. I thank the gentleman for that explanation, and I want to make this observation: Suppose a Communist comes over here and joins one of the classes to which reference is made in section 1; that he has been a member in Russia of the Communist Party, which advocated the overthrow of the United States Government by either force or violence. But he finds he is wrong, finds he is mistaken, gives up his previous views, and becomes a splendid man, and all that sort of thing. Under the provisions of this bill, having once belonged to that class of people, there is no chance for him to become a respected and honored citizen of the United States, as he could have done had he not once been a Communist. I think we ought to have some forgiveness in our hearts for people who have gone wrong but later mended their ways.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. REED of Illinois. The legislation before us today, so far as it deals with aliens, will affect only those who are convicted criminals, anarchists, and persons who have been infected with the virus of organizations bent on the destruction of our Government by force and violence. With the enactment of this bill tribunals set up under existing law, with the right of a review of their decisions, will, as heretofore, sit in judgment in deportation cases. If they function in an unlawful, arbitrary, or capricious manner, writs of habeas corpus will accord the alien the protection of our Federal

The law of 1798 aroused the resentment of the public, because in it this Government exhibited an unfairness toward the alien. The Smith bill merely insists that the alien must be fair to this Government.

The people of this Nation are becoming more and more American-minded and are determined not to tolerate the further presence in their midst of criminal alien enemies whose sole ambition is to tear down American ideals and institutions, instill disrespect for government and law, corrupt the young men of our Army and our Navy, and create disorder, chaos, and industrial paralysis in our domestic affairs.

This legislation should, and I believe will, receive the overwhelming approval of Members on both sides of this House.

[Applause.]

Mr. CELLER. Mr. Chairman, I yield myself 5 minutes in which to answer the gentleman from Illinois [Mr. REED] and his statement with reference to the alien and sedition laws. I am going to read briefly a statement made by James Madison in the General Assembly to the people of the Commonwealth of Virginia on January 23, 1799, against the alien bill. He said:

But this bill contains other features, still more alarming and dangerous. It dispenses with the trial by jury.

So does the Smith bill.

It violates the judicial system; it confounds legislative, executive, and judicial powers; it punishes without trial; and it bestows upon the President despotic powers over a numerous class of men. Are such measures consistent with our constitutional principles?

Madison said "No" then, and with reference to this new alien and sedition bill I likewise say "No" today.

Madison complained that the bill punished without trial. We have the same thing in this bill. An unsuspecting alien may possess a sawed-off shotgun or some other weapon interdicted by the provisions of this act; he may go out huntingand be it remembered that a citizen might very well have a similar weapon without molestation from the authoritiesyet this poor alien can be nabbed, taken into custody, and

without trial-because all the act says is that should he possess the gun or weapon without legal authority, which simply means without a permit, this poor, innocent, unsuspecting alien could without trial by jury, merely upon the say-so of an executive, in this instance subordinates in the Department of Labor, be banished from this country to the country of his origin.

Furthermore, Madison said:

There is bestowed upon the Executive despotic powers over a numerous class of men.

I loathe communism with every ounce of energy within me. I have denounced communism at all times, yet I am interested in fair play, as was Madison interested in fair play way back in 1798 and 1799, as were Jefferson and those who saw eve to eve with him.

As was pointed out, you give power in this bill to the Secretary of Labor, that is, an administrative officer, to deport a man who may have been a Communist or who may have joined the Communist Party or some similar radical party for 5 minutes, 5 days, or 5 years many years ago, and regardless of his subsequent mode of living, regardless of his change of mental attitude, regardless of repentance or contrition. Certainly something should be said about true repentance. A man should have the right to change his mind and doctrine subsequent to his admission to the radical party. He should have the right to indicate to the Nation that he disowns what he may have done previously and that he does no longer believe in those tenets of radicalism. He is now a good man, a good family man, a loyal employee, an honorable husband and father. I say it is unfair to send him hence without a trial. No trial is provided even in that situation. Action is taken merely upon the say-so of an administrative official, the alien is sent to the country of his origin, be his affiliation in the radical party of only a very short duration. He may have joined up during a strike. during suffering, at which times men in penury and want are easily influenced by radical leaders and selfish orators and leaders.

A further provision of the bill states that any alien engaged in espionage shall be sent back to the country of his origin.

There will be no trial by jury. What is espionage or is not espionage is a matter of opinion. There is no definition in the bill. So we place in the hands of an executive officer the right to say that some alien has been guilty of "espionage," but there is no definition in the statute. Here the administrative officer is the judge of the situation. He is the judge and the jury and the prosecutor. We have an Espionage Act, and it is a rather well-defined act.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield myself 1 additional

Mr. Chairman, the act to which I referred, the Espionage Act, is a well-defined, carefully worded statute. Why do we not say in this bill, if a person who happens to be an alien is guilty of the violation of the Espionage Act, that he shall therefore have a trial by jury, and if he is found guilty under those circumstances, then he shall be sent hence to the country of origin. But the condition precedent should be a trial by his peers, a trial by jury. No jury trial is provided by this bill.

Mr. REED of Illinois. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. REED of Illinois. The gentleman mentioned that an alien might go hunting. Did he ever hear of a person going hunting with a sawed-off shotgun?

Mr. CELLER. It may be possible. I think that may be possible. I do not know anyone who would do it. I would not do it, but maybe an alien might do it. My contention is that the mere possession of such a weapon without a trial should not mean deportation. At least let there be first a conviction by a jury. Then, and only then, deport.

Mr. HOBBS. Will the gentleman yield?
Mr. CELLER. I yield to the gentleman from Alabama.
Mr. HOBBS. I will ask the gentleman if the Espionage Act that is already on the books does not in its own terms limit itself in its application to wartime and not to times of

Mr. CELLER. That is all the more reason why in times of peace we should have an act which clearly requires a jury trial as a condition precedent to deportation. If in time of war you cannot send one hence unless he is guilty of violation of the Espionage Act, which provides for trial by jury, with all greater force and with all greater reason we should apply this to a violation of an Espionage Act in times of peace. If a man is guilty of violating that act in time of peace, after a trial by jury and he is found guilty, he shall then, and only then, be banished or deported.

Mr. FADDIS. Will the gentleman yield?
Mr. CELLER. I yield to the gentleman from Pennsylvania. Mr. FADDIS. The gentleman speaks of the innocent alien getting into trouble. Is it not just as much incumbent upon an alien to bring himself within the law of this country and conform to it as it is for a citizen?

Mr. CELLER. There is no doubt about that. Aliens, I say, are more law abiding than citizens. That sounds strange but is true.

The Department of Justice compiles each year statistics of the persons arrested in the United States. They come from, for this last year, 1938, 2,662 cities and communities, representing over 67,000,000 people. They show that, for each 100,000 native-born whites in our population, 570.9 were arrested last year; while of our foreign-born whites, only 209.2 were arrested. In other words, the native-born were arrested three times, in general figures, as often as the foreign-born white, and those same proportions have held, year after year,

for many years.

I have here the figures recently released by the Department of Commerce, the Bureau of the Census. They get out periodically figures on the population in our prisons. These figures are for prisoners received from the courts during 1937, the last available. Of the 63,552 received in State and Federal prisons and reformatories in 1937, 46,325 were white. Of those, 93.1 percent were native-born, and 6.9 percent were foreign-born. Now, in your population, according to the last census-and this is dealing simply with the white population-the native whites were 87.7 percent and the foreignborn 12.3 percent. That is 12.3 percent of the total population, as compared with 6.9 in prisons, admitted to the State and Federal penal institutions. That has been true year after year, and I think that is valuable to call attention to, in trying to suggest the need or the lack of need for reaching the alien as a special class.

So often our general laws are aimed at someone-in this case, quite rightfully, the agitator-but the question is whether the law will accomplish the purpose that you have in mind, because, for one agitator that you may reach, you are going to reach thousands of aliens-women, mothers, particularly, who are innocent of any wrongdoing.

Thus our aliens are hardly as black as they are painted. It might be well to direct some of the force and oratory and attention now aimed at the aliens to our citizens. At the time of our last Presidential election, we had in the United States, according to the census, 67,000,000 people over 21 years of age who were citizens. Now, some 46,000,000, or a trifle less, actually voted, a discrepancy of 21,000,000 who were not performing their duties and responsibilities as citizens. That is a matter of regret; that is a matter of education, to cure that situation; and I think we have exactly the same situation with regard to some of our alien population, and it is a matter of time and education to adjust them, not a kind of compulsory naturalization, which, it seems to me, would do far more harm than good.

Certainly the alien problem, if any exists, cannot be solved

by new alien and sedition laws.

The problem has always been settled by the eventual assimilation of these aliens into our own American way of life, That is how and why our Nation has thrived. The problem cannot be solved by the force and violence of alien and sedition laws.

The alien and sedition laws fairly bristled with hatred of Irish and French immigrants, who were beginning to make themselves felt in American politics. Just as today, the new alien and sedition laws are aimed at certain classes and races coming from lands of persecution. Even the Federalist, Hamilton, was dumfounded at the temerity and brutality of these laws, strict enforcement of which would have sent Jefferson to the gallows and sealed the lips of many Members of Congress. It is well to repeat the words of Edward Livingston:

If we are ready to violate the Constitution, will the people sub-nit to our unauthorized acts? Sir, they ought not to submit; mey would deserve the chains that these measures are forging mit to our unauthorized acts? for them. The country will swarm with informers, spies, delators, and all the odious reptile tribe that breed in the sunshine of despotic power. The hours of the most unsuspected confidence, the intimacies of friendship, or the recesses of domestic retirement afford no security.

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Rhode Island [Mr. RISK].

Mr. RISK. Mr. Chairman, I have noted with a great deal of interest the debate which was brought about when the gentleman from Utah [Mr. MURDOCK] asked a question as to what would happen in the event a man who came from Russia, had been a member of the Communist Party over there, remained here and behaved himself, and lived a good life as every American should. The question was not, in my opinion, answered to the satisfaction of the gentleman from Utah [Mr. MURDOCK].

I call the attention of the Committee to page 20, where that class of individuals has ample protection under the proposed law, because any of the activities enumerated in that title must take place after entry. Under the provisions of title III, on page 24, if a man who was a citizen of Russia and a member of the Communist Party applies for admission, he is automatically excluded under the act; but if by any chance he is a member and he has already been admitted to this country, he must be found guilty of some of these activities after his entry into the United States before he can be deported. It seems to me that fully answers the question.

Mr. MURDOCK of Utah. Will the gentleman yield? Mr. RISK. I yield to the gentleman from Utah.

Mr. MURDOCK of Utah. We know that in nearly all of the jurisdictions, or at least in many of them, membership in the Communist Party is sufficient ground, and has been so held, to deport. If you will turn to page 27 you will find the following language, and there is no question about why this was written in here. Our friend from Alabama was so emphatic about it there is no question about his intent in writing it:

It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act at any time-

Now, that refers back to Russia-

or no matter how short duration or how far in the past, irrespective of its termination or of how it may have ceased, shall require deportation.

Mr. RISK. But does not the gentleman read on page 20 the same as I do? The activity of which the man is charged must have occurred after his entry into the United States.

Mr. MURDOCK of Utah. All we have to show, though, is the activity, his membership, which may have been the most passive kind of membership, or that at one time in the past he was a member of the Communist Party. Out in Seattle that has been held to be sufficient to deport.

Mr. RISK. The action must have been performed after his entry into the United States.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. RISK. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman is mistaken in his view, because the gentleman has in mind title II. If he will read title III, it specifically states that any alien who is at the time of his application for admission into the United States or who was at any time theretofore a member of any of the following-described classes, and so forth. I think that meets the gentleman's point.

Mr. RISK. Title II provides for exclusion of those who are applying for admission, and deportation after conviction of those already in the country of any of these violations

Mr. MARCANTONIO. Oh. no: they may be deported under that section if they belonged to any of the proscribed classes prior to entry.

Mr. CELLER. Will the gentleman yield?

Mr. RISK. I yield to the gentleman from New York.

Mr. CELLER. I may say as a member of the committee that the title to which the gentleman refers, title III, is retroactive and may apply to aliens no matter how long they may have been in this country in the past.

Mr. RISK. Mr. Chairman, it is hard for me to understand why anybody can vote against a measure like this.

Mr. O'CONNOR. Will the gentleman yield for an observation?

Mr. RISK. I will be glad to.

Mr. O'CONNOR. I am opposed to communism just as much as the genteman is, or any Member of this House, but as I read this bill I cannot get away from the fact that once having been a Communist, under the operation of this law, though it were many years in the past, he shall be deported. Is that right? Do we not write a law to the effect that we cannot forgive? That we do not believe in reformation?

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MILLER. Mr. Chairman, will the gentleman yield? Mr. RISK. I yield to the gentleman from Connecticut.

Mr. MILLER. With reference to these hypothetical cases that have been cited of a man being here from 2 to 10 years who was a Communist in Russia, may I say that if he were sincere in his desire to repudiate communism would he not have taken out his citizenship papers in that time?

Mr. RISK. He would already have had his citizenship

papers and would be a citizen by now.

Mr. O'CONNOR. Is it not a fact that under the operation of this bill a man could never live down the fact that he was a Communist?

Mr. RISK. Anyone who took advantage of the hospitality of the United States and was a Communist ought not to be

permitted to live it down. [Applause.]

Mr. O'CONNOR. Does not the gentleman believe a man ought to be forgiven for his sins? Does the gentleman want to deny Christianity? That is what you are doing in this bill. Are we going to legislate against the teachings of the Man from Galilee?

Mr. RISK. No; but can the gentleman reconcile communism with Christianity?

Mr. O'CONNOR. No; but Christianity is the teachings of Christ, who believed and taught forgiveness of sin.

Mr. RISK. Mr. Chairman, it is difficult for me to understand how any Member of this House can vote against this measure. It provides for a fine or imprisonment or both for any person who is convicted of any of the offenses enumerated therein, and for the deportation of any alien violating its provisions. Furthermore, it declares ineligible for Government service any person violating its provisions.

It seeks to punish those citizens who have so far forgotten themselves as to advocate the overthrow of our Government, and to deport those aliens guilty of subversive activities. What reasonable citizen can fail to see the justice contained

in the bill?

This country of ours is made up almost exclusively of men and women who ask only the privilege of making an honest living, and of giving to their children something a little better than they themselves had. Due to economic conditions over which they had no control, they found themselves stymied in their ambition when they either suffered great reductions in their incomes or lost their jobs entirely.

For the past 20 years or more there has been a movement in progress here admittedly designed to alter radically our representative form of government. We can see on all sides the effect of this movement. Up to the time when the last major depression came upon us, we were able to resist to a great extent the platitudes of those who were promising a utopia. But when our people are discouraged and disheartened at their prospects, when they find themselves out of work and forced to pocket their pride and ask for assistance from their Government, they are more susceptible to the wiles and the machinations of those forces seeking to tear down everything for which this country has fought for a century and a half. Aliens who have nothing in common with us have come within our borders and taken advantage of the tolerance of the American people to bore into the very vitals of American life. Law and order has no place in their conception of government, at least while they are here in the United States. We have for too long stood by and permitted them to grow stronger each day until now we are faced with a real threat, more of a threat to us. Mr. Chairman, than is the most warlike and aggressive foreign nation.

Let this measure become law, and with the information already in the hands of the Government as a result of the work of the Dies Committee and the Department of Justice. we can root cut these alien parasites and disturbers, send them back where they came from, and assure some measure of peace and contentment to our own free people. [Applause.1

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the

gentleman from Utah [Mr. MURDOCK].

Mr. MURDOCK of Utah. Mr. Chairman, I believe that I love my America just as much as any Member of this House. My ancestry goes back to the Revolution. I have ancestors that fought in the Revolution just as many of you here today have. I believe in our constitutional democracy. I believe that we must and should perpetuate it. I do not believe you can perpetuate American traditions and American principles, even in the name of patriotism, by resorting to the procedure of communism and fascism in order to enforce patriotism in the United States. which I believe you would be doing by the enactment of this

I have the highest respect for the gentleman from Alabama. I believe he is one of the finest lawyers I ever met and one of the greatest advocates who ever appeared on this floor. I know that notwithstanding his sincerity in his authorship of the Hobbs alien bill and notwithstanding his eloquence and sincerity in sponsoring this bill he gives me the right to my opinion and probably respects me in it.

Mr. HOBBS. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Utah. I yield to the gentleman from Alabama.

Mr. HOBBS. I may say that I certainly do-to the

Mr. MURDOCK of Utah. Much has been said here during the discussion that I intended to say. The only part of the bill to which, by reason of the short time I have, I can and wish to direct your attention at this time is section 2 of title III and especially the language on page 27 which has been referred to time and again. However, to make it emphatic and to impress you with its seriousness and its viciousness, I want to read it again:

It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act, at any time, of no matter how short duration or how far in the past, irrespective of its termination or of how it may have ceased shall require deportation.

Mr. Chairman, have we come to the point in the United States when we, in my opinion, not only depart from Americanism but depart in that language from Christianity? One of the great underlying principles of Christianity is that if a man wants to repent, Christianity forgives him; but this language does not, it condemns him eternally. [Applause.]

Mr. GWYNNE. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Utah. I yield to the gentleman from Iowa.

Mr. GWYNNE. Does not the gentleman believe that language goes far beyond the necessities of the case?

Mr. MURDOCK of Utah. It goes so far that it is ridiculous. It goes so far that it is absurd. I understand, Mr. Chairman, that the distinguished lawyer, the gentleman from

Iowa [Mr. Gwynne] will offer an amendment to at least bring the language back within the scope of Christianity. As I am informed, the gentleman's amendment will do this: When a warrant is issued against any alien charging him with communism in the past, he shall have the right to show that in good faith he has renounced his affiliation with that party and has not done so simply to evade deportation. Do you want language to go further than that? Shall we depart from Christian principles and tell a man, even if he has been here for 10 years and has demonstrated his ambition to be an American citizen and a good one, and has demonstrated to his neighbors that he wants to do that, that he cannot do it under the laws of the United States simply because of a mistake of which he repents and asks forgiveness.

Mr. Chairman, if we adopt this type of language we had better send a commission to New York Harbor to shoot the light out of the hand of the Statue of Liberty and blot out the inscription engraved thereon and which our laws have honored for so many years:

Not like the brazen giant of Greek fame, with conquering limbs astride from land to land; here at our sea-washed, sunset gates shall stand a mighty woman with a torch, whose flame is the imprisoned lightning, and her name, "mother of exiles." From her beacon hand glows world-wide welcome; her mild eyes command the air-bridged harbor that twin cities frame. "Keep, ancient lands, your storied pomp!" cries she with silent lips. "Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tossed to me. I lift my lamp beside the golden door!"

[Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. Burdick].

Mr. BURDICK. Mr. Chairman, before I can make up my mind to vote for this bill you will have to do something to the language on page 27, which reads:

It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act, at any time, of no matter how short duration or how far in the past, irrespective of its termination or of how it may have ceased, shall require deportation.

There is some concern in this House about communism. I do not know of any place on earth where communism is being tried, and I do not believe any other Member of the House knows, either. There are various forms of communism. In Russia there have been four. The Kerenskyites are the ones who first overthrew the autocratic czarism of Russia, but they are now fugitives from justice. They do not dare go back. At one time they were not only Communists but the leaders of the Communist Party.

The second class is the Trotskyites, who led the Russian Government at one time. Today the Trotskyites are fugitives from justice, and many of the followers of Trotsky have been executed in Russia. I believe the record shows that about 3,000,000 men and women have been shot or are missing in Russia since the revolution began.

The Trotskyites in turn were succeeded by the Leninites. Fortunately for the name of Lenin, he died a natural death and became a hero of the Russian Government until very recently.

Lenin in turn was succeeded by Stalin, and his followers are known as Stalinites. They are the Government of Russia. It is a pure autocratic military regime, as all the others have been.

Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. BURDICK. I yield.

Mr. BOLLES. Is it not true that all of them are based on the socialism of Karl Marx in his Communist Manifesto? Mr. BURDICK. The principles of Karl Marx or collec-

tivism have never been tried out as a pure theory anywhere.

The Stalinites are now, if you will notice the daily papers, rounding up the great leaders of the Lenin government, and

many of them are out to be shot.

Now, we will just imagine, under the terms of this bill, one of the Kerenskyites comes to the United States. He

has had all the communism he wants. He wants to become an American citizen; but under page 20 of your bill he does not have to carry a sawed-off shotgun or a machine gun to get into trouble. All that is required is that "any alien who within 5 years after entry becomes a public charge." He cannot make a go of it, just like about 14,000,000 of our citizens cannot make a go of it today, and just as soon as that happens and it is proven that at one time he belonged to the Kerenskyites, under the terms of your bill, he is to be expelled from this country, and, of course, returned to Stalin and shot.

Now, we will suppose a Trotskyite comes along. He has had all of the present regime of communism that he wants. He wants to find a new country. He wants to come to this country, as my ancestors did in 1617, and become a useful member of society. He tells the officials he is not a Communist, because he does not want to aline himself with the present Stalinites of Russia. He is admitted as a citizen, but he becomes poor after 5 years and becomes a public charge. Then it is proven that he was a member of the Trotsky Party, and under the terms of this bill he must be expelled, no matter how long before it was or whether he has recanted that particular "ism" or not. He will be handed over to Stalin and shot. So it is with the Leninites or with any other groups, and if you will look at page 20 you will see:

Any alien who within 5 years after entry becomes a public charge from causes not affirmatively shown to have arisen subsequent to landing.

You cannot get me to vote for a bill that will permit murder by sending these men back to Russia. [Applause.] [Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, I am sincerely in favor of the objectives of the pending legislation. I say this, knowing full well that in certain quarters there is a disposition to treat lightly the consideration and the passage of such bills by this House.

I would not want to be misunderstood. I feel, as I am certain the large majority of Americans feel, that the naturalized citizens of this Republic are just as important to our Nation as are the native-born citizens. We are all descendants of those who came to our shores either at an early or a late date, and I feel that these individuals who come to America and embrace this country and its institutions of democracy are valuable and important to the Republic. [Applause.]

I congratulate those persons who appreciate the land to which they have come to live, and figures show that applications for naturalization are increasing. These men and women become splendid and law-abiding citizens and contribute to the betterment of the United States. These people are awakening to the fact that they must protect their good names and not allow undesirable aliens to besmirch their fine citizenship record.

I desire at this time to call attention to H. R. 4172, a measure which I introduced on February 15 of this year. The proposal calls for any alien who does not make declaration of intention to become a citizen of the United States within 1 year after he becomes eligible to make such declaration or within 1 year after the enactment of this act, whichever is the later, that individual shall be taken into custody and deported by the Secretary of Labor in accordance with the provisions of law relating to other deportable aliens.

Mr. MARCANTONIO and Mr. CELLER rose.

Mr. RANDOLPH. I would rather complete my statement, although I have no disposition to fail to answer any questions. I do want to make certain observations and I shall hope that later I shall have time to answer your questions.

I trust that it will be possible for this measure to be considered by the Committee on Immigration and Naturalization. I have been somewhat worried at the delay of the committee in calling a hearing to date. I have asked for it repeatedly, but I do not want to give the impression that I feel the com-

mittee has not acted in good faith. The chairman has promised me there will be a hearing upon this bill next week. A point of order could be raised if I were to attempt to offer it

as an amendment to the pending legislation.

I feel very strongly that in the United States there are literally millions and millions of individuals who are aliens through and through. In speaking of "aliens," I designate those persons who have entered our country legally or illegally. but who remain here and make no attempt to become citizens of the Nation to which they have come, and who are not willing to uphold the foundations of our system. They indicate no interest in the progress of America, and by the hundreds of thousands they have taken jobs in business and industry which rightfully belong to American workers. To me that is a clear-cut definition of an alien. We know as a matter of fact that there are those aliens in the United States today who accept the privileges, the profits, and the protection of America, but who at the same time accept none of the responsibilities of American citizenship. We should rid our land of such persons. [Applause.] They spread discord in the ranks of labor, they cause unnecessary strikes, and they do not uphold the democratic institutions of this Republic. That is the reason that I am in favor of the objectives of a measure such as we have before us, mindful, of course, that when the bill is read under the 5-minute rule there will perhaps be written in amendments that will make the legislation more acceptable to Congress. I now yield to the gentleman from New York.

Mr. MARCANTONIO. Mr. Chairman, the gentleman would require that all aliens must make a declaration of intention within 1 year after they come to the country.

Mr. RANDOLPH. Yes; that is true.

Mr. MARCANTONIO. And that is for the purpose of seeing to it that the people who come to this country become American citizens?

Mr. RANDOLPH. Yes. Using the words of George Washington: "Citizens by birth or choice of a common country, that country has a right to concentrate your affections."

Mr. MARCANTONIO. That is the gentleman's motive?

Mr. RANDOLPH. Yes; it certainly is my hope that native-born and naturalized citizens unite to protect themselves.

Mr. MARCANTONIO. Does the gentleman provide any penalty in his bill for those district court judges who ask questions of aliens that even Members of the Supreme Court cannot answer, in order to deprive the alien of opportunity to become a citizen of the United States.

Mr. RANDOLPH. I believe those individuals who apply for citizenship should be given an opportunity to fairly present themselves to a court that will be just and helpful.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. Yes; I yield gladly to one who believes in America for Americans.

Mr. KEEFE. Is it not a fact that in the application for first papers no such examination is necessary? The examination comes on final naturalization.

Mr. MARCANTONIO. I was referring to final papers.

Mr. KEEFE. Then the gentleman's inquiry was not pertinent to this bill.

Mr. MARCANTONIO. It is pertinent to naturalization and therefore pertinent to the gentleman's bill.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. GUYER of Kansas. Mr. Chairman, I yield now to the gentleman from Michigan [Mr. BLACKNEY].

Mr. BLACKNEY. Mr. Chairman, I am earnestly in favor of H. R. 5138, a bill known as the Smith alien bill, which possesses many meritorious provisions and, in my judgment, should be passed by this Congress.

This bill is not aimed at aliens who are lawfully here and who are desirous of becoming American citizens, and will not interfere in the slightest with those aliens lawfully entered, who believe in American institutions and in American principles; but it is aimed at those radical aliens who have en-

tered this country illegally, who are not in sympathy with American principles and American institutions, whose desire is to subvert our form of government and, in its place, substitute a radical form of government.

The problem of immigration has always been a vital issue in America, but is more vital today than ever before in our history. Since 1820, 38,000,000 aliens have entered the United States legally as immigrants. Most of these people who have come here have made fine contributions to America. They deserve honor and credit for it. On the other hand, it has been estimated that there are over 2,000,000 aliens in this country who have entered unlawfully, thousands of whom have been and many of whom are still, on Government relief. Within 30 days after Congress passed the last relief bill more than 30,000 aliens were dropped from our relief rolls, and there are reasons to believe that many thousands more are still on the rolls at the expense of the overburdened American taxpayer.

It becomes necessary for the United States to give its first thought to our own citizens, both native-born and naturalized. We must find jobs and opportunities for those who have a rightful claim to the benefits and blessings of American citizenship; but our country now has reached the condition where unlimited immigration is no longer possible. Our house is full, and our first thought, therefore, must be for our own citizens.

Despite existing restrictions placed on the flow of aliens, our immigration laws are filled with loopholes. Countless thousands are coming in illegally. We have shown sympathy for undesirable aliens who have flouted our laws and our institutions. We have no adequate check on aliens who come in on temporary permits. We permit alien groups to organize and undermine our institutions and complicate our own domestic problems.

It is not definitely known how many aliens we have in this country who have entered unlawfully, and the only way to determine that fact is by rigid registration of all aliens in the United States. Under existing laws we cannot deport aliens who entered unlawfully prior to 1924, unless it can be shown that they have been guilty of crime involving moral turpitude.

The first title of this bill is one which provides that it shall be unlawful to spread sedition through the Army and Navy of the United States. That bill was drafted and sent to the committee by the Navy Department and is included in this bill. Representatives from both the Army and Navy urged the adoption of this bill, because the ill effect of allowing communistic propaganda to be circulated in the Army and Navy was already proving disastrous.

Title II of the bill amends the law for the deportation of criminal aliens and adds several classes to the deportable criminal-alien class. To illustrate, it adds to that class those who are found guilty of carrying machine guns and sawed-off shotguns in violation of the law. I cannot conceive that any Member of Congress should object to the deportation of those folks who come here from foreign countries and indulge in the use of machine guns and sawed-off shotguns upon our population. It also adds those people who violate State narcotic laws.

Title III amends existing law and takes care of the unfortunate situation in the Strecker case. You will recall that the Court held that a man could be a member of a party which advocated the overthrow of the Government of the United States, but could not be deported unless he was a member of that party at the time he was arrested for deportation. This amendment changes that so as to avoid the situation where a person, who, upon being suspected, could resign from that organization and say, "I was formerly a member of that organization, but I have now resigned."

This is exactly the situation under the law in the Strecker case. This bill makes it plain that a person who advocates the overthrow of this Government by force, and belongs to a party that recommends it, shall be deported, whether he belongs to it now, or whether he belonged to it yesterday or last year, if he is an alien. I think this is a fair and square issue and those Congressmen who favor the deportation of

aliens advocating the overthrow of this Government by force ought to vote for this bill.

The last title of the bill provides for the fingerprinting of those aliens who come to this country. I can see no reason why anyone should object to that. Why should not these aliens be fingerprinted? We fingerprinted our soldiers during the World War and again fingerprinted them when they applied for their adjusted-service compensation. Fingerprinting is becoming popular among all classes of our citizenship as a matter of protection. No alien coming to this country with proper intentions and with a desire to conform to American institutions should object to being fingerprinted.

There has been a great deal of maudlin sentiment manifested toward aliens unlawfully here and several Members have spoken on the floor of the House, shedding tears over the dire calamity that will result if this bill goes into effect. The time has come in America when red-blooded American citizens should have the courage to stand up for those great principles of America which have changed us from a nation

of 3,000,000 to a nation of 130,000,000.

If these communistic, disgruntled radicals who refuse to become American citizens do not like our country, let them return to the land that gave them birth. America has welcomed in the past those citizens of foreign countries who came to our shores imbued with the idea of becoming American citizens and loyal to the flag and the Constitution. Those are still welcome, but the other group of aliens now numbering approximately 2,000,000, who are here unlawfully, thousands of them not desirous of becoming American citizens, thousands of them preaching their gospel of hate, communism, and radicalism—that group should be deported and if this bill is adopted methods of deportation will be greatly

One of my colleagues, the gentleman from California [Mr. GEYER], stated on the floor of the House that he would vote for this bill if he could forget that his grandparents were aliens, if he could forget that there were Members of the House who have been aliens, if he could forget that the Nation had been built largely by the work and help of aliens,

and if he could forget his oath of office.

Let me state to my colleague that the very facts he has enunciated should be conclusive evidence to him that he should vote for this bill, because I assume that his grandparents were aliens who came to this country to be American citizens, who became lovers of our country, its flag, and its Constitution. He should vote for this bill because, granting his premise that our Nation has been built largely by the work and the help of aliens, these aliens were the type of aliens who become American citizens and who, when they took the constitutional oath to preserve, protect, and to defend the Constitution, meant exactly what they said; and then, my colleague should vote for this bill because when he took the oath of office on the floor of the House as a Congressman, he then, himself, said that he would preserve, protect, and defend the Constitution. How can he preserve, protect, and defend the Constitution if he sits idly by while thousands of radicals endeavor to overthrow this Government and he does nothing about it?

There are from six to seven million aliens in this country today who have shown no tendency or disposition to become American citizens. This is an unhealthy situation which should be corrected. I favor legislation that will give these aliens a reasonable time in which to make up their minds as to whether they want to become American citizens, and at the expiration of that time, if they have made no move to become naturalized, I favor deporting them to the country from whence they came. They are receiving all of the benefits which our citizens enjoy, without assuming any of the hardships and responsibilities. This is manifestly unfair.

The American Legion, the Veterans of Foreign Wars, and all veterans' organizations are in favor of legislation along the line indicated. It is a fine thing for this country today that our veteran organizations throughout the land are taking such a pronounced stand upon Americanization. These veterans are literally soldiers of peace, as they formerly were soldiers of war. They recognize the proposition that these aliens unlawfully here, preaching their nauseating doctrine of hate, should be deported. These veterans fought to preserve the flag and the Constitution, and they are now fighting to maintain that same flag and that same Constitution in perpetuity. For that reason they believe in the deportation of radical aliens who are opposed to American principles and American Government.

I am opposed to all foreign "isms" and un-American groups which enjoy the privileges of America and, at the same time, seek to undermine our Government. I shall vote for H. R. 5138. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes

to the gentleman from Kentucky [Mr. Robsion].

Mr. ROBSION of Kentucky. Mr. Chairman, we have before us H. R. 5138, known as the Smith bill. It seeks to accomplish three things:

First. To make it unlawful for anyone to distribute any book, pamphlet, paper, article, letter, or other writing among the Army, Navy, Marine Corps, or Coast Guard of the United States with the intent and purpose to interfere with, impair, or break down the morale or discipline of the armed forces of the United States.

Second. It provides for the deportation of (a) aliens who are anarchists; (b) aliens who advise, advocate, or teach or who are members of or affiliated with any organization, association, society, or group that advises, advocates, or teaches opposition to all organized government; (c) aliens who advise, advocate, or teach or belong to organizations, associations, societies, or groups that believe in or advise, advocate, or teach the overthrow by force or violence of the Government of the United States, or of all forms of government, or the assaulting or killing of the officers of the United States, or who favor the unlawful damage, injury, or destruction of property or sabotage; (d) aliens who write, publish, or cause to be written or published or who knowingly circulate, print, distribute, or display letters, papers, or documents teaching opposition to all organized government or advocate the overthrow of the Government of the United States or all forms of law, or the necessity or propriety of the unlawful assaulting or killing of the officers of the United States.

Third. It provides that our consular officers in foreign countries shall not issue a visa to any alien seeking to enter the United States unless such alien has been fingerprinted and a careful check-up made to find out whether such alien has a criminal record in the country from which he comes.

I favor the objectives sought in this bill. Those in charge of our armed forces have become alarmed. They say that Communists and other organizations are flooding the ships, barracks, Army and Navy posts with subversive literature, and are seeking to break down the morale of the armed forces of our country. This is a policy that has been pursued for a long time by Communists, anarchists, and others whose purpose is to overthrow this Government. We are now spending approximately \$2,000,000,000 annually to build up the Army, Navy, Marine Corps, and Coast Guard to defend effectively our country if assailed. Millions are being spent every year to instruct our young men and women in our defense program, in Americanism, patriotism, and loyalty to this country and to those in charge of our armed forces. Now why should we permit these Communists, anarchists, and other subversive groups to distribute their un-American and poisonous literature among our armed forces? We might as well take poisonous reptiles into our own households and among our own wives and children as to permit this conduct on the part of the enemies of our Government and our country.

ONLY ENEMY OR CRIMINAL ALIENS CAN BE DEPORTED

Title II of the bill applies solely and only to the deportation of enemy or criminal aliens. It provides that any time within 5 years after entry, any alien who is a member of one or more of the classes excluded by law-that is, anarchists, Communists, aliens convicted of crimes, and so forth-or any alien who at any time after entry knowingly or for gain shall have encouraged, induced, or assisted any other alien to enter the United States in violation of law, or any alien that is a foreign spy or belongs to any society, organization, or group seeking to change the character of the United States Government, or who has been convicted of violation of the narcotics laws or who at any time after entry possesses or carries any weapon without legal authority which shoots automatically or semiautomatically without manual reloading or that carries or has a sawed-off shotgun or who advocates the unlawful destruction of property or the teaching of anarchy or the overthrow by violence of the United States, and so forth, may be deported.

The acting chairman of the Committee on the Judiciary, my friend, Mr. Celler, of New York City, in his opposition to this bill expressed concern that some alien hunting in this country might be picked up and deported. This bill only reaches the alien who possesses or carries any weapon without legal authority, such as a machine gun or sawed-off shotgun. Well, we go hunting sometimes down in Kentucky, but we never go hunting with a machine gun or a sawed-off shot-When a fellow does that down in Kentucky we know he is hunting for something besides rabbits or birds. He is hunting banks and their officers and deposits. He is hunting for two-legged game, not squirrels, rabbits, or birds. Perhaps in New York City they do hunt with machine guns and sawed-off shotguns. [Laughter.] Almost daily we read in the press of such hunting in New York City, but the newspaper reports indicate that people are killed and not birds or rabbits.

Mr. CELLER. Mr. Chairman, will the gentleman yield? Mr. ROBSION of Kentucky. My time is limited, as you

Mr. CELLER. Oh, yield just briefly.

Mr. ROBSION of Kentucky. Well, if the gentleman can explain how they hunt rabbits and other game in New York City with machine guns and sawed-off shotguns, I yield for that purpose. [Applause.]

Mr. CELLER. I just wanted to explain how they hunt in

Harlan County, Ky.

Mr. ROBSION of Kentucky. If machine guns and sawed-off shotguns are ever used in Kentucky, they are not looking for rabbits or birds. If we had in Kentucky as many gang murders, bank hold-ups, kidnapings, and gang killings as they have in my friend's city of New York, and as many anarchists and Communists, I would say nothing about Harlan or any other county.

This bill expressly provides that an alien can be possessed of a weapon without deportation, provided it is not unlawful in his home State to have the weapon in possession. If the State of New York permits aliens to possess machine guns and sawed-off shotguns, the alien could not be deported under this bill for possessing such weapons. We take the position that a good, law-abiding alien does not need machine guns or sawed-off shotguns in this country. Such weapons are used to hold up banks, kill the officials, to rob trains and express offices, to kill officers of the law, to kidnap, and engage in gang murders. Aliens are in this country by permission and sufferance of the American people, and we say in this bill that they cannot arm themselves in violation of State laws with machine guns and sawed-off shotguns to the terror of law-abiding aliens and law-abiding citizens.

ALIEN COMMUNISTS AND ANARCHISTS MAY BE DEPORTED

Title III of the bill authorizes the deportation of aliens who were at the time of their admission into the United States or who were at any time theretofore anarchists or who advise, advocate, or teach or who are members of or affiliated with any organization, association, society, or group that advises, advocates, or teaches opposition to all organized government, or aliens who believe themselves, or belong to an organization that advocates the overthrow of this Government by force or the assassination of the officers of this Government, or aliens who write, publish, or cause to be written or published or distributed letters, books, or articles advocating those very things.

Strange to say, there is opposition to the provisions of this real American bill in the House of Representatives. I cannot understand why such aliens should not be deported. How can this country be benefited by keeping them here?

They object most seriously to the provision of the bill giving the right to deport aliens "who were at any time before their entry into the United States anarchists, Communists," and so forth. They urge that these persons might have been anarchists or Communists in their home countries, but after coming here they may no longer be anarchists or Communists.

If these aliens told the truth when they were admitted, they would not have been admitted. They could not have been anarchists in their home countries and been admitted into this country. They had to say that they were not Communists or anarchists. They had to say they were not opposed to all organized government. They had to say that they did not believe in the overthrow of this Government by force or violence or in the assassination of our Government officials. The truth is, they said just the opposite. If they were Communists or anarchists of that ilk, or enemies to all organized government and enemies of this Government, they lied to get into the United States, and therefore we should not hesitate to send them back.

Those opposing this bill want the law to remain as it is. It provides for the deportation of Communists, anarchists, and so forth, but a recent decision of the Supreme Court in the noted Strecker deportation case held that the Government would have to prove that these aliens were anarchists or Communists at the time deportation proceedings were instituted. These Communists and anarchists and other such groups seeking to overthrow this Government, found a way to get around the law. Their leaders advised their members to say when they were arrested, "Yes, we did belong to the Communists or anarchists, but some time ago we resigned. We decided not to belong to the organization any longer."

Strecker, a Communist alien, was apprehended. He readily admitted that he had been a Communist, he had his membership card, but claimed that he had recently resigned from that party. The Supreme Court held that in view of that statement Strecker could not be deported.

The alien, Harry Bridges, whose deportation has been urged by the American Legion, other veteran organizations, and hundreds of organizations and patriotic groups in this country, hopes to remain in this country under the ruling of the Supreme Court in the Strecker case. The Government has introduced many witnesses to show that Bridges is a Communist, but, of course, the Government cannot prove that at the very time he was arrested that he was a Communist.

This law provides that the alien, Harry Bridges, and any other alien Communist or anarchist may be deported if it can be shown that he or they were members at any time of these organizations such as anarchists or Communists that advocate the overthrow of this Government by violence or favor the assassination of our public officials. Without this new law, anarchists, Communists, and other like organizations will continue to flourish and grow and endanger the very life of this Nation, its citizens, and their property.

There are many times more people in countries across the seas that want to come to this country than can come. They have never been anarchists or Communists. If we are going to let aliens come, let us select those who believe in organized government, those who do not favor the overthrow of this Government by force or violence, or the destruction of people's property in violation of law, or the assassination of our public officials.

Let us bear in mind that an alien is merely our guest. What would you think of a fellow who comes to your home as your guest and you warm him and take care of him and while he is there in your home he secretly advocates the overthrow of your home and the destruction of your family and your property? You would throw him out on his head if you were any sort of a man. That is the very thing we are proposing to do here for our country. We say to these people who would overthrow our Government, assassinate

our officials, and destroy our property, "You cannot come, and if you lie and deceive and get in, we will throw you out." [Applause.]

FINGERPRINTING ALIENS BEFORE THEY ENTER

Title IV of the bill provides that our American consuls in foreign countries cannot grant a visa for any alien to come to the United States, even under the quotas, unless such alien is fingerprinted and a copy of the record sent to the United States and kept on file. It is through this fingerprinting that we can detect criminal aliens in foreign countries who are trying to come into this country. A decent, upstanding alien trying to get into this country should not object to this fingerprinting. If he is a criminal, we are entitled to take this precaution in order to protect our own country and our citizens.

In fact, it seems to me every alien in this country should be required to be registered. We have millions of aliens and many of them criminals who have slipped into this country in violation of law. They committed felonies to do so. We should require aliens to be registered so that we can find out what aliens are in this country legally and what aliens are here illegally, and then we could keep track of them. Hauptmann, who kidnaped and murdered the Lindbergh baby, had committed a number of felonies in Germany, escaped from Germany, and slipped into this country in violation of law. If he had been required to register, we might have avoided that terrible crime, as well as other bad crimes committed by criminal aliens.

The deportation provisions of this bill only apply to criminal aliens or to aliens who are Communists, anarchists, and so forth. They could not apply to either a naturalized or native-born citizen. Neither could they apply to any alien who got into this country legally, who is not a criminal, and who does not belong to such organizations as anarchists and Communists.

This bill, from beginning to end, is in the interest of our people and our country as a whole. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent, before I proceed, that the Clerk may read a letter written by the former chairman of the Rules Committee, Mr. John J. O'Connor, to the Vice President of the United States.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

JULY 28, 1939.

Hon. John N. Garner, Vice President of the United States,

Capitol, Washington, D. C.

Dear Mr. Vice President: God love you and preserve you.

The vicious attack on you by J. Lewellyn Lewis, American No. 2—I put his Communist associates as No. 1-only endear you all the more to the people of our country. America's

While the press carried in detail his intemperate remarks about you, I know they would never print how he characterizes the you, I know they would never print how he characterizes the President of the United States, and this, despite the fact that he is still a "white-haired boy" at the White House, and can protrude his bushy eyebrows through even the kitchen door. What the President now says about his ex-pet, Lewis, would likewise be unprintable, but still they mest, and Lewis "lays down the law."

For years I pleaded with the President to free the Democratic Party of this \$500,000 mortgage holder. The President then resented any criticism of the man he had taken up on the mountain and made king of all he surveyed.

Incidentally, the only times I ever met Lewis were at cocktail parties.

But that Lewis was made a "big shot" by the President and the administration, was proven many times. You will recall when he took possession of the office of the Speaker of the House of Representatives of the United States, Likewise, you will recall when, with administration support, he stood in the lobby, just inside of the House of Representatives of the United States, and defeated an innocent resolution to investigate the "cause" of "sit-down strikes."

All he has ever had are evelyows and bluster. Maybe he has

All he has ever had are eyebrows and bluster. Maybe he has tried to imitate you as to the former, but it is a poor copy.

Leaving out the eyebrows, which no barber has ever been permitted to touch, the bluster is his only claim to fame. It's a big bluff, but he has been getting away with it for years, especially with some "leaders" of the House and some Senators, whom has "buffalced."

("Pill" Hytthinger, of the Corporator, colled his buffalced."

"Bill" Hutchinson, of the Carpenters, called his bluff at Atlantic City, and if a 10-year-old boy took a swing at him, he'd run to one of his chauffeurs of his Cadillac cars and retire to his \$100,000 colonial mansion in Alexandria, Va.

It is almost time his bluff was called. Go at him. Pull no punches. America stands behind you.

With warm personal regards, I am Sincerely yours,

JOHN.

Mr. MURDOCK of Utah (interrupting the reading of the letter). Mr. Chairman, I make the point of order that the gentleman from Michigan [Mr. Hoffman] did not get consent to proceed out of order, and when he asked that the letter be read, I assumed it was pertinent to the debate here on the pending bill. I now make the point of order that it is not.

The CHAIRMAN (Mr. CHAPMAN). The gentleman from Michigan obtained unanimous consent that the letter be read, and stated the name of the person who wrote the letter. The point of order is overruled.

Mr. CELLER. Mr. Chairman, he did not state the purport or intent of the letter.

The CHAIRMAN. All the gentleman from Michigan said was that it was a letter written by a former Member from New York, Mr. O'Connor, and asked unanimous consent that it be read by the Clerk. That unanimous consent was granted.

Mr. MURDOCK of Utah. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURDOCK of Utah. Does not a Member have the right to assume that when a unanimous-consent request is made to have a letter read, that the letter is pertinent to the debate being carried on at the time on the floor?

The CHAIRMAN. Any member of the Committee had the right, when the request was made, to reserve the right to object and to interrogate the gentleman from Michigan as to the contents of the letter.

The Clerk will read.

The Clerk concluded the reading of the letter. [Applause.]

The CHAIRMAN. The gentleman from Michigan IMr. HOFFMAN] is recognized.

Mr. GEYER of California. Will the gentleman yield? Mr. HOFFMAN. Not at present.

The bill under consideration, if enacted and enforced, would probably rid us of many of those who are causing a great deal of trouble. It is doubtful if it goes far enough. In my judgment, if it were germane, it should be amended so as to curb in some way the activities of those who are denying civil liberties to hundreds of thousands of American citizens. [Applause.]

I am glad the gentleman from California [Mr. GEYER] applauds. I hope the gentleman will listen to what Mr. Lewis, to whom Mr. O'Connor referred in his letter, and those who believe as does Mr. Lewis have accomplished and are trying to accomplish throughout this country of ours. Listen to and consider these instances, where American citizens-not criminal aliens, but American citizens-have been and are deprived of their civil liberties.

Here is a letter which came in yesterday morning from Glassport, Pa.; that is in Allegheny County; and it carries this information-and I quote:

When the Irvin Works was built across the river a common laborer paid \$25, an electrician \$90, a steam fitter \$125, an erection machinist \$110, for a card which simply gave him the right to

work on the job.
On the road being built on the old West Penn right-of-way common labor must pay \$15 for a job.

The author of this letter is an ordinary, average, patriotic American, who loves his country; who has been trying to carry on in spite of the activities of those who would destroy our industries, bring want and confusion, to the end that the overthrow of our form of government may be more easily accomplished.

In the last paragraph of this gentleman's letter-and let me repeat—he is an average, patriotic, God-fearing, libertyloving American, he voices his fears in this language:

Sometimes I wonder if the time has not come to organize what patriotic citizens are left and take over long enough to liquidate

the parlor pinks in Washington and elsewhere and restore the Constitution to the people.

Now, you who have been talking about revolution if certain pressure groups do not have their way; who have been threatening dire things to this Republic of ours if the Communists were not permitted to carry on their activities unhindered, unhampered, pause and consider the statement made by this man. And consider, too, that it is but one of many which have come to me in recent months.

For overlong, blustering John L. Lewis has acted on the theory that he had a monopoly of headcracking; that it was his privilege to destroy civil liberty whenever and wherever it suited his purpose; that it was his function to determine who should work and on what terms and conditions they should work.

John has invaded the White House. He goes in and out. He has the ear of the President. Unrebuked, he has demanded that the President back his, Lewis' will on certain occasions. This last outburst of his occurred when he went before the House Committee on Labor to oppose amendments to the wage-hour law which would have exempted the operators of small telephone exchanges, certain employees of small newspapers, and certain farm labor.

Not content with voicing his opposition to these amendments, angered, he made a vicious assault upon the personal character of the Vice President. The incident reveals just how far along the road to an absolute dictatorship over labor Lewis conceives himself to have traveled.

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, I asked that the letter be read without being taken out of my time.

Mr. GEYER of California. I object.

The CHAIRMAN. The Chair did not so understand the gentleman's request. It was taken out of the gentleman's time

Mr. GUYER of Kansas. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan.

Mr. HOFFMAN. Out in California, the gentleman's own State—now, get this—

Mr. GEYER of California. The gentleman is listening.

Mr. HOFFMAN. Daniel F. Ryan, in Marin County, Calif., had 180 cows. He had 6 men who wanted to do the milking; men who were satisfied with their jobs; men whose employer was satisfied with them. Then along came the union organizers and insisted that the farm hands join the union. The men, being satisfied with their jobs, refused.

Then the organizers went to the farmer, presented him with a union contract, told him that if he wanted to market his milk he must sign a contract that only those who belonged to their organization could milk his cows. He told them that if the boys wanted to join, that was their business; that if they did not want to join, he would not force them to join, pay a membership fee and monthly dues.

The organizers told the farmer that unless he signed, compelled his men to join, his milk would be declared "hot." Following his refusal, union teamsters refused to draw his milk to the city, saying they were sorry but had been forbidden by their organization to haul it.

The farmer got his milk to the plant by the aid of independent drivers, and then was told by the Borden Co. that they could not handle it because it was not brought in by union truckers.

For 600 days this farmer suffered a loss of \$37.50 per day because he could not market his milk with the Borden Co. The farmer sued the union and recovered a judgment of some \$22,000 against it, and, I understand, certain individual members. Then the judge before whom the case was tried was appointed to an official position, and just before he took office caused the judgment to be vacated, and the farmer is back where he started.

Out on the west coast the Associated Farmers are fighting this idea that only those who belong to a particular union shall have the privilege of earning a livelihood. The farmers have the milk. Their organization at one time controlled some 90 percent of the milk which went into San Francisco, and yet the truck drivers and their affiliates insist that before that milk can reach the babies and the mothers of San Francisco, upon it must be levied tribute; that it must pass through their hands; that they must "get theirs" before the babies and the mothers receive the necessary food.

Just how long are we to submit to this organized group which is demanding that, whether its services are needed or not, it must levy and collect a charge upon the results of the labor of everyone else?

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. SCHAFER of Wisconsin. I notice in the press of July 28 that our Democratic colleague, the gentleman from Misscuri [Mr. Anderson], said that "Lewis has raped the Democratic Party and is preparing to return to his first love, the Republican Party." I do not see how the Democratic Party can cry "rape" when the Democratic Party has sold itself to Lewis for 500,000 pieces of silver—his \$500,000 political campaign contribution.

Mr. GEYER of California. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. For a question; yes.

Mr. GEYER of California. I want to ask the gentleman if he will be kind enough to tell about our vicious Milk Trust in California in order that we may have both sides of the question?

Mr. HOFFMAN. I suggest that the gentleman tell about it himself. What I am talking about now is the teamsters union which will not let babies and women in San Francisco have milk until they have the privilege of drawing it in there, until they have added to the cost of every drop that reaches the baby's bottle.

Mr. GEYER of California. But the gentleman is telling one side of the story only.

Mr. HOFFMAN. This is the side that is important now, and if the gentleman can find any justification for any union stepping in between the farmer who has milk to sell and the mother and the baby who needs it and making it more difficult for that baby and that mother to get a necessity upon which their lives depend, by imposing a charge for a service which is not necessary, he has had ample time during this session—he will have ample time before it closes—to give us his views on the floor of the House.

Mr. GEYER of California. There is another side to the teamsters union.

Mr. HOFFMAN. Mr. Chairman, I do not yield further to the gentleman.

Mr. PATRICK. Mr. Chairman, will the gentleman yield? Mr. HOFFMAN. I yield.

Mr. PATRICK. He came over to us from the Republicans. Do you want to take him back now—John Lewis?

Mr. HOFFMAN. But you got \$470,000 with him, remember that.

Mr. PATRICK. That is true. If we give you back that money, would you want him back?

Mr. HOFFMAN. No, no. We know that he has been playing around with the President; that he made that campaign contribution of almost a half milion dollars to the New Deal campaign fund. We know that he expected to get something for it. We know that he has twice called upon the President to pay back that political debt, and on each occasion has received a substantial payment through administration aid, as in the sit-down strikes in Michigan and in the settlement of the soft-coal controversy between his union and the operators.

But apparently Lewis thinks he has been deceived; that he has been sold down the river. One day, figuratively speaking, he damns the President; the next he is invited down to the White House or to some social function, and evidently soothed by a cocktail or two, or perhaps by the dinner clothes which he wears, in contrast to the garb of his miners, is again cheek by jowl with the President.

If Lewis has discovered that he has been deceived, that he was cheated in the bargain which he thinks he made, or if

he has repented and has learned at last that only under Republican principles and a Republican administration prosperity will return to the country and members of his unions have steady jobs in private employment, let him come back. If he has learned all that and is willing to forego his un-American demands for the collection of revenue from men who must earn their living by their daily toil, I have no doubt but that he and all of his followers who are thoroughly convinced that the safe and sound, just, fair, and equitable principles on which our Republic is founded are the only ones which will serve us in time of need as well as in time of prosperity, all will be welcomed back. Most assuredly, the gates should not be closed in the face of any who at last has seen the light and is willing to be good. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, we started out discussing a very serious question and the debate was being conducted on a very high level by both the proponents and the opponents of this measure. Most unfortunately, however, we have just now had some monkeyshines from the gentleman from Michigan. Now that they are over I do hope it will not be too difficult for the Committee to come back to the bill under consideration.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. O'TOOLE. I think the gentleman will admit that the remarks and the actions of the gentleman from Michigan today show the sterility of the Republican Party; having had to use the help of a Tammany Hall Democrat when he needed support, one whom he bitterly despised when Mr. O'Connor was a Member of this House, as an agent to attack the things we stand for?

Mr. MARCANTONIO. Political lines are becoming rather confused nowadays. It is very difficult to tell who is a Republican and who is a Democrat in this House. We do know one thing, however, and that is it is very easy to tell who in the House is a Tory and who in the House is a liberal. That is the realinement which is taking place as we approach the elections of 1940. [Applause.]

Mr. GAVAGAN. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. GAVAGAN. The gentleman recalls the fact, of course, that the letter read to us was written by Mr. O'Connor, of New York, who was defeated in his campaign for reelection, defeated by the people of his own district.

Mr. MARCANTONIO. And with the help of my party—the American Labor Party. Incidentally, as the Republicans and Democrats are going to caucus this afternoon and evening, I announce that my party will hold its caucus tonight after the Democrats have concluded. [Laughter and applause.]

Mr. Chairman, there is one section in this bill which proerly gives one the right to characterize it as a Gestapo bill.
The Gestapo, for the information of the gentleman from
Michigan [Mr. Hoffman] and the other gentlemen of this
House who would substitute a native Gestapo for our democracy, is that secret police organization which raids a
man's home in Nazi Germany, takes his property and his
family away from him, arrests him without cause, and very
often returns the man in the form of ashes in an urn to his
family. The same Gestapo has burned the books and other
precious literature of Germany. What the Gestapo has done
and is doing in Nazi Germany can be repeated under the provisions of this bill. It can happen here and it will if we do
not prevent it. I call your attention to title I of this bill on
page 17.

Title I says:

It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the Army or the Navy—

And so forth. Section 2 of that title states:

Any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 1 of this act may be taken from

any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title I of the act entitled "An act to punish acts of interference with the foreign relations"—

And so forth. Who issues a search warrant? Every lawyer in this House knows that a search warrant is in all cases, with the exception of very rare instances, issued by a commissioner of the district court. Let us assume that some one has in his home, for instance, All Quiet on the Western Front. There you have a book that is opposed to war. It is a book that describes the horrors of war. Some sergeant of the Army who might think in the same manner as many of the gentlemen of this House, who believe that free speech and the Bill of Rights should be something of the past, can go to a district commissioner with an affidavit and say, "John Jones, in his home, has a book which tends to impair the morale of the United States Army and the United States Navy."

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. MARCANTONIO. Mr. Chairman, they can go into that home with a search warrant issued in that manner and confiscate any book, writing, or literature, arrest the person,

and subject him to all types of persecution.

The Army and Navy do not need this Gestapo law. The men of the Army and Navy are loyal. They are loyal to the United States and they are loyal to the democracy of this country. Court martial and military procedure can handle those who are disloyal. But here you are putting into this bill the same tory political philosophy that this Congress has been legislating into law ever since its inception, a reactionary philosophy, a Bourbon philosophy that has crucified the unemployed of this Nation, assaulted the rights of American labor, a philosophy which is aimed at the Bill of Rights, a philosophy which will go down to the everlasting shame of the Seventy-sixth Congress. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Thomas F. Ford].

Mr. THOMAS F. FORD. Mr. Chairman, I have a very brief statement to make. If we will refer to page 27, lines 3 to 7, and cut two words out, "of aliens," we will have a beautiful description of absolutism as practiced by the totalitarian powers. It only requires the cutting out of two words to make it that.

There is no use arguing against this bill. It will pass. I am satisfied in my own mind that the mood of this House is such that if you brought in the Ten Commandments today and asked for their repeal and attached to that request an alien law, you could get it. [Applause.]

I am opposed to this bill because I believe in the Bill of Rights, which refers to persons and guarantees to persons certain liberties which this bill seeks to deny.

It is un-American, undemocratic, and, in my view, unconstitutional.

Mr. GUYER of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Leland M. Ford].

Mr. LELAND M. FORD. Mr. Chairman, following so closely my colleague [Thomas F. Ford], who has asked that our names be distinguished, may I say it will be a great deal of pleasure to me after that speech to have my name distinguished from his. [Applause.]

I cannot see why any alien should object to the things that are contained in this bill unless he intends to engage in some of the things enumerated in the bill as follows, and I am going to ask a question. Do they want to come into this country and aid and abet other aliens to get in here illegally? Is that why they object?

Do they want to engage in espionage for a foreign government or be engaged by an international political agency seeking to change the character of the Government of the United States? I think we have too many of those kind of people in here already.

Do they want to engage in the peddling of narcotics, or engage in an act which would be a violation of the narcotic law?

Do they want to carry lethal weapons, sawed-off shotguns, and so forth equipped with Maxim silencers? Do they want to advocate the teaching of anarchy? Do they want to break the laws of this country?

Mr. Chairman, I do not see any good answer to those questions. If any alien wants to come into this country and engage in any such practices, I say that we had better keep him out of here, and I say further, with reference to page 27, that any alien who comes into this country with the idea of preaching a philosophy that would destroy our Government certainly should be kept out. I say it is a good law and I congratulate the author. I hope it will pass as

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. Bolles].

Mr. BOLLES. Mr. Chairman, I was much interested in what the gentleman from North Dakota [Mr. BURDICK] said in reference to communism and the history of communism. The whole basis of the Russian theory of government at this time, and from its establishment following the Kerensky break-down, is that of Karl Marx. Karl Marx was the father of the present idea of communism. It is embraced in this book called The Communist Manifesto. It is all those things which they have attempted in Russia to carry out into a regular governmental situation. It does not believe in religion. It says that religion is the opium of the people. Any visitor to Moscow today will find engraved upon the Kremlin that "Religion is the opium of the people." It discourages any reference to the name of God.

Mr. Chairman, I hold in my hand Earl Browder's latest book. If Earl Browder were in Russia, and if he had attempted to write a book of this character, opposing the Stalin government, he would be shot not only at sunrise but probably in the afternoon as well. He says:

probably in the afternoon as well. He says:

Lenin always insisted on facing reality; he was the uncompromising foe of utopianism and wishful thinking. It is with this Leninist attitude that we Communists guard against any exaggeration of our party's influence, that we guard against placing immediate tasks which are not matured. We know that the very broad influence exerted by our party is not a sign that the American masses are ready to build socialism in our country now as an immediately practical task. It is the guiding thought of everything we do to prepare and educate the masses for socialism and to lead them to its realization when they are ready. But nothing is further from our minds than any abortive attempts of a small minority to impose its will upon the masses. We base ourselves completely upon the democratic masses, upon the working class, and all toilers who comprise the overwhelming majority of the people, and we set no tasks that the masses are not themselves to be the moving and decisive factor in accomplishing. We are first and last democratic in this most fundamental sense. And it is only because we have made this point unmistakably clear that we are steadily growing in numbers, and even more in influence, even though we are still a small fraction of the population.

I say to you that the time will come—and I do not believe

I say to you that the time will come—and I do not believe we should bury these things-when we will very carefully scrutinize some of this literature that is passed out, and which is supported and given kind words by a number of the gentlemen on this floor.

How can you break down all the things that have been so fine in our history; how can you break down all the memories of the pioneers who built these United States of America; how can you break down all the things done by those who met in Independence Hall and later built the Constitution; and yet give no protection to them from those who will not become citizens of the United States?

I have met many aliens. I know one who for 17 years, without ever being a citizen of the United States, served on the board of supervisors of a county in my State of Wisconsin. When the war came and he had to show that he was a naturalized citizen he could not do it and got an alien card.

I believe the time has come when we must wash out our citizenship. There was a time when America was-and it is today—the beacon light for all Europe, for all the distressed people, all those who were persecuted and punished, who had no opportunity. Here in America we beckoned to them and brought them over here, and those people became citizens and were assimilated into this Nation.

The way to become a citizen of the United States is for an alien to have it in his heart before he buys his steamship ticket to this country. You have it in the heart of the man. If in the heart of this man he is not a citizen of this country, he is not and never will be a citizen of the United States.

Mr. Chairman, I am for this bill. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield 2 minutes to the

gentleman from Washington [Mr. Coffee].

Mr. COFFEE of Washington. Mr. Chairman, like many of my colleagues who are supporting this bill, in my district I have comparatively few people of foreign ancestry, but I cannot refrain from taking advantage of this opportunity to reply to the statements made by the learned gentleman from Wisconsin and to say that to the immigrants in the United States this country owes a great deal of credit for its accomplishment. Let us not forget that during the Revolutionary War had we not had the help of foreign friends we would have lost the war. The man who said that was George Washington himself. For the benefit of those of you who are inclined to scoff at the part that the immigrants played in the development of this country, I advise you to go down to Yorktown and read the inscription engraved on the monument and find out how many Frenchmen were there who joined with George Washington and the colonists in defeating the English on that critical and memorable day, October 19, 1781. To those of you who think that only the pioneers built up the Nation I advise that you read the writings and speeches of General Dodge and his narration of the history of the Union Pacific, and ascertain the credit he gives to the Irish immigrants who helped build that great enterprise across the Midwestern and Mountain States.

Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. COFFEE of Washington. No; I have only 2 minutes. To those of you who come from Wisconsin I advise that you look into the history of the State of Wisconsin and find out to whom should go the credit for pioneering in that great State, the Scandinavians and the German immigrants who came over here in the first generation and carved out their homes in the wilderness. Let us not forget the part that immigrants played in this country. Who are you and I to discredit the immigrants? It is merely a matter of relativity. One of us may have been here four or five generations ahead of another. I do not want to alienate the people of foreign descent from loyalty to the United States.

[Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. REED].

Mr. REED of Illinois. Mr. Chairman, I listened with a great deal of interest a few minutes ago to the gentleman from New York [Mr. MARCANTONIO], who cited section 2 of title I of this bill, appearing on page 18. He said that under this section and under this title a search warrant might be issued by a magistrate to search an alien's home, and there he might find a book.

Mr. MARCANTONIO. Anyone's home. Mr. REED of Illinois. Anyone's home.

He might find, for instance, All Quiet on the Western Front. The gentleman said that possession of that book would be a violation of the law, because books of that type are mentioned in section 1 of that title.

Section 2 states:

Any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 1 of this act may be taken from the house or other place in which it may be found.

Let us turn back to section 1 and see what the section describes. Section 1 states:

It shall be unlawful * * * to publish or distribute any book, pamphlet, paper, print, article, letter, or other writing which

advises, counsels, urges, or solicits any member of the Army or the Navy or the Coast Guard of the United States to disobey the laws or regulations governing such military or naval forces, or to disobey the lawful orders of a superior.

I have read the book the gentleman from New York mentions, and I challenge him to show me any place in All Quiet on the Western Front where it advises or solicits any member of the Army or the Navy or the Coast Guard to disobey the laws of the United States or to disobey the lawful orders of a superior.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

Mr. REED of Illinois. I yield to the gentleman from New

Mr. MARCANTONIO. I said that this book does not advocate disobedience on the part of members of the Army and the Navy. I did say, however, that any sergeant in the Army or any other person could go to a commissioner of the district court and on an affidavit state that in his opinion this book constitutes encouraging disobedience or lowering or impairing the morale of the Army. It would be up to the district commissioner if he found that the affidavit constituted probable cause to issue such a warrant. By doing that, for the possession of books which are to be interpreted by sergeants or various other individuals you open up the man's home to the seizure of his books, his writings, his letters, and everything else he possesses.

Mr. REED of Illinois. Yes; but the warrant can be issued by the commissioner only upon a showing of probable cause and upon substantiating facts sworn to in the application for the warrant, in the same manner as such warrants are issued under the general laws of the various States of the Union.

Mr. MARCANTONIO. Will the gentleman yield further for an observation?

Mr. REED of Illinois. Just for an observation. Mr. MARCANTONIO. I can understand a search warrant for guns, for narcotics, or even for the illegal possession of liquor, but I believe that we are going too far when we provide for search warrants to search for books, writings, and literature. This smacks too much of the Gestapo.

Mr. REED of Illinois. If they are subversive, and advocate the destruction of this Government by force and violence, I think it is not only our right but it is our duty to search, find them, and bring the persons who are distributing them to the bar of justice.

There is just one more thing. At the time we had the debate upon the rule, considerable comment was had concerning cases involving moral turpitude wherein a person might be deported. I want to call the attention of the Members to page 22, commencing on line 14, which is the law as it now exists. This provides that in any case where any person is convicted of a crime involving moral turpitude, if the judge at the time or within 30 days thereafter shall recommend to the Secretary of Labor that the alien shall not be deported, then that alien cannot be deported, regardless of whether the Secretary of Labor wants it done or not; it is absolutely absurd to assert that a boy who would steal an apple might be deported because it involved a question of moral turpitude.

There is not a judge in the United States of America or in any of the States who would ever send a person back to the land from which he came for stealing an apple. If any Federal judge did anything of that kind he would be brought before the bar of this House, impeached, and thrown out of office.

The gentleman who preceded me mentioned having gone to Yorktown and some other places in the country and saw inscribed there the names of men who came to this country as our allies from foreign countries and helped us during the Revolution. I wish the gentleman would go up to my State to the city of Chicago, and I wish while there he would go to Haymarket Square and there see where brave men, men who were citizens of the United States, men who were law-enforcement officers, were murdered, murdered by alien anarchists who were armed with weapons and explosives

which this bill seeks to prevent them from carrying. If he looks at that scene, and reflects upon the horror of it, maybe he, too, will vote for this bill as I believe a substantial majority on both sides of the House will.

Mr. GEYER of California. Mr. Chairman, will the gentleman yield?

Mr. REED of Illinois. I yield.

Mr. GEYER of California. Does the gentleman realize that under this bill an alien may be arrested for having in his possession the Declaration of Independence?

Mr. REED of Illinois. No; and I do not think the gentle-

man believes that himself.

Mr. GEYER of California. You know it is true, if you know anything about the Declaration of Independence.

Mr. REED of Illinois. I hardly think the gentleman would make a very good case before a court if he tried to have him deported on that ground.

Mr. GEYER of California. It may be a good idea to consider some of those things, though.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I feel that these proposals have attracted many well-intentioned persons in the House and outside the House and that they believe that the deportation of aliens means fewer people and that fewer people mean less unemployment. That theory, of course, is economically unsound and without any merit whatsoever. Others in this House, and outside this House, are outraged by the excesses of some alien-minded Communists, Fascists, and Nazi-ists. I, too, am outraged by them, but the cure in this bill, and in similar bills pending in both Houses, is, indeed, a cure that is worse than the disease.

I am opposed to this type of legislation, first, because this type of bill wrongs a vast number of innocent aliens, and there are many, many thousands of innocent aliens in this country who would be wronged by the enactment of this bill.

This type of legislation sets up precedents of evil omen against citizens because they threaten the liberties even of citizens.

Remember this: We are all immigrants or descendants of immigrants, and it is interesting to note, as a matter of history, that Martin Van Buren was the first President born in the United States, and all those who preceded him, in a certain sense, were aliens and were not born in the United

Bills of this character penalize parts of our population because of its place of origin and because of its opinions and because they do thus threaten basic American liberties. I must rise in my place and oppose them. Eternal vigilance is the price of liberty. I must, therefore, warn you that you should be vigilant and thus protest and vote against this bill. It threatens our liberties.

We passed the concentration-camp bill, the Dempsey aliendeportation bill, and in the Senate there are bills which would stop all immigration. The Senate has bills for immediate registration and fingerprinting of all aliens, and there are bills even for the arrest of aliens for any kind of a misdemeanor or felony without a warrant. Why this avalanche of antialien bills? Why this antialien hysteria that seems to beset the Nation? I am at a loss to understand, except to say that we always seek a scapegoat in times of stress, in times of depression; and just because we want to seek a scapegoat, we put all of the blame for the ills of the Nation on the alien, little realizing that the citizen likewise is to blame for those ills.

Under this bill we can deport an alien who has been convicted of a misdemeanor, because it provides that any alien who goes to jail or is imprisoned for 1 year or more can be deported. In many States in the Union, in my own State, there are misdemeanors carrying imprisonment for a year. The selling of liquor without a license is a crime carrying imprisonment for a year or more in some States. If the alien violates that law, he can be sent hence. Putting a slug in a gas meter is a misdemeanor carrying similar punishment, and violation of traffic laws, as well as trading under an assumed name. Such violations might mean deportation.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield at that point?

Mr. CELLER. No. It seems unfair for us to be able to take an alien and deport him for this kind of misdemeanors. I say the bill for that reason and for many other reasons goes too far. Take title 1 with reference to military disaffection. The testimony given before our committee did not show any inherent danger in the Army or the Navy because of any subversive activities. Just listen to some of the testimony of Commander Albert M. Bledsoe, of the Bureau of Navigation. He says:

In all fairness I must state that I do not believe these organizations have been very successful, but I think that this lack of success is due more to the type of men that we are recruiting nowadays than to lack of effort on the part of these organizations.

He saw no serious disturbance, no palpable danger, that should compel us to adopt title 1 of this act. Then there is the statement of Lt. Ira H. Dunn, of the Judge Advocate's office of the Navy Department, to the following effect:

It is possible—we have not investigated it thoroughly—that we may be able to proceed against these people who join certain organizations by court martial. The Navy Department so far has not seen fit to do that, has not wished to proceed in that way. We simply discharge them as undesirables.

We are having some trouble, a little trouble, and as Commander Bledsoe said, I believe that our comparative freedom from things of this kind can be laid directly to the high character and the intelligence of the men that make up our armed forces. They are a fine bunch of men, the most loyal people I have ever known, but there exists a slight difficulty, which certainly will grow worse if not corrected.

There is no serious danger that would warrant the drastic remedies in title 1. A peace pronouncement by a reputable organization, a peace manifesto, might be deemed a violation of some sections of title 1, because that section says:

It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the personnel of the Army or the Navy.

And so forth. Some of those peace pronouncements and manifestoes could well be deemed to interfere with the discipline and loyalty or the morale of the Army. If somebody gets up on a public platform and says that he does not countenance and he deplores the use of troops in strikes, he might be held as violating section 1, title I, of this act. A soldier might go out with a young lady and might say to her, "My superior officer says that I must return at 12 o'clock," and she says, "Oh, come on, let's stay out a little longer," and if he stays out longer, that woman could be held as violating that act, because she countenanced and encouraged a violation of "an order of a superior officer." That is how far this title I goes, and it is for that reason that I must perforce object to the entire bill, with title I.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. CELLER. Yes.

Mr. KELLER. Does not the gentleman think it would be a mighty fine thing if we could protect the morals of the Army by such a rule as that?

Mr. CELLER. We can protect them without going as far as that, I assure the gentleman.

The alien problem, if any, is bound to settle itself in the course of time, and particularly so, since we are losing population and not gaining it as far as immigration is concerned. For the past 6-year period from July 1, 1932, to June 30, 1938, more emigrants went out than immigrants came in; 4,487 more aliens departed than were admitted during that period of time.

At the time of the 1937 census there were 6,234,613 foreign-born residents in the United States who had not been reported naturalized. The estimated alien population as of July 1, 1938, was 3,838,928. Thus, there was a total decrease of 2,395,685, in our alien population, between the aforesaid dates.

It is estimated that on July 1, 1938, there were outstanding at least 700,000 valid unexpired declarations of intention, and this number has been considerably increased by declarations filed since the above date. There is thus a sub-

stantial part of the unnaturalized alien population which is seeking to secure citizenship.

Although we have no available statistics on the following point, there are many evidences that a very large proportion of the 3,800,000 unnaturalized aliens now in this country came in prior to the 1917 Immigration Act and are now elderly people who are held back from naturalization by fear of the educational tests. It is quite natural that old people who have been in this country many years without gaining a fluent, written command of the English language should hesitate about undergoing such a test, much as they may desire the citizenship which their children and grand-children have already attained by birth in this country.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GUYER of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. Casey].

Mr. CASEY of Massachusetts. Mr. Chairman, there are a great many antialien bills that have either been brought before this House or that are now pending. I am against these antialien bills because I think they are undemocratic in principle. The danger lies in their Fascist implications. Who are the aliens against whom these bills are directed? I know that to a certain type of mind the word "alien" is synonymous with a wild-eyed radical or Communist. This is not true. Most of these aliens are potential citizens and many of them are men and women who, because of their experiences in other countries under other forms of government, have a greater appreciation of the benefits of democracy than do some of our native-born Americans.

They have a right to believe us when we set forth that this Nation stands for liberty and that it guarantees to the individual more freedom than can be obtained under any other government on the face of the earth. I know not what interpretation some Members of this House place upon the word "liberty," but to me it stands for freedom of speech, freedom of worship, freedom to criticize existing policies, and freedom to agitate for a change of policies, for reform, and for improvement in government according to the viewpoint of an individual or a group of individuals. While freedom of speech does not mean the right to say anything in any place as exemplified by the famous statement of Justice Oliver Wendell Holmes—

Freedom of speech does not permit one to rise and shout "Fire!" in a crowded theater—

It does, according to my interpretation, guarantee the right to express any opinion that does not incite to violence.

I believe that there should be throughout this Congress and throughout this land of ours more of the sentiment expressed by the great French philosopher Voltaire when he stated:

 ${\bf I}$ do not agree with a word that you say, but ${\bf I}$ will defend to the death your right to say it.

I offer this philosophy in substitution for the philosophy that lies behind these antialien bills which says, in effect, "If you differ with us, if you disagree with us, we shall answer you by putting you in cantonments, or sending you to foreign countries where you may not be welcome because of some prejudice against your race or creed." The proponents of these antialien bills say that they seek to perpetuate the democratic plan of government. I say to you that if the time ever comes, which God forbid, when this great democracy crumbles, it will not be brought about by aliens, but by the smug, intolerant attitude of the supporters of this type of legislation who say, in effect, "We are right, we are perfect, and we shall not tolerate any difference in viewpoint."

The CHAIRMAN. All time has expired. The Clerk will read the committee substitute as an original bill.

The Clerk read as follows:

TITLE I

Section 1. It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the personnel of the Army or the Navy or the Coast Guard of the United States, to advise, counsel, urge, or solicit any member thereof to disobey the laws or regulations governing the Army or

the Navy or the Coast Guard, or to disobey the lawful orders of a superior, or to publish or distribute any book, pamphlet, paper, print, article, letter, or other writing which advises, counsels, urges, or solicits any member of the Army or the Navy or the Coast Guard of the United States to disobey the laws or regulations governing such military or naval forces, or to disobey the lawful orders of a

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, section 1 of the present bill and sections 2 and 3 are substantially along the lines that the Special Committee on un-American Activities, of which I was chairman, 5 years ago, recommended.

As a result of the recommendation of the special committee a bill was introduced, which bill was referred to the Committee on Military Affairs, and which bill received the deep consideration of that committee, and the bill was reported by the committee in the first session of the Seventy-fourth Con-

The special committee introduced that bill upon the request of the Navy Department, through the late Assistant Secretary of the Navy, the late Colonel Roosevelt, one of the finest man I have ever met, one of the finest public officials that one could meet—a great American. Colonel Roosevelt, as those of us who remember that fine character, died a few years ago, when he was occupying the position of Assistant Secretary of the Navy.

Mr. Chairman, I am in favor of legislation of this type. I see my distinguished friend from Kansas, Judge Guyer, who was a member of the special committee. He well remembers the considerations of our special committee on the occasion of our recommendation. The special committee was very cautious in its recommendations because we are living in a democracy, and under democratic processes of government there are many foolish things we have to stand and tolerate in order that democracy might exist. However, the special committee felt that legislation properly drafted along these lines was proper and necessary, in accordance with the evidence that we received. Apparently the Committee on the Judiciary feels the same way, because in this bill sections 1, 2, and 3 relate to the same subject matter that the special committee made recommendations upon. However, the language of the present bill is much broader than the bill recommended by the special committee of which I was chairman, and the bill that was reported out by the Military Affairs Committee of the Seventy-fourth Congress. The bill which we recommended was introduced-and I want to say that after we made the recommendation I withheld the introduction of that bill for several months. I made at least 20 drafts of the bill, because I realized that in legislation of this kind we might go too far and that we might pass legislation that would affect American organizations. and legislation that might have an adverse effect upon the persons legislation of this type is not aimed or directed at. We did not want the possiblity of a mother writing to her son in the service being indicted for influencing her son to disobey orders of a superior; nor a father or brother or sister. [Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. For that reason, I felt a responsibility resting upon myself as chairman of this special committee. and other members felt the same way, to draft a bill that would direct itself at those who are enemies of our Government; those who would like to see the democratic processes of government, carrying with it personal liberty, carrying with it our dignity and the personality of the individual, which can only exist where democratic processes of government exist-who would like to see everything that you and I cherish in our ideals of government destroyed, and substitute therefor some form of totalitarian government, either of the so-called left or of the so-called right.

I think I fairly state the views of every Member of this House that the enemies of our Government should be ferreted

out: that those who would try to subvert and destroy our Government should not be tolerated: but I think I also speak the sentiments of every one of my colleagues when I say that legislation that will affect those forces only should be enacted into law, and that legislation should not be enacted into law that may go far beyond those conditions which we intend to meet; those who would ultimately bring about the destruction of our Government, if they had their way.

The bill I introduced by direction of the special committee read in part as follows:

Whoever advises, counsels, urges, or solicits any member of the military or naval forces of the United States, including the reserves thereof, to disobey the laws or regulations governing such military or naval force, or whoever publishes or distributes any book, pamphlet, paper, print, article, letter, or other writing which advises, counsels, urges, or solicits any member of said military or naval forces of the United States to disobey the laws or regulations governing such military or naval force shall be—

And so forth. The bill which we introduced meets the evil. The bill under consideration reads:

It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the personnel of the Army, Navy—

And so forth. The bill we introduced relates to those who would try to influence members of our armed forces, to incite them to disaffection; and it seems to me, agreeing as I do with the gentleman from Virginia as to the objective sought, that the language in the pending bill goes far beyond what is necessary for Congress to legislate in order to meet the evil we are attempting to legislate against.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEEFE. Is it not a fact, I would ask my colleague from Massachusetts, that a great many Members seem to be under a misapprehension as to just exactly what is provided in section 1? Reading that portion found on page 17, is it not a fact that a person who might be found guilty of intentionally interfering with or impairing, or influencing the loyalty, morale, or discipline must manifest an intent and must manifest that disloyalty, and so on, in the particulars set forth in the succeeding lines of the paragraph? That it does not constitute an offense unless the offense is carried out by advising, counseling, urging, or soliciting any member of the armed forces to disobey such regulations? One cannot read the first five lines and pass judgment upon it without reading what follows.

Mr. McCORMACK. In answer to the gentleman from Wisconsin, I may say that the gentleman and I agree as to the objective desired. My purpose in rising was to call attention to the fact that this matter had been acted on by the House in a previous Congress, not to offer any amendment at this time, because this is a matter which can be taken care of, if it passes the House, in the other body.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. My purpose in rising was not one of hostility to this legislation but in support of it, and to call attention to the fact that the language employed here goes beyond those elements that we intend to combat by legislation, those forces which are trying to bring about disobedience and disaffection in the armed forces for the purpose of subverting our institutions of government, and in the hope that they will be able to obtain enough support to bring about the ultimate overthrow of our Government by force and violence.

The gentleman from Wisconsin and I have absolutely no disagreement as to the objective sought. I am fearful that the language of the bill goes a little too far. I am not, how-ever, going to oppose it because of that. I simply rise to call attention to the fact that if this bill passes the House and goes to the other branch, Members of the other branch will give consideration to amendments that will limit the operation of the law to embrace only those forces which are clearly

against our institutions of government and whose aim and interest are the disaffection of our armed forces.

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman, I had hoped to get time before this without having to interrupt the reading of the bill.

Mr. Chairman, I think every Member of the House is in agreement in a sincere and earnest desire to protect constitutional democracy and the American way of life. To my mind, we are living in a critical period in the history of our country and in the history of those institutions which this Nation first gave to the world and which, for all I know, this Nation may be the last nation to preserve. I have this confidence, that if in the United States alone of all the nations of the world there should be kept alive constitutional democracy and human liberty, and if at the same time we can successfully solve the difficult economic problems of the machine age, these institutions will live again in every nation in the world. [Applause.] The question is how best to do these things, and I rise at this time to say one or two rather simple things. Bills like this one may be protective of American free institutions, as the proponents say, or they may be the first fatal step toward the destruction of liberty not only for the alien but for the citizen as well.

First and fundamentally, you must depend upon the basic loyalty and devotion of the people of the Nation, upon their spontaneous devotion, to these institutions and ways of life, for reliance in their permanency. The fundamental thing to which Congress must address itself first of all, therefore, is the solution of this economic problem and the freeing of the people of this Nation from the fear and concern they find themselves in about making a living. There are those people in this Nation who are fighting a battle in the front line trenches in an attempt to solve these economic problems. They are working in various fields, but leadership in this effort should come from this body to a much greater degree than it has. Believe me, gentlemen, the answer to the Communist movement, the answer to the Fascist movement, to the Nazi movement, and every other movement of that character is to be found not in legislation like this, not in attempted suppression, but in the successful solution of our economic problems. I think that is most important. What we need here is an earnest and unrelenting devotion to the task of showing that a democracy can solve the problems of the machine age. I think it also important that the full truth be told to the people of the country about such movements as seek the destruction of democracy and the substitution of a totalitarian state. But that is a very different sort of approach to the problem.

Mr. Chairman, I find it impossible to vote for this legislation for this reason-I have not time to go into it fullybut as has been stated by others, the political philosophy of this bill is that you can treat aliens unjustly without taking the next step and treat citizens the same way; that you can stamp out subversive activities by passing loosely drawn legislation aimed to scare people; and that once a person has made a mistake he can never, never correct it or make up for it in the mind of the United States Congress. I can-

not vote for legislation of that kind.

Under this bill a person who once belonged to a religious sect that believed in the destruction of property in liquor could be deported. A person who once upon a time made a contribution of "anything of value" to an organization of a Fascist, Nazi, or Communist nature, even though he does not now belong to it, never did belong to it, and has learned to despise it, is to be deported from this country. It is no answer to say this applies only to aliens. I myself believe that anyone coming to this country should, before a certain length of time has passed, be required to become a citizen or else to depart. But all human beings are, after all, alike in the sight of God, and the Government which permits itself to deal harshly with one group will sooner or later drift into harsh dealing with other groups. Indeed, in my opinion, this Congress has already dealt with our unemployed citizens with a harshness hard to understand.

I feel this is a dangerously broad measure, and I do not think it is fair. I do not think you can enact such legislation as this, having to do with aliens, without doing violence to the fundamental nature of the American way of life. I do not think you can do something which is fundamentally against the principles of general humane consideration, against the principle of enabling a man to find the errors of his ways and correct them, without doing violence to the fundamental principle upon which this Nation was founded. I want to protect these principles; but in attempting to protect them I should hate to be a party to undermining them by indirect methods.

May I say-and this is something I have known to be true-that some people who are fighting in the front-line trenches against real subversive activities in this country are people who have learned their lesson about what those things really are and they are doing their utmost to try to uphold among the people of this Nation the American principle of government. Some of those very same people would be adversely affected by this bill, I am convinced. Some of those people, who out of their own experience know that American freedom means more to them than any technical, dogmatic scheme that is proposed as a catch-all solution for the problem, will be caught by the provisions of this bill and deported.

I believe if we go too far with legislation of this character we are going to do violence to some things that are near to America's heart.

America, once her economic problem is solved, can rely upon the spontaneous loyalty of her people. An hour's honest, careful consideration of ways and means of effecting a balance between this Nation's power to consume and its power to produce would do more to defeat subversive activity in this country than 100 hours of consideration of bills like this one.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. HOBBS. Mr. Chairman, there are three committee amendments on the desk, and I ask unanimous consent that the three committee amendments may be considered as one.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. Hobbs]?

There was no objection. The Clerk read as follows:

Committee amendment: Page 18, line 1, after the words "Coast Guard", insert the words "or the Naval Reserve or the Marine Corps Reserve."

Page 18, line 4, after the words "Coast Guard", insert the words "or the Naval Reserve or the Marine Corps Reserve."

Page 18, line 8, after the words "Coast Guard", insert the words "or the Naval Reserve or the Marine Corps Reserve."

Mr. HOBBS. Mr. Chairman, I simply wish to say to the Committee that these amendments were prepared by the Navy Department and are recommended and asked by them. The Army feels that the section as written is sufficiently broad with the definition in the last paragraph to cover its group.

Mr. CELLER. Mr. Chairman, I offer an amendment to the committee amendment offered by the gentleman from Alabama [Mr. Hobbs].

The Clerk read as follows:

Amendment offered by Mr. Celler to the committee amendment: In each of the committee amendments, after the words of the amendment, add the following: "or the Merchant Marine Reserve."

Mr. CELLER. Mr. Chairman, I have a letter here from the American Merchant Marine Institute, Inc., which reads as follows:

NEW YORK, N. Y., July 22, 1939.

Hon. EMANUEL CELLER,
Acting Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.
Re H. R. 5138—Report No. 994.

DEAR CONGRESSMAN: May I call your attention to the fact that there are many Naval Reserve vessels in the United States merchant marine, and therefore, on page 18 of the above-mentioned

bill, continuing title I, section 1, on line 1, after "Coast Guard," should be inserted, "or the Naval Reserve or the merchant marine"; on line 4, after "Coast Guard" should be inserted "or the Naval Reserve or the merchant marine"; on line 8 after "Coast Guard" should be inserted "or the Naval Reserve or the merchant marine."

There is a deluge distribution of books, pamphlets, prints, articles, etc., continuously in circulation which this bill seeks to control, also making paramount the orders of superior officers. The foregoing proposal is recommended and submitted for your

usual circumspect consideration. Very sincerely yours,

FRANK J. TAYLOR, President.

Apparently the effort is being made by this letter to extend the protection of this statute to the so-called reserves of the merchant marine.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.
Mr. MARCANTONIO. Does not the gentleman realize he
is aiming at the National Maritime Union and various other
unions involved in the merchant marine with that amendment? Does not the gentleman also realize that the reserves
in the merchant marine, the men who are trained to do
sailor work and other kinds of work on ships, travel and
work on the merchant marine?

Mr. CELLER. I am not pressing the amendment. I am offering it at the request of the gentleman whose name I

read in the letter.

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment simply to call the attention of the House to the fact that this goes beyond the legitimate purview of title I, which is to preserve our armed forces from subversive influences. Of course, we are all desirous that every citizen be as innocent as possible and as little exposed to contaminating influences; yet we cannot abridge the right of freedom of speech as guaranteed in the first amendment to the Constitution. I therefore beg of the Committee not to agree to this amendment, which has been offered to the committee amendment.

Mr. SCHAFER of Wisconsin. Will the gentleman yield? Mr. HOBBS. I yield to the gentleman from Wisconsin. Mr. SCHAFER of Wisconsin. Is not the merchant marine a vital part of our national defense?

Mr. HOBBS. That is true. It is a part of our armed forces in time of emergency, but only then.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The merchant marine, that part manned by the Naval Reserve officers and flying the Naval Reserve pennant, is part of the United States Naval Reserve, is it not?

Mr. HOBBS. I would be happy to offer an amendment, if it is desired, that will cover such vessels.

Mr. VAN ZANDT. It is my belief the gentleman's amendment covers it.

Mr. HOBBS. I doubt it.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to withdraw my amendment to the committee amendments. The CHAIRMAN. Without objection, the amendment is

withdrawn.

There was no objection,

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. O'TOOLE. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. O'Toole: Page 17, beginning in line 23, strike out lines 24 and 25, and on page 18, lines 1 to 10, and amend section 1 to read as follows:

"It shall be unlawful for any person connected in any capacity with the Army, Navy, or the Coast Guard of the United States shall be prohibited from reading any newspaper, book, magazine, or other publication, including the Bible and Congressional Record, while in said service."

Mr. O'TOOLE. Mr. Chairman, this amendment may seem absurd, but it is no more absurd than the crackpot legislation that is before us today. [Applause.] I offer it not to have it

passed but to endeavor to disclose to my colleagues the foolishness of the so-called Smith bill. No man has a greater respect for the Bible than myself, yet under this bill some fanatic might well term it a propaganda inspirational book. I know that when I finish speaking some Members will take the floor and endeavor to make my amendment appear a serious one so that they can make a speech defending the Bible. Ten thousand copies of the speech will then be sent back to their districts labeled "My Answer to the Godless Representative from New York." Most of the Members well know what I am driving at. I am endeavoring to show the fanaticism of a few who would drive out of this country the legally admitted alien; the same alien who, like ourselves, hates fascism, communism, nazi-ism, and all other un-American doctrines, and who asks that this Congress give him the opportunity to embrace the American system so that he may become a good citizen, as did your ancestors and mine. There is no doubt in my mind that in the very first section of this bill you are asking men who have been educated in the two great institutions of this country, West Point and Annapolis, to read only those things that you prescribe. Men of education, men of culture who are in the service of their country in the future can read only that which the Congress of the United States feels they are entitled to read.

In the last few months we have seen a wave of crackpot alien legislation. Let me say to you that those who are fighting the aliens are those who know them the least. I have seen men get up here who probably do not have 10 aliens in their district and talk of the alien menace. Let me remind you, particularly those of you from the South, that in 1861 aliens, especially aliens from Ireland, came to the defense of that bonny blue flag, as you called it, and at Shiloh they held the ridge when the true bloods of the Confederacy were going back as fast as they could. Let me tell you that in 1861, in the city of New York when the loyal Americans were dodging, we raised 13 regiments of aliens who went to the front to keep the stars in that flag and make it possible for you today to get \$10,000 a year. [Applause.] The battle flag of the One Hundred and Sixty-fifth Regiment, New York-an Irish regiment-of which Congressman Fay was a member, and while a member lost a leg, has had to have its battle staff extended a foot and a half to put on the rings which represent the engagements in which the regiment has fought. Every time we have had a crisis the aliens have come to the front and stood up manfully.

Do not forget that the Wickersham report of only 2 or 3 years ago stated that the percentage of crime among nativeborn Americans was far greater than among aliens.

Formerly when we admitted the alien liberty, justice, and equality we gave to them. The right to worship God untrammeled and unrestrained we insured to them. But now you push them into the dirt and the Congress of the United States, through crackpot legislation, will force them into communism, fascism, and nazi-ism, and make them people who hate and despise the institution they desire to embrace and love. [Applause.]

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent that the O'Toole amendment may be read in my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. O'Toole: Page 17, beginning in line 23, strike out lines 24 and 25, and on page 18, lines 1 to 10, and amend section 1 to read as follows:

"It shall be unlawful for any person connected in any capacity with the Army, Navy, or the Coast Guard of the United States shall be prohibited from reading any newspaper, book, magazine, or other publication, including the Bible and Congressional Record, while in said service."

Mr. HOFFMAN. Mr. Chairman, the amendment just offered by the gentleman from the Eighth Congressional District of New York, who resides in the city of Brooklyn [Mr.

O'Toole], would put into this bill, one of the main purposes of which is to rid this country of criminal aliens, a provision that those serving in the Army and the Navy of the United States should not be permitted to read the Bible.

The applause which greeted the reading of his amendment, and later his argument, came from those who belong to a small group—a group which so often, when any legislation is proposed which would restrict un-American activities, which would hinder, delay, or render abortive the activities of the Communists, of those who by force would overthrow this Government, makes an appeal to this Congress to be careful that it does not deny the right of free speech, a free press, or curtail the constitutional liberties of some group which many think is engaged in subversive activities. We believe in all of those guaranties of civil liberty contained in the Federal Constitution.

But many of us can see no reason why there should be such great concern exhibited when the Congress attempts to protect, maintain, and keep as it is this Government of ours. When the Congress seeks to prevent subversive activities by those small minorities, which, not satisfied with our form of government, insist upon remaining here, enjoying the prosperity and the liberty, the freedom of speech and of activity which our Constitution grants to them and which our Government protects them in exercising and yet continuously condemning it and seeking to overthrow it, this small group becomes fearful that some alien is not being protected by that Constitution which he would destroy.

Some of us expected that those few Members of the House who rushed to the defense of John L. Lewis, of his C. I. O., even when he exercised the power to deprive men and women of an opportunity to earn a livelihood, who either remained silent or condoned his activities in the sit-down strikes, would applaud the offering of this amendment and the argument following, which was made by the gentleman from New York [Mr. O'Toole].

In this Government of ours, where free speech is a cardinal principle; where a free press is at the command of all, none can, none should, deny to the gentleman from New York [Mr. O'Toole], nor to those who applauded him, the right to spread upon the Congressional Record, where all may read, the proposition that men serving in our Army and Navy shall, as a matter of law, be denied the right to read the word of God.

John L. Lewis, whom so many of them applaud in thousands of instances, has denied to men the right to work. It is but another step, a no greater violation of civil liberty, though undoubtedly a greater moral offense to deny to the men of the Army and the Navy the right to worship the God of their choice. It is perhaps well that such a question was raised on the floor of the Congress for it may bring home to a shocked public a realization of the movement which is on foot in this country to destroy us as a Christian Nation.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I will not.

Mr. O'TOOLE. I did not think so.

Mr. HOFFMAN. So that you may get a fair understanding of the magnitude of this movement and of some of those who have accepted its support without condemnation, let me once more, as I have previously, call your attention to a political circular which was put out by the Communists in Michigan during a recent campaign.

In Michigan in the 1938 election the Communists supported Governor Murphy openly and enthusiastically. In the city of Detroit at a municipal election Maurice Sugar was one of their candidates. Sugar has been twice convicted on his plea of guilty; once of draft evasion and once of circulating seditious literature. At present he is one of the principal attorneys representing the C. I. O. affiliates in its labor controversies in Michigan. In support of him as its candidate the Communists made this appeal:

To all who hate the smug priests of the Catholic Church; and the slimy hypocritical ministers of the Protestant Churches * * * To all who are opposed by this damnable Government, we address this message. Vote for our candidate (Maurice Sugar).

Close the churches and make those buildings into shelters for homeless men and women. Down with religion, which is opium which the ruling class feeds you to keep you satisfied with the miserable existence which you lead. There is no God.

This Nation of ours is a Christian nation. Our people believe in morality; in honesty; in temperance; in religion, and few, if any, in this House, unless they be Communists, would take from our people that hope of a hereafter, which is the loadstone which carries us at the end of each day cheerfully, hopefully, courageously to the tasks of tomorrow.

When women and men no longer can read the Bible; when children, yes, and grown women and men no longer are permitted to kneel, repeat the Lord's prayer or the ever-familiar words of "Now I lay me down to sleep" may God have mercy on our Nation!

We will have a vote on this amendment and it is my regret that the Record will not show how many, if any, remain in their seats when the amendment is voted down. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall ask for a division of the Committee on this amendment which would prevent the members of the Military and Naval Establishments from reading the Holy Bible. Let the people of the country know how many Members of Congress will stand up and vote in favor of such an amendment.

This amendment fully conforms to the principles and philosophies of the Communists and their united-front associates, who have been directing a propaganda barrage on Congress demanding the defeat of the pending bill. As far as I am concerned, for 22 months overseas I followed the red, white, and blue and the principles of government for which she stands, and I will follow it again. I shall not directly or indirectly give aid or comfort to the bloody-red Communist butchers in Moscow who have repealed the Ten Commandments of the Lord Almighty and who have repudiated God the Father, God the Son, and the Holy Bible.

We want no alien form of autocracy to supplant our democracy. We care not whether it be Nazi, Fascist, Communist or any other brand. [Appleuse]

munist, or any other brand. [Applause.]

it in Moscow. [Applause.]

Mr. Chairman, we should with an almost unanimous vote reject this amendment, and send word back to the bloody red, ungodly, unchristian Communist butchers in Moscow that we still read the Holy Bible in America, although they would put you before a firing squad for reading or quoting

Mr. Chairman, much of the opposition to this bill is against the provision which requires that aliens who come to America in the future be fingerprinted. I and 5,000,000 of my comrades who served in the World War registered our fingerprints. Mr. Chairman, can it be said that it is proper to compel millions of our service men to register their fingerprints in the archives of our Government, and that it is improper to require aliens who come within our shores in the future shall do likewise? All people in foreign lands who think they should receive more consideration than American service men and be exempted from fingerprinting, can obtain that exemption if they so desire. They can stay without the confines of America.

Mr. Chairman, I sincerely hope that when we have a division on this amendment, we can send the word to the country that only one or two Members of this body will rise and support an amendment which is approved by the bloody red, ungodly, unchristian Communist butchers in Moscow, who would like to prohibit the reading of the Holy Bible in America as they do in Soviet Russia. [Applause.]

Mr. KEEFE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not take the gentleman from New York [Mr. O'Toole] very seriously. There is only one thing in his proposed amendment that I could subscribe to and that is the part of the amendment which would tend to prohibit the reading of the Congressional Record. [Laughter.] I would want to limit this to prohibit any person from reading that portion of the Congressional Record that will be printed disclosing the gentleman's amendment

[applause], because in this body that is costing millions of dollars to operate, gentlemen who are paid, as he says, \$10,000 per year, and take up the time of the Congress and spend the people's money to print such puerile, asinine amendments and proposals, should be known by the people, and I think they ought to express their condemnation in no uncertain terms with respect to such idle and asinine proceedings.

Why in the name of conscience should this be done, and when will the time ever come that Members of Congress can read a bill as intelligent men, free from bias and preju-

dice, and confine their discussions to the facts.

There was not a word in the argument of the gentleman from New York that has any application whatever to the pending section that has been read. There is not a line or a syllable in this bill that proposes to interfere with the rights of those God-fearing aliens who came over here and have made their splendid contributions to the building of this Nation. We welcome those aliens now as we have in the past. We welcome them because they come to this country as God-fearing people seeking liberty and determined to make their contribution in accordance with our laws and our democracy; but we do say in this bill to those aliens that you shed so many tears about, who come here from nations inspired with the idea of destroying this Nation and the things we love, we are going to stop you at the gate and you are not going to come in; and we say to those whom we have been magnanimous enough to allow to come in, unless you declare your citizenship and amalgamate yourselves with the principles of America, we are going to throw you out if you persist in preaching doctrines that are inimical to the rights of the people of America. [Applause.]

I believe this bill stands for what the people of America want, and I for one am going to support it, not with any idea that it is inimical to the rights of any alien, but that it is going to serve to protect the citizens of the United States who are entitled to protection from the dope peddlers, from the carriers of machine guns, from the purveyors of prostitution, from the panderers, from the marihuana peddlers, and from all that tribe who come over here and violate our laws. [Applause.] I do not want them. You gentlemen from New York and from other places who sing your praises of the aliens generally, you can have them if you want them, but the people I represent do not want them. [Applause.]

Mr. MURDOCK of Utah. Mr. Chairman, will the gentle-

man yield?

Mr. KEEFE. I yield to the gentleman.

Mr. MURDOCK of Utah. If the bill did what the gentleman stated just now it should do, it would be different, but the gentleman cannot read what he has stated into the language on page 27.

Mr. KEEFE. Oh, yes; I can.

Mr. MURDOCK of Utah. No; you cannot.

Mr. KEEFE. Yes; I can.

Mr. MURDOCK of Utah. Then you are either not qualified or you are not reading the language on page 27.

Mr. KEEFE. I can read the language on page 27; and if you are a lawyer, as I think you are, and you will study title III, as you should——

Mr. MURDOCK of Utah. I have studied it.

Mr. KEEFE. Just a moment. You have asked the question. If you will read title III in its entirety, as a lawyer should, you cannot come to any such conclusion or any such absurd conclusion as you have tried to put before this House. [Applause.]

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close. The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. Schafer of Wisconsin and Mr. Robsion of Kentucky), there were—ayes 1, noes 117.

So the amendment was rejected.

Mr. FERGUSON. Mr. Chairman, I move to strike out the last word. I ask the attention of the gentleman from Alabama [Mr. Hobbs], in charge of the bill, to ask a question. On page 18, section 2, we have the following language:

Any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 1 of this act may be taken from any house or other place in which it may be found, or from any person in whose possession it may be.

According to the amendment just adopted by the House, members of the Reserve forces of the United States are subject to this bill. I ask the gentleman in charge of the bill what would happen in these circumstances. It so happens that I am a member of the Reserve. It also happens, as every Member of Congress knows, that we receive a constant flow of propaganda, scurrilous attacks on the President of the United States, advocating his impeachment. Undoubtedly the President is the commanding officer of the Army and the Navy. Am I to understand that my office, my mail, is to be constantly scrutinized to see whether I am subjected to propaganda urging that I disobey the commands of my superior officers? What would be the effect of this bill in those circumstances? Undoubtedly the gentleman realizes, because he has received that type of literature constantly, the seriousness of my inquiry. Am I to be held responsible for having that in my possession which comes entirely unsolicited?

Mr. HOBBS. Only if the gentleman has intent to interfere with, impair, or influence the loyalty, morale, or discipline of the personnel of the Army or the Navy or the Coast Guard, and as we have now added, the Reserve.

Mr. FERGUSON. That is why I asked the question.

Mr. HOBBS. Unless the gentleman has that contraband printed matter in his possession with that intent, he does not come within the purview of this section at all. I also call attention to the fact that this is strictly subject to the constitutional guaranty against unreasonable search and seizure and, therefore, we require that all searches for contraband printed matter can only be made under due and legal search warrant.

Mr. FERGUSON. Would the gentleman say then that the search could not be instituted until the intent was proven?

Mr. HOBBS. By affidavit which seems good and sufficient to the judge passing on the issuance of the search warrant, certainly, but the gentleman has the shoe on the wrong foot, if he will pardon me, not meaning any disrespect at all. This bill is being passed to protect him from just that poisonous matter, and until he has an intent to employ such matter wrongfully, this does not touch him at all or any other member of the Reserves.

Mr. FERGUSON. But it undoubtedly sets up some one as a judge of what I am capable of reading, who passes on the intent. I cannot quite conceive how the intent and the contents of the article can be separated, and I cannot conceive how you protect a man who receives this scurrilous material as we all do. I file most of this propaganda in the waste basket, but should I desire to read or keep this material certainly I want to retain the right to do so—I doubt if this bill protects this right.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HOBBS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Hobbs: Page 18, line 1, before the words "to advise", insert "or on documented vessels of the United States which have been warranted to fly the flag of the United States Naval Reserve"; and after the words "United States", page 18, line 8, insert "or any member of the crew of a documented vessel of the United States which has been warranted to fly the flag of the United States which has been warranted to fly the flag of the United States Naval Reserve."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Yes.

Mr. MARCANTONIO. Will the gentleman explain whether or not this is limited only to the Naval Reserve?

Mr. HOBBS. This amendment is limited to eight vessels, three of which are now in service, which are not covered by the general committee amendment.

Mr. MARCANTONIO. Is it not similar to the amendment offered by the gentleman from New York [Mr. CELLER]?

Mr. CELLER. No; I withdrew that. The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. Any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 1 of this act may be taken from any house or other place in which it may be found, or taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title XI of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917 (40 Stat. 228; U. S. C., title 18, ch. 18).

SEC. 3. The term "member of the Army" as used herein shall include all members of the Army of the United States as defined in section 1 of the National Defense Act of June 3, 1916, as amended (48 Stat. 153; U. S. C., title 10, sec. 2), when in active Federal service.

SEC. 4. It shall be unlawful for any person to attempt to commit or to conspire to commit any of the acts prohibited by any provi-

sions of this title.

SEC. 5. Any person who violates any of the provisions of this title shall be punished by imprisonment for not more than 10 years or by a fine of not more than \$10,000, or both, and, in addition thereto, any alien who violates any of the provisions of this title shall be forthwith deported in the manner provided by existing law immediately upon his release from the custody of the court in which he is tried. No person who violates any provision of this title shall be eligible for employment by the United States Government or by any corporation the stock of which is wholly owned by the United States Government for a period of 5 years after his conviction.

Mr. STARNES of Alabama. Mr. Chairman, I have an amendment at the desk.

The Clerk read as follows:

Amendment offered by Mr. STARNES of Alabama: On page 19, strike out lines 7 to 10, inclusive, and insert the following: "of this title shall, upon conviction thereof, be punished by imprisonment for not more than 10 years or by a fine of not more than \$10,000, or both, and, in addition thereto, any allen who violates any of the provisions of this title shall, upon conviction thereof, forthwith be deported in the."

Mr. STARNES of Alabama. Mr. Chairman, the purpose of this amendment is to perfect the language of the bill and to make it more easily and properly administered by the proper officials of our Government, and to make it clear that the fine or imprisonment for violation is to be imposed only after conviction, and to make the violators deportable only after conviction by the courts.

I can see no objection to this amendment. It certainly makes it clear that the bill is aimed only at violators of the law. Those of us who have read this bill carefully, those of us who are interested in this problem, know that there is no Member of this Congress, regardless of the section from which he comes, who is interested in persecution, or has any personal feelings against a law-abiding alien who comes to this country to become a good citizen. He is welcomed, provided he comes here legally, and a good alien will come in no other way. This amendment is to remove all doubt that it is intended to strike at anyone except an alien who violates

I agree with what has been said heretofore, that there is no place in this country for those who come here for an unlawful or an illegal purpose. Every safeguard in the world should be placed around those who come here lawfully, for good purposes, or to become good citizens. But no mercy, no helping hand should be extended to one who comes here otherwise.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield. Mr. CELLER. I will say to the gentleman that it was the intention of the committee to have the deportation based on a conviction in a court. I think the gentleman's amendment is a sound amendment and clarifies the situation.

Mr. STARNES of Alabama. I thank the gentleman for his contribution.

I would to God that more of the legislation passed in this Congress during the last 2 or 3 years would have required court action before penalties were imposed, or at least gave United States citizens the right to be heard in the courts. [Applause.]

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield.

Mr. BROOKS. Will the gentleman's amendment affect the situation as to whether or not an alien should serve the time after sentence, before being deported or not?

Mr. STARNES of Alabama. No; it does not. It requires

the court to impose the fine or imprisonment.

Mr. Chairman, I yield back the balance of my time. The CHAIRMAN. The question is on the amendment

offered by the gentleman from Alabama. The amendment was agreed to.

Mr. IZAC. Mr. Chairman, I offer an amendment, which is on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Izac: Strike out all of title I.

Mr. IZAC. Mr. Chairman, this title might well be termed the "Army and Navy wet-nurse bill of 1939."

Have we reached the point in this country when we can no longer depend on the boys you and I send to the Naval Academy and the Military Academy and to the training stations of this country and to the camps in the Army? As a matter of fact, there is considerable conflict in both the War Department and the Navy Department about the advisability of ever enacting legislation of this type. If we have to admit that we have reached such a stage in this country that the

very youth is subversive, then we had better look to the foundations of the Republic and try to take care of the economic conditions which bring about such a condition. It is an absolute disgrace and insult to the type of young men we are bringing into the armed forces of this country

today. They are the highest type, in my opinion, that we have ever had. You give them a fine training. They come from high schools and colleges and you say to them when they come in, "We trust you to be soldiers and sailors, but we cannot trust you to be loyal Americans." It is so ridicu-

lous on the face of it.

I will tell you what I would like to see this Congress enact. That is some kind of legislation against the espionage that is going on on the west coast and in the Canal Zone by our yellow friends from across the water. [Applause.] That is the type of thing I would like to see stopped in this country. They are not tampering with the young boys on board ship or the young boys in the Army posts. They are getting the secrets that they think will enable them, when the time comes, to defeat this Nation and gain the supremacy that they are endeavoring now to wreak on the whole Orient.

I do not take seriously the complaint of some of our intelligence officers that there is this danger because of some pamphlets that are being handed out when a boy goes on leave. After he has passed the gangway he is on shore; they can reach him and they can turn him against democratic institutions, you say. Why, it is an insult to his intelligence.

I believe we can best correct any evil condition that may result from the type of subversive activity that is likely to cause the downfall of democratic institutions by going to the heart of the trouble, as my colleague from California has pointed out, and correcting intolerable economic conditions; because, today, reports from all the rest of the world are to the effect that war is very imminent, that people are fatalistic, nobody smiles any more; and that is a condition that will be brought into this country if our naval and armed forces are not loyal.

Mr. PATRICK. Mr. Chairman, will the gentleman yield? Mr. IZAC. I yield.

Mr. PATRICK. The gentleman was in the Navy for how

Mr. IZAC. Oh, very few; 10 years.

Mr. PATRICK. As I understand the gentleman's discussion with respect to title I of the bill which makes it unlawful for anyone to interfere with, impair, or influence the loyalty, morale, or discipline of the personnel of the Army, Navy, or Coast Guard, and so on, the gentleman is speaking of the men whom we send to West Point and

Oh, no; the enlisted men as well. Mr. IZAC.

Mr. PATRICK. As I understand title I of the bill, which the gentleman would have us strike out, it seeks to protect the men in the armed forces from that sort of thing.

Mr. IZAC. That is correct; but if they need protecting, then we are in a very bad way. [Applause.]

Mr. PATRICK. Well, it is an annoyance and that sort of thing.

[Here the gavel fell.]

Mr. FADDIS. Mr. Chairman, I rise in opposition to the

Mr. Chairman, the amendment offered by the gentleman from California seeks to strike out title I of this bill under which we hope to protect the armed forces of the United States from being exposed to those who engage in spreading subversive doctrines. Anyone who has even the slightest acquaintance with our Army and Navy knows that the members of these forces are not at all times under the control of the officers of these branches of the service; and, most certainly, any man who has ever had the slightest acquaintance with an Army post knows there are detrimental influences near those posts which are working at all times. Every man knows that around every Army post is gathered a settlement of interests that work to the detriment of the morale of the men of the Army and over which interests the officers of the Army have no control, because they are outside their jurisdiction. The same thing is true of naval stations. Able as the officer personnel of the Army and Navy is, high as is the character of the personnel of the Army and the Navy, nevertheless we, the Congress who are charged with the national defense of the United States and with the government of the Army and the Navy, should protect them from being subjected to the influence of those who spread these subversive doctrines.

Mr. McCORMACK. Mr. Chairman, will the gentleman vield?

Mr. FADDIS. I yield.

Mr. McCORMACK. We have laws aimed at the robber, and other laws designed to protect society that are aimed at criminals. This law is aimed at those who entertain a criminal intent toward our Government and who would overthrow it if they had the opportunity.

Mr. FADDIS. Exactly. To hear some of the opponents of this measure speak one would think this law in its entirety were aimed only at the alien with good intentions, but as I read the law, and I believe I am able to read the English language, it is aimed only at those who desire to break our laws, it is aimed only at the criminal. There is no need for anyone to stand up here and shed crocodile tears about the poor, innocent alien. This does not catch the innocent alien. [Applause.] As for me, I believe it is time we were giving the United States of America a break and forgot the "poor alien." [Applause.]

Now, replying to the gentleman from California on the matter of the espionage of his yellow friends, as he called them, I will name them—the Japs. I say to the gentleman from California that while the Japs may be the bugaboo of the west coast, we on the east coast have influences just as detrimental as the Japanese are on the west coast.

Mr. KELLER. What are they? Mr. FADDIS. What are they? The Communists. The Communists in our large metropolitan centers that are working all the time to destroy our form of government. They maintain that the Bill of Rights should protect them in their activities to destroy this Government in order that

they may replace it with a government of another type, but should their efforts succeed, the Bill of Rights would not last overnight in their hands.

I say for the sake of the Army and the Navy, and for the sake of the general morale of the United States, the amendment of the gentleman from California should be voted down.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. PATRICK. Does the gentleman think that Nazis and the Pelleyites are not just as aggravating as the Commu-

Mr. FADDIS. They are all alike-un-American and undesirable. [Applause.]

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I rise in support of the motion.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. KELLER. I yield.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. KELLER. Mr. Chairman, I have listened with a good deal of interest, and I confess with a good deal more of amusement, to the speeches in support of this measure, especially those who stand up here and advocate that a Congressman must not smile; that he does not dare to laugh; and if he does either he does not earn \$10,000 a year. He must keep a long face and look as serious as possible and be so darned dignified that nobody will dare to speak to him except another Congressman of the same type. To my mind it is about the best piece of clowning I have seen in

Mr. Chairman, this bill strikes me about as follows: We have already all the laws, in my judgment, that we need to protect our country against the inroads referred to in the pending bill. I do not quite understand how any man who has been a soldier or a sailor, or who has had the training of one, can be so terribly wrought up over the necessity of protecting the morals of the boys in khaki. I really do not get it. I understand perfectly well that we ought to do what we can to support the morale of the Army and Navy, but the Army and Navy, as I understand it, have been able to take care of themselves, as a rule. At least that has been my observation.

I am sorry that we have come to the point where we find it necessary to protect the officers and privates of the Army and the sergeants in the Army and the other boys in the Army and Navy. I think they are still able to take care of themselves and I think they ought to be permitted

Mr. Chairman, I shall certainly vote against any bill of this character because it goes far beyond the mark that I understand is Americanism. I would not be able to forgive myself if I lent support to it.

I want to call your attention again to what one of the gentlemen said here with reference to what we have received from foreigners, who were aliens when they came to this country. For the benefit of those who may be afraid that I am going to adversely affect the morals of the House, those who are afraid that I may laugh a little once in a while, I am going to state this to those whose ancestors came here some little while ago; that my ancestors on my mother's side came here a long time ago.

They came to the old Tar Heel State about 1634 or 1635, as I remember it. They lived there a couple of hundred years, then some of them went out to Illinois and have lived there ever since. They carried their guns in the Revolutionary War, the War of 1812, the Mexican War, and other wars of this country. On my paternal side, my old German-born grandfather came across to this country because he failed to make a republic in his own country. He gave his life for the maintenance of the Union. He took his five sons out with

him into the Army, the youngest one 13 years old, who also died with his uniform on. They were a part of the 400,000 Union soldiers born in Germany and Austria who saved the Union under Abe Lincoln. I only state that for the reason I did not want the Members to get the idea that I just came over, since some of them seem to think that a crime. I have been over here long enough that I can read and understand something of what the Declaration of Independence means and what the Bill of Rights provides. When we come to the point that we make something a crime for a foreigner that is not also a crime for an American citizen, we are going much too far, and we ought to be ashamed of ourselves if we do so.

[Here the gavel fell.]

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, personally I regret that this great deliberative body has to take a whole day to pass upon a measure of this sort. It is entirely unnecessary. I think there are plenty of statutes on the books now which are amply able to take care of any propaganda which may have any effect on the armed forces of this country. The passage of this bill, in my opinion, is a confession on the part of the Congress that we do not have any confidence or any faith in the armed forces of our country, and in the personnel of those forces. It is a confession on the part of this Congress that we believe the boys in the Army and Navy are so weak that they will fall for any propaganda that may be presented to them.

It seems to me that the passage of this act is a step away from our reliance on the Constitution of the United States and our own belief in the principles of democracy.

I want to now go to a subject that has been brought up by the gentleman from Oklahoma, with reference to the second section of the bill which refers to pamphlets and letters which a person may have in his or her possession. The second section says that a search warrant may be issued to recover from any person or any place any paper or pamphlet which the person may have in his or her possession of the character described in section 1. As was stated by the gentleman from Oklahoma, a Congressman receives a lot of letters. I am a member of the Organized Reserves of the United States Army. Now, suppose a constituent who has no faith in the President of the United States, the Commander in Chief of the Army, really believed that the President was trying to force this country into war, as has been charged on the floor of the House, and he wrote me that I should immediately resign from the Organized Reserves for that reason. In other words, he would be advocating that I should be disloyal to my oath as a Reserve officer. In that instance would the gentleman suggest that I would be violating this particular section of the bill if I did not immediately destroy that letter? Because under the terms of this bill a search warrant would certainly lie to search my office and search my person in order to get possession of that particular letter.

I do not see why it would not, because the intent of the person that wrote that letter was to influence me to do a disloyal act, and that paper is recoverable by a search warant. Will the gentleman answer me on that?

Mr. HOBBS. I would be happy to answer, if the gentleman will allow me.

This bill is aimed at the one who sought to make the gentleman disloyal. It is aimed at the instigator rather than the recipient of that printed matter. The search-warrant provision applies only to him, and not to the gentleman

Mr. EBERHARTER. The search-warrant provision would certainly be for the recovery of any of these papers, letters, or pamphlets. Suppose that letter, or letters of that sort, were in my possession; you would not issue a search warrant against the person who wrote the letter to me; the search warrant would be directed against me or my office, so that the letter could be recovered from my files.

Mr. HOBBS. No.

Mr. EBERHARTER. That is the meaning of the section. I do not believe that if the gentleman has any other interpretation of that he will be sustained, because the section says that any book, pamphlet, or paper may be taken from any house or other place in which it may be found. It may be found in my files in my office, and naturally the search warrant must be directed against me.

Mr. HOBBS. The gentleman asked me a question and I

shall be pleased to answer.

I do not consider that the interpretation the distinguished gentleman from Pennsylvania, great lawyer that he is, seems to put upon this section is tenable. This provision is aimed at the headquarters of such a propaganda organization, that sends out tons and tons of such literature and pumps it into the Army, the Navy, and the Marine Corps today. It is not aimed at the gentleman and it cannot be used against him. It never would be used against the gentleman or any other Member of Congress or any other honest-to-God American citizen.

Mr. EBERHARTER. The gentleman will admit that under the wording of section 2 of this act a search warrant would lie against me if I had in my possession any letters of that sort? The gentleman certainly will not deny that, will he?

Mr. HOBBS. I certainly will deny that any judge on earth would issue a search warrant against the gentleman or anybody like him.

[Here the gavel fell.]

Mr. FERGUSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from California to strike out section 1 of this bill. This is the last country in the world to maintain democratic institutions. It is the one country, to my knowledge, that anticipates a genuine, bona fide election in 1940 which will determine its representative government for the next 4 years. This is the one Nation in the world that still is able to raise its armed forces by the volunteer method. Even England had to make military service compulsory. This country is still maintaining its defenses by volunteers. Every man in the Navy and every man in the Army, every man in the Coast Guard and every man in the Reserves, is in the armed service because he wants to be there. If he is in that armed service, that is enough assurance to me of his patriotism, his courage, and his desire to protect this country. To me that is a certificate of his patriotism to the extent that he does not need to have his mail censored or sifted so that he shall be given what he is capable of understanding or capable of digesting. He does not need any service; he does not need any censorship. He will be able to draw his own conclusions.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. I yield to the gentleman from Texas. Mr. SOUTH. The gentleman knows, does he not, that there have been many instances of men volunteering in the Army in order to get secrets and to interfere with the manufacture of airplanes and ammunition?

Mr. FERGUSON. Certainly. The Army or the Navy can expel and punish such persons without any legislation of this sort.

Mr. SOUTH. But the gentleman said the mere fact that they volunteered to join the Army was all the guarantee he would want as to their loyalty.

Mr. FERGUSON. They soon are discovered if they are joining for that purpose. We certainly have some well-educated officers in our service. I can well imagine under a very narrow interpretation of this bill that an officer's quarters might be searched and the officer be very severely embarrassed because he had a copy of Karl Marx's book on Capital in his library. It could be easily carried that far and it has been carried that far in times of hysteria in all countries. I can easily imagine that it might be criminal to have books on communism in his possession and that his quarters might be searched and that material seized.

If we have to protect our armed forces from subversive literature we must admit we are the poorest salesmen of democracy in the world. We have every advantage in this country. Our armed forces are better equipped, better paid, and better entertained. Are we going to say that we are incapable of selling our armed forces, who joined the service voluntarily, on the advantages of democracy, that we have to watch their mail, and that we have to supervise their reading, for fear that they who are enjoying the advantages of our armed service and doing so on their own volition will be sold on the advantages of going toward a form of government where they lose the very liberties they now have in this Nation? [Applause.]

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Chairman I rise in opposition to the pro forma amendment.

Mr. Chairman, we have been on this bill now for 4 hours. As the author of the bill, let me say that I think we ought to have exhausted about all the necessary sob stuff about the poor alien and we might now begin to consider something about the American people.

The particular item that is under discussion at this time was not written by me. It was first written by the Mc-Cormack committee, as the gentleman from Massachusetts [Mr. McCormack] has told you earlier in the afternoon, after an investigation authorized by this Congress into subversive activities. It lay dormant after that for several years and this year the Navy Department redrafted that bill and sent it to the Congress asking for its adoption.

Do you prefer to take the statement of gentlemen who dislike this kind of legislation as to what the Army and the Navy need, or will you take the statement of the experienced officers of the Army and the Navy who tell you their need and tell you that they need legislation of this kind. This is the simple question presented to this committee on this motion, and I took the floor simply to read a statement from the officer of the Navy who appeared before the Judiciary Committee in advocacy of this legisla-

Mr. IZAC. Mr. Chairman, will the gentleman yield? Mr. SMITH of Virginia. Not at this time.

I take the time now to read this statement to you because gentlemen who have undertaken to quote from the statement of the Navy Department on this subject have, for some reason, omitted to read this particular statement of Lieutenant Nunn. When he appeared before the Judiciary Committee he said:

The last time we came before Congress with this request we were forced to say there had been no apparent damage done. I am afraid now, gentlemen, that we have to report that damage is being done, and that is the reason this measure was renewed after it was allowed to lie dormant during the Seventy-fifth Con-

The choice is yours, whether you will take the word of the Army and the Navy who have had experience with this matter, or take the word of those who dislike legislation of this character.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Yes; I yield if I have any more

Mr. IZAC. The gentleman named the officer who appeared before the Judiciary Committee. Will the gentleman state it again, please?

Mr. SMITH of Virginia. I think it was Lieutenant Nunn, but I am not sure.

Mr. HOBBS. Lieutenant Nunn and Commander Bledsoe. Mr. IZAC. Did it ever occur to the gentleman that these are very subordinate officers, and that you did not hear from the head of the Navy, the Secretary of the Navy, or The Assistant Secretary of the Navy?

Mr. SMITH of Virginia. We did hear from everybody in the Navy Department from the Secretary down. When any officer of the Navy is sent to appear before a committee of the House advocating legislation which the Department wants, he is representing the head of the Navy.

Mr. IZAC. Does the gentleman know there is a strong conflict of opinion in the Navy Department and in the War Department, and this is the first year the War Department ever asked for legislation of this kind, being against bills similar to this?

Mr. SMITH of Virginia. We cannot go behind the man who comes here representing a department, and if there was any such division of opinion, it never came to the notice of this committee.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Izac].

The question was taken; and on a division (demanded by Mr. Izac) there were-ayes 30, noes 115.

So the amendment was rejected.

Mr. HOBBS. Mr. Chairman, at the suggestion of the gentleman from New York [Mr. MARCANTONIO], which I appreciate very deeply, I ask unanimous consent that the further reading of the committee substitute be dispensed with, and that the committee substitute be printed in the RECORD at this point and be subject to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The matter referred to follows:

SEC. 6. (a) Section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, is amended to read as follows:

1917 (39 Stat. 839; U. S. C., title 8, sec. 155), as amended, is amended to read as follows:

"SEC. 19. At any time within 5 years after entry, any alien who at the time of entry was a member of one or more of the classes excluded by law; any alien who shall have entered or who shall be found in the United States in violation of this act, or in violation of any other law of the United States; any alien who at any time after entry knowingly, and for gain, shall have encouraged, induced, assisted, abetted, or aided any other alien to enter, or try to enter the United States in violation of law; any alien engaged at any time after entry in espionage for a foreign government or international political agency seeking to change the character of the Government of the United States or influence its policies; any alien who has at any time after entry been convicted of violation of a State narcotic law; any alien who at any time after entry possesses or carries any weapon without legal authority which shoots or is designed to shoot automatically or semiautomatically more than one shot without manual reloading, by a single function of the trigger, or any firearm that has a muffler or silencer, or a weapon commonly called a sawed-off shotgun; any alien who at any time after entry shall be found advocating or teaching the unlawful destruction of property, or advocating or teaching anarchy, or the overthrow by force or violence of the Government of the United States or of all forms of law or the assassination of public officials; any alien who within 5 years after entry becomes a public charge from causes not affirmatively shown to have arisen subsequent to landing; except as hereinafter provided, any alien who is sentenced to imprisonment for a term of I year or more because of conviction in this country of a crime involving moral turpitude, committed at any time after the entry of the alien to the United States; any alien who shall have entered the United States, or who shall receive, share in, or derive benefit from any p "SEC. 19. At any time within 5 years after entry, any alien who who, after being excluded and deported or arrested and deported as a prostitute, or as a procurer, or as having been connected with the business of prostitution or importation for prostitution or other immoral purposes in any of the ways hereinbefore specified, shall return to and enter the United States; any alien convicted and imprisoned for a violation of any of the provisions of section 4 hereof; any alien who was convicted, or who admits the commission, prior to entry, of a felony or other crime or misdemeanor involving moral turpitude; at any time within 3 years after entry, any alien who shall have entered the United States by water at any time or place other than as designated by immigration officials, or by land at any place other than one designated as a port of entry for aliens by the Commissioner of Immigration and Naturalization, or at any time not designated by immigration and naturalization officials, or who enters without inspection, shall, upon the warrant of the Secretary of Labor, be taken into custody and deported: Provided, That the marriage to an American citizen of a female of the sexually immoral classes, the exclusion or deportation of which is prescribed by this act, shall exclusion or deportation of which is prescribed by this act, shall

not invest such female with United States citizenship if the marriage of such alien female shall be solemnized after her arrest the commission of acts which make her liable to deporta tion under this act: Provided further, That the provision of this section respecting the deportation of allens convicted of a crime involving moral turpitude shall not apply to one who has been pardoned, nor shall such deportation be made or directed if the court, or judge thereof, sentencing such alien for such crime shall, at the time of imposing judgment or passing sentence or within 30 days thereafter, due notice having first been given to representatives of the State, make a recommendation to the Secretary of Labor that such alien shall not be deported in pursuance of this act; nor shall any alien convicted as aforesaid be deported until after the termination of his imprisonment, or the entry of an order releasing him on prophetion or partle. Provided the termination of his imprisonment, or the entry of until after the termination of his imprisonment, or the entry of an order releasing him on probation or parole: Provided further, That the provisions of this section, with the exceptions hereinbefore noted, shall be applicable to the classes of aliens therein mentioned irrespective of the time of their entry into the United States: Provided further, That the provisions of this section shall also apply to the cases of aliens who come to the mainland of the United States from the insular possessions thereof: Provided further, That any person who shall be arrested under the provisions of this section, on the ground that he has entered or been found in the United States in violation of any other law thereof which imposes on such person the burden of proving his right to enter or remain, and who shall fail to establish the existence of the right claimed, shall be deported to the place specified in such other law. In every case where any person is ordered deported from the United States under the provisions of this act, or of any law or treaty, the decision of the Secretary of Labor shall be final."

(b) The amendments made by subsection (a) shall not apply

(b) The amendments made by subsection (a) shall not apply with respect to any act done prior to the date of enactment of this act, but such section 19 shall be enforced with respect to any such act as if such amendments had not been made.

TITLE III

SEC. 7. That the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, as amended, is amended to read as follows:

amended to read as follows:

"Sec. 1. That any alien who is at the time of his application for admission into the United States or who was at any time theretofore a member of any one of the following-described classes shall be excluded from admission into the United States.

"(a) Aliens who are anarchists.

"(b) Aliens who advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group that advises, advocates, or teaches opposition to all organized government.

organized government

organized government.

"(c) Aliens who believe in, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches (1) the overthrow by force or violence of the Government of the United States or of all forms of law; or (2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government, because of his or their official character; or (3) the unlawful damage, injury, or destruction of property; or (4) sabotage sabotage.

unlawful damage, injury, or destruction of property; or (4) sabotage.

"(d) Aliens who write, publish, or cause to be written or published, or who knowingly circulate, distribute, print, or display, or knowingly cause to be circulated, distributed, printed, published, or displayed, or who knowingly have in their possession for the purpose of circulation, distribution, publication, or display, any written or printed matter advising, advocating, or teaching opposition to all organized government, or advising, advocating, or teaching (1) the overthrow by force or violence of the Government of the United States or of all forms of law; or (2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government; or (3) the unlawful damage, injury, or destruction of property; or (4) sabotage.

"(e) Aliens who are members of or affiliated with any organization, association, society, or group that writes, circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distribtued, printed, published, or displayed, or that has in its possesison for the purpose of circulation, distribution, publication, issue, or display any written or printed matter of the character described in subdivision (d).

"It being the intent and purpose of this section that membership in any one of such classes at the time admission is sought or at any time theretofore, of no matter how short duration or how far in the past, shall prevent admission.

"For the purpose of this section: (1) The giving, loaning, or

any time theretorore, of no matter now short duration of now lar in the past, shall prevent admission.

"For the purpose of this section: (1) The giving, loaning, or promising of money or anything of value to be used for the advising, advocacy, or teaching of such doctrine; and (2) the giving, loaning, or promising of money or anything of value to any organization, association, society, or group of the character shave described shall constitute affiliation therewith: the character above described shall constitute affiliation therewith; but nothing in this paragraph shall be taken as an exclusive definition of advising, advocacy, teaching, or affiliation.
"SEC. 2. That any alien who, knowingly and voluntarily at any time became a member of any one of the classes of aliens enumer-

ated in section 1 of this act, shall, upon the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in the Immigration Act of February 5, 1917. The provisions of this section shall be applicable to the classes of aliens mentioned in this act, irrespective of the time of their entry into the United States. The fact of the membership of any alien in any class of aliens indicated in section 1 of this act shall, of itself, authorize and require his deportation; wholly without regard to the place, time, length, or character of such membership.

"It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act, at any time, of no matter how short duration or how far

this act, at any time, of no matter how short duration or how far in the past, irrespective of its termination or of how it may have

in the past, irrespective of its termination or of how it may have ceased, shall require deportation.

"Sec. 3. That any alien who shall, after he has been excluded and deported or arrested and deported in pursuance of the provisions of this act, thereafter return to or enter the United States or attempt to return to or to enter the United States shall be deemed guilty of a felony, and upon conviction thereof shall be punished by imprisonment for a term of not more than 5 years; and shall, upon the termination of such imprisonment, be taken into custody, upon the warrant of the Secretary of Labor, and deported in the manner provided in the Immigration Act of February 5, 1917."

TITLE IV

SEC. 8. No immigration visa shall hereafter be issued to any alien seeking to enter the United States unless said alien has been alien seeking to enter the United States unless said alien has been fingerprinted in triplicate; one copy of the fingerprint record to be utilized as far as practicable by the consul in ascertaining whether or not the person making application for entry is the person whose name is set forth in the application and whether or not the applicant has a criminal record or other statutory disqualification which would exclude him from entering the United States; the second copy of the fingerprint record to be attached to the alien's immigration visa to provide for verification of the immigrant's identity upon arrival at a port of entry of the United States; and the third copy of the fingerprint record to be sent directly to the Division of Identification of the Department of Justice for filing in the alien section of its noncriminal records. in the alien section of its noncriminal records

Mr. STARNES of Alabama. Mr. Chairman, I have an amendment which I now offer.

The Clerk read as follows:

Amendment offered by Mr. Starres of Alabama: On page 20, strike out lines 5 to 10, inclusive, and insert the following: "enter the United States in violation of law; any alien who has been convicted of, or who has admitted in writing that he has engaged in espionage or sabotage for a foreign government since entry into the United States; any alien who, at any time after entry, has been convicted of a violation of or conspiracy to violate any narcotics law of the United States or of any State, Territory, insular possession, or of the District of Columbia, or has been judicially committed to a public or private institution as a habitual user of narcotic drugs; any alien."

Mr. STARNES of Alabama. Mr. Chairman, I shall not take all the time. This is another perfecting amendment.

One of the greatest problems we have today is the question of espionage by aliens. Recent press dispatches disclose the tremendous growth of the activities of alien spies in this country during the past 12 months.

This House has already passed by unanimous consent a bill which I introduced (H. R. 6724) to deport alien spies and saboteurs and alien violators of State narcotic laws, and the Senate Immigration Committee has reported that bill favorably and it is now on the Senate Calendar. This language is to cause the language of the present bill dealing with the same problem to conform with the language of the bill which the House has already approved.

Mr. CELLER. Mr. Chairman, will the gentleman yield? Mr. STARNES of Alabama. I yield to the gentleman from New York.

Mr. CELLER. I may say to the gentleman that the author of the bill, the distinguished gentleman from Virginia [Mr. Smith] and myself and the distinguished gentleman from Alabama [Mr. Hobbs], in charge of the bill, are pleased to accept his amendment.

Mr. STARNES of Alabama. I thank the gentleman.

I simply want to say that this is another evidence of our intention to require court conviction in order to protect an alien charged with a violation of the law from unwarranted deportation. We seek to place around an alien the protective arm of the law and reaffirm our faith and confidence in the courts of the United States. Some of those who have been so bitter in their opposition to this very bill, less than 2 years ago voted down an amendment by the distinguished gentleman from Alabama [Mr. Hobes] which sought to

place the protecting arm of the courts around American citizens and the property of American citizens. [Applause.]

Mr. THORKELSON. Mr. Chairman, I rise in support of the amendment. I am glad to vote for any amendment that has for its purpose the obliteration of un-American activities in the United States. It is only a few days ago, July 19, that I inserted in the daily Record the report of the Department of Justice on German bund activities in the United States. We have heard a great deal about the socalled Nazi, Fascist, and bund organizations in the United States. In referring to the report of the Federal Bureau of Investigation, which fills 14 volumes, I find there are only about 7,000 members of the so-called German bund. They are not considered sufficiently dangerous by the Department of Justice to deserve any special attention. The real danger in the United States is not from activities of that sort, although I must grant that they are un-American activities. The danger lies entirely in communism as it exists now and as it has existed for over 26 years, and for the last 20 years very actively. If the Members will look back they will find in Senate Document 14 a complete résumé of communistic activities prepared by the United Mine Workers of America. The gentleman from Michigan [Mr. HOFFMAN] inserted that same report in the RECORD of June 1, 1937.

I shall call attention now to some of the un-American organizations and extend their names in the RECORD. We have the National Economic and Social Planning Association; the Committee on Neutrality Legislation; the Peoples Lobby; the American Commonwealth Political Federation; the American Commonwealth Plan; the Commonwealth Federation of New York, Inc.; the Commonwealth Federation, April 1937; the Survey Associates; the League for Industrial Democracy; the Public Ownership League; the American Civil Liberties Union, the national committee and board of directors of that union; the cooperative movement; the Utilities Consumers and Investors League (of Illinois); the Committee on National Economic Policy; the Communist Party headed by Earl Browder, William Z. Foster, Herbert Ben-jamin, Sidney Hillman, Israel Amter, and so forth; the Workers Alliance, with David Lasser, Herbert Benjamin, Angelo Herndon, Earl Browder, and others; the Committee for Industrial Organization, C. I. O., John L. Lewis, Charles P. Howard, John Brophy, Sidney Hillman, David Dubinsky, and others; the New School for Social Research, William Leiserson and Rev. Kenneth Lyons; the Public Affairs Committee, financed by the Falk Foundation; the National Religion and Labor Foundation; the Washington Friends of Spanish Democracy, with Leon Henderson, president, and William Leiserson and Rev. Kenneth Lyons; the National Popular Government League; the American Association for Economic Freedom; National Popular Government League; American League Against War and Fascism; the Brookings Institution; North American Committee to Aid Spanish Democracy.

These are some of the groups that are connected with the so-called pink, red, and scarlet activities. Some of the Members of this House are also connected with some of these organizations, and if anyone would like to know who they are I would be glad to give the names of them.

Mr. DONDERO. The gentleman does not intend to include the Brookings Institution in that list?

Mr. THORKELSON. Yes.

Mr. DONDERO. Engaged in subversive activities?

Mr. THORKELSON. Yes; through membership.

Mr. DONDERO. Against the Government of the United States?

Mr. THORKELSON. Yes; through membership.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. GEYER of California. Would the gentleman like to give the names of the gentlemen in this House who are Communists?

Mr. THORKELSON. I would be very glad to give the names of the organizations with which they are connected if the gentleman so desires.

Mr. GEYER of California. Suppose the gentleman puts them in the RECORD.

Mr. THORKELSON. I shall if there is no objection.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate upon the pending amendment close in 5 minutes. The CHAIRMAN. Is there objection?

There was no objection.

Mr. DUNN. Mr. Chairman and Members of the Committee, a great deal has been said on the floor today about communism, socialism, fascism, nazi-ism, and so forth. I do not believe that those who advocate a philosophy of Government which is different than our own can be successful in undermining our Government provided we can find employment for the 12,000,000 people who are unemployed and provide adequately for the 30,000,000 people who, according to statistics, are in need of food, shelter, and clothing. Any person who has studied ancient, medieval, and modern history knows that a government which has properly taken care of its subjects was never undermined by an outside power.

If a revolution would come to pass in our country—and I hope that such a thing will never occur—it will happen because the legislative bodies in the United States have failed to do their duty toward their fellow men.

There is not any reason why millions of people in our great, rich land should be deprived of the necessities of life. Our great country has an abundance of everything which is necessary to provide adequately for its people. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. HANCOCK. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Hancock: Page 21, line 1, strike out the word "crime", and insert in lieu thereof the word "felony."

Mr. HANCOCK. I have another amendment, Mr. Chairman, and I would like to have it read so that the Members may know how they fit together.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment proposed by Mr. Hancock: Page 21, line 2, strike out the words "at any time", and insert in lieu thereof "within 5 years"; in line 3, after the word "States", insert "or who is sentenced more than once to such term of imprisonment because of conviction in this country of any felony involving moral turpitude committed at any time after entry."

Mr. HANCOCK. Mr. Chairman, my amendments simply write into the bill the present language of the law, with this exception, that the word "felony" is substituted for the word "crime." That is to take care of several imaginary hardship cases that the gentlemen from New York IMESSIS. DICKSTEIN and CELLER referred to the other day. They seemed to fear that some little boys were going to be deported for stealing apples, or older aliens for violating traffic rules. There is nothing in the law or the bill which would permit deportation for any such trifling offenses as those, but nevertheless, so that there will be no ambiguity whatsoever, I suggest that we substitute the word "felony" for the word "crime."

I think the present law is sufficiently drastic on the point we are considering. If we take the bill as proposed it means that an alien will be deportable, no matter how long after his admission to this country he may commit one of the crimes specified in this bill. It means that an old man, after being here 40 years, with his roots planted deep in this country, with children and grandchildren American-born, and with no ties at all in the old country, would be deportable. In fact, the deportation would be mandatory if he commits a crime involving moral turpitude and is sentenced to imprisonment for 1 year or more. I think we ought to be moderate about this. I think the present law is sufficiently severe and that the bill, as proposed, goes altogether too far. This amendment should be adopted. simply preserves the present law in this one respect.

The CHAIRMAN. Does the gentleman from New York wish the two amendments to be considered together?

Mr. HANCOCK. If that is possible.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOBBS. What is the other amendment?

Mr. HANCOCK. The other one strikes out the language "at any time" and rewrites the present limitation, which has been the law since 1917.

Mr. HOBBS. Where?

Mr. HANCOCK. In line 2. It means you could not deport a man, after he had been here a lifetime, for one crime and imprisonment. I substitute the limitation provided in the present law.

Mr. HOBBS. Your amendment would leave that part of the section reading "after entry of the alien to the United

States"?

Mr. HANCOCK. No. My amendment would provide that if an alien, who had been less than 5 years in this country, were convicted of a crime involving moral turpitude and sentenced to imprisonment for 1 year or more, he could be deported. After that he could not be deported for one such conviction, but could be deported for two or more. It merely continues the present statute of limitations on deportation for conviction of a felony involving moral turpitude which is a very broad term. Also, to satisfy the gentleman from New York, I change the word "crime" to "felony," so that there will be no misunderstanding about that.

Mr. CELLER. Will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. CELLER. I am naturally in accord with the gentleman's viewpoint, and I naturally would vote for such an amendment. I do want to call attention to the fact that on page 23, subdivision (b), it indicates the amendments which are in subparagraph (a) are prospective and not retroactive. However, it is well to include the gentleman's amendment, because that would remove all doubts.

Mr. HANCOCK. My amendment does not change present law except to change the word "crime" to "felony," and I do not believe that changes the meaning of the statute.

Mr. KEEFE. Will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. KEEFE. Do I understand the first amendment relates to line 1, page 21?

Mr. HANCOCK. That is correct.

Mr. KEEFE. In which you seek to change the word "crime" to "felony"?

Mr. HANCOCK. Yes. I do not think it will change the meaning of the law at all. It will disabuse some people's minds of hallucination and dispell unwarranted fears.

Mr. KEEFE. So that the line would read "conviction in this country of a felony involving moral turpitude"?

Mr. HANCOCK. That is correct.

Mr. KEEFE. And you would exclude all of those classes of crimes which may not be felonies, yet which involve moral turpitude?

Mr. HANCOCK. If the gentleman will read the whole phrase, he will see that both the bill and the present law have reference only to aliens who have been convicted of crimes involving moral turpitude and have been sentenced to imprisonment for 1 year or more. I do not believe it was ever intended to deport aliens for misdemeanors.

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, title II is a rewrite of existing law. The trouble which the Immigration Service has had both under Republican administration and Democratic administration, ever since there has been an immigration service, has been with that provision of the original law which says "within 5 years." This committee bill is a sincere attempt to make this a better law. We put in here "committed at any time after entry into this country." I have no objection to the substitution of the word "felony" for the word "crime," because they are synonymous, but I certainly hope that the amendment offered by the distinguished gentleman from New York [Mr. Hancock]—for whose opinion I have the highest regard—will not prevail for it strikes at the heart

of this section of the committee substitute. I ask you to vote down his amendment.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

The CHAIRMAN. The gentleman will state it.
Mr. MICHENER. I ask that the amendments be divided
on the vote.

Mr. HANCOCK. Mr. Chairman, I have no objection to the gentleman's request.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Clerk will read the first part of the amendment.

The Clerk read as follows:

Amendment offered by Mr. Hancock: Page 21, line 1, strike out the word "crime" and insert the word "felony."

The CHAIRMAN. The question is on the amendment. The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 111, noes 3.

So, the amendment was agreed to.

The CHAIRMAN. The Clerk will read the second part of the amendment.

The Clerk read as follows:

Amendment offered by Mr. Hancock: Page 21, line 2, strike out the words "at any time" and insert in lieu thereof "within 5 years", and in line 3, after the word "States", insert "or who is sentenced more than once to such term of imprisonment because of conviction in this country of any felony involving moral turpitude committed at any time after entry."

The CHAIRMAN. The question is on the amendment. The question was taken; and on a division (demanded by Mr. Hancock) there were—ayes 62, noes 68.

So the amendment was rejected.

Mr. MARTIN of Colorado. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Martin of Colorado: On page 24, line 11, after the word "anarchists", strike out the period, insert a comma, and add the words "Communists, Nazis, or Fascists."

Mr. HOBBS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Chapman, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5138) to suppress certain subversive activities, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. Powers (at the request of Mr. Seger), indefinitely, on account of important business.

To Mr. Lesinski, indefinitely, because of illness in family.

PROMOTING NAUTICAL EDUCATION

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 5375) to promote nautical education, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the amendments?

Mr. BLAND. The Senate added two amendments. One made a grammatical correction. On this amendment the House receded. The other amendment required that in working out these nautical-school matters it should be done subject to the rules and regulations of the Navy. It will be recalled that the Coast Guard is under the Treasury Department.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement of the managers on the part of the House

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

S. O. BLAND, ROBERT RAMSPECK, FRANCIS D. CULKIN, Managers on the part of the House. JOSIAH W. BAILEY, MORRIS SHEPPARD, BENNETT C. CLARK, WALLACE H. WHITE, Jr., W. WARREN BARBOUR, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recom-

of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The House bill authorizes the Commandant of the Coast Guard to detail persons in the Coast Guard for duty in connection with maritime instruction by the United States and by the several States. The Senate amendment No. 1 makes a textual correction, and the House recedes from its disagreement to the amendment and agrees to the same. The Senate amendment No. 2 added a provision that such detail of any person shall be subject to the same rules and regulations as are provided by the Navy in regard to such tours of duty. The Senate recedes from its amendment.

S. O. BLAND, ROBERT RAMSPECK FRANCIS D. CULKIN, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

AMENDMENTS TO MERCHANT MARINE AND SHIPPING ACTS

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the following amendments: On page 2, line 17, of the Senate engrossed amendment, strike out "ten" and insert five; on page 4, line 16, after the words "vessels and" insert a comma, the words for instructional purposes only and a comma; and the Senate agree to the same.

S. O. BLAND. ROBERT RAMSPECK, FRANCIS D. CULKIN, Managers on the part of the House.

JOSIAH W. BAILEY, MORRIS SHEPPARD, WALLACE H. WHITE, JR. W. WARREN BARBOUR, BENNETT C. CLARK, Managers on the part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate amendment struct out all effer the exacting clause

The Senate amendment struck out all after the enacting clause of the House bill and inserted a substitute which is identical with the House bill, except in sections 3 and 5. The House recedes from its disagreement to the Senate amendment and agrees to the same with amendments.

Section 3 of the House bill amends section 201 (e) of the Merchant Marine Act, 1936, as amended, to authorize the Marines and Marine Act, 1936, as amended, to authorize the Marines and Marine Act, 1936, as amended, to authorize the Marines Act, 1936, as amended, to authorize the

Merchant Marine Act, 1936, as amended, to authorize the Maritime Commission to appoint a limited additional number of expert employees without regard to the civil-service laws or the Classification Act of 1923, as amended. The Senate amendment in addition provides for a clerk to the general counsel as an exempt position. The conference agreement adopts this Senate provision. The Senate amendment adds a new subsection (b) to section 3 of the House bill, giving the Maritime Commission authority to detail annually not to exceed 10 members of its staff for advanced technical training at institutions for scientific education and research. The conference agreement adopts the Senate provisions with an amendment reducing the number of persons who may be so detailed for training from 10 to 5.

Section 5 of the House bill amends section 216 of the Merchant Marine Act, 1936, as amended, to authorize the Maritime Commis-

Section 5 of the House bill amends section 216 of the Merchant Marine Act, 1936, as amended, to authorize the Maritime Commission to provide for the training of cadets on ships and for extension and correspondence courses for merchant marine personnel and cadets. The Senate amendment further amends section 216 to extend the class of eligible trainees in the existing maritime service to include persons without previous experience. The conference agreement adopts the Senate provision.

The Senate amendment (sec. 5), in addition to the authority granted in the House bill to train cadets on ships, authorizes the training of such cadets in shipyards, plants, and industrial and educational organizations. The conference agreement adopts the Senate provision with an amendment clearly restricting the use of shipyards, plants, and industrial and educational organizations, in

the training of cadets, to instructional purposes only.

S. O. BLAND, ROBERT RAMSPECK, FRANCIS D. CULKIN, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

AMENDMENT TO FEDERAL HOME LOAN BANK ACT, HOME OWNERS' LOAN ACT OF 1933, AND TITLE OF THE NATIONAL HOUSING ACT

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 1413), which was referred to the House Calendar and ordered to be printed:

House Resolution 280

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6971, a bill to amend the Federal Home Loan Bank Act, Home Owners' Loan Act of 1933, title IV of the National Housing Act, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recom-Resolved, That upon the adoption of this resolution it shall be passage without intervening motion, except one motion to recommit. with or without instructions.

ADMINISTRATION OF UNITED STATES COURTS

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill S. 188, to provide for the administration of the United States courts, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The conference and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 188) to provide for the administration of the United States courts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with amendments as follows:

On page 2 of the engrossed House amendment, in line 17, after the word "supervision" insert "and direction".

On page 4, in line 23, after the word "Budget" insert the following sentence: "All estimates so submitted shall be included in the Budget without revision (but subject to the recommendations of the Bureau of the Budget thereon), in the same manner as is provided for the estimates of the Supreme Court by section 201 of said Act."

On page 7 in line 8 strike the word "constitute" and insert in

On page 7, in line 8, strike the word "constitute" and insert in lieu thereof the words "be deemed to be".

On page 7, in line 14, insert quotation marks at the end of the line following the words "for such circuit".

On page 7, in line 15, strike "Sec. 309" and insert in lieu thereof "Sec. 2".

On page 8, in line 8, strike "Sec. 2" and insert in lieu thereof "Sec. 3".

On page 8, in line 21, strike "Sec. 3" and insert in lieu thereof "Sec. 4".

On page 9, in line 6, strike "Sec. 4" and insert in lieu thereof "Sec. 5."

On page 9, in line 12, strike "Sec. 5" and insert in lieu thereof "Sec. 6."

On page 9, in line 17, after the words "of the courts," insert the words "and such other employees of the courts not excluded by section 304 of Chapter XV as hereinbefore set forth,".

On page 9, in line 19, strike "Sec. 6" and insert in lieu thereof "Sec. 7."

And the House agree to the same.

EMANUEL CELLER. WALTER CHANDLER, SAM HOBBS EARL C. MICHENER, JOHN W. GWYNNE, Managers on the part of the House. CARL A. HATCH,
M. M. LOGAN,
EDWARD R. BURKE,
WARREN R. AUSTIN,
JOHN A. DANAHER, Managers on the part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 188) to provide for the administration of the United States courts, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference

by the conferees and recommended in the accompanying conference report:

The House amendment struck out all after the enacting clause of the Senate bill and inserted the provisions of the companion House bill (H. R. 5999) with committee amendments. The Senate recedes from its disagreement to the House amendment and agrees to the same with the modifications hereinafter explained.

The Senate bill provided that Budget estimates for the courts should be included in the Budget without revision. The House amendment struck out this provision, leaving the estimates subject to the revision of the Bureau of the Budget. As agreed upon in conference, the estimates are to be included in the Budget without revision, but the Bureau of the Budget may submit recommendaevision, but the Bureau of the Budget may submit recommenda-

revision, but the Bureau of the Budget may submit recommendations thereon.

The House amendment placed all employees except the Director and Assistant Director under civil service, a provision which the Senate bill did not contain. The House provision is retained.

Both the Senate bill and the House amendment provide that all administrative powers and duties now conferred upon the Department of Justice with reference to certain employees shall be transferred to the administrative office of the United States courts. In the Senate bill the employees listed are clerks of courts, their deputies, and clerical assistants, law clerks, secretaries and stenographers to the judges librarians in charge of libraries of the courts. uties, and clerical assistants, law clerks, secretaries and stenographers to the judges, librarians in charge of libraries of the courts, and all other employees of the courts. The House amendment struck out the words "and all other employees of the courts." The conferees agreed to substitute for the quoted words the following: "and such other employees of the court not excluded by section 304 of chapter XV as hereinabove set forth." Section 304 referred to provides that nothing contained in this act shall be construed as affecting the authority of the courts to appoint their administrative or clerical personnel, or the authority of the Attorney General respecting United States marshals and their deputies, United States attorneys, and their assistants.

The House amendment contained a provision not found in the Senate bill repealing a part of the current appropriation act for the

Senate bill repealing a part of the current appropriation act for the

Justice Department, which provided that no part of the appropriasustee Department, which provided that no part of the appropriation should be used to pay any probation officer whose work falls to comply with orders and regulations of the Attorney General and unless the district judge shall have, so far as possible, required the appointee to conform with qualifications prescribed by the Attorney General. The House provision is retained.

There are several changes made in the wording of the House amendment to attain more precise expression without substantial change in meaning. Several section numbers are also changed.

EMANUEL CELLER WALTER CHANDLER, SAM HOBBS. EARL C. MICHENER, JOHN W. GWYNNE, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURDOCK of Utah asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include copies of three telegrams.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I wonder if some of these unanimousconsent requests might be postponed until tomorrow. We had anticipated holding a conference at 5 o'clock, and it is getting far beyond that time now.

The SPEAKER. That is a matter that rests entirely with the Members who seek recognition. The Chair cannot control that matter.

Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill today may have 5 legislative days in which to revise and extend their own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. Coffee of Washington, Mr. Patrick, Mr. Bender, and Mr. Leavy asked and were given permission to revise and extend their own remarks in the RECORD.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1996. An act to amend the National Stolen Property

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On July 27, 1939:

H. R. 5407. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory and supplementary thereto.

On July 28, 1939:

H. R. 1996. An act to amend the National Stolen Property

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Saturday, July 29, 1939, at 12 o'clock noon.

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MOTION TO DISCHARGE COMMITTEE

MARCH 29, 1939.

To the Clerk of the House of Representatives:

Pursuant to clause 4 of rule XXVII, I, Hon. JOSEPH A. GAVAGAN, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 103) entitled "A resolution to make H. R. 801, a bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching" a special order of business, which was referred to said committee February 22, 1939, in support of which motion the undersigned Members of the House of Representatives affix

- their signatures, to wit: 1. Joseph A. Gavagan. 2. Arthur W. Mitchell. 3. R. S. McKeough. 4. Martin J. Kennedy. 5. William B. Barry. 6. Sol Bloom. 7. W. T. Byrne. 8. Pius L. Schwert. 9. Vito Marcantonio. 10. William H. Sutphin. 11. John J. Delaney. 12. Andrew L. Somers. 13. Matthew J. Merritt.
- 14. James A. Shanley. 15. Arthur D. Healey. 16. Thomas A. Flaherty. 17. James A. O'Leary. 18. Lee E. Geyer. 19. James H. Fay. 20. Samuel Dickstein. 21. J. Harold Flannery. 22. Lawrence J. Connery. 23. Thomas F. Ford. 24. Michael J. Kennedy. 25. Thomas H. Cullen. 26. Edward J. Hart. 27. Martin L. Sweeney. 28. Eugene J. Keogh. 29. William T. Schulte. 30. Donald L. O'Toole. 31. Michael J. Kirwan. 32. Michael J. Bradley. 33. Joseph A. McArdle. 34. Leon Sacks. 35. Charles A. Buckley. 36. C. Arthur Anderson. 37. C. D. Sullivan. 38. Caroline O'Day. 39. Francis J. Myers. 40. Joseph L. Pfeifer. 41. Thomas C. Hennings. 42. Lewis D. Thill. 43. John C. Kunkel. 44. Edward A. Kelly. 45. Robert Crosser. 46. William Lemke. 47. James P. McGranery. 48. Leonard W. Schuetz. 49. James McAndrews. 50. E. M. Schaefer. 51. J. Will Taylor. 52. Ambrose J. Kennedy. 53. John D. Dingell. 54. M. A. Dunn. 55. William I. Sirovich.

56. Karl Stefan.

57. Jack Nichols.

58. Charles R. Clason. 59. J. Parnell Thomas.

60. Martin F. Smith.

61. Harry Sandager. 62. Albert G. Rutherford.

63. John G. Alexander. 64. Karl Mundt. 65. H. Carl Andersen. 66. Dow W. Harter. 67. C. C. Dowell. 68. James Wolfenden. 69. Clarence J. McLeod. 70. Vincent F. Harrington. 71. Rudolph G. Tenerowicz. 72. Jesse P. Wolcott. 73. Louis Ludlow. 74. Oscar Youngdahl. 75. Thomas D'Alesandro, Jr. 76. Franck R. Havenner. 77. Knute Hill. 78. Chester C. Bolton. 79. Charles A. Wolverton. 80. Walter Jeffries. 81. John M. Coffee. 82. Jennings Randolph. 83. Ed. V. Izac. 84. W. A. Pittenger. 85. W. H. Larrabee. 86. Charles F. Risk. 87. T. V. Smith. 88. James Seccombe. 89. L. L. Marshall. 90. Stephen Bolles. 91. Francis D. Culkin. 92. W. P. Lambertson. 93. M. H. Evans. 94. Harold Knutson. 95. Robert T. Secrest. 96. John F. Hunter. 97. Jerry Voorhis. 98. John H. Tolan. 99. Earl R. Lewis. 100. Usher L. Burdick. 101. James M. Fitzpatrick. 102. Leonard W. Hall. 103. Francis E. Walter. 104. John W. McCormack. 105. Joseph E. Casey. 106. A. J. Sabath. 107. John C. Martin. 108. U. S. Guyer. 109. Harry P. Beam. 110. Herman P. Eberharter. 111. D. Lane Powers. 112. George N. Seger.

113. Fred C. Gartner.

114. J. Francis Harter.

115. John M. Houston.

118. Harry N. Routzohn.

116. Kent E. Keller.

117. Chas. H. Elston.

120. John McDowell.

121. Robert J. Corbett.

119. Wm. E. Hess.

122. Carl Hinshaw.

123. Robert F. Rich.

124. Homer D. Angell.

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25. Thomas D. Winter.	172.	J. W. Ditter.
26. Hamilton Fish.	173.	Albert L. Vreeland.
27. Frank B. Keefe.		Raymond S. Springer.
28. Robert W. Kean.		Charles Kramer.
29. Clarence J. Brown.	176.	Richard J. Welch.
30. Carl T. Curtis.		B. W. Gearhart.
31. George H. Heinke.		Chester H. Gross.
32. N. M. Mason.		John W. Boehne.
33. George H. Bender.		Edith Nourse Rogers.
34. George S. Williams.		Frank O. Horton.
35. Robert L. Rogers.	182.	A. J. Maciejewski.
36. J. Roland Kinzer.		Edward H. Rees.
37. Robert Luce.		James F. O'Connor.
38. Ben. Jarrett.		Charles Hawks, Jr.
39. Albert E. Carter.		George J. Bates.
40. Arthur B. Jenks.		John A. Martin.
41. Clyde H. Smith.		Dewey Short.
42. George P. Darrow.		Elmer J. Ryan.
43. Frederick C. Smith.		Clare E. Hoffman.
44. James C. Oliver.	101	J. Joseph Smith.
45. George Holden Tinkham	102	H K Claypool
46. Pehr G. Holmes.		William A. Ashbrook.
47. Paul W. Shafer.		L. C. Arends.
48. Robert G. Allen.		Frank Carlson.
49. Emanuel Celler.		W. H. Wheat.
50. John C. Shaefer.		Thomas A. Jenkins.
51. Robert F. Jones.		James G. Polk.
52. Charles A. Plumley.		Robert B. Chiperfield.
53. Frank C. Osmers.		Leo E. Allen.
54. Ralph E. Church.		Cliff Clevenger.
55. Joseph J. O'Brien.		Harve Tibbott.
156. Anton J. Johnson.		Frank E. Hook.
157. Ben. F. Jensen.		George W. Johnson.
58. B. J. Gehrmann.		Harry R. Sheppard. Fred A. Hartley, Jr.
59. F. L. Crawford.		Merlin Hull.
160. Carroll Reece. 161. Joseph W. Martin, Jr.		J. Anderson.
		Frank H. Buck.
162. Bruce Barton.		
63. Harry L. Englebright.		Eugene B. Crowe.
164. John M. Vorys.		Charles L. Gerlach.
165. B. J. Monkiewicz.		Henry C. Dworshak.
166. Louis C. Rabaut.		Henry O. Talle.
167. Albert E. Austin.		Albert J. Engel.
168. Noble J. Johnson.		August H. Andresen.
69. Fred C. Gilchrist.		John M. Robsion.
170. George A. Dondero.	217.	William W. Blackney.
171. Everett M. Dirksen.		James E. Van Zandt.
This motion was entered up Congressional Record with sto to the Calendar of Motions to 1939.	ignat	tures thereto, and refer
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in the eferred July 28,

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs in the committee rooms, the Capitol, on Tuesday, August 1, 1939, at 10:30 a.m., for the purpose of considering the following resolutions: House Joint Resolution 364, requesting the President to invite the Interparliamentary Union to hold its annual conference in New York in 1940, and authorizing an appropriation to defray the expenses of the conference; House Joint Resolution 336, to provide that the United States extend to foreign governments invitations to participate in the Congress of the International Federation for Housing and Town Planning to be held in the United States in 1941, and to authorize an appropriation to assist in meeting the expenses of the Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows: 1055. A letter from the Archivist of the United States, transmitting lists of papers consisting of 26 items from the Governors of the Federal Reserve System to be destroyed or

otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1056. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report of the activities of the Reconstruction Finance Corporation and the expenditures for the month of June 1939 (H. Doc. No. 456); to the Committee on Banking and Currency and ordered to be printed.

1057. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 24, 1939, submitting a report, together with accompanying papers and illustration, on reexamination of Crisfield Harbor, Md., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 23, 1938 (H. Doc. No. 457); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROBINSON of Utah: Committee on the Territories: H. R. 5919. A bill to provide for the refunding of the negotiable bonded indebtedness of municipal corporations and public-utility districts in the Territory of Alaska; with amendments (Rept. No. 1378). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee of conference. S. 839. An act to amend the Retirement Act of April 23, 1904 (Rept. No. 1379). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. AUGUST H. ANDRESEN: Committee on Agriculture. H. R. 6480. A bill to amend the Agricultural Adjustment Act of 1933; with amendments (Rept. No. 1380). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. S. 1955. An act to authorize the Secretary of Agriculture to delegate certain regulatory functions, and to create the position of Second Assistant Secretary of Agriculture; with amendments (Rept. No. 1381). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. S. 1850. An act to aid the States and Territories in making provisions for the retirement of employees of the land-grant colleges; without amendment (Rept. No. 1382). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL: Committee on Indian Affairs. H. R. 2653. A bill to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes; with amendments (Rept. No. 1383). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 255. Joint resolution to provide for the erection of a memorial to the memory of Thomas J. (Stonewall) Jackson; without amendment (Rept. No. 1384). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 280. Resolution providing for the consideration of H. R. 6971, a bill to amend the Federal Home Loan Bank Act, Home Owners' Loan Act of 1933, title IV of the National Housing Act, and for other purposes; with amendment (Rept. No. 1413). Referred to the House Calendar.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 7270. A bill to amend the Bonneville Project Act; with amendments (Rept. No. 1414). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McGEHEE: Committee on Claims. H. R. 808. A bill for the relief of Zook Palm Nurseries, Inc., a Florida corporation; with amendments (Rept. No. 1385). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 809. A bill for the relief of Mike L. Blank; with amendments (Rept. No. 1386). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims, H. R. 1428. A bill for the relief of First Lt. Samuel E. Williams; with amendments (Rept. No. 1387). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2049. A bill for the relief of Olin C. Risinger; with amendments (Rept. No. 1388). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2358. A bill for the relief of Alfred Joseph Wright; with amendments (Rept. No. 1389). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. H. R. 3159. A bill for the relief of the estate of Costas Demellis; with amendments (Rept. No. 1390). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3172. A bill for the relief of Fiske Warren; with an amendment (Rept. No. 1391). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3676. A bill for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.; with amendments (Rept. No. 1392). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. H. R. 3962. A bill for the relief of Grace Campbell; with amendments (Rept. No. 1393). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 4033. A bill for the relief of Albert R. Rinke; with amendments (Rept. No. 1394). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4072. A bill for the relief of Emmitt Courtney; with an amendment (Rept. No. 1395). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4261. A bill for the relief of Maude Smith; with amendments (Rept. No. 1396). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 4300. A bill for the relief of Anton Saganey; with amendments (Rept. No. 1397). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 4349. A bill for the relief of the estate of Lewis Marion Garrard Hale; with amendments (Rept. No. 1398). Referred to the Committee of the Whole House.

Mr. HALL: Committee on Claims. H. R. 4601. A bill for the relief of Paul McCoy; with amendments (Rept. No. 1399). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 4616. A bill to pay to M. F. Gubrud, of Ambrose, N. Dak., \$261.75, money erroneously collected under protest, as duty on frozen wheat imported from Canada as feed for livestock, under the tariff act; with amendments (Rept. No. 1400). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4885. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James N. Harwood; with amendments (Rept. No. 1401). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 5106. A bill for the relief of Mrs. Clinton Ward and Ester Ward; with amendments (Rept. No. 1402). Referred to the Committee of the Whole House.

Mr. COURTNEY: Committee on Claims. H. R. 5491. A bill to pay salary of Ruth Dornsife; with an amendment (Rept. No. 1403). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5704. A bill to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart; without

amendment (Rept. No. 1404). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. H. R. 5803. A bill for the relief of Clyde Equipment Co.; with amendments (Rept. No. 1405). Referred to the Committee of the Whole House.

Mr. KEEFE: Committee on Claims. H. R. 6084. A bill for the relief of Katheryn S. Anderson; with amendments (Rept. No. 1406). Referred to the Committee of the Whole House.

Mr. COURTNEY: Committee on Claims. H. R. 6099. A bill for the relief of Mrs. S. F. Sewell and the commissioners of roads and revenues, of Dooly County, Ga.; with amendments (Rept. No. 1407). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6362. A bill for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner; with an amendment (Rept. No. 1408). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 6513. A bill for the relief of Floyd H. Roberts; with amendments (Rept. No. 1409). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 6963. A bill for the relief of Buford Lee Pratt; with an amendment (Rept. No. 1410). Referred to the Committee of the Whole House.

Mr. COURTNEY: Committee on Claims. S. 555. An act for the relief of Addison B. Hampel; without amendment (Rept. No. 1411). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939; without amendment (Rept. No. 1412). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:

H. R. 7405. A bill to repeal an obsolete section of the District of Columbia Code; to the Committee on the District of Columbia.

By Mr. KUNKEL:

H.R. 7406. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa.; to the Committee on Interstate and Foreign Commerce.

H.R. 7407. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.; to the Committee on Interstate and Engine Commerce

Foreign Commerce.

By Mr. SUTPHIN:

H. R. 7408. A bill to provide a minimum disability rating for soldiers, sailors, marines, and Coast Guard men discharged upon medical survey; to the Committee on World War Veterans' Legislation.

By Mr. HOPE:

H. R. 7409. A bill to terminate Federal crop insurance; to the Committee on Agriculture.

By Mr. MAAS:

H. R. 7410. A bill to provide certain benefits to aviation cadets and former aviation cadets, and for other purposes; to the Committee on Naval Affairs.

By Mr. MANSFIELD:

H. R. 7411. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SOMERS of New York:

H.R. 7412. A bill to protect the currency system of the United States, to provide for the clearance, collection, and payment of certain foreign debts, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRON:

H.R. 7413. A bill creating the Great Falls Bridge Commission and authorizing the construction, maintenance, and operation of a bridge across the Potomac River near the Great Falls of the Potomac; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTWRIGHT:

H. R. 7414. A bill to provide for the financing of a program of recoverable highway expenditures, and for other purposes; to the Committee on Banking and Currency.

By Mr. DEMPSEY:

H. R. 7415. A bill relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes; to the Committee on the Public Lands.

By Mr. JONES of Texas:

H. J. Res. 376. Joint resolution authorizing the Secretary of Agriculture to accept from the National Grange a lease of the Kelley Homestead near Elk River, Minn., and providing for its development and maintenance; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

The SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Joint Resolution No. 29, A, with reference to foreign-trade agreements; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIS:

H.R. 7416. A bill for the relief of Theodore R. King; to the Committee on Claims.

By Mr. GARTNER:

H. R. 7417. A bill to authorize the cancelation of deportation proceedings in the case of Heinrich Aichinger; to the Committee on Immigration and Naturalization.

H. R. 7418. A bill to authorize the cancelation of deportation proceedings in the case of Nicola Eduardo Moccia; to the Committee on Immigration and Naturalization.

By Mr. WHITE of Idaho:

H.R. 7419. A bill for the relief of Giulio Cons; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5117. By Mr. CARTER: Petition of John E. Hughes and 23 others, residents of the city of Richmond, Calif., urging passage of legislation amending the Relief Act by eliminating the 130-hour and 30-day lay-off provisions of the bill; to the Committee on Appropriations.

5118. By Mr. PFEIFER: Petition of the Women's International League for Peace and Freedom, Portland, Oreg., concerning Senate bills 126 and 1970, and House bill 6038; to the Committee on Foreign Affairs.

5119. Also, petition of the New York State Association of Electrical Contractors and Dealers, New York City, urging continuation of Works Progress Administration projects and appropriation therefor; to the Committee on Appropriations. 5120. Also, petition of the United Federal Workers of America, New York City, concerning House bills 7157 and 7160; to the Committee on Appropriations.

5121. Also, petition of the United Federal Workers of America, Washington, D. C., concerning House bill 960; to the

Committee on the Civil Service.

5122. Also, petition of the American Federation of Musicians, Local 802, New York City, urging restoration of the prevailing wage rate on Works Progress Administration proj-

ects; to the Committee on Appropriations.

5123. By Mr. MICHAEL J. KENNEDY: Petition of Works Progress Administration Teachers Union, Local 453, of the American Federation of Teachers, representing 3,000 education and recreation workers in New York City, opposing the Dempsey deportation bill and the McCormack rider to the Walter espionage bill recently passed by the House; to the Committee on Appropriations.

5124. Also, petition of Cafeteria Employees Union, Local 302, New York City, representing 10,000 members employed in Manhattan and the Bronx, endorsing action taken by the Building and Construction Trades Council of Greater New York, relative to the wage rate of the locality; to the

Committee on Appropriations.
5125. Also, petition of the Chelsea Association for Planning and Action, urging immediate enactment of House bill 2888, without 10-percent contribution from community pro-

vision: to the Committee on Appropriations.

5126. Also, petition of the Chelsea Tenants League, New York City, urging immediate enactment of House bill 2888, without 10-percent contribution from community provision; to the Committee on Appropriations.

5127. Also, petition of the executive director of the American Federation of Housing Authorities, urging enactment of Senate bill 591, to amend the United States Housing Act; to the Committee on Banking and Currency.

5128. Also, petition of the Gudebrod Bros. Silk Co., Inc., of Philadelphia, Pa., pertaining to the lending program; to

the Committee on Appropriations.

5129. Also, petition of the Asbestos Workers Local, No. 12, urging maintenance of prevailing rate of wages on Works Progress Administration projects; to the Committee on Appropriations.

5130. Also, petition of Local No. 802, American Federation of Musicians, representing 20,000 members, urging restoration of the prevailing wage rate on Works Progress Administration work now in the course of construction; to the Committee on Appropriations.

5131. Also, petition of the Regional Council, United Federal Workers of America, urging enactment of House bill 7109 and the Murray bill, relative to Works Progress Admin-

istration; to the Committee on Appropriations.

5132. Also, petition of the Brooklyn Army Base, Local No. 43, United Federal Workers of America, urging enactment of House bill 960 before adjournment of the Congress; to the Committee on Appropriations.

5133. By Mr. KEOGH: Petition of the United Federal Workers of America, Washington, D. C., concerning the enactment of House bill 960 at this session of Congress; to the

Committee on the Civil Service. 5134. Also, petition of the Internal Revenue, Local 47,

United Federal Workers of America, New York City, concerning the Neely retirement bill; to the Committee on the Civil Service.

5135. Also, petition of the New York State Association of Electrical Contractors and Dealers, Inc., New York City, urging appropriation for Works Progress Administration; to the Committee on Appropriations.

5136. Also, petition of William Feinberg, secretary, Local 802, American Federation of Musicians, New York, urging support of prevailing wage on Works Progress Administra-

tion projects; to the Committee on Appropriations.

5137. Also, petition of the Cafeteria Employees Union, Local 302, New York City, concerning the prevailing wage rate on Works Progress Administration projects; to the Committee on Appropriations. 5138. By Mr. SANDAGER: Memorial of the Polish-American Citizens' League of Rhode Island, Pawtucket, R. I., condemning the actions of facist nations and endorsing the quarantining of the aggressors; to the Committee on Foreign Affairs.

5139. Also, memorial of the Polish-American Citizens' League of Rhode Island, Pawtucket, R. I., favoring the education of noncitizens as American citizens; the passage of House Joint Resolution 86, and the passage of House bill 214, revision of naturalization laws; to the Committee on Immigration and Naturalization.

5140. By Mr. WELCH: Petition of Works Progress Administration Sewing Project, San Francisco, Calif., urging amendment to relief appropriation bill; to the Committee on

Appropriations.

5141. By the SPEAKER: Petition of Hart E. Delvin, Rushville, N. Y., petitioning consideration of their petition with reference to William Clark, circuit court judge of the United States; to the Committee on the Judiciary.

5142. Also, petition of the Board of Commissioners of the State Bar, Birmingham, Ala., petitioning consideration of their resolution with reference to an additional district court, or the appointment of one or more additional judges; to the Committee on the Judiciary.

SENATE

SATURDAY, JULY 29, 1939

(Legislative day of Tuesday, July 25, 1939)

The Senate met at 11 o'clock a. m., on the expiration of the

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, our refuge from one generation to another, in whose sight a thousand years are but as yesterday; regard in mercy, we beseech Thee, those who have served Thee in this Senate, and now sleep in peace. Rest eternal, grant unto them, O Lord, and let light perpetual shine upon them. And to these Thy servants who succeed them grant Thy grace, that, in the best and surest traditions of this land, they may pursue their labors, mindful of Thy glory and the trust bestowed upon them. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Friday, July 28, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The Clerk will call the roll.
The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	Johnson, Colo.	Russell
Austin	Downey	King	Schwartz
Bailey	Ellender	La Follette	Schwellenbach
Bankhead	Frazier	Lodge	Sheppard
Barbour	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smith
Bone	Gillette	McKellar	Stewart
Borah	Green	Maloney	Taft
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
	Hayden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuvs
Capper	Hill	O'Mahoney	Wagner
Chavez Clark, Idaho	Holman	Pepper	Walsh
Clark, Mo.	Holt	Pittman	Wheeler
	Hughes	Radcliffe	White
Connally	Trabites	reducitie	AATTYAG

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from Arizona [Mr.

ASHURST] are detained from the Senate because of illness in their families.

The Senator from Arkansas [Mrs. Caraway], the Senator from Oklahoma [Mr. Lee], and the Senator from New Jersey [Mr. SMATHERS] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The VICE PRESIDENT. Eighty-four Senators have answered to their names, a quorum is present.

ROY F. LASSLY

The VICE PRESIDENT laid before the Senator a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior, which, with the accompanying paper, was referred to the Committee on Claims.

JUNE REPORT OF THE RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the activities and expenses of the Corporation for the month of June 1939 and statement of condition as of the close of business on June 30, 1939, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITION AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the board of governors of the Advertising Club of Baltimore, Md., favoring the return of the U.S. frigate Constellation to the port of Baltimore and requesting that the frigate be assigned a permanent berth at Fort McHenry, Md., which was referred to the Committee on Naval Affairs.

Mr. CAPPER presented a memorial of sundry citizens of Topeka, Kans., remonstrating against the enactment of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which was ordered to lie on the table.

He also presented a paper in the nature of a memorial from the National Grange, signed by Fred Brenckman, Washington representative, remonstrating against the enactment of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes, which was ordered to lie on the table.

(See memorial printed in full when presented today by Mr. HOLMAN.)

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES-MEMORIAL

Mr. HOLMAN. Mr. President, I have a circular from the National Grange, of which I am a member as an Oregon farmer. The circular protests against the enactment of the pending bill known as the spending-lending bill. I ask unanimous consent to have it lie on the table and be published in the RECORD.

There being no objection, the paper in the nature of a memorial was ordered to lie on the table and be printed in the RECORD, as follows:

> THE NATIONAL GRANGE. Washington, D. C., July 28, 1939.

To Members of Congress:

We desire to register an earnest protest against the enactment of the pending bill for the construction and financing of self-liquidating projects, H. R. 7120 and S. 2759. After a careful reading of this measure, we are thoroughly persuaded that it would be contrary to the best interests of the country to pass it.

contrary to the best interests of the country to pass it.

It must simply be regarded as a camouflage to hide the mounting figures of the public debt, and it is intended to circumvent and violate the provisions of an act of Congress, passed at the time of the World War, fixing the limit of national indebtedness at \$45,000,000.000. According to official estimates, that limit will be reached before the end of the present fiscal year.

It cannot be successfully denied that the repeated efforts that have been made to "prime the pump" by Government lending and spending on an unprecedented scale have been a colossal failure. While each fresh shot in the arm was followed by temporary improvement, after the effects had worn off our basic condition was rendered more desperate than before.

The truth is that in pursuing this unsound and misguided policy

The truth is that in pursuing this unsound and misguided policy the people of the United States are progressively being reduced to one of the most hopeless forms of slavery—the slavery that goes

with debt. Even at the low average rate of 2.57 percent, the interest on the national debt amounts to the staggering sum of a

billion dollars a year. Roughly, 20 cents out of every dollar collected by the Government in taxes goes in payment of interest. The pending bill would make permanent the present lending and spending policy of the Government, and all the losses involved

would automatically be taken out of the Federal Treasury.

There can be no doubt that the vast lump-sum appropriations that have been voted in recent years have done more to destroy the independence and self-respect of Congress than all other factors combined. This system of making appropriations has made a grab bag of the Federal Treasury and has had a demoralizing effect on the people. Surely the time has come when Congress should resume its constitutional prerogatives and put an end to this orgy of deficits, waste, and unbridled extravagance.

its constitutional prerogatives and put an end to this orgy of deficits, waste, and unbridled extravagance.

Mentioning just one of the self-liquidating projects contained in the bill now being considered, the Bureau of Public Roads, in a voluminous report published some months ago, clearly indicated that the dream of a system of superhighways, supported by tolls, was not feasible on the financial side, because the revenues to be derived from tolls would not pay for the cost of constructing and maintaining such roads. There are scarcely any toll roads left in the country and there is a prejudice against toll bridges. It may, therefore, be taken for granted that if the proposed roads should be built in a few short years the attempt to recover the cost of construction through the collection of tolls would be abandoned, saddling a heavy financial responsibility upon the Treasury.

Another item contained in the bill authorizes the sum of \$500,-000,000 for rural electrification projects. The Grange has given its hearty support to the plan launched in this connection several years ago. We consider it one of the soundest steps ever taken by the Government to improve conditions in the farming sections. However, since the basic act for rural electrification, passed in 1936, authorizes the appropriation of \$40,000,000 annually over a 10-year span for loans on such projects, there would seem to be no necessity for this provision in the measure now being debated in Congress. Several other items contained in the bill are open to many objections.

objections

One of the fundamental reasons why this bill should not be enacted is that it would discourage private initiative and would take us farther along the road toward making America a collectivist state. If President Roosevelt should issue a clear, definite, and positive statement to the effect that it was our fixed purpose to continue our traditional American system of private enterprise, and if such legislation as this were thrown into the discard, it would do more than anything else could to bring about such an upturn in every branch of American industry and business as would give cause for universal rejoicing.

Yours very sincerely,

THE NATIONAL GRANGE. FRED BRENCKMAN Washington Representative.

PUMP PRIMING

Mr. VANDENBERG. Mr. President, I present a communication in the nature of a petition from Mr. J. B. Sager, of St. Louis, Mo. Attached to it, by way of illustration, is a leather gadget which I understand is technically known as a sucker in connection with pump priming. The message is as follows:

WANTED: MORE SUCKERS FOR NEW DEAL THEORIES

This thing may have a technical name, but every real farmer (like the Squire of Hyde Park) calls it a sucker.

Continued pump priming indicates that new suckers are needed—the old ones are worn out.

Maybe it would be better to fix the pump-or get a new one. A WORN OUT SUCKER.

REPORTS OF COMMITTEES

Mr. HOLMAN, from the Committee on Military Affairs, to which was referred the bill (S. 2295) authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919, reported it without amendment and submitted a report (No. 1037) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 2433) for the relief of Frank Casey, reported it without amendment and submitted a report (No. 1038) thereon.

CONTINUATION OF SPECIAL COMMITTEE ON TAXATION OF GOVERN-MENTAL SECURITIES AND SALARIES

Mr. BROWN, from the Committee on Finance, to which was referred the resolution (S. Res. 172) continuing the Special Committee on the Taxation of Governmental Securities and Salaries (submitted by Mr. Brown on the 27th instant), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

NOMINATION OF EDWARD E. DEWEY-RECONSIDERATION

Mr. McKELLAR. Mr. President, a few days ago the nomination of Edward E. Dewey to be postmaster at Decatur, Ark., was confirmed by the Senate. Upon the request of both Senators from that State, I ask unanimous consent, as in executive session, that the vote by which the nomination was confirmed may be reconsidered and the nomination restored to the Executive Calendar.

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

S. 2917. A bill for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn. (with accompanying papers); to the Committee on Claims.

By Mr. VANDENBERG:

S. 2918. A bill for the relief of Louis Duray; to the Committee on Naval Affairs,

By Mr. BURKE:

S. 2919. A bill to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935; to the Committee on Commerce.

By Mr. LUCAS:

S. 2920. A bill granting a pension to Martha J. Coble; to the Committee on Pensions.

By Mr. TAFT:

S. 2921. A bill granting an increase of pension to Mary Sheridan; to the Committee on Pensions.

MORAL REARMAMENT PROGRAM—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. Truman asked and obtained leave to have printed in the Record a radio address by Senator Thomas of Utah on the subject of the moral rearmament movement, which appears in the Appendix.]

ADDRESS BY SENATOR SLATTERY AT SALEM (ILL.) SOLDIERS' AND SAILORS' REUNION

[Mr. Herring asked and obtained leave to have printed in the Record an address delivered by Senator Slattery at the Salem (III.) Soldiers' and Sailors' Reunion, which appears in the Appendix.]

SHALL WE SEND OUR YOUTH TO WAR?—ARTICLE BY HON. HERBERT HOOVER

[Mr. NyE asked and obtained leave to have printed in the RECORD an article appearing in the American Magazine for August 1939 entitled "Shall We Send Our Youth to War?" by the Honorable Herbert Hoover, which appears in the Appendix.]

SOUTH DAKOTA-ADDRESS BY IVAN A. BICKELHAUPT

[Mr. Gurney asked and obtained leave to have printed in the Record an address delivered on June 14, 1939, before the Gyro Club of the City of Washington by Ivan A. Bickelhaupt, which appears in the Appendix.]

SILVER-PURCHASE PROGRAM

[Mr. Townsend asked and obtained leave to have printed in the Record articles relative to the silver-purchase program from the Bangor News of June 27, 1939, the Hartford Courant of July 10, 1939, and the New York Sun of May 3, 1939, which appear in the Appendix.]

PAUL V. M'NUTT

[Mr. Bridges asked and obtained leave to have printed in the Record an article from the Washington Evening Star of Friday, July 28, and an article from the Washington Post of Saturday, July 29, 1939, relative to Paul V. McNutt, Federal Security Administrator, which appear in the Appendix.l

APPOINTMENT OF PAUL V. M'NUTT AND THE HATCH BILL—ARTICLE
FROM THE CHRISTIAN SCIENCE MONITOR

[Mr. Minton asked and obtained leave to have printed in

[Mr. Minton asked and obtained leave to have printed in the Record an article published in the Christian Science Monitor relative to the appointment of Paul V. McNutt and the Hatch bill, which appears in the Appendix.]

PROTECTION OF PRIVATE ENTERPRISE—STATEMENT BY SENATOR O'MAHONEY

[Mr. Burke asked and obtained leave to have printed in the Record a statement made by Senator O'Mahoney before the Senate Committee on the Judiciary relative to Senate bill 2719, which appears in the Appendix.]

PAY ROLL OF WORKS PROGRESS ADMINISTRATION IN WEST VIRGINIA

[Mr. Holt asked and obtained leave to have printed in the Record a statement regarding the pay roll of the Works Progress Administration in West Virginia, which appears in the Appendix.]

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES—STATEMENT OF SENATOR THOMAS OF OKLAHOMA AS TO YEA-AND-NAY VOTES

Mr. THOMAS of Oklahoma. Mr. President, on yesterday I was necessarily absent from the Senate, and during my absence several votes were taken. I desire to state for the RECORD how I would have voted had I been present.

On the Wheeler-La Follette amendment to help farm owners through the Federal Farm Mortgage Corporation, which appears on page 10261 of the Record, and the vote on which appears on page 10295 of the Record of yesterday, Friday, July 28, 1939, had I been present, I would have voted "yea."

On the motion to reconsider the vote by which the so-called Byrd amendment was rejected. On the motion of the Senator from Indiana [Mr. Van Nuys] to reconsider the vote by which the amendment of the Senator from Virginia [Mr. Byrd] proposing to strike out the roads provision of the pending bill, on which motion the yeas and nays appear on page 10297 of the Record of yesterday, had I been present, I should have voted "nay." On the vote on agreeing to the amendment of the Senator from Virginia, which appears on the same page, had I been present, I should have voted "nay."

Then, late last night, on the Wheeler amendment relating to funds to be loaned to the railroads, the vote on that amendment is found on page 10349 of yesterday's Record. Had I been present, I should have voted "nay."

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

The VICE PRESIDENT. When the Senate took a recess late last evening the Senator from Wyoming [Mr. O'MA-HONEY] was occupying the floor and yielded, apparently, for the purpose of permitting a motion to be made for a recess of the Senate. The Chair feels that he should recognize the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, when I rose last night I asked that the clerk state the amendment offered by me. Before that is done, however, I desire to call attention to the fact that when the amendment was presented it consisted of two provisions, the first of which had to do with the maintenance of free private enterprise generally, while the second was an amendment to the provision dealing with rural electrification. The latter amendment was afterward offered by the Senator from Kentucky [Mr. Barkley] and adopted. Therefore, it should be omitted from this amendment.

I think it becomes necessary also to alter a word in the amendment. May I ask the Senator from Kentucky what is the title of the head of the Public Works Administration?

Mr. BARKLEY. The title of the organization is "Administration of Public Works."

Mr. O'MAHONEY. I meant the title of the chief.

Mr. BARKLEY. It is "Public Works Commissioner."

Mr. O'MAHONEY. Let the amendment be modified, on page 2, line 2, by inserting the word "Commissioner" in lieu of "Administrator."

The PRESIDENT pro tempore. The amendment will be modified as requested by the Senator from Wyoming.

Mr. O'MAHONEY. Now, may the amendment be stated?

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 17, after the word "act", it is proposed to insert a colon and the following:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged, loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted, and a finding to that effect has been made after public hearing by the Public Works Commissioner.

Mr. RADCLIFFE. Mr. President-

Mr. O'MAHONEY. I yield to the Senator from Maryland. Mr. RADCLIFFE. It is my understanding that the provision for a finding in the latter part of the amendment refers both to the reasonableness of the rates and also to the matter of the nonacceptance of the offer.

Mr. O'MAHONEY. The Senator is quite right. Mr. RADCLIFFE. There might be some slight element of doubt in regard to it. In order that the matter may be stated with a little more particularity and emphasis, I ask the Senator whether he would object to the following lan-

Amend by striking out the last word on page 1 of the amendment and also by striking out the first two lines on page 2 of the amendment and by inserting in lieu thereof the following language:

Finding, as to both the reasonableness of said offer and also as to its failure of acceptance, has been made after a public hearing by the Public Works Commissioner.

In other words, that would clearly tie in the word "finding" with both the matter of the reasonableness of the rate and also the question of acceptance.

Mr. O'MAHONEY. Will the Senator be good enough to send me the language he proposes?

Mr. RADCLIFFE. Certainly.

Mr. O'MAHONEY. The Senator desires to strike out the word "finding," in line 10, page 1, and lines 1 and 2 on page 2 and substitute in lieu thereof these words:

Finding as to both the reasonableness of said offer and also as to its failure of acceptance, has been made after a public hearing by the Public Works Commissioner.

I have no objection to that language, although I do not think there is any need for it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. The addition makes the language a little complicated, Why would it not be simpler to say "and a finding to that effect as to both conditions," the reasonableness and the acceptance or nonacceptance of the offer, so that it would tie in without repetition?

Mr. O'MAHONEY. I think that is quite immaterial. Both suggestions are exactly the same, and I am quite willing to

accept either one.

Mr. RADCLIFFE. I thought the meaning was clear; but there is some danger that the word "finding" might be given a restricted interpretation, and for that reason I thought it might be advisable to make the language explicit.

Mr. O'MAHONEY. Mr. President, I am willing to accept the modification.

Mr. BARKLEY. If the Senator will yield, I have no objection to the amendment. In fact, we attempted in the committee, not very satisfactorily, to work out a provision, which was later eliminated, and we have been working on one. I see no objection to this one. I think it accomplishes what we are seeking to do. But I wonder why the Senator, in line 1, on page 2, has provided that the finding must be had after a public hearing. In all the provisions of this kind in the bill heretofore we have not required public hearings, as I understand, and under this language, even where both parties agreed that there had been an offer and a failure to accept, there would still have to be a public hearing.

Mr. O'MAHONEY. I think notice of a public hearing would be quite sufficient. I feel very strongly that the holding of a hearing in public upon any matter of public business is of the utmost importance. I do not believe it would be

wise to delete that phrase. As a matter of fact, I think it would open the amendment to a great deal of attack, because it would raise the question whether or not it was desired on the part of the Public Works Commission to make these loans and encourage public enterprises and public construction without public hearings and without public knowledge.

Mr. BARKLEY. I do not think there has been any abuse of that power.

Mr. O'MAHONEY. I think the Senator is quite right.

The PRESIDENT pro tempore. The Senator from Wyoming accepts the suggestion of the Senator from Maryland. The clerk will now report the amendment as modified.

The Legislative Clerk. As modified, the amendment is on page 4, line 17, after the word "act", to insert a colon and the following:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged, loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted, and a finding as to both the reasonableness of said offer and also as to its failure of acceptance has been made after a public hearing by the Public Works Commission.

Mr. BARKLEY. I think the word "its" ought to be "the."

Mr. O'MAHONEY. The Senator is quite right.

Mr. BARKLEY. I think there is one unnecessary "also" in the amendment.

Mr. RADCLIFFE. The word "also" is not necessary, but it does not detract or otherwise modify. It points out merely with a little more particularity what is intended. I do not object, however, to its being eliminated.

Mr. TYDINGS. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. I am thoroughly in sympathy with the amendment offered by the Senator from Wyoming; but let me ask for a little explanation of some things which to me are not quite clear.

I suppose that the philosophy of the amendment is that the R. F. C., or any other agency, shall not make loans for the purpose of Government operation unless the field is inadequately supplied by private industry, or in accordance with the other restrictions here set out. Am I correct in that assumption?

Mr. O'MAHONEY. The Senator is correct in the assumption so far as it deals with the Public Works Administration. The amendment is not connected with the section which deals with the R. F. C., because the R. F. C., as I understand, has been universally accepted from the very beginning as dealing with private enterprise. The Public Works Administration was taken out of the hands of the R. F. C. when the N. I. R. A. was established, and it has not since gone back.

Mr. TYDINGS. To what agencies would the amendment apply?

Mr. O'MAHONEY. The amendment as I originally offered it applied to the Public Works Administration and to the Rural Electrification Administration. The second amendment, found in the last three lines on page 2, was afterward offered by the Senator from Kentucky and adopted. So the amendment now before the Senate applies to the Public Works Administration.

Mr. TYDINGS. The provision, however, is that loans shall not be made under this subsection so as to promote any undertaking "in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive enterprise." What is noncompetitive private enterprise?

Mr. O'MAHONEY. A noncompetitive private enterprise would be a public utility serving a city where there is no competition.

Mr. BARKLEY. And having a monopoly.

Mr. O'MAHONEY. And having a monopoly.

Mr. TYDINGS. Does not the Senator think that the exigencies of this case demand that the amendment be forthright, to the effect that where private enterprise is now serving a community or a need set forth in the application of the proposed borrower, the agencies lending the money on the part of the Government should be precluded directly, and that there should not be any latitude?

Mr. O'MAHONEY. I do not agree with that suggestion, for this reason: I believe still in local self-government, and the largest possible amount of local self-government, and, if a city anywhere in this country should desire to establish a municipal electric-light plant, I know of no reason why Congress should adopt language in this amendment which would prevent the city from doing it, or from getting the advantage of a loan for the purpose of doing it. I have protected in this amendment the right of private enterprise from being unjustifiably pushed out of the field by Government competition.

Mr. TYDINGS. Of course, under the amendment or without it, any city can establish a municipal enterprise, and there is no law which has been passed by Congress or which is contemplated, which would stop any city from going into an undertaking which has heretofore been administered by private enterprise itself. But why should we lend the money under the thought that we are helping industry in the country—and I understand that is the philosophy of the proposed loans—if to any extent at all the undertaking is to be merely a duplication of what private industry is doing?

Mr. O'MAHONEY. I think the answer to that is simple. There are cases of utility companies which have been granted franchises in particular communities operating those franchises without due regard to the needs of the consumers.

Mr. TYDINGS. Understand, I am not complaining at all at the Senator's objective. I am thoroughly in sympathy with the lending of money for rural electrification. I think, properly administered, that is one of the best things we have done.

Mr. O'MAHONEY. The amendment does not deal with rural electrification.

Mr. BARKLEY. And it is not necessary that it do so, because in the rural electrification law itself—

Mr. TYDINGS. I was only saying that for the purpose of illustration. I did not contend that the amendment dealt with rural electrification. I am merely expressing a philosophy that, inasmuch as the loans are to be for the help of business and for making work and making jobs, the money should not be used in taking over existing concerns, but in building new ones. That is the thought I am trying to express, and I have no idea at all of getting into a debate on the utilities question either one way or the other.

The purpose of the amendment is to help industry and to provide jobs, and I do not think that loans should be made under it—perhaps they might be under another measure—or that any of this money should be taken to finance the duplication of something already in existence. That ought to be covered in some other bill. The object of the amendment is to aid business and to make jobs. That is my thought, and I am not quarreling at all with the Senator's objective. I was wondering whether or not the language as drawn would not permit the lending agencies to lend money to take over something which already exists, when the purpose of the amendment is to help industry and to provide jobs, and in that case it would not provide jobs.

Mr. O'MAHONEY. Mr. President, I doubt very much whether there would be any great danger of what the Senator apprehends. Protection is thrown around private enterprise in the amendment by requiring that in such cases as the Senator describes, before any public-works enterprise can be undertaken, there must first be a reasonable offer to acquire the facilities of the noncompetitive enterprise and the offer not accepted, and then the noncompetitive enterprise shall be given the opportunity at a public hearing to explain the entire situation. I am strongly of the opinion that the provision for a public hearing is one of the most effective provisions in the amendment.

Mr. TYDINGS. I am not going to detain the Senate to take issue with the Senator's philosophy, because I am basically in accord with it. I think I can take my seat with

the general conclusion that the Senate, in adopting the amendment, is hoping and expecting and demanding that it be administered in line with the colloquy which has here taken place, and any other interpretation put upon it will be foreign to the intention of the Senate.

Mr. O'MAHONEY. Mr. President, I quite agree with the Senator. The adoption of this amendment, together with the action of the Senate throughout the consideration of the bill, is a clear declaration that in the opinion of the Senate free private enterprise should be protected and encouraged by government.

Mr. TYDINGS. And not competed with by government.

Mr. O'MAHONEY. Exactly.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MINTON. Let me see if I understand the position of the Senator from Wyoming on his amendment. If a municipality wanted to build an electric-light plant and do it under this provision, and there existed a competing utility, there would have to be a determination by the Commissioner of Public Works that the rates were unreasonable, and that a reasonable offer had been made to purchase the utility's property. Is that correct?

Mr. O'MAHONEY. No; the provision is, "or by existing noncompetitive enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made to acquire the facilities and such offer has not been accepted." Those are the two primary conditions.

Mr. MINTON. In other words, if a municipality wanted to erect an electric-light plant, and there was already a public utility in the community, under this provision, before the municipality could get it there would have to be a determination by the Commissioner of Public Works that the rates of the utility in that community were unreasonable, and that the municipality had offered to purchase the utility at a reasonable price?

Mr. O'MAHONEY. No; I do not think that interpretation is justified. Let me read it:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged, loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing—

I am omitting a phrase now-

by existing noncompetitive enterprise at reasonable rates or prices, unless— $\,$

So the question of the rates does not enter.

Mr. MINTON. I understood the amendment of the Senator from Maryland [Mr. RADCLIFFE] to be such as to tie in two conditions.

Mr. O'MAHONEY. No; the amendment of the Senator from Maryland merely provides that it shall be quite clear that the finding of the Public Works Commissioner must be upon the two qualifying factors; namely, that a reasonable offer has been made, and that such offer has not been accepted.

Mr. MINTON. Are those two findings preliminary to the right of the municipality to seek aid under this bill?

Mr. O'MAHONEY. No. I think the application could be made, and after the application had been made, that would be the final act and not the preliminary act.

Mr. MINTON. In any event, before the municipality could have a final determination of the right to receive aid under this act, would there not have to be a determination by the Public Works Commissioner that the rate charged by the utility was unreasonable?

Mr. O'MAHONEY. I think not. That is not my interpretation of this language. Is that the interpretation of the Senator from Maryland?

Mr. RADCLIFFE. The Senator from Wyoming is entirely correct. The word "reasonableness" there has to do only with the matter of the offer of purchase. It has no concern with the question of the rates charged by the utility or any other company. It is restricted to the matter of price of the sale of the company.

Mr. MINTON. Let me ask the Senator from Wyoming a further question.

Mr. O'MAHONEY. I yield.

Mr. MINTON. Who, in his judgment, would be the judge of the reasonableness of the price?

Mr. O'MAHONEY. The Public Works Commissioner, after public hearing.

Mr. MINTON. Does the Senator think that would be final?

Mr. O'MAHONEY. Yes.

Mr. MINTON. Could the finding not be taken into the courts?

Mr. O'MAHONEY. I do not think so, unless the court action were based upon an allegation that the finding was arbitrary, and the public hearing, I think, eliminates that suggestion.

Mr. MINTON. Would not the Senator feel that the amendment would be safer if there were inserted in it a provision that the finding of the Commissioner should be final?

Mr. O'MAHONEY. Mr. President, I hope the Senator will not make that suggestion, because the purpose of this amendment is perfectly simple. It is to give notice to the people of the Nation that it is not the intention of this body, of the Congress, or of the Government to do anything which will interfere with free private enterprise.

I feel that the time has come when we should make it clear that, having won the objectives of maintaining the rights of popular development, we should not proceed to crush private enterprise. The unfortunate fact is that a feeling is growing in this country that the purpose of the Government is not to encourage private enterprise, but to crush it, and to substitute big government for private business.

The amendment suggested by the Senator from Indiana would, in my opinion, have a very unfortunate effect.

I say that, because there has been declaration after declaration by the President of the United States, by Members of this body, by Members of the House, by officials in the executive arm of the Government, that the purpose of the Congress and of the Government is to encourage free private enterprise. Now, let there be no doubt about it.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Alabama. Mr. HILL. Does the Senator know that we have the Federal Works Agency and then we have the P. W. A. under the Federal Works Agency? Mr. Carmody is head of one and Colonel Clark is at present the head of the other. The finding would be made by the head of the P. W. A. or the head of the Federal Works Agency, would it not?

Mr. O'MAHONEY. It would be by the Public Works Commissioner, who, I understand, is Mr. Carmody.

Mr. HILL. We have the Public Works Administration under the Federal Works Agency. Is it the idea that the finding would be by the head of the Federal Works Agency?

Mr. O'MAHONEY. Whoever is the Public Works Commissioner. I adopted that title at the suggestion of the Senator from Kentucky [Mr. Barkley].

Mr. HILL. That is the "Public Works Administrator." Is that the language in the amendment?

Mr. O'MAHONEY. No; it is "Public Works Commissioner," as the amendment now stands.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Under the Reorganization Act, the plan adopted by the President, the name is changed. This would come under the Public Works; it would be the Public Works Commissioner. He is the same official. He has charge of the Public Works Administration. He has charge of the entire public-works program—roads, or whatever may be in progress in the way of construction. He has an over-all charge of it.

Mr. HILL. That is the office held today by Mr. Carmody. Mr. BARKLEY. Yes; the office held by Mr. Carmody.

Mr. HILL. May I ask the Senator from Wyoming another question?

Mr. O'MAHONEY. I am happy to yield.

Mr. HILL. It is the Senator's intention to strike out the word "Commission" and put in the word "Commissioner"?

Mr. O'MAHONEY. That has already been done.

Mr. HILL. Then, as I understand it, the finding of the Public Works Commissioner will be final in the matter; and in making the finding the question will be solely as to whether or not a reasonable offer has been made.

Mr. O'MAHONEY. Yes; unless, of course, I must acknowledge, that if there were arbitrary action there would still be appeal to the courts. But, Mr. President, in drafting this amendment, with the assistance of officials in the executive arm of the Government, it has been my purpose to avoid certain other restrictive amendments, which, in my opinion, have a lawsuit in every line. The language of the amendment avoids that difficulty.

Mr. HILL. I am glad to hear the Senator say that, because that is the very thought I had in mind.

Mr. O'MAHONEY. I thought the Senator had that in mind.

Mr. HILL. We have had many lawsuits, particularly where any matter of public power has been involved. We have had many splendid projects held up for years through injunctions and lawsuits, and I want to see every safeguard is provided to prevent and inhibit lawsuits.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KING. I am somewhat in doubt with respect to the words "at reasonable rates or prices." I am in doubt who is to determine the reasonable rates or prices. Is this intended to supersede the authority possessed by the public-utilities commissions of the respective States?

Mr. O'MAHONEY. No, indeed.

Mr. KING. Because they might say that a certain price is reasonable, and I should be very sorry to take from them that authority.

Mr. O'MAHONEY. No; I should say that the decision of the public-utilities commission in any State would be controlling as to the reasonableness of the rates.

Mr. KING. I should preserve that authority, and would be very much opposed to transferring the authority of the States and their public-utilities commissions, to determine the reasonableness of rates, to some functionary in Washington, whether it was Mr. Carmody or any of his assistants.

Mr. O'MAHONEY. I quite agree with the Senator. There is no possibility of that under this amendment.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. NORRIS. There is so much confusion in the Chamber that I am not clear as to just what modification has been made.

Mr. O'MAHONEY. I will read the modification.

Mr. NORRIS. Let me ask the Senator a question before he does that. There are two parts to the amendment as printed. One has already been agreed to.

Mr. O'MAHONEY. The amendment which is covered by the last three lines on page 2 has already been adopted and is not now before the Senate.

Mr. NORRIS. Yes; that is not a part of the pending amendment.

Mr. O'MAHONEY. That is not a part of the pending amendment.

Mr. NORRIS. I should like to know how the amendment now reads.

Mr. O'MAHONEY. I shall read the amendment to the Senate, beginning in line 2, page 1:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged, loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted, and a finding—

This is the change-

as to both the reasonableness of said offer and also as to the failure of acceptance has been made by the Public Works Commissioner.

The Senator from Maryland [Mr. RADCLIFFE] was of the opinion that the original language in the amendment, "a

finding to that effect," might be subject to misinterpretation, and his amendment was merely clarifying.

Mr. NORRIS. I think the change does not in reality alter the amendment at all.

Mr. President, I do not want to take the time of the Senator in making an argument—

Mr. O'MAHONEY. Mr. President, there was an apparent omission. I did not read the language correctly. It should read:

And also as to the failure of acceptance has been made after public hearing by the Public Works Commissioner.

Mr. NORRIS. I ask the Senator whether his amendment has any other object than to prevent the construction by a municipality of a municipal electric light plant?

Mr. O'MAHONEY. Mr. President, I beg the Senator's pardon. My attention was diverted by my conversation with the clerk. May I ask the Senator to repeat his question?

Mr. NORRIS. So as to obtain an understanding as to what the amendment is driving at, is there any other object in the amendment except to prevent a municipality from obtaining assistance if it wants to put in a municipal electric light plant when one already exists and is privately owned?

Mr. O'MAHONEY. That is not the purpose of the amendment. The purpose of the amendment is to carry out this sentence in the letter of the President of the United States to the Senator from South Carolina [Mr. Byrnes]:

I have caused estimate to be made of the extent of the field for investment of funds in revenue-earning channels on a self-liquidating basis, and in no way competitive with private enterprise.

Mr. NORRIS. Even though the Senator's amendment may have some other objects that might be very worthy, would not one of the effects of his amendment be that it would for all practical purposes prevent a municipality from obtaining any assistance when it wanted to put in a municipal electric-light plant?

Mr. O'MAHONEY. No, Mr. President. I do not think it would by any possibility have that effect. I have in mind private hearings—that is to say, hearings which were open to anybody who wanted to come in—which were held by Public Works Administrator Ickes when questions of this kind arose while he was administering public works. I am sure no one will intimate that, so far as the Public Works Administration under Secretary Ickes was concerned, there was any attempt on the part of the Administration to restrain municipalities from development.

Mr. NORRIS. Let me ask the Senator another question. Assume that municipality A is now supplied with electricity by a privately owned company; assume that it wants to take advantage of the proposed act and put in a municipally owned electric-light plant; if this amendment were agreed to, for practical purposes would not that be impossible?

Mr. O'MAHONEY. I do not think so. I do not think there is any possibility of such an interpretation.

Mr. NORRIS. In other words, the determination of the citizens to put in a municipal light plant would not be the final determination as to whether or not it could be put in?

Mr. O'MAHONEY. It would be the final determination so far as they were concerned, with their own money.

Mr. NORRIS. Yes.

Mr. O'MAHONEY. However, under this amendment they could not come to the United States and borrow the money if they were unwilling to buy out the privately operated utility at a reasonable price, to be fixed by the Public Works Commissioner after a public hearing.

Mr. NORRIS. Yes; they would have to have a public hearing by the Public Works Commissioner. He would have to pass on those questions, whether or not the citizens had reached a determination to do it, before any assistance could be granted.

Mr. O'MAHONEY. The Public Works Commissioner would have to make a finding.

Mr. NORRIS. I do not want to take up the Senator's time. I am not questioning his motives in any way. However, in my own time I wish to show—and I think I can—that if this amendment is adopted, so far as municipal light plants are

concerned they are out of the picture, and that for practical purposes it would be impossible for municipalities ever to go through the modus operandi provided in the amendment and obtain a municipal plant through any assistance which the municipality might seek under this particular provision.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. The Senator's amendment would not prevent a municipality from establishing a municipal hospital on the ground that it might compete with a private hospital?

Mr. O'MAHONEY. I think not.

Mr. NORRIS. Why would it not?

Mr. BARKLEY. Nor would it prevent a university from building a dormitory for its students on the ground that it might compete with private boarding houses?

Mr. O'MAHONEY. I think not.

Mr. NORRIS. Suppose there were a private hospital in the municipality and the municipality wanted to establish a municipal hospital; would it not be necessary to have a public hearing and a finding by the public works commissioner?

Mr. O'MAHONEY. Not at all, because a hospital is not a competitive industry.

Mr. BARKLEY. I was about to suggest that it would come within the category of a noncompetitive industry.

Mr. O'MAHONEY. Exactly.

Mr. BARKLEY. The amendment now before us is practically the same as the understanding we had when we passed a previous public-works program. The understanding was not put into the law, but, as the Senator may recall, I was authorized by the President to state, and I stated on the floor of the Senate, that none of the money would be used to establish a municipal light, water, or other utility plant where there was an existing plant, unless and until an offer was made in good faith to purchase the existing plant at a reasonable price. So far as I know, there has been no complaint with reference to the administration of that act or the keeping of that understanding. I have never had an instance brought to my attention of Mr. Ickes, as Administrator, undertaking to lend money to a municipality to establish a competitive utility system. I do not even know that he subsequently made any loans for that purpose. That arrangement or understanding was, of course, acceptable to him and to the President and was carried out in good faith, although it was not incorporated in the law itself.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. O'MAHONEY. I yield.

Mr. WAGNER. Let us assume a situation in which a ferry is providing transportation facilities for a community across a river; let us assume that the community itself decides that it would prefer to provide transportation for its citizens by a bridge, and to impose a toll for passage across the bridge sufficient to maintain it and liquidate the debt. I take it a ferry is a public utility. Its rates are regulated. Under the provisions of the Senator's amendment that community could not obtain a loan to construct the bridge unless first there were a hearing to determine whether or not the ferry was adequate to provide transportation across the river.

Mr. O'MAHONEY. I do not think that interpretation is justified. Of course, the intention was to apply to enterprises of the same character. A bridge and a ferry both provide transportation, or means of transportation. However, they are not of the same character. I do not think the interpretation suggested by the Senator would be a reasonable one.

Let me say to the Senator that it is a tremendous mistake for him to raise small questions of detail. The preponderant question is whether the Government will stand behind free public enterprise, or whether there is an attempt to substitute Government for free enterprise of its citizens. The answer to that question must be made clear. If it is not made clear, the continued slide downward which has been manifest will continue.

Mr. WAGNER. Mr. President, I did not know that I was inviting that sort of protest. My purpose in asking the

question was to try to make it clear that an enterprise such as I have mentioned is not within the intent of the amendment offered by the Senator. I see a distinction. I think it would be a strained interpretation to say that a bridge offers the kind of competition with a ferry which would be included in the amendment. While I am quite happy to receive the admonition of the distinguished Senator, my purpose was entirely different from the view he has apparently taken of it.

Mr. O'MAHONEY. If I misinterpreted the Senator's attitude, I apologize.

Mr. WAGNER. I wish to make my attitude clear. I am sure the Senator does not intend that such a proposal as I have just mentioned should come within the intent of his amendment.

Mr. O'MAHONEY. Such is not the intention; and I do not think it would be a proper interpretation.

Mr. WAGNER. The amendment should not be so interpreted?

Mr. O'MAHONEY. That is correct.

Mr. KING. Mr. President-

Mr. O'MAHONEY. I yield to the Senator from Utah.

Mr. KING. I take the opportunity to state in the Senator's time that he has just submitted a statement which I think will meet with the approval of all who believe in our form of government and with the disapproval of those who are determined to force state socialism upon our country.

I desire to make one further observation. I was wondering why the committee of which the distinguished Senator from New York is chairman did not invite Mr. Ickes, who is one of the ablest of the representatives of the Government in the executive department, to present his views respecting this bill. I have been advised, whether correctly or not I am not prepared to state, that he submitted to some organization or to the press a statement in which this bill was analyzed, and he pointed out many of its infirmities. I was wondering why this great committee, when dealing with the important question presented before it, did not have Mr. Ickes testify instead of Mr. Carmody, or others, for Mr. Ickes has had larger experience in conducting activities that come within the periphery of the influence of this bill than has any other man in the executive department, and he has exhibited a courage and an independence and honesty and efficiency that have not been paralleled, in my opinion, by the executive of any of the other departments of the Government. I wonder why the committee did not have him before it to testify instead of some of the other persons whose experience in dealing with these important questions is not comparable to that of Mr. Ickes?

Mr. O'MAHONEY. Mr. President, the question propounded by the Senator from Utah, I think, was propounded yesterday and answered by the Senator from New York, but, if the Senator from New York cares to make further reply now, I will be very happy to yield to him for that purpose.

Mr. WAGNER. Mr. President, the question has heretofore been asked.

Mr. KING. I did not know that.

Mr. WAGNER. And I attempted to reply to it. In the first place, I want to concur entirely in what the Senator from Utah says about the administration of Secretary Ickes. There was a time when he was criticized in certain quarters for making loans to municipalities which enabled them to build electric generating plants, in order to supply electricity to communities as a public service rather than a private service. I am very glad that finally even the critics of that particular activity now accept that as a very sound policy to pursue.

I wish further to say that no one suggested the calling of Mr. Ickes. So far as I am concerned, I always value and treasure the advice of Mr. Ickes upon any of these matters; his advice would greatly influence my action; but Mr. Ickes has no part in the administration of any one of the activities provided for by the proposed pending legislation. We called before the committee those public officials who would have the administration of this proposed act in charge; we limited those called to witnesses of that character; but I am sure that,

if anybody had suggested that Mr. Ickes might be able to give us valuable information, we would have at once invited him to appear. I do not know from what the Senator from Utah stated but that Mr. Ickes had made criticism of this particular act. I am not informed as to that, but I have never seen such a criticism on his part anywhere.

Mr. O'MAHONEY. Mr. President, after the Senator from Kentucky had indicated that this amendment was acceptable to him, I had hoped that the amendment might be adopted without protracted debate, and for myself I have no desire to occupy the floor of the Senate unnecessarily, but I am uncertain whether or not the Senator from Nebraska or some other Senators may desire to discuss it.

Mr. BARKLEY. I will say to the Senator that I am informed the Senator from Nebraska desires to address the Senate on the amendment.

Mr. O'MAHONEY. Then I shall withhold further discussion of the amendment until later.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield the floor.

Mr. NYE, Mr. AUSTIN, and Mr. HILL addressed the Chair.
The PRESIDENT pro tempore. The Senator from North
Dakota [Mr. Nye] is on the list to be recognized at this
time and the Chair recognizes him. Does he yield; and if so,
to whom?

Mr. NYE. I yield first to the Senator from Vermont.

Mr. AUSTIN. Mr. President, for the information of the Senate, I wish to say that when this amendment shall have been perfected in its language I believe there will be a substitute offered for it.

Mr. HILL. Mr. President-

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. NYE. I yield.

Mr. HILL. If I may, I should like to have the opinion of the Senator from Wyoming on the question raised a few moments ago as to who would make the findings. The Senator has, I believe, in his amendment now designated the Public Works Commissioner. I understood, however, from what the Senator from Wyoming said it was his idea that the head of the Federal Works Agency, which is the supreme Works Administration, should have the decision. If so, the official designated should be the Federal Works Administrator. That is the title of Mr. Carmody.

Mr. O'MAHONEY. That was the language which I originally incorporated in the amendment, but which I changed at the suggestion of the Senator from Kentucky. I am very happy to go back to the original language, if the Senator from Alabama so desires.

Mr. HILL. In that connection, I will say I consulted Document No. 262, of the House of Representatives, which contains the President's message embodying the reorganization plan, and, if it is the purpose of the amendment to put the head of the Federal Works Agency in the position of making these determinations, then it should designate the Federal Works Administrator, who is the head of the Federal Works Agency.

Mr. O'MAHONEY. Having made the change at the suggestion of the Senator from Kentucky—

Mr. BARKLEY. I do not care what he is called, so that we get the right man.

Mr. O'MAHONEY. I hesitate to change back again.

Mr. BARKLEY. I think we may straighten that out during the address of the Senator from North Dakota.

Mr. O'MAHONEY. Very well.

Mr. DANAHER. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield to the Senator from Connecticut.

Mr. DANAHER. Mr. President, in line with the suggestion of the Senator from Vermont [Mr. Austin] that a substitute would be offered for the pending amendments submitted by the Senator from Wyoming [Mr. O'Mahoney], I should like to take a moment to read into the Record at this point the substitute. Then I shall confer with the Senator from Wyoming and ascertain from him whether or not an agree-

ment can be evolved with reference to the exact language of the proposed substitute, which would be inserted in the general provisions clause of the pending bill on page 18, line 6, and which would read as follows:

No funds, whether loans or expenditures, shall be made available under this act to any Federal, State, or local public body, or to any person or corporation, for use by any such agency, person, or corporation to purchase, establish, construct, relocate, or expand any mill, factory, plant, or commercial enterprise which is or will be as a result of such loan or expenditure in competition with any existing industry or commercial enterprise, provided the limitation herein shall not apply to any such loan or expenditure for a public hospital.

Mr. O'MAHONEY. Mr. President, I want to make a comment on the proposed amendment which has just been read by the Senator from Connecticut. I am very fearful that the language which he has just read would be altogether too broad, because it would clearly prohibit all loans under the farm-security sections of this bill, because a farmer who obtained a grant on farm security would unquestionably be a person and he would unquestionably be in competition with every other farmer. I am sure the Senator does not want any such effect as that new, but I will be very glad to discuss the matter with the Senator during the address of the Senator from North Dakota.

Mr. DANAHER. Mr. President, if the Senator from North Dakota will yield a moment further, I should like to point out that the limitation applies against a plant or a commercial enterprise and certainly it is not generally considered that a farmer is either one.

Mr. O'MAHONEY. Farmers erect plants on their farm, and certainly are engaged in a commercial enterprise when they sell their commodities.

Mr. BARKLEY. Mr. President, if the Senator from North Dakota will yield, I note that the Senator from Connecticut exempts hospitals in his amendment.

Mr. DANAHER. I do.

Mr. BARKLEY. That indicates the difficulty of drawing specific exemptions. Hospitals, I suppose, are included in his exemption, because in the committee when we were attempting to frame language and finally did adopt a section, it was so drawn that under the road program, which has been eliminated from the bill, a bridge could not be built if it competed with a ferry. Under the language of the Senator's proposed substitute I doubt very much whether a university could build a dormitory which might be held to be in competition with a hotel or a private boarding house, which are commercial enterprises. I think that the language of the Senator's substitute is so broad that it would be difficult to administer it without lawsuits and various legal efforts to prohibit the expenditure of money anywhere under this bill

The whole proposition ought to be limited to the public Works Administration and expenditures under it. It ought not to have any relationship to Rural Electrification, because there is already a provision which takes care of that. It certainly ought not to have any relation to Farm Security or Rural Rehabilitation. It can only be applicable, as a matter of fact, to expenditures by public bodies like the cities, counties, and States; and it seems to me the amendment offered by the Senator from Wyoming takes care of that. I should not want it to be broad enough to apply to R. E. A. or to Farm Security.

Mr. DANAHER. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5375) to promote nautical education, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6746) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

The message further announced that the House had passed a bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 5375. An act to promote nautical education, and for other purposes;

H. R. 6746. An act to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes; and

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act was read twice by its title and referred to the Committee on Finance.

WHO SHALL MAKE WAR FOR AMERICA—THE PRESIDENT OR THE PEOPLE?

Mr. NYE. Mr. President, I am aware, of course, of the desire to expedite the passage of the pending bill; and yet, in the light of the fact that opportunity is becoming more and more limited, I think I owe no apology for the privilege I am taking today in support of the attitude and the determination which have resulted in abandonment of the effort of this winter and this spring to repeal the arms-embargo portion of the Neutrality Act.

In the light, though, of the desire to expedite matters, I am going to make a request unlike any I have ever hitherto made—a request to be privileged to make my remarks without interruption this afternoon, but with a definite understanding—indeed, a wish—that it be understood that when I shall have finished my remarks I shall gladly lend myself to answering any questions that may arise.

Perhaps there is substance in the contention that a situation might arise in Europe that would invite and warrant steps by the United States that would be helpful to one group of warring nations as against another group of nations at war. It does not follow, however, by any manner of means, that we should therefore so shape our American laws that we would be found automatically aiding one group of nations when they went to war. It seems to me that if experience has any message for us it is that the time and events inviting our participation in Europe's squabbles should be determined by Congress, never by the President and his Cabinet alone, and that repeal of laws intended to keep us from playing favorites in other people's wars, such as the arms embargo, should come only through decision by Congress after Congress has determined what are the facts, circumstances, issues, and causes involved and inviting us to participation in those wars.

That is a consideration which has played a considerable part in shelving the proposal of the Roosevelt administration to alter our neutrality law even to the extent of repealing that feature of it which forbids American exportation of arms, ammunition, or implements of war to nations at war. This repeal is asked as an aid to preventing war in Europe. It is called one of those "steps short of war" that will prevent war. History and experience tell us clearly that such a repeal at such a time as this would be a step to war. To repeal the arms embargo would be to encourage certain countries to go to war. This can be maintained as readily as interventionists can and do maintain that the repeal would discourage certain countries from going to war. To repeal the arms embargo and make our country the arsenal for certain countries in time of their wars may be a "step short of war," but it is likewise a definite step to war for our country.

I think no clearer defense is afforded of the issue that was presented in this challenge of repeal of the arms embargo than was that published some 10 days or 2 weeks ago by that eminent authority, John T. Flynn.

Under date of July 24 he wrote:

After all the shooting and the fireworks and the "fear for our national safety" in case the President's neutrality plans did not ass, a fact comes out which seems to put the whole subject in a

pass, a lact collection of fairly clear light.

When the President found that he could not get the votes for when the President found that he could not get the votes for the feet of the collection of the collec his plan, a statement emanated from official quarters to the effect that, should any sort of European crisis develop or should war break out, Congress would be called in special session without delay.

And should Congress be called, what would it be asked to do? It would be asked to pass legislation or authorize acts respecting the attitude and policy of this country toward the belligerents.

Look at this again and what you see in this—that the legislation we now have prevents

Mr. President, I place emphasis upon the word "prevents"prevents the President or the State Department from putting this

country on one side or the other of such a war.

If you are a very wise person you may be able to foresee just where war will break out and what about. But the chances are you cannot. The scene changes quickly. At one time it is Czechoslovakia that is threatened and destroyed. A little later it is Albania. Later still it is a question whether Germany and Poland will go to war over who shall control Danzig and Pomerze. Then suddenly the issue rises between Great Britain and Japan in Tientsin. And, almost before we know it, the threat appears in Mongolia between Japan and Puscie. between Japan and Russia.

What and where it will be tomorrow and what about we can only guess, and perhaps guess badly. And what we would do in case of any of these wars we can only surmise. If Poland and Germany of any of these wars we can only surmise. If Viality and Country fought over Danzig, where would our sympathies be and how far would we go to express and support them? What would we do in case Russia and Japan fought over Mongolia? Where would we stand if Germany and Russia fought over the Ukraine? Who can sav?

And who can say what the extraneous and unpredictable special

issues will be so far as we are concerned in any case?

Now, all that being so, what possible objection can any American make to a situation in which the question of what our course will be is left to Congress? It is certain that if we renounce neutrality and throw our support to one side or the other we will almost certainly be drawn into the war. Where the issue is so grave and its consequences so appalling, should the decision be made by anybody less than the representatives of all the people—not the President alone, not the House alone, not the Senate alone, but the House, the Senate, and the President acting together in their legislative capacities? legislative capacities?

This is where we now stand. When war comes the Congress can be summoned. If it is a question of what we are to do, it ought to

be summoned.

The President says his hands are tied. That is true; but they ought to be tied. No one man, however important or responsible, ought to be permitted to have the decision over the fate of 130,000,000 people. No man ought to want it. From every point of view the situation is now almost what it should be.

Mr. President, I declare a great fondness for so direct and splendid an exposition of the issue which was presented to the country by reason of this request involving repeal of the arms embargo.

The controversy over repeal of the arms embargo involves a principle that people generally have grasped with surprising sureness. The principle is one involving the question of restricting the powers of a President in fields that invite the danger of war for 130,000,000 Americans, the question whether Congress should have a voice with the Executive in shaping a foreign policy which might involve the interests and the very lives of our people and our national institutions.

RISKS PEACE FOR STOCK-MARKET BOOM

It is high time that the American people were given the opportunity to see through and beyond the pretenses and errors of what seems to be our current American policy in foreign affairs. They have a right to know why so large a part of Congress-perhaps a majority-believes that official short-sightedness is being disguised and paraded as international morality, and why participation in foreign quarrels is disguised as neutrality. They, the people, have every right to know why, to a great many minds, the peace of the United States is believed being risked on an unlikely gamble in Europe; and, incidentally, risked in possible part for the sake of some investment bankers' selfish hopes of a stock-market boom.

CONGRESS OPPOSITION NOT WILLFUL NOR PARTISAN

This statement of principle and views is presented in order that the people may have-some of them perhaps for the first time—an opportunity to know that the opposition of Congress to the President's policy of intervention in foreign entanglements is not willful or partisan, but is based on a thoroughly realistic conception of the forces at work in the world today.

It can fairly be asserted that the program of the American people is that of keeping out of other people's wars. It is also their purpose and program to keep this Nation democratic. To Congress these people look for their protection for both peace and democracy. Congress under challenge recently clearly indicates that it is aware of the obligation this trust imposes.

The people of America are not children to be easily quieted by the slogan that on these subjects of peace and democracy the Executive always knows best. They know that such a claim is not necessarily true in domestic affairs. They remember that it has not always been true in foreign affairs. The people are now adultly aware that a hundred crimes against democracy can be made in the name of saving the present world, in whole or in part, and another hundred crimes in the name of protecting the international status quo. Frankly, a lot of people are a bit suspicious that the State Department officials and others have learned nothing worth knowing since 1914.

Members of Congress who are interested in keeping America out of war and in preserving our democratic form and spirit, naturally want to make entirely clear to the people the reasons for the prevalent opposition to the proposals for turning the whole power over war and peace to the Executive. This statement is directed to that end.

TRAGEDY IN STEPS SHORT OF WAR

First of all, anyone who knows the American people, their love for and allegiance to principle, their aversion to international bluffing, their respect for the maintenance of integrity when the position of their country is involved—anyone who knows the American people knows that it is not remotely possible in the shaping of an American foreign policy to have their country first bluff and then run if and when their bluff is called. Is it reasonable to assume that we can, by so-called short-of-war steps, throw our weight to the advantage of one side in Europe and then avoid going directly to war if our steps fail to prevent war? Either we are in or out of Europe's hates and squabbles. If we would be out, then we ought to know that any steps showing favor in Europe, however "short or war" they may be, put us in.

But in these more recent months the President of the United States seems to be under the impression that he can by threats, strong language, and promises prevent the breaking out of war in Europe. That is not only a serious error of judgment, proven so by experience, but an error easily leading to a tragic gamble with American lives, property, and institutions. "Steps short of war" can so easily be steps straight into war, as they have been in the past. A war in Europe or Asia will not be averted by the mere promise of American munitions to the naval powers of that continent. Their wars have causes going much deeper. Once such a war comes, and comes for reasons quite completely divorced from American considerations, any President who has threatened or promised American help to certain nations involved in that war will never be able to back down with the mere assertion that they did not mean what they said. Instead he is committed to go steps further and give the utmost help to those whom he has encouraged. His first step "short of war" then becomes one forcing him to fullest effort to get American ships and soldiers into that war. It would be proven morally impossible for him, however well armed he may be in moral fervor, to refrain from making the attempt. And a Congress, never willing to let the country be in the light of unfaithful to promises made by its officials in foreign fields, would find itself without an alternative to a response in keeping with the President's effort, even though Congress had had no hand in that first step, the step that was "short of war."

Most emphatic must be disagreement with this major thought in the President's current policy, the thought that he or we can do "everything short of war" and also stay clear of a moral obligation to follow through after a war has broken out. I propose to further lend myself—and I know that others do—to the purpose of preventing the disastrous results which so largely promise and threaten to flow from such an error.

It would be only fair of the interventionists to acknowledge that there is utter lack of consistency on their part when in one breath they speak of doing "everything short of war" in foreign controversies and in the next breath vow a determination to stay out of war. Truth would require them to say, when speaking of acts intended to influence foreign events, such as the proposed act of aiding France and England as against Germany and Italy, "This is an act short of war, but it may and probably will lead to war."

ASSUMPTION-OUR GOING TO WAR INEVITABLE

In the second instance, there cannot be acceptance of those other assumptions that seem to underlie our present conduct of foreign policy. They seem to be very poorly thought out.

Specifically, I do not accept the idea that if war comes abroad we are bound to get in. To accept that idea is to overrate the propaganda powers at the disposal of even a President who might be morally committed to taking sides in such a war. That underrates the intelligence and experience of the people. It underrates, as well, the courage of elected Representatives and Senators in Congress. It underrates the determination of the American people to preserve their democratic forms of government and the peace of their country.

If we must agree that a war in Europe makes our entry inevitable, what is to be said of the ability of 55,000,000 Scandinavians, Hollanders, Spaniards, and Swiss to stay out of the last war and of their determination to stay out of the next

war?

We can stay out of Europe's wars if we have the will to stay out and the wisdom to profit from experience. We can stay out of war if we will break the possibility of selfish profiteering by Americans from other people's wars, if we will curb Executive power to secretly move toward war. We can stay out of Europe's wars if we will refrain from those things that might encourage Europe to go to war.

The truth is that America has permitted itself to be made more excited about the possibility of war in Europe than Europeans have been excited. American officials have, through the medium of secret conferences and borrowed worries, managed to scare the country in a way wholly out of proportion with what the European situation warranted. All this winter the American direction has been war. There have been prophecies of war and more war. Each week some American official seemed to be possessed of information assuring that such-and-such a day would bring the war.

War has not come. The prophets have not been honored as such by the visitation of a catastrophe upon the world through Europe. The information of our scare-mongers has obviously been bad—very, very bad. Yet we can expect

further prophecies along the same line.

Europe, obviously, is going to work out her own problems in her own way and this without war if only we will let her alone. If, leaving her alone, war nevertheless comes to Europe, it will be plenty of time for America to determine whether the war is in any way, shape, or manner our affair and determine what, if anything, we are to do about it.

The administration here in Washington has seemed to labor all this past year under inside information that was used as authority to substantiate their fears and their demands for more authority and power. Would it not be better for the health of America if the executive departments would share their information with Congress and the people? Such a course might serve the very healthy purpose of destroying the feeling that our involvement in war was inevitable.

ASSUMPTION-PROSPERITY THROUGH ARMAMENT

With aversion we must look on the seeming attempt to tie our own economic fate to an active participation in European affairs. Newspaper reports of July 22, 1939, from Hyde Park, said: Discussing the economic phase of the situation, the President quoted an unidentified investment banker to the effect that refusal in the Senate to revise neutrality legislation "will slow up the finest little economic boom we have had in some time."

This particular quotation is from the New York Times.

This is a painfully frank and open repetition of the successful attempts made in 1915 to scare the Nation into reversing its foreign policy to the extent of permitting loans to belligerents. We were told then, exactly as we are told now, that we could not have prosperity unless we did what the naval powers then at war wanted us to do, namely, reverse our foreign policy in their favor. The fact that the day of that bold Hyde Park statement marked a rapid rise on the stock exchange does not destroy the attempt to scare the Nation into believing that its financial and economic future is contingent upon the adopting of a foreign policy of active participation in the scraps, hates, and fears of Europe. This is regrettable and, to say the least, unworthy. We have been prosperous heretofore without yielding our independence from Europe, and we can and will be so again. It must never be our American wish to copy the Hitler program of prosperity through armament production and sale.

ASSUMPTION: ENGLAND, FRANCE HELPLESS WITHOUT US

Mr. President, speaking again of the erroneous assumptions seeming to underlie our present course in foreign policy, I do not for a moment believe the propaganda of these foreign and domestic missionaries among us who preach that a defeat of England and France is inevitable unless our foreign policy in changed and shaped to favor them. What reason is there for believing that a combination of the great naval powers plus Russia and the non-German states of eastern Europe cannot successfully withstand attack from the Central European Powers? Or is it possible that Russia, close to the danger of Fascist states, is not to take a hand, and that therefore we Americans must take Russia's place in the balance? I see no good purpose, and we have no wish to carry the military burden which would otherwise fall to Russia in the event that nation is as anti-Fascist as its friends here proclaim it to be. What good reason can there be for substituting American soldiers for Russian soldiers on the European front?

SURRENDER OUR INDEPENDENCE TO EUROPE

Third, I do not accept the notion apparently prevalent in the current foreign policy of the administration that a war involving France and England will necessarily have purposes either noble enough or important enough to America to be worthy of our automatic help to them. We only need remember and point to 1919, the secret treaties, the Treaty of Versailles, to Manchuria, Ethiopia, Austria, and Czechoslovakia to prove the justice of our disbelief in similarity of purpose. Again, we can well remember the entertainment by another President of a similar belief to the effect that British and French aims were the same as ours, his stated belief that after the Allies owed us billions they would be willing to take our advice and make a just and democratic peace. Is it not high time we acknowledged that these notions were and are tragic errors of judgment concerning the character of England and France? It would be pleasant, of course, to forget these errors of the past if only there were no present danger that another Executive had forgotten them.

MORE THAN AN ERROR OF JUDGMENT

Mr. President, it is important to note well in this connection that more than an error of judgment was involved in our last rally to English and French interests. Participation in war in Europe necessarily means that we become part of a giant machine. But in this machine the attributes of our sovereignty disappear. This will of our state is bent to the will of others, to their needs and purposes. We are necessarily tied to the self-interests of other nations. Our disinterestedness is lost in their errors, their fears, their defeats. American wealth and blood are put at the disposal of some Chamberlain whose sagacity and sense of democracy is at least subject to questioning by an overwhelming number of Americans. That is the essential truth about this assumption that English and French interests are at once American interests. To pursue that assumption today is only to invite

tragic repetition which found us once throwing control over the Nation's welfare to big business as was done during the N. R. A. days out of the noblest of motives.

Plainly, the repeal of the arms embargo would be giving England and France a great deal of help without our winning repayment of anything in kind from them. That is more naive trusting than the situation warrants. We know of no plans communicated to our Government by them of a just and workable political and economic system for Europe to be proposed now or at any time before a war or to be imposed by the victors after a war. We have yet to be informed that English interests in such nations as the Argentine have become more friendly to our own than they are to German interests. Surely we are not to forget the indifference of the present British and French Governments to the fate of two democracies which existed before 1938 in Europe. Surely we are not to blind ourselves to the fact that France is already giving up many of her democratic forms, that England is expected to follow suit, even in peacetime.

GIVE EVERYTHING AND WIN NOTHING

Mr. President, for the United States to give, automatically when they go to war, help to the great European powers, or to any nation, without any clear understanding as to their purposes in wartime and in peacetime is, to say the least, more naively trusting than the real and practical situation existing in the world today warrants. By way of future evidence it is only necessary to point to the fact that every other nation, great and small, in Europe which has been involved in British negotiations of late, since September 1938, has demanded from the British a clear and definite guaranty of her aims and objectives.

RUSSIA SHOWS GREAT CAUTION

For example, Russia, far closer to the danger zone than we, is very cautiously and deliberately driving a bargain for every bit of help she is asked to give England. That we alone, of all the nations of the world, are told to give help without any clear commitment as to the interests of the present governments of the great European powers in democracy as such is too much indication that we are being governed by the power of slogans and of blindness to our own best interests, just as we were in 1917. We are, in fact, the only nation in the world that is assuming, without question, the interest of the Chamberlain government in democracy. Not even her own dominions are so free from doubt on this vital question as our State Department would seem to be.

INTERVENTION POLICY BOTH STUPID AND CRIMINAL

We have no assurance, no guaranty, today that after we have given our full help—even after we have gone to war in their behalf—the present governments of England and France would refrain from indulgence in a peace treaty that would impose the shackles of slavery on millions of Europeans if only their own overseas possessions were saved to them.

Mr. President, it is neither cowardly, selfish, nor immoral for the United States to look to American interests and security. Our automatic participation on the side of England and France, which would be the net result of the present administration's effort and policy, does not even give us the pleasure of fighting for things we believe worth fighting for. It would simply make it possible for us to force or influence a just, reasonable, and democratic peace upon our friends and possible enemies. It puts the character of the peace, just as in 1917, into the hands of the rabid war patriots of those nations. This is not only stupid policy, but criminal as well.

TRAFFIC IN ARMS SURE ROAD TO WAR

Fourth, I do not accept, and I think very few Members of Congress do, what seems to be another false supposition of the present foreign policy of the United States, that one to the effect that our country can do nothing important or worthy for the cause of peace except as we stand ready to risk war and participate in war on one definite side.

Once we send arms abroad we have, in the minds of the people against whom these arms are used, definitely taken part in the fighting. We can then no longer approach the people who have been bombed by American-made airplanes, gassed by American-made gas, and shot by American-made shells as friends of peace. To them, instead, we shall always be mere merchants of death, profiteers in human misery, seekers after "little economic booms" to be had through other peoples' wars. If our country is to count in a material way for the cause of peace we must stay clear of a traffic which, symbolically, is so important that indulgence in its profits will end our effectiveness as a peacemaker in wartime.

DESTROY OUR INFLUENCE FOR PEACE

It is amply demonstrated by experience that once this arms traffic is started, not only will the great naval powers refuse to listen to our proposals for peace, as England refused in 1916, because they know that our economic destiny is linked by war traffic to their own destiny, but their possible enemies will regard us with excusable distrust.

RESTRICTION ON WAR SALES ESSENTIAL

We must realize, of course, that the munitions traffic is only part of the war traffic in general, although it may run into billions of dollars. It does not follow that we must accept the prevalent idea that because the administration has so far successfully allowed full sales of war materials to some belligerents, we must, to be consistent, also allow full sales of munitions. On the contrary, as will be stated later, there is strong belief that, for the sake of our own peace, some restriction on the unlimited sales of war materials is essential, as was acknowledged and advocated by the present administration in 1936.

INTERVENTION FOR EUROPEAN DEMOCRACY MEANS LOSS OF AMERICAN DEMOCRACY

Finally, Mr. President, there cannot be unchallenged acceptance of that unspoken assumption of the present interventionist foreign policy that our country can risk a war and not stand in practically permanent danger of losing its own democratic powers. That danger is never spoken of by the interventionists. It is given the silent cure. It is ignored. But we ought to think deeply on the fact that there are more dictatorships today in the world than there are real democracies. History reveals that the most violent foe of democracy is war. We must note that England today is guaranteeing the life of nations which are little more democratic than are its alleged enemies—Germany, Italy, and Japan.

For us to fight for the independence of Poland, Russia, Greece, or Turkey is certainly not to fight for democracy. Nor is the squabble between Italy and the great naval powers about colonies in Africa a fight over democracy. The chances are that in order to maintain several tyrannies against similar tyrannies in Europe we shall be expected to yield our own democracy. It does not seem worthy of our common sense, nor of our high purpose of maintaining democracy at home.

A sizable number in Congress have made it clear that they do not propose to subject democracy in this Nation, already strained to a thin edge of endurance by unemployment and unhealthy conditions in general, to the colossal debt of another war, to the regimentation accompanying any major war, to the loss of its young men, to the accomplishment of a deadly peace, to the nationalistic and racial hatreds and intolerance which follow war in modern times. We believe in democracy, including the right of the people to have some say in what they are to die for, either directly or through Congress. I quote without mentioning the one whose language I quote:

There comes a time in the affairs of men when they must prepare to defend not their homes alone but the tenets of faith and humanity on which their churches, their government, and their very civilization is founded.

That time is before we have been taken into other peoples' wars by slogans, misconceptions, nebulous unrealities, and belligerent good will.

SAVE WHAT WE COUNT PRECIOUS

With vigor I challenge the assumption that our America, which has not solved its problems, can by war contribute any

effective solution of the problems of blood-encrusted hatreds of Europe. When we shall have found democratic ways of raising our own national income to a reasonable figure we shall have much to offer to the world by way of example. At the moment our fight for democracy is here, and will be here until our Nation is functioning to its full capacities. It will profit us little to win a war abroad and lose all that is precious here at home. There is hardly room for a consideration that would have us establishing, so to speak, a W. P. A. project in Europe, the purpose of the project being to afford employment for millions of Americans in the task of stopping the drifting of European borders, borders which have drifted since the beginning of time and which will continue to drift in spite of us or anything we may do.

CONGRESS SHALL DETERMINE OUR HELP IN EUROPE

On these foregoing definite statements of ground it is with enthusiasm that the wisdom of the present interventionist foreign policy of the Roosevelt administration is challenged. We insist and are determined that it shall be Congress, and not any single individual who happens in this year or that to be President, who shall determine when and how we shall participate in foreign quarrels which become our quarrels only as we inject ourselves into the quarrels of others.

HOW TO FORTIFY OUR PEACE

Mr. President, there are definite ways in which this insistence and determination may be fortified and made effective.

First. By refusing to permit repeal of the arms embargo we should require in addition that the President, in the event of war abroad, summon Congress into session before he has allowed a single American ship or traveler to venture into the danger zone. The present position of Congress, without the neutrality law changes demanded by the President, and with the cash-and-carry section back in the law, would require that after war breaks out abroad no major decision involving the risk of American crews or ships, of property or citizens on the high seas, shall be made without the consent of Congress.

Second. To replace the bureaucratic control of our foreign affairs by a more democratic control it will be proposed, when next Congress considers the whole subject, that there be established a permanent joint committee of the House and Senate, with which the executive departments shall consult—in confidence, of course, when necessary—on all major decisions of foreign policy before final steps to decision are taken.

Third. It will be further proposed that the President be required to present to Congress such proposals as shall be made to the peoples of the world, and particularly to the peoples of Latin America, looking toward peace, prosperity, and the furtherance of democracy. We do not believe that loans for the benefit of heavy industries necessarily by themselves promote either the prosperity or the democracy of Latin American people. If fascism is effectively to be thwarted in Latin America, in Europe, or anywhere, the causes for its growth rather than its effects, deserve primary attention.

GREATER COORDINATION IN SHAPING FOREIGN POLICY

Mr. President, a far greater coordination between the Executive and the Congress is needed in foreign policy. This is to be achieved by including Congress in policy matters rather than by giving all powers and responsibility to the President. It is an historical fact that nothing so turned the peoples of the present dictatorships in Europe away from democracy as did the procedures involved in the declaration of war and the establishment of peace at the time of the writing of the Treaty of Versailles.

STATE DEPARTMENT GUESSES HURT AMERICAN PRESTIGE

Currently it does not make for an effective foreign policy for America for the spokesmen of the State Department to believe and assert that they have a majority of 100 votes for a certain policy, in this instance repeal of the arms embargo, in the House of Representatives, and then be found wrong to the extent of 141 votes. The State Department demonstrated itself clearly to be as completely removed from public feeling, public wishes, congressional feeling, and congressional wishes as any institution could possibly be. Nor

does it make for an effective foreign policy to have these same spokesmen so misunderstood and so misstate and misrepresent the meaning of the vote of the House—on the Voorhis amendment—as support for certain dictatorship, when, in fact, the amendment allowed arms of all sorts to go freely to the great naval powers of Europe through such neutral nations as Mexico and perhaps Canada.

CONGRESSIONAL PARTICIPATION IN FOREIGN POLICY ESSENTIAL

The founders of our constitutional government put the power to make war as far away from the Executive as could be done. They did not reserve this power alone to the Senate, which was then elected by the State legislatures, but reserved the power to Congress, including the Senate and the popularly elected House. But we have to acknowledge now that the essential war-making powers are exercised by the Executive before Congress is ever asked to declare war. If the spirit of the founding fathers is to be honored, it is obviously our duty today to secure for Congress a maximum of participation in matters of life and death originally intended for it. In these days when war means more certain curtailment of democratic institutions than in earlier years this participation by Congress has become more essential than ever before. If Congress does not assert that power, the people will certainly take it for themselves to the extent they can, through a referendum privilege. Incidentally, it is hardly consistent for the executive departments to oppose a popular war referendum on the ground that we have a representative form of government and then object to giving to Congress a full partnership in the essential decision involving war and peace.

Greater congressional participation in shaping foreign policy is necessary under any Executive. A jingo, determined to plunge us into long years of war in the Orient, if he were ever elected President, would need the active restraint of Congress as much as does an Executive personally and morally committed to one side in the European alinement.

NO SUPPORT FOR 1914 EXECUTIVE WISDOM

As a simple matter of history it is recalled that during the period 1914 to 1917 the Executive made certain claims to wisdom which have since been disavowed by both the present administration and by the Congress.

First, was the claim that American passengers should be allowed to travel on belligerent naval vessels in the form of armed merchantmen, regardless of how much they thereby jeopardized the peace of the Nation. This has been disavowed in every neutrality law since 1935 and in every administration proposal on the neutrality subject. Not only does the law forbid American passengers to travel on belligerent vessels in war zones, but the law further puts upon the President the responsibility and duty to decide whether armed merchantmen should not, in effect, be treated as the naval vessels of belligerent powers are treated.

Second, the claim that we could safely loan money to nations at war, as we did beginning in 1915, has been equally emphatically disavowed by Congress and the present administration. Every neutrality law since 1935 has forbidden such loans.

PEOPLE MISINFORMED ON FOREIGN POLICY

Naturally, there is as a consequence inclination to disbelieve that any Executive, present or future, is omnipotent on matters of American foreign policy or that wisdom will die with him.

The American people should be reminded, if they are not already amply reminded, that, without the active and constant participation of Congress in our foreign policy, they are not only likely to be uninformed concerning matters vital to them but that they, and Congress too, may again be misinformed, as they have been misinformed in the past, with tragic consequences.

In evidence of this there can be cited the admission by Secretary of State Lansing, in his letter of September 6, 1915, that the chairman of the Senate Foreign Relations Committee had been consciously misinformed—mind you, consciously misinformed—by the Department of State concerning our first change in policy, the change which permitted foreign loans to be floated in America.

Further evidence will be found in the fact, then unknown to the American people and unknown to Congress, that this same Secretary of State, as early as 1915, while he was enjoying the confidence of the people as one who was trying to keep our country out of war, desired our active military participation in Europe's war, and that he admitted later that he had failed to press our just claims against the naval powers—England and France. He said then, speaking of the protest notes dispatched to England:

Everything was submerged in verbosity. It was done with deliberate purpose. It insured continuation of the controversies and left the questions unsettled—

Mr. Lansing says-

which was necessary in order to leave this country free to act, and even to act illegally, when it entered the war.

OFFICIALS ADMIT BLUNDERS

Still further evidence is to be found in the fact that our State Department officials had realized that they had made a mistake in not warning American citizens off belligerent naval vessels and that their mistake had resulted in many American drownings. Nevertheless, the then administration, in spite of that realization, opposed congressional resolutions which would have prevented more such drownings. The American people, no more than Congress, knew that the Solicitor for the State Department was proposing to set aside "an adequate number of ships upon which our people may take passage and travel unmolested in European waters, those ships not to carry mixed cargoes of babies and bullets." Nor did they know that other high diplomatic officials agreed with the position that the State Department had made a tragic mistake in its decision. On the contrary, when Germany proposed this same plan, we Americans were all led by our officials to believe it was arrogant and hostile.

I cite further the fact that the administration of that time realized that it had made a great mistake in the submarine controversy, the mistake of extending American protection to belligerent naval vessels—armed merchantmen—and that it tried to undo this mistake, but that England refused to allow it to do so, and that the administration kept its plans to end the submarine controversy from Congress and from the people.

On January 18, 1916, our Government secretly proposed to England and France a solution of the submarine controversy. In effect this proposal was that all belligerent merchant vessels should cease mounting guns. This would have removed the excuse of the German submarines that they had to attack without warning, because if they ever exercised the alternative and stopped a ship by rising to the surface they would be bombarded by the armed vessels. Our Ambassador to England, Mr. Page, cabled that if our Government put this plan into effect the British would take their munitions orders away from us.

If we should insist upon our rights—in other words, if we should protect American peace and security—the British would take their munitions orders away from us. To the very end the American people were given to understand and believe that there was only one side to the submarine question in spite of the admission in private of our high officials that they had been wrong.

ENGLAND PREVENTS PEACE CONFERENCE

Again, and in furtherance of this same purpose, let another fact be stated—another fact unknown at the time to the Congress or the people—the fact that in February of 1916 the Wilson administration had in effect committed itself, in the House-Grey agreement, to enter the war on the side of England after calling a peace conference, which it was rather expected Germany might refuse to attend; nor were they informed that, in spite of constant pleading from the President, the British refused to allow him to call such a conference to obtain an early end to the war.

In view of such a record as is here cited, it can better be understood why so many of us in Congress entertain the conclusion that no administration, by any party or character, should ever again be left in a position to act so independently of Congress as that administration acted then; nor should

any Congress, sworn to protect the institutions of democracy, ever allow the fate of the Nation to be determined alone by the Executive. The suggested permanent joint committee of Congress to function with the executive departments in shaping foreign policy and decisions is urgently necessary as the danger of war in Europe increases.

DENY GIVING AID TO DICTATORS

Upon such of us as insist that Congress, and not the Executive alone, should determine our foreign policy there is directed a common slander to the effect that, consciously or unconsciously, we are giving aid to the European dictators. Of course, that is not the intent of our position, nor is it the effect of our position. The indignation of the American people over the antics in Germany, Italy's conquest of Ethiopia, the German-British dismemberment of Czechoslovakia, Japan's conquest of China, is shared by Congress to the fullest degree. Congress knows full well that American public opinion has no room, no tolerance, for intolerance, for barbarism, for cruelty, for merciless conquest, for the subjugation of alien nationalities. Indeed, many Members of Congress have tried, without any help whatever from the present administration, to block and check the development of these traits in specific cases. We still think that the sum total of our yielding to British foreign-policy wishes in the cases where we have yielded is the destruction of democracy and enlarged power for the dictatorships, their armies, and their navies.

Incidentally, if the refusal of the Congress to respond to the Roosevelt request for changes in our rules against involvement in European squabbles has had any such effect as encouraging the dictatorships, who is to blame for it? Who set up this straw man to begin with, if it was not the executive department? Who dragged this neutrality issue; who dragged this arms-embargo issue out here for public debate and for congressional action? The executive department did it, not the Congress; no individual within Congress. Who invited decision on this, to us, vital matter, if it was not the Executive? The subject never ought to have been opened at the time it was opened. It is but one more example of blundering without letting Congress and the people into the confidence of those who feel that they alone are capable of shaping our foreign policy.

NOT OUR AMERICAN JOB TO EQUALIZE MILITARY BALANCE IN EUROPE

It is emphatically not the business of our country to undertake to equalize the military differences between the various alliances of nations in the world. That would be impossible to begin with. Neutrality does not mean the interference that would be involved in such attempts at equalization. It means, instead, taking no steps during wartime to favor one nation over another, at least until we know what are the causes involved.

ENGLAND AND FRANCE ALREADY FAVORED

However, to clear up the misunderstanding occasioned by the frequent insinuation that our present neutrality laws favor the Fascist nations, let it be asserted emphatically and clearly that the present laws give the naval powers—England and France—almost every kind of American aid they could possibly or reasonably desire. Under these laws, and because of their naval predominance, England and France can—

First. Secure all the raw materials—oil, copper, steel, cotton, and so forth—they need. We should be constantly on guard against the various attempts made to scare us into believing that our foreign trade will be lost because of the present laws. These are attempts at scare mongering and false propaganda.

Second. They can have the United States Treasury, under the present tripartitic-monetary agreement, support their currencies at a terrific cost to American taxpayers. During the last war this cost us about \$300,000,000 a month in late 1916.

Third. England and France under existing law can burden the investors of America by dumping foreign-held securities in the American market, thereby lowering the values held by American security holders.

Fourth. England and France under existing law can secure the services of American ships and crews in danger zones, with resulting sinkings which surely will lead American public opinion to favor war against their enemies.

So we see how England and France, by accident of their naval strength and position, already enjoy advantages of tremendous importance under our neutrality law. It is true that they cannot under our law at the present time obtain arms, ammunition, and implements of war from us when they go to war; but they have had 4 years' notice of this—4 years in which to prepare themselves to meet the emergency of war without our help to this extent. If they have not so prepared, it must be because they have not wanted to do so; not because they could not afford to do so; not because they were not given ample notice of our American desire to get out of the business of helping a world at war to destroy itself.

We understand full well that the raw materials to which I have referred, and which are available to England and France, are a tremendous help to them in time of war. There certainly is no call upon us to repeal the arms embargo just to demonstrate that our sympathies are with them as against the dictator nations. Nor is there any justification for expressions of astonishment by England or France, their friends or their missionaries in this land, because we have not opened our doors for unrestricted munitions sales to them alone in time of war. Indeed, our law now goes to the aid of France and England away beyond what experience dictates to be right and fair and in the interest of our own American security. Wide open to doubt is the wisdom of permitting such help from us as is now available to these powers. Certainly these advantages can only jeopardize our own peace. On the basis of the entanglement of our trade, commerce, and investment with their military success or failure from 1914 to 1917, it is, to say the least, very doubtful to many that we should in cold blood chance repetition of that experience.

STRENGTHEN NEUTRALITY LAW

For that reason let there be assurance here and now that when the neutrality law is again submitted for change there will be renewal of the effort to restore section 2, the cash-and-carry section, which expired on May 1, 1939, and which the administration has made no effort to renew. There will also be effort then to limit to a normal quota shipments of materials to nations at war, to make ineffective in the event of war the tripartite monetary agreement, to restrict the dumping of foreign-owned securities in the American market, and to place all trade with belligerents on a strictly carry-at-your-own-risk basis.

Incidentally the proposal to limit trade in other than munitions with nations at war to a normal basis was opposed by the administration in Congress and voted down, with the one result that Japan has secured from us the bulk of her war materials for her conquest of China. A normal-quota law would have prevented all but a small part of Japan's war purchases here.

GAMBLE ON FOREIGN WARS

The American people should be aware of the fact that the excess between normal foreign trade and war-boom trade is dangerous to the peace of their country. Once we have gambled our nation's economic prosperity on one set of nations at war, we are quite apt to find our foreign policy favoring those particular nations. It was sheer cold fear of sudden loss of trade, fear of depression, which led our governmental officials to allow the floating of the war loans for the naval powers in 1915. In that instance the Secretary of State informed the President that unless we changed our neutrality laws there would be "industrial depression, idle capital and idle labor, financial demoralization, and general unrest." Ambassador Page later cabled the President:

Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted.

The only way to avoid a panic was to declare war, according to these men to whose hands our neutrality and our destiny were entrusted.

Ambassador Page went on in the same cablegram to the President and said:

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I think the pressure of this approaching crisis has gone beyond the ability of the Morgan financial agency for the British and French Governments.

Remember, Mr. President, the people, the Congress, had no knowledge of these communications, of this kind of consideration. This was all behind the scenes at that time. Ambassador Page is saying to the President:

I think the pressure of this approaching crisis has gone beyond the ability of the Morgan financial agency for the British and the French Governments.

Would it have been any more emphatic if Ambassador Page had said to the President: "The Morgans are at the end of their rope. The American bankers alone can carry this burden no further. It is now necessary, if America is to maintain her prosperity, for America to declare war against Germany"? Not a thought was uttered concerning the cause of democracy or a desire to end war. We were urged to avoid the kind of a panic that would come if we lost the war-boom business that we had come to relish to a point where our officials could not think of giving it up.

PUT OUR DESTINY IN ENGLAND'S HANDS

It was the threat of England's refusal in 1916 to continue buying from us which caused us to refrain from pressing England to accept our proposal to end the submarine armed merchantmen controversy. Her statesmen acknowledged that they preferred to have that controversy continue rather than end because of its effect in drawing us into war. Colonel House wrote:

[Lord] Grey was very fine about it. He said, of course, it would be to the advantage of Great Britain for the United States to enter the war, and if he agreed to do what we requested it would mean that the United States would remain neutral.

It was England's knowledge that our foreign policy had been changed to her advantage and that it would ultimately bring us into the war if ever Germany renewed her submarine sinkings which influenced the English decision to decline President Wilson's peace offer of 1916.

MORGAN COMPANY TELLS BRITISH HOW TO GET AROUND OUR REGULATIONS

All of this goes to show that not only did our American Government know that England was using our war trade to force changes in our foreign policy, changes to her advantage, but the bankers were aware of this power in Britain's hands and the power of war trade over American policy. It was a power we had given to England, not the Congress, but a President and a Cabinet who were operating, but not in the open, where the people and the Congress could see the steps that were being chosen. In November of 1916 the Federal Reserve Board warned American investors against taking unsecured foreign paper obligations. The firm of J. P. Morgan & Co., bankers for the British and French, immediately urged England to use the pressure on us of cutting off war orders to secure a change in that Federal Reserve Board warning and policy. In cabling their British associates, the Morgans said:

We can see no way, except for your authorities to consider ways and means for immediate curtailment of purchases, letting such action be announced without rancor, but emphatically with possible good effect upon American foreign policy.

The Morgans are saying to their associates, "Have the British authorities somehow make it known to America that if these regulations stand they are going to cease buying American goods." The Morgans say, "That will probably bring America to her senses respecting her foreign policy." Surely, in the light of experience, in the light of facts which have been so clearly recorded it should be a first American purpose to destroy such powers as selfish and misled individuals and interests enjoyed at that time, and surely we are not wanting to repeat the tragedy of those days of little more than 20 years ago.

CALL IT LAW TO KEEP OUT OF WAR, NOT NEUTRALITY

Interventionists are always eager to demonstrate that our so-called neutrality law is not neutrality at all, that it favors one nation as against another or others, that at the present time the law favors Germany and Italy. I have already proven the falsity of this allegation. But let it be admitted

that no law in this field is possible that will not hurt one side perhaps more than another in time of war. But remember that the law is written before war comes. And let it be remembered that even more than the establishment of neutrality the purpose behind the neutrality laws was and is that of helping the United States to stay out of other people's wars.

"MUNITIONS MAKERS TOOK US TO WAR"

One does not speak of the influence of war trade upon our American thinking while other nations are at war without being reminded that there has been constant effort by interventionists to cast some of us, and particularly the Senate Munitions Committee, as having entertained and of entertaining the belief that it was the munitions makers who took the United States to war in 1917.

No member of the Munitions Committee to my knowledge has ever contended that it was munitions makers who took us to war. But that committee and its members have said again and again, that it was war trade and the war boom, shared in by many more than munitions makers, that played the primary part in moving the United States into a war that became an affair of ours only as we were interfered with and molested in our pursuit of the profit we found available from other people's wars.

Mr. BONE. Mr. President-

The PRESIDING OFFICER (Mr. Downey in the chair). Does the Senator from North Dakota yield to the Senator from Washington?

Mr. NYE. I yield.

Mr. BONE. I think one of the most popular illusions, which has been deliberately promoted by certain publicists in this country and certain politicians, who have in their hearts what to me is almost a vulgar desire to sanctify profits out of war trade is that the members of the Munitions Committee of the Senate undertook to charge our entry into the World War exclusively to the actions of our munitions makers. There never was any assertion of that kind made; on the contrary, the emphasis was always laid upon the inescapable fact that it was the highly profitable general war trade that sucked us into the war. Our munitions makers were but a part of the program that finally and hopelessly involved us. To be sure, munitions makers were vulgar in their greed. They were making vast fortunes out of the war trade, but other people were also making money out of it, too. All the breast beating today about our rights abroad predicated on the intolerable assumption that we should send our boys to fight on alien soil in order that a few fellows could make a profit out of operations far from America. We overlook the fact that we are jeopardizing the very life of the Republic in assuming that the exercise of these so-called rights on the part of a few of our nationals to make money in such extraterritorial activities justifies a war. I am glad the Senator from North Dakota has again expressed the view that the members of the Munitions Committee of the United States Senate never did assert, at any point I can recall, that munitions makers alone dragged us into the World War.

Mr. NYE. I appreciate greatly the Senator's contribution. Mr. BONE. If we go into another war, in my judgment, it will be because we will have allowed our own people to make so much more money out of war trade, which we will try to defend by force of arms, that such defense will lead to war. Our problem is not in dealing with foreign nations but in muzzling the greed of our own nationals.

Mr. NYE. The eminent service by the Senator from Washington as a member of the Munitions Committee, to which he has referred, was a service of such intimate acquaintance with the whole problem as to qualify him more than amply to make the declaration concerning the purposes and the ideas of the committee and the conclusions it reached. I am delighted that he has made this statement on the subject.

Mr. BONE. We are hearing much discussion about the rights of our nationals in the Orient. As a matter of fact,

our whole trade with China represents about one-seventh or one-eighth of the annual chewing-gum bill.

Mr. NYE. Exactly.

Mr. BONE. Our nationals operating in China trade do not pay one penny of income tax to support this country, although they are in a position now where they may demand at any time that we send our fleet to defend them over there. If we go so far as to make a warlike gesture of that kind we might involve this Republic in a war which in all probability would cost \$50,000,000,000. To add that intolerable burden to our present national debt would in itself threaten the very life and perpetuity of the Republic. To support a few traders over there we might invite ruin at home. I do not believe that the American people want to pay that kind of a crazy, tragic price to enable a few hucksters to do business in the Orient. We display little reverence for the Republic in promoting such ideas.

Mr. President, it seems to me that our clear duty in Congress is to make America safe for Americans in America and not to support by armed force and war a few businessmen in the Orient who have gone over there at their own risk. If they are there at the risk of the lives of helpless American boys, we should know it right now.

Mr. NYE. Mr. President, I can only suggest, in view of what the Senator from Washington has just said, that I believe he is not very much in sympathy with the views expressed a few days ago that the failure of Congress to repeal the arms embargo had denied to America or destroyed for America the chance for a neat little economic boom.

Mr. BONE. Mr. President, I do not want to interrupt the Senator's remarks again, and perhaps I should not have interrupted him to the extent I have, but I think millions of Americans will agree with me that it takes a degree of gall bordering on impudence for men who have gone to the Orient, as I stated at their own risk, and engaged in business there to demand that America send her sons over there to die so these hucksters may continue to do business there.

They talk about treaty rights. Mr. President, if anyone were to take the trouble to read the history of China he would find that the treaties with China made after the Taiping rebellion, were made with a gun pointed right at China's heart by the great western powers we call "democracies." Poor old China was prostrate and helpless.

I am sure the Senator from Idaho [Mr. Borah] will agree with me that when these so-called treaties were entered into, which had to do with the so-called "rights" of foreign nations in China, poor old China was crushed and helpless, and, while she was in that terrible condition, treaties were forced upon her which gave these European nations whatever rights they have since used as a basis for subsequent trade rights.

These so-called "rights" were extracted from China at the muzzle of guns held by so-called Christian nations.

Mr. President, it is on that sort of rotten, immoral foundation of brute force that the rights of these so-called modern nations in China rest. The thing smells to high heaven. We may be called on to send our boys over there to be butchered simply for the purpose of supporting such rights. As one Senator in this body, I am not willing to send our boys to China to protect hucksters. We have desperate troubles here at home. We have gangsterism here. An army of men have been shot to death in the streets of one of our big cities which will probably outnumber the total number of European nationals who have been killed in China. We had better clean up our own sore spots, wipe out the rotten conditions that exist in our cities, establish social justice here, instead of trying to salve our consciences by sending American boys to the Orient.

Mr. NYE. Mr. President, I thank the Senator from Washington for the splendid statement he has made. He is not alone in the sentiment he expressed. He speaks not alone for himself but for untold multitudes when he gives voice to what he has said on the floor of the Senate today.

OUR GOVERNMENT BLIND TO EXPERIENCE

In conclusion let me say that the American people have learned nothing from experience if they are now unwilling and unready to believe and know that once our large industrial and financial interests are allowed to base their activities on foreign war business, instead of on American economic development, they automatically become a vested interest in securing the change of our neutrality and they are as removed from the plain facts of modern life as the gentlemen in the State Department seem to be. It is hard to believe that the American people have learned nothing from the It is fair to proceed on the assumption that they are not all willing to travel the same road and make the same tragic mistakes again.

KEEP FOREIGN POLICY CLEAR OF MOTIVES OF ECONOMIC SELF-INTEREST It should be the constant endeavor of the American people

and their Congress, even at a sacrifice if need be to both, to keep our foreign policy clear of motives and economic selfinterest. It is so clear that if we pursue the opposite course and show any will or interest in participating in foreign controversies, such as would be shown were we to follow the wishes of the present administration and repeal the arms embargo, we sign away such chance as might be ours to avoid war. When we indicate by law or deed that we have chosen sides in a European controversy our prospective allies know that our economic self-interest prevents our strict neutrality, they know they can afford to ignore our protests, as England did. When they think that economic self-interest will, in time, pull us into their wars they can ignore our offers of peace mediation, as they did before. If the United Status is to make itself count in the interests of peace, real and lasting peace in the world, it must have its hands clean of attempts or desires to profit from catastrophe. We must instead be prepared to stand before the world, not as a partisan, not as an accomplice, but as an independent power, uncommitted and unbeholden. Our citizens must never be permitted to risk the Nation's peace for the sake of high profits. We must cling to that high purpose declared by President Roosevelt when, during his last campaign for election, and before investment bankers had his ear, he declared, speaking of the event of another foreign war: "If we face the choice of profits or peace, the Nation will answermust answer-we choose peace."

CONGRESS' PLACE IN PARADE TO WAR

Mr. President, to these ends we shall be able to work in a wholly successful way when the people will continue to make clear, and make ever clearer, to the President and to fellow interventionists in this country that they wish America to remain at peace; that they wish America to remain democratic; that they wish Congress to be a check on the Executive instead of a cheering section in any parade toward war; and that they see only tragedy, stark tragedy, in such steps as that one which would deny us the advantage which the arms embargo definitely affords, or that step which would find us pursuing that pot of gold that some investment banker sold to the President a few days ago.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point the following: An editorial entitled "In Case of Crisis," appearing in Colliers under date of April 15, 1939; a letter under date of July 9, 1939, appearing in the New York Herald Tribune, from George Mackas, under the heading "Neutral President?"; the release of an article under date of today, by Frederick Sondern, Jr., under the title of "The European Whirligig"; and excerpts from a sermon by Harry Emerson Fosdick, appearing in the Christian Science Monitor of June 28, 1939, under the title "On Fighting Evil with Evil."

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From Collier's, April 15, 1939]

IN CASE OF CRISIS

We lived through a war crisis last spring. Again last September war scares squirted through loudspeakers. Actually, we were close

to catastrophe. Perhaps we shall escape the rumored war this spring. When the rumors get noisy, remember these hard-boiled

 A faked war crisis is one of a dictator's best-known devices for taking his slaves' minds off home troubles—of which the dictators' slaves have more than plenty.

slaves have more than plenty.

2. An exaggerated foreign-war crisis, by the same token, is one of the best-known devices whereby a political party in power in a democracy can take the voters' minds off its mistakes on various home fronts, and build up for the next election a cry about not changing leaders in time of peril.

3. When the Italians and Germans suddenly learned, shortly before the Munich peace parley, that they actually faced war, there were angry antiwar demonstrations even in those secret-policed and soul-shackled countries. The presumption is still strong that Europe's masses will not want a war for a long time. Until they do, only a foolhardy European government will declare Until they do, only a foolhardy European government will declare a war or start a big undeclared war.

4. Our Navy at present runs a fairly close second in strength to the British Navy, the world's strongest. Odds are 100 to 1 that if war comes the British will not be lined up against us.

5. Hitler's logical next thrust is eastward, toward Russia's

Ukraine. If Hitler wants to have it out with Stalin, there is no call for us to lift a finger to interfere, both nazi-ism and communism being sworn enemies of democracy.

6. Communists, Nazis, Fascists, and their "fellow travelers" want

to embroil us in the much-predicted European war in one way or another. The moment we go galumphing into such a mix-up we lose our democratic system for the duration, as in 1917-18. That will quite possibly enable one of these fanatic factions to wade to power through wartime or postwar chaos and end our democratic system for good.

7. European statesmen are seasoned power-politicians and international poker players. Ours are not. As a people, we think first and last of world welfare when a crisis comes. If we go to war to save civilization, we shall be the only nation that does so. The others will be fighting for (a) their own hides and (b) postwar loot.

8. Inland, we are impregnable. Our coasts have the aforesaid world's next best navy to defend them. The flocks of world-circling bombers the doom merchants squall about have not come into existence yet, not even in blueprints. Hence, we can afford to wait plenty long before joining somebody else's war.

By keeping these items firmly in mind, we ought to stand a good chance of resisting, through all war scares in the near future, the propagandists whose dearest wish is to see us act like a nation of hysterical fools every time foreign power politicians talk about war.

[From the New York Herald Tribune of July 9, 1939]

NEUTRAL PRESIDENT? - READER FINDS ROOSEVELT HAS TAKEN SIDES ALREADY

To the New York Herald Tribune:

No newspaper has done such a thorough job as has the Herald No newspaper has done such a thorough job as has the Herald Tribune in convincing its readers that President Roosevelt is wholly unfit by temperament to conduct our domestic affairs in the best interest of our country. You have pointed out his prejudices against business, his impatience with all who differ with him, his steady usurpation of authority, his habit of distorting facts and calling names, his total lack of calmness and restraint when his pet schemes are at stake. Often you have called upon Congress to reassert its constitutional powers, to retire the President to the Presidency and to put an end to his destructive policies that were leading us to ruin. destructive policies that were leading us to ruin.

So thoroughly have you convinced your readers that Roosevelt cannot be trusted to handle our domestic affairs properly that we are equally convinced that he is not to be trusted to conduct our foreign affairs as well. Therefore, we are amazed that you should advocate giving Roosevelt a free hand in foreign affairs by modification or outright repeal of the Neutrality Act, and you claim this should be done in the interest of "real neutrality."

The Roosevelt administration has not been neutral in the last 5 years. On every possible occasion high officials of the administration, and even Roosevelt himself, have voiced their objections to Hitler and Mussolini in terms much stronger than those used to Hitler and Mussolini in terms much stronger than those used by any responsible officials in England and France. Embargoes have been placed on German and Italian goods; statements have been made that we will support England and France against Germany and Italy by more than words but by measures short of war. The President has definitely and deliberately allied our country against Germany and Italy. He has taken sides in a war even before that war has begun. This is not neutrality. Unless some restraint is placed on Roosevelt, his acts will surely provoke a war and subsequently force us into it. We should like to believe him when he says he is acting to preserve peace, that he does not intend to lead us into war. But his past promises show us he is not to be believed, as you have so often convinced us. He bromnot to be believed, as you have so often convinced us. He promised to restore prosperity, to reduce economic strife, to provide jobs and security. Not one of these promises has been realized. After 7 years of depression we are convinced that his conduct of domestic affairs has not been in the best interest of our country. How, then, can we trust him to handle our foreign affairs in our best interest, when our very existence is at stake?

BROOKLYN, JULY 8, 1939.

GEORGE MACKAS.

THE EUROPEAN WHIRLIGIG-NEWS BEHIND THE NEWS (By Frederic Sondern, Jr.)

LONDON.—Senator Borah and some of his colleagues expressed considerable doubt during the recent neutrality debate in Washington about the accuracy of the State Department's information on European affairs. There is plenty of reason for the Senator's qualms. A small but very powerful clique within the Department—led by Ambassadors Kennedy and Bullitt—has been playing the game for the western powers in a way that often colors and even distorts their reports.

Mr. Kennedy and the British Prime Minister have now reached a degree of intimacy where they address each other as Neville and Joe. And with an Englishman as pompous as Chamberlain, his bestowal of the right to use his first name is more of an accolade than the Order of the Garter. And Joe loves it. The Ambassador's obvious delight at the honors which the canny foraccorate than the Order of the Garter. And Joe loves It. Incambassador's obvious delight at the honors which the canny foreign office has caused to be showered on him often amuses the more experienced career men of the Embassy. "Joe is on the way to Downing Street again. I wonder what Chamberlain wants now?" is a remark one frequently hears in the corridor. When the Prime Minister desires to have information go straight to the White House without passing through the meddlesome checking of the State Department's experts, Joe obliges and calls F. D. R. on the phone—direct. As a result the reports which come to the Department and those which are telephoned to the President "straight from the horse's mouth" are frequently very different. Whether Joe is fooled or not in Downing Street is hard to say, but it is certain that almost always he transmits the version of any situation as he gets it there without checking and as gospel. His dispatches before and during the Czechoslovakian crisis last September forecasting war as a certainty have become classics among the cynical veterans of the Department. He is repeating the process as Prime Minister Chamberlain's astute propaganda leads up to the next step of the appeasement program. Faithfully Joe echoes Neville's blasts that Britain will fight for Poland, all appeasement efforts have been dropped and England will not give all appeasement efforts have been dropped and England will not give another inch. The State Department observers, perhaps not as highly but better informed, think otherwise—and so do most of the insiders in Whitehall. The French "work"

Insiders in Whitehall.

The French "work" Ambassador Bill Bullitt somewhat differently. Bullitt, though strongly Francophile, has much experience, a very sharp wit and—unlike Kennedy—gets no particular thrill out of social prominence. But he does love intrigue and hocuspocus, with which Premier Daladier and the Quai d'Orsay supply him in masses. Mercurial and petulant by nature, he is rather prone to snap judgments, prejudices, and wishful thinking. Under the stress of last September, infected by Kennedy's outbursts and calls for battleships, he also inundated Washington with France's will to fight and all the rest of the diplomatic mumbo-jumbo that went with the Munich sell-out. And he now is doing it again. Bullitt, also, often uses the phone to go over the Department's head to Franklin who takes his opinion of the situation as incontrovertible fact.

as incontrovertible fact.

Both of the envoys would love to play at power politics, have often said it was a pity that the Foreign Service's hands were too tied. The blocking of the Bloom bill by the suspicious Senator from Idaho and his friends has destroyed great hopes for power and glory in the "State Department within the State Department."

[From the Christian Science Monitor of June 28, 1939.] ON FIGHTING EVIL WITH EVIL

> (By Harry Emerson Fosdick) [Excerpts from the sermon]

For some of us it is easier to believe in the Christian theology than in the Christian ethic. A generation ago many were saying: "We cannot believe your Christian ideas of God, but the ethical principles of Jesus are the hope of the world."

Today, however, it is the ethical principles of Jesus that are

By the Christian ethic, I mean no mere ordinary, humane decency, loving those who love us, but rather the radical, sometimes incredible, demands of Jesus that we love our enemies; that if smitten on one cheek we turn the other also; or if compelled to go I mile we go 2 instead; that we do good to those who hate us and pray for those who despitefully use us and persecute us. There is the rub today.

The reason for this is the extraordinary vividness with which a powerful temptation assails us all, the temptation to resist evil

with evil.

In personal relationships we are habitually tempted to meet bad temper with bad temper, resentment with resentment, sometimes chicanery with chicanery, and in all this we are morally sustained because we think we are resisting evil—as, indeed, we are, but with evil.

At that crucial point Jesus parts company with us. It is there that his revolutionary ethic begins.

Listen to him: "How can Satan cast out Satan?" Hidden away in the third chapter of Mark's Gospel that searching question stands, summing up, I think, the essential meaning of Jesus' way of life. "How can Satan cast out Satan?" How can evil be the cure of evil? How can two wrongs make a right?

No question could be more pertinent to our modern world, where day violence rises on every side, ill will is rampant, aggressive

iniquities must be resisted by good men, and the temptation to fight evil with evil is almost irresistible.

What apes we are! We copy those we hate. We fight evil with evil and become the evil that we fight. We will conquer them, we say, and so first of all we let them make us in their image.

All this we do thinking Jesus to be a visionary idealist. He is not. His ethic shows a more realistic insight into what is going on in this modern world than does our boasted hard-headedness.

Despite their governments, the people of all the nations in their hearts and homes want peace. Somewhere, sometime, millions of men and women must stand up an cry, "We're through; we will not go on forever with war causing more war, causing more war, causing more war still."

more war still."

If someone says, "But we may be compelled to go to war!" I ask only that the meaning of that be realistically faced. For in the war you say America is compelled to enter every cruelty that human beings, implemented with unprecedented instruments, can inflict on human beings will be inflicted. * * *

Let us take a further step and note that whether or not this principle of Jesus that evil is not to be fought with evil appeals to us depends primarily on what it is that most of all we want. Do we really want to cast out Satan? Do we most of all desire to get rid of the evil of the world? Multitudes of people want something we really want to cast out Satan? Do we most of all desire to get rid of the evil of the world? Multitudes of people want something else altogether—their own prestige, personal or national, their gain and profit, their vengeance even, or their private conquest. Of course, to such Jesus' ethic is preposterous. If we say in certain personal relationships this ethic can be made to work and it was only of these individual relationships that Jesus was thinking. I support that shows how little we know about Jesus'

was thinking, I suspect that shows how little we know about Jesus was thinking, I suspect that shows how little we know about vestes world. He was not tucked off in a forgotten corner of the earth. He lived on one of the major highways of the Roman Empire. Every breath of news, I suspect, from the Thames to the Euphrates soon or late came to Nazareth.

He lived in a violent generation when force ruled the world and

He lived in a violent generation when force ruled the world and might made right as terribly as it does today. He lived in a nation seething with violent revolt. He dealt not only with Saducees, compromising with Rome; not only with Pharisees, waiting for their supernatural Messiah to come from heaven and redeem them; but with zealots, fiery, militant, revolutionary rebels, crying out for bloodshed to make right their heinous wrongs.

This public situation, so dreadfully like ours, Jesus had in mind when he turned His back on revenge and bloodshed and based His ministry on undiscourageable good will

ministry on undiscourageable good will.

How perennial a temptation that is. How terribly it assails us all today—to join forces with the devil to beat the devil; to fight

evil with evil.

evil with evil.

This does not mean that all use of force is satanic. Coercion has its proper place in life, always indicating a pathological condition but capable of salutary use in the interests of the whole community, as, for example, against the insane or the criminal. Even in such realms, however, the Christian ethic has been so far influential that not retaliation but cure and reformation have become the test and aim of intelligent procedure.

Because one believes in municipal police, one is not by any logic driven, as some seem to suppose, to believe in war. War is a highly

driven, as some seem to suppose, to believe in war. War is a highly specialized form of force, in its preparations, procedures, and results distinguishable from any other of force's exhibitions. One may believe in the police and think dueling wrong; one may grant the salutary nature of coercion communally applied for the good of all and still think gladiatorial shows are unmitigated and out-

of all and still think gladiatorial shows are unmitigated and outmoded evil.

Do not represent me as having said that it is simple to apply this principle to the world's large affairs. It is desperately difficult. No one of us is wise enough to see around the next corner. Only as Americans this seems clear: That we are at the fork of the road and that either we are going to throw the vast influence of this Nation on the side of those constructive forces that make for international good will and conference instead of violence, or else we are in for an era dominated by our aping of our enemies.

They make war. We make war. They build vast armaments. We build vast armaments. They use poison gas. We use poison gas. They say, All restrictions off on the most brutal instincts of mankind. We say the same, until once more, fighting evil with evil until we are the evil that we fight, far from conquering our enemies, we let them make us after their own image.

So at long last, at the end of a ruinous era, we shall be facing again the question—which God grant us grace to face now before it is too late—"How can Satan cast out Satan?"

Mr. BRIDGES obtained the floor.

Mr. BONE. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. BONE. I merely want to make one further observation, and then I shall be happy to yield to the Senator from New Hampshire [Mr. BRIDGES].

Mr. President, I was tempted to say what I did in connection with the remarks of the Senator from North Dakota because in recent weeks I have received from my own beautiful State of Washington a series of reports from health officials in various counties, pointing out that a large number of children of very tender years, even infants in arms, are suffering from hunger, some of them bordering on absolute

starvation. I think it is impudence to talk of the rights of hucksters in a foreign land when we in America face that sort of a situation at home, and find ourselves apparently helpless to meet it.

Many years ago a French novelist, Le Sage, wrote a book, Gil Blas, in which he portrayed a character, if I recall his name, Pedro Garcias, a vulgar person who carried his soul in his purse. At times it has almost seemed to me that America was beginning to carry her soul in her purse, for profits those whose greed might easily thrust us into a deadly war seem to bulk larger at times in some quarters than the lives and the hopes of our own boys.

I have heard more comment in some quarters about the rights of hucksters in war trade than I have heard about hungry babies. God help a country where that sort of thing can go on unchallenged. Imagine Senators voting to send these hungry and half-fed kids, who are bewildered by economic adversity, out to support a huckster in China. The soul of America is dead if we do it.

Let me say to the Senate that a nation which tolerates such a philosophy is not going to continue to function very smoothly, Mr. President. It is time we quit sublimating our lust and desire for money in all this holy crusade about trade rights. There cannot be any "rights" abroad which are worth preserving unless the rights of Americans here at home are first preserved. We had better cease all this babbling about American rights abroad until we firmly establish on an enduring and permanent foundation the right of Americans here at home to share in the decencies of life. In the most beautiful country on God's footstool, a country with illimitable natural resources, with illimitable possibilities for human happiness, we are in a life-and-death struggle with poverty which overwhelms millions. We have not yet solved that problem, and yet there was a suggestion that the Congress should enter into a debate which would occupy weeks and weeks respecting the "rights" of a few Americans abroad.

Who here wants to send his boy out to die in a new "holy war"? Why not pour all that restless zeal for traders in faraway lands into a new crusade for economic justice in America? If we have to choose between some company remaining in a Chinese port or a deadly war, it were better for America to remove its nationals for the time being and settle by negotiation later on. A war in the Orient would increase our debt by probably \$50,000,000,000. We would have to have a Navy with three times its present increase if we hoped to carry on a successful war there. And God knows what would happen to our \$100,000,000 battleships if we ever sent them over there, 7,000 miles from home. All this to preserve "rights" exacted at the point of a gun.

Mr. President, the time is coming when we will have to determine the wisdom of entering a war to support American trade rights abroad. "Rights?" What about the "rights" of ten or twelve million Americans who cannot get jobs here? If war came, we would induct these hopeless Americans into the Army to go out and fight for "rights" that are now denied at home to them.

Until America has solved her own economic problems and made America safe for Americans under the Stars and Stripes it is impudence for us to talk about making the rest of the world safe for anybody, including our own hucksters who are doing business abroad. Charity begins at home. If justice is not enthroned here, we betray our own people.

I repeat what I said before. Men in the China trade came to Congress and obtained a law which eliminates income tax on them. Now we are told that these beneficiaries of tax exemption have "rights" so impressive that we should, if need be, draft the boys of America and send them abroad to fight for such "rights," Yet they do not in their oriental operations pay to support the Navy, the very guns of which would belch defiance to their enemies in the Orient.

Mr. President, it is time we gave up the Philippine Islands and got out of that danger zone. Another war would surely wreck this Nation. I have not found a man in public life in the Capital of this country who does not frankly admit that another great international war in which we partici-

pated would destroy the Republic. Why temporize with this phantom of death?

Why all this glib talk about another war? What would we fight it for? The cold-blooded, ruthless announcement is made to us as Members of Congress that it is now our "foreign policy" to defend American rights everywhere. If we have the faintest adumbration of intelligence, patriotism, and love for the men who died on gory fields to preserve the Republic we will be sure that we firmly establish the rights of our own flesh and blood in America under the Stars and Stripes before we start establishing rights for anybody on foreign soil.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1558) to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

The message further announced that the House insisted upon its amendments to the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Lea, Mr. Crosser, Mr. Bulwinkle, Mr. Cole of Maryland, Mr. Wolverton, Mr. Holmes, and Mr. Halleck were appointed managers on the part of the House at the conference.

NEW MEXICO AND ITS CITIZENS—PERSONAL STATEMENT

Mr. HATCH. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. HATCH. Mr. President, a bill relating to certain so-called pernicious political activities has been pending before Congress throughout weeks, and even months. During that period of time much publicity has been given to the measure. I should be extremely ungrateful if I did not say that I deeply appreciate the very favorable reception which has been accorded this measure by the press of the country generally. I have no hesitancy in saying now, as I have said upon other occasions, that if there is any credit due for the passage of this legislation the major part of the credit rightfully belongs to the press of the country.

The very gallant and altogether unselfish fight led by the Scripps-Howard newspapers has done more to acquaint the people of the country with the true objectives and purposes of the bill than I or any of the sponsors of the bill could possibly have done. At some time I hope I may in a more suitable manner express my gratitude to all the newspapers and magazines which have helped in carrying on the fight and have contributed so much.

I do not forget, Mr. President, that the idea of applying the civil-service rule to prohibit political activities by employees in the nonclassified civil service came from an editorial which appeared in the Washington Post more than a year ago. I mention that fact because of an article to which I shall presently refer.

The statement is made that my activities were caused by certain things which happened in New Mexico. I am very glad, Mr. President, that my activities along this line go back long, long before anything arose in the State of New Mexico or any charges were made, as both my colleague [Mr. Chavez] who is present and the Representative from my State, who sits by my side, well know.

Mr. President, this parliamentary statement about the press of the country is not made to repay or to attempt to

repay in any manner the debt which I feel I owe to the press. I am making this frank statement and acknowledgment of the aid which has been given and of the appreciation which I feel because my remarks today will concern an article which appeared in a current issue of one of the great weekly magazines of the country.

Always it seems, Mr. President, something happens which strikes a discordant note. On yesterday that happened; and today I take the first opportunity of expressing a protest, not on my own account, but on behalf of others who for various reasons cannot appear and speak for themselves.

The current issue of the great magazine Time gives the measure of which I have spoken much space. When I say "great magazine Time," I mean great, for, in my opinion, it is one of the greatest magazines of the country. I am one of its regular readers. I find it to be an invaluable aid in keeping up with current affairs, not only in Washington and throughout the Nation but throughout the world. It is accurate and informative. If I may use the expression, "its pithy paragraphs pack a paralyzing punch" which is truly amazing.

So far as the bill I have sponsored is concerned, I have no complaint to make at the treatment it has received in this great magazine. I have every reason to appreciate the splendid articles which have appeared in it. However, on yesterday, in reading the article on the bill, a few short words caused me deep concern—words, Mr. President, which did not refer to me but to my colleague the junior Senator from New Mexico [Mr. Chavez]. I shall not repeat the words, Mr. President. I do not want to insert them in the Record.

Certainly it is not my purpose to do battle for my colleague on matters of issues. He is well able to speak for himself. I have seen him on the stump, in campaigns, and in debate, and he needs no man to assist him in that field.

Contained in the article, Mr. President, are one or two words of which he cannot well speak. They are too personal and touch too deeply upon things which we all cherish, and of which we cannot ourselves speak.

The great State of New Mexico, which my colleague and I represent in the Senate, is a State which is rich in tradition, history, and even romance. It is a State which is blessed by scenery unsurpassed in the world. Its climate is ideal. Those of us who are fortunate enough to call New Mexico our home are proud of all her history and tradition, and we thrill with the beauty of her scenery. Merely to live in New Mexico is to enjoy privileges and happiness which even kings, with all their wealth and power, may not purchase, acquire, or enjoy in less favored regions.

In the State of New Mexico, Mr. President, the major part of our citizenry represents two great nationalities. I use the word "nationalities" advisedly, for sometimes a looser term is used; sometimes people even in New Mexico refer to the different "races." The people of New Mexico are not of two races. We have in our State honorable citizens of English and honorable citizens of Spanish ancestry. Long before the settlements on the Atlantic seacoast had been dreamed of. brave Spanish explorers had entered and extended their dominion over all the great Southwest. Today the descendants of those early Spanish settlers form a large part of the population of New Mexico. Also, of course, we have in New Mexico probably an equal number of English-speaking citizens of English ancestry. Throughout the years these two great nationalities have lived together, equally enjoying the privileges and advantages of our great State.

As one of the English-speaking citizens, I take great pride in the history, accomplishments, and achievements of my English ancestry, and my colleague, of Spanish ancestry, takes equal pride in the history, accomplishments, and achievements of his ancestry.

I attempt no flight of eloquence and use no high-flown words in portraying or in attempt to portray the history or accomplishments of either nationality. Both have much of which they can well be proud. It may also be that we both have that of which we should not boast. Each has its virtues; each has its strength; and each has its glorious past.

Among the Spanish-speaking people of New Mexico, I include some of my own warmest personal friends. I am proud of their friendship. Looking back over the years of my residence in the State, and thinking of the many favors and honors that have come to me, I know that I could not have had them and that I would not be here today if it had not been for the loyal support of both nationalities.

Contributions to Government and State have been made by great citizens of New Mexico whether of English or of Spanish ancestry. I am proud of the records of them all. I recall with pleasure the greatness of McDonald, Ezekiel C. de Baca, Andrieus A. Jones, Antonio Lucero, Sam G. Bratton, Felix Garcia, Lindsey, Mechem, Larrozolo, Hinkle, Hannetts, Dillon, Cutting, Chavez, Seligman, Valdes, Gonzales, Morrow, Ferguson, Hernandez. Alike they have served their State with patriotism and devotion.

I cannot help but point with pride to the fact that in our State are two great peoples who live together, treating each other with respect, confidence, and friendship, in many instances with real affection, but always with sympathy and understanding.

Because this is the history of my State, briefly stated, I can not help but raise my voice today in protest against the article in Time which, to me, seems to cast an undue and unwarranted reflection not only upon my colleague, not only upon the members of his family, but upon that great part of the citizenry of the State of New Mexico to which I have referred.

Mr. CHAVEZ rose.

Mr. HATCH. Mr. President, does my colleague desire to interrupt me?

Mr. CHAVEZ. I should like to make a brief observation.
Mr. BRIDGES. Just a moment, Mr. President, I have the

Mr. CHAVEZ. Mr. President, will the Senator yield very briefly while I make a short statement that will not take more than a minute?

Mr. HATCH. I will say to the Senator from New Hampshire that I have almost concluded.

Mr. BRIDGES. Very well. I will yield if the interruption shall be very brief.

Mr. CHAVEZ. Mr. President, I thank my colleague for the kind words with which he has eulogized the State of New Mexico and its citizens. I also read the article in Time and it affected me; it affected my people and it affected my State. It is an insult that shall be resented; but I do not want to take the time of the Senate today while there is pending a bill which the majority leader and the Members of the Senate desire to pass. It is not my purpose to speak on the matter now, but in the not far distant future before the session is over it is my purpose to show the gentleman who so slurred my State and a great people that we do have Americans there even if they are of Spanish ancestry, and that one of those whom he slurs and insults may be the Unknown Soldier lying in the tomb at Arlington.

Mr. HATCH. Mr. President, I may interpolate here with reference to what my colleague has said about the Unknown Soldier in the tomb at Arlington that I know, although I had not intended to refer to it, that in the Spanish-American War in 1898 Spanish citizens of my State enlisted and fought under the Stars and Stripes against Spain.

Mr. President, I was saying that I have taken the floor today to voice a protest, my own personal protest, against the insinuations and implications which reflect upon not only, as I have said, my colleague and his family but on the people of my State. Unthoughtedly I am sure it was done; unthoughtedly the wrong was inflicted, but, nevertheless, the cruel epithets, Mr. President, did wound and hurt and injure most poignantly, and, in my mind, most unnecessarily. I cannot hope to heal the injury; I do not hope to right the wrong; but my voice can be raised in protest against the slight and injury to my colleague, to his family, and to the people of his State and mine, and to the thousands of loyal, patriotic American citizens of New Mexico of honorable Spanish ancestry and descent.

Never again let such an implication be made; never again let cruel, unjust thoughts find their way in print to wound, hurt, and injure innocent men and women.

Differences there may be, and there are, in our nationalities, as there are in all nationalities; but in New Mexico, Mr. President, we are proud, whether we be of English or Spanish ancestry, that we have no difference in race. We belong, all of us, to the greatest of all races—the great white

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. BARKLEY, Mr. President—
Mr. BRIDGES. I yield to the Senator from Kentucky.
Mr. BARKLEY. Mr. President, I do not want to interfere with the Senator from New Hampshire, but I am wondering if we can make another effort, following the Senator's address, to enter into an agreement with respect to the limitation of debate during the further consideration of the bill.

Mr. AUSTIN. Mr. President, I think such an effort is practicable. However, I have agreed to call for a quorum

whenever a request of that character is made.

Mr. BARKLEY. I should like to reach an agreement at this time, if possible, so that we may have some idea about the program for the remainder of the day.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from New Hampshire yield for that purpose?

Mr. BRIDGES. I do.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	Johnson, Colo.	Russell
Austin	Downey	King	Schwartz
Bailey	Ellender	La Follette	Schwellenbach
Bankhead	Frazier	Lodge	Sheppard
Barbour	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smith
Bone	Gillette	McKellar	Stewart
Borah	Green	Maloney	Taft
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neelv	Tydings
Byrnes	Havden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Chavez	Hill	O'Mahoney	Wagner
Clark, Idaho	Holman	Pepper	Walsh
Clark, Mo.	Holt	Pittman	Wheeler
Connally	Hughes	Radcliffe	White

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Kentucky. Mr. BARKLEY. I ask unanimous consent that following the address of the Senator from New Hampshire, during the remainder of the consideration of this measure no Senator shall speak more than once or longer than 15 minutes on the bill, or more than once or longer than 15 minutes on the amendment, and that the agreement shall exclude any amendment on the subject of highways, if one shall be offered.

The PRESIDING OFFICER. Is there objection?

Mr. HOLT. I object.

The PRESIDING OFFICER. Objection is heard.

POLITICS AND EXPROPRIATION

Mr. BRIDGES. Mr. President, there is an item in the spending bill for \$100,000,000 dollars for spreading good neighborliness in Latin America. This is in addition to the \$100,000,000 which the Export-Import Bank already has. The White House had contemplated \$500,000,000 in the pending bill, but I note that the figure has been cut to \$100,000,000.

Mr. President, I want to discuss our so-called good neighbor policy in Latin America. For some time the Roosevelt administration has been greatly concerned about fascism in Germany, and we have been deluged with propaganda to the effect that the menace is not confined to Europe, but that fascism is moving into Latin America.

While expressing this great concern about fascism, however, the administration has encouraged and even connived at the establishment of communism in Mexico. It seems, Mr. President, that the American people are even paying the bill.

I hope to prove to my colleagues that what has been happening in Mexico for the past 6 years and what has been happening here are of the same pattern, directed by the same forces, as much part and parcel of a united movement as if directed by one master mind and one master hand.

In this country, leading the movement, agitating it, encouraging it, has been the New Deal. In Mexico it has been the so-called Mexican new deal under the Cardenas government.

As part of the cooperation, our New Deal has encouraged its fellow travelers to the south to seize the property of American citizens. Through our silver policy we have even subsidized them in doing so. It has all been in line with the so-called redistribution of wealth propaganda which has not redistributed any wealth, but has come very near destroying it.

Now let us get on with the circumstantially convincing

The Mexican revolution has coincided in time and action with the so-called revolution in this country. As part of the Mexican upheaval, the Cardenas government, in March 1938. expropriated the oil properties of American, British, and Netherlands citizens. Strangely enough, in the light of the atmosphere engendered in this country at that time, this action caused no general indignation. Our own Government was engaged in trying to pack the Supreme Court. Lawlessness was the theme of both this Government and the government at Mexico City. Indeed, instead of our administration's taking immediate action in the matter, officials of our Government set out to honor the officials of the Mexican

The prime mover in the Cardenas revolutionary program is Vincente Lombardo Toledano. He came to Washington less than 3 months after the expropriation took place, not to deal with the oil question but to make a speech and to be dined by such officials of the New Deal as John Carmody, at that time Administrator of the Rural Electrification Administration; Fred Silcox, Chief of the United States Forest Service; Mary Anderson, Director of the Women's Bureau of the Department of Labor, and others. But it will be better if you hear of this reception from Raymond Clapper, a columnist well known to you all and very friendly to the New

Writing in the Washington News of June 24, Mr. Clapper

Because it occurs in the midst of the State Department's negotiations with Mexico over seizure of foreign oil properties, there is unusual interest—and a little nervousness—over the circumstance that a group of Government officials are sponsoring the speaking appearance here Monday night of the prime mover in the Cardenas program, Vincente Lombardo Toledano.

He is a young and spectacular figure in Mexico's new labor movement, and he will discuss his labor program in which a major interest has been driving through the Cardenas expropriation

of the 10 sponsors for the Toledano meeting, 7 are in the Government. In addition, Oscar Chapman, Assistant Secretary of the Interior, was announced as chairman of the meeting, although it is possible he may be obliged to withdraw in order to fill a speaking engagement elsewhere for Secretary Ickes

Arrangements for the meeting were made by Miss Alice Barrows, of the Office of Education in the Interior Department. She was of the Office of Education in the Interior Department. She was the charming hostess at the famous dinner party early in the New Deal when her guest, the late Dr. William Wirt, Gary, Ind., educator, became so frightened that he told a congressional committee a band of "brain trusters" was plotting revolution and that Roosevelt was their dupe. She does have the most interesting parties.

Sponsors for the Toledano meeting include John Carmody, Administration, First States for the Dural Electrication, Administration, First States.

ministrator for the Rural Electrification Administration; Fred Silcox, Chief of the United States Forest Service; Mary Anderson, Director of the Women's Bureau, Department of Labor; Robert Marshall, United States Forest Service; Mordecal Ezekiel, economist, Department of Agriculture; Stuart Tice, Chairman of the Central Statistical Board; and Isador Lubin, United States Commissioner of Labor Statistics.

Ordinarily the speech of a foreign labor leader would be of passing interest only to Washington. But the fact that Toledano is the power behind the Mexican Government makes his appearance here significant at this time when the oil controversy is sufficiently

delicate to have delayed for weeks the return of Ambassador Josephus Daniels to his post at Mexico City. And the fact that Government officials are serving as sponsors for his meeting gives

Government officials are serving as sponsors for his meeting gives it more than ordinary prestige.

The State Department was not consulted by officials sponsoring the meeting and does not know whether Toledano intends to use the occasion to defend Mexico's oil policy. If he does, there might be some resulting embarrassment to the State Department in its negotiations, for the reason that the meeting almost certainly would be represented in Mexico as having the approval of the

would be represented in Mexico as having the approval of the American officials sponsoring it.

Toledano has close relations with John Lewis and the C. I. O. movement here. John Brophy, director of the C. I. O., will share the program with Toledano Monday night.

The rise of the young Mexican labor leader has been as spectacular as that of John Lewis and C. I. O. here. He is not only supporting the Cardenas government and shaping its policies but is pressing it to turn the seized oil properties over to labor.

There is no disposition anywhere in the Government to try to head off Toledano's speech. That is not in the picture at all. Neither has the State Department attempted to interfere with those Government officials who are lending their names and support to the meeting. The administration doesn't insist upon the same strict discipline among executive officials that it asks of Democrats in Congress. Everyone downtown is free to sing pretty Democrats in Congress. Everyone downtown is free to sing pretty much in his own key. But some in the State Department will consider the Government lucky if it doesn't get a headache out of the affair.

Following this get-together of kindred spirits, Mr. John L. Lewis, who has been part and parcel of the New Deal, and Mr. Edwin S. Smith, member of the National Labor Relations Board, made a return visit to Mexico City in September 1938. As to what took place on this visit I read from an editorial in the New York Daily Mirror of September 19, 1938:

In a few days John L. Lewis, chairman of the Committee for Industrial Organization, will arrive on shipboard in New York Harbor. Ship news reporters will ask him what really happened in Mexico City's recent Latin American labor conference. Here's the dope: Lewis left the unmistakable impression, notwithstanding Secretary Cordell Hull's vehement protest, that President Rooseveit approves the confiscation of American oil properties in Mexico.

Sitting in the honored seat on Toledano's right hand, Lewis de-clared that 4,000,000 American workers had delegated him to bring best wishes for the future to Mexican unionists. * * *

"In Mexico we have seen under the regime of President Lazaro Cardenas with profound satisfaction the enormous growth of the labor movement through the C. T. M. (Mexican Labor Federation)," Lewis asserted.

The workers should so organize that what has taken place in the United States and Mexico can be achieved in all countries of Latin

America.

'It makes no difference," the C. I. O. chieftain cried, "whether these avaricious capitalistic organizations are in the United States or in Mexico or in the countries of Europe, their attitude toward the workers and the tactics are the same.'

This editorial goes on to say:

Smith outspokenly approved the oil confiscations—although this part of his speech was omitted in the hand-out to American papers. He lauded Mexico as the only capitalistic country with the courage to carry out the right of all workers.

Now I read from an editorial in the Bridgeton (N. J.) News under date of September 19, 1938:

Washington officials do not conceal their disapproval of speeches by Edwin S. Smith, of the National Labor Relations Board, and John L. Lewis in Mexico City. * * * *

L. Lewis in Mexico City. * * *

The Labor Board member spoke in an auditorium described in the press as "decorated with a sea of red banners," and composed of an audience whom William Green charged were principally Communists.

In passing, I would like to observe that I never saw any evidence of this disapproval. Mr. Smith is still a member of the National Labor Relations Board and Mr. Lewis still sits at the right hand of the throne, even though day before yesterday he made a very vicious attack upon the Vice President of the United States, the Presiding Officer of this body.

Now I read an editorial from the Wilson (N. C.) Times under date of October 10, 1938:

Not satisfied with the confusion and trouble that he has brought Not satisfied with the confusion and trouble that he has brought to America, John L. Lewis has been in Mexico attending the meetings of the South American Labor Conference and made speeches there applauding President Cardenas in his stand against the United States with reference to expropriations of American-owned property. With John L. Lewis was Edwin S. Smith, of the National Labor Relations Board. By their presence and statements these two Americans have encouraged the Mexican Government to resist the American Government's demand that property taken from the citizens of America and foreign countries without consideration is neither fair, right, nor just. * *

I have here today dozens of editorials of similar tenor from newspapers throughout this country.

But the most thorough description of the activities of Mr. Lewis and Mr. Smith is given by Hartley W. Barclay, editor of Mill and Factory. Writing in America's Future, the November 1938 issue, he said:

The recent session in Mexico City of the International Industrial Institute, which I attended, proved to be merely an adjunct to a radical international labor meeting. The labor congress in turn was the carefully prepared springboard for a movement to extend Mexico's program of expropriations, confiscation, and communism in all of Latin America.

Whether by design or coincidence, the impression was created that the extension of Mexico's "red" ideals into all the Americas has the approval of the North American New Deal and of his labor

ally, the C. I. O.

Edwin S. Smith, member of the United States National Labor Edwin S. Smith, member of the United States National Labor Board, a speaker at two sessions, was present on the platform when Mexican President Cardenas expounded his doctrine of expropriation and invited all Latin America to follow his example. Mr. Smith's commendation of Mexican labor laws and his bitter attack on reactionary capitalism in the United States gave Mexicans the impression that the administration, through a Government official, approved confiscation of American properties in foreign countries. Mr. Smith has denied that this is a justifiable inference, but the impression became so widespread that it already has served the purpose of those who planned the fortnight of propaganda meetings in the Mexican capital.

At this point, Mr. President, I want to say that Mr. Smith has denied that he gave approval to the expropriation

Now, to return to Mr. Barclay's article, he writes further:

To realize fully the seriousness of aid and comfort given to the Mexican revolutionaries by the presence of John L. Lewis; Edwin S. Smith, of the N. L. R. B.; and other Americans who attended the Mexican Labor Conference, and applauded its speakers, one must first understand President Cardenas and his policies. The most significant statement of policy was given directly to me by the official spokesman for President Cardenas, Attorney Antonio Ramos Pedrusers. "Of source you know we are excellent accompany and Pedrueza: "Of course, you know we are a socialistic government and we are nationalizing our resources like Germany, Italy, Chile, and other countries have done, for the benefit of our nationals."

Mr. Barclay goes on to say that the Foreign Policy Association in New York had some time previously recognized the totalitarian aspects of certain of Mexico's economic and political policies as they existed in 1937.

I now read from the current issue of the Saturday Evening Post an article entitled "What Has Happened to Mexico's Oil?" by Ruth Sheldon. She made a trip through Latin America to study the subject. She writes:

Mexican Government officials assured me that the properties would never have been expropriated if President Cardenas had not felt confident of the sympathy of the Roosevelt administration. It is significant that the expropriation law, which gave the Government the right to expropriate private property "for public and social welfare," was submitted to the Mexican Congress in October 1936, but was not passed until November, after election day in the United States

Now, Mr. President, let us see what our Government was doing officially in the matter. As nearly as I can determine, Secretary of State Hull sent his first note protesting the seizure of these properties on July 21, 1938. You can imagine the effect it had after what had gone before. He sent another note on August 22, 1938, and there have been several other notes. But I have not the slightest criticism of Secretary Hull. I have no doubt that he has pursued this matter in his usual vigorous manner.

But, on the other hand, I have not the slightest doubt, and neither has anyone else who is acquainted with what goes on in Washington, that in each instance he sent a note to Mexico City responsible officials of the New Deal gave the Mexican Embassy to understand that no attention was to be paid to them. Can there be any doubt of what Mr. Roosevelt's attitude was when one contemplates the whole atmosphere of the negotiations?

On February 1, 1939, there appeared in the newspapers stories of a so-called mystery note that had been dispatched to the Mexican Government. It was supposed to have been very strong in tone, but nobody to this day has been able to find out anything about this note.

H. R. Knickerbocker wrote for the International News Service under date of February 1, 1939, as follows:

Somewhere in the archive safe of the American Embassy in Mexico City is a bombshell which contains explosives sufficiently powerful to blow up either the Cardenas government or the diplo-

matic relations between the United States and Mexico.

It is a copy of the unpublished note which the American Government addressed to the Mexican Government immediately after the expropriation of the oil properties valued by their American owners at \$200,000,000.

The note is the deepest secret in Mexico today, and nobody has seen it but the very highest officials and diplomats of the American

and Mexican Governments. * * *

It is one of the most mysterious notes in diplomatic history.

Because it simply disappeared. It left Washington. It arrived in the American Embassy there. It was delivered by the American Embassy to the Mexican Foreign Office, but the Mexican Foreign Office never received it.

The suggestion is plain that Secretary Hull sent a very forceful note, but that Mexican and other American officials agreed not to publish it. Parenthetically, I tried to find out something about this note from Under Secretary of State Sumner Welles, but although he wrote me exhaustively telling of all public steps that had been taken, he evaded any mention of this mystery note.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LUCAS. The Senator from New Hampshire was discussing a letter which he received from Sumner Welles with respect to what he termed a "mysterious letter" which is now in the archives, as I understand, of the American Embassy in Mexico City. Has the Senator with him that letter from Sumner Welles?

Mr. BRIDGES. I have.

Mr. LUCAS. I should like to know what the Under Secretary said in his letter to the Senator, if the Senator will be so kind as to read it or put it in the RECORD.

Mr. BRIDGES. I shall ask that the clerk read the letter. It is a rather lengthy one.

The PRESIDING OFFICER. Without objection, the letter will be read by the clerk.

The Chief Clerk read as follows:

DEPARTMENT OF STATE. Washington, February 7, 1939.

The Honorable STYLES BRIDGES, United States Senate.

MY DEAR SENATOR BRIDGES: I have received your letter of February 3, 1939, in which you express various opinions, and request certain information, with regard to relations between the United States and Mexico. I welcome the opportunity of responding to

States and Mexico. I welcome the opportunity of responding to your letter under acknowledgment.

In your letter under reference you state, "The confiscation of property of the citizen of another nation is the violation of an international law. A confiscatory policy thus strikes not only at the interests of particular individuals, but at the foundations of international intercourse, and law and order."

In the event that the note has not been brought to your attention, I may say that in a note addressed on July 21 last by the Secretary of State to the Mexican Ambassador in Washington, the full text of which was made public at that time, the Secretary of State announced the position of this Government upon this question as follows:

question as follows:

"The taking of property without compensation is not expropriation. It is confiscation. It is no less confiscation because there may be an expressed intent to pay at some time in the future." The Secretary of State further said that the Government of the United States cannot admit that a foreign government may take the property of American nationals in disregard of the universally recognized rule of compensation under international law nor admit that the rule of compensation can be nullified by any country through its own local legislation.

In a further note addressed to the Mexican Ambassador in Washington under date of August 22 last, which was likewise made public at that time, the Secretary of State referred to these statements contained in his earlier note, and further declared that the doctrine of just compensation was "embodied in the constitutions of most countries of the world and of every republic of the American Continent, and has been carried forward as an international doctrine in the universally recognized law of nations. There is, indeed, no mystery about international law. It is nothing more than the recognition between nations of the rules of right and fair dealing, such as ordinarily obtain between individuals, and which are essential for friendly intercourse."

I believe you will, therefore, agree that the position of this Government with regard to the fundamental principles mentioned in

your letter has been made known officially and very clearly to the Government of Mexico through the communications above cited.

In the first paragraph of your letter under reference you refer to a news report "that a very mysterious or secret note was dispatched to the Government of the Republic of Mexico by the United States Government at the time the Mexican Government expropriated American and other foreign-owned property of enormous value."

I am glad to assure you that neither have there been any "mysterious" communications dispatched by the Government of the United States to the Government of Mexico nor has there been any "mysterious" communication of any character whatsoever to the Government of Mexico. The position of this Government with regard to the fundamental issues involved, as shows set forth has been adhered to increase. as above set forth, has been adhered to in every communication made by this Government to the Government of Mexico, whether oral or written, either prior or subsequent to the notes of July 21 and August 22, 1938, above cited.

21 and August 22, 1938, above cited.

You will however, I am sure, concede that it would not be compatible with the public interest or consistent with the successful conduct of our foreign relations for this Government to undertake to make public the texts of every communication or the details of every conversation which may be undertaken with a foreign government relating to matters currently the subject of diplomatic negotiations. The problems involved in the instant matter are complicated and delicate, and the successful culmination of the negotiations now in progress would hardly be furthered by the publication at this time of every detail of the discussions which have been

tions now in progress would hardly be furthered by the publica-tion at this time of every detail of the discussions which have been taking place between the two Governments.

You further inquire whether this Government can consent to have other nations directly intervene on behalf of their interests in Mexico. This Government is not informed of any intention on

in Mexico. This Government is not informed of any intention on the part of other nations to intervene in Mexico.

You ask, "Is the government of President Cárdenas, obviously hostile to the United States, drifting toward, or already under, the domination of European or Asiatic powers?" I know of no evidence which would support the allegation that the government of President Cárdenas is "obviously hostile to the United States," nor has this Government any reason to believe that Mexico is under the domination of, or drifting toward, domination by any other country.

has this Government any reason to believe that Mexico is under the domination of, or drifting toward, domination by any other country.

You further submit a question with regard to the possibility of civil strife in Mexico in consequence of "conflicting ideology." This question, as I am sure you will agree, relates solely to the internal and domestic affairs of Mexico, and could not appropriately be publicly commented upon by an official of this Government.

You further state: "Notwithstanding resulting serious economic repercussions, it is rumored that American citizens have been urged to undertake individually, or by group, or by independent agents, personal negotiations with the Government of Mexico. Does our Government advocate this procedure in so complicated a situation? * * * Will you inform me, in addition to the above-made queries, whether or not you have urged, or expect to urge, such private action disassociated from the duties of your Department?"

From the moment of the expropriation by the Mexican Government of oil properties belonging to American nationals—to which your inquiry just quoted is obviously intended specifically to apply—the Department of State has persistently, and upon innumerable occasions, conferred both with representatives of the Government of Mexico, and with representatives of the American oil companies, in order to facilitate direct negotiations between the two parties involved in the controversy which arose from such expropriation, for the purpose of promoting an equitable and prompt solution, and in order that these American nationals might thereby obtain adequate, prompt, and effective compensation for their properties.

their properties.

I am glad to say that as a result of the efforts of the Department

I am glad to say that as a result of the efforts of the Department of State I am now informed that negotiations looking toward this end will be undertaken before the end of the present month. The Mexican Government, in various ways and upon numerous occasions, has publicly announced its willingness to negotiate a settlement with the American companies whose properties were expropriated, and in accordance with the established practice of the Department of State, the Department has considered its function properly to be limited for the time being to the facilitation of such negotiations, and to communicating to the Mexican Government the position of the Government of the United States with regard to what it maintains are the just rights of its citizens.

Finally, you request me to inform you of the status of negotiations between our Government and the Government of the Republic of Mexico with relation to the recent confiscation of American

lic of Mexico with relation to the recent confiscation of American properties. In compliance with your request I am glad to convey to you in the following lettered paragraphs the present status of settlement of each of the several categories of American properties involved, in addition to the oil properties above mentioned.

(a) Agrarian expropriations since August 30, 1927: By notes dated November 9, 1938, and November 12, 1938 (copies enclosed),

an agreement was reached for the settlement of these agrarian claims of American citizens. The Commission to evaluate these claims had its first meeting in Mexico City on December 1, 1938, and the proceedings of the Commission are now in progress. Under the agreement Mexico is to pay to the United States on May 31, 1939, the sum of \$1,000,000 and annually thereafter, until the full amount is paid, at least \$1,000,000.

(b) Special (revolutionary) claims: At the beginning of this year, the Mexican Government paid to the United States Government the sum of \$500,000 due on these claims. This and the four previous annual payments and interest were paid on the due dates.
(c) General claims: No final arrangement has been concluded

for the payment of these claims. A statement regarding their

present status is enclosed.

(d) Foreign debt and railway debts: The American interest in these debts is estimated to be approximately 20 percent of the total. It has long been the policy of this Government to regard such debts as primarily for negotiations and settlement between the foreign government and the bondholders or their representatives.

The Department has received no complaints of any new expro-

The Department has received no complaints of any new expropriation cases affecting American properties since the above-mentioned agreement of November 9-12, 1938.

May I, in conclusion, refer to the statement contained in your letter that "general confiscation of the property belonging to American citizens by the Government of Mexico, if tacitly approved by inaction on the part of our Government, may soon endanger the peace and welfare of this Nation, and may well result in international disorder, and thus create an incentive toward armed aggression."

From the facts above set forth I am sure you will acceed that

From the facts above set forth I am sure you will agree that there has been neither tacit approval on the part of this Government of the expropriation without compensation of American properties in Mexico by the Government of Mexico, nor any inaction on the part of this Government. On the contrary, this Government has both sedulously and consistently sought to further and to facilitate the settlement on the basis of just compensation of the many claims of United States citizens which have arisen as a result of policies pursued by the Government of Mexico during past weers. of policies pursued by the Government of Mexico during past years. In pursuing this policy this Government has made every endeavor to maintain close and friendly relations with the Government of Mexico, while at the same time making clear its conviction that lasting friendship between the two neighboring countries can only safeguarded through full respect on the part of each nation for the just rights of the other.

Sincerely yours,

SUMNER WELLES, Under Secretary.

Mr. LUCAS. Mr. President, will the Senator yield for another question?

Mr. BRIDGES. Certainly.

Mr. LUCAS. Where is the uncertainty and the doubt in that letter about the mysterious note?

Mr. BRIDGES. I cannot see that any answer was made as to the mysterious note to which I referred in my statement.

Mr. LUCAS. Does not Mr. Welles practically advise the Senator that no such note was written from the State Department? That is the way I understood the letter.

Mr. BRIDGES. I have every reason to believe, from unim-

peachable sources, that such a note was written.

Mr. LUCAS. That may be the Senator's opinion; but prior to the time the letter was read the Senator made the statement that he had written a communication to the Secretary of State and that the reply of Sumner Welles was very uncertain as to this particular mysterious note. The only point I am making is that I contend, from the language of that letter, that it is very, very certain; and I think, perhaps, the utter frankness of the manner in which Mr. Welles dealt with all the questions the Senator asked probably has the Senator a little uncertain.

Mr. BRIDGES. Not at all. The thing I should like to point out to the Senator from Illinois is that this letter was written early in February, I think, a long time ago; and the very able Under Secretary of State, Mr. Welles, was going to secure immediate action. To date the Mexican situation re-

mains just about as it was.

Mr. President, we come to what has a very distinct bearing on the whole situation. This is a story of how, when these leftist political forces were moving in what they claimed to be the welfare of the under dog, there were other forces just as active.

Senators will recall that Mexico's great difficulty since the oil properties were seized has been to sell the oil. Stepping into the picture to help them, with a view solely to helping the under dog, I am satisfied, was a free-lance oil operator. W. R. Davis, of New York. I am informed that he has had a very colorful career in the oil business; but before I discuss him further I wish to insert in the RECORD a copy of the Logan Act of March 4, 1909. I quote:

SEC. 5 (Criminal Code). Criminal correspondence with foreign governments; redress of private injuries excepted: Every citizen of the United States, whether actually resident or abiding within the same, or in any place subject to the jurisdiction thereof, or in any foreign country, (who) without the permission or authority of the Government, directly or indirectly, commences or carries on any verbal or written correspondence or intercourse with any foreign government or any officer or agent or conduct of any foreign government or of any officer or agent thereof, in relation to any disputes or controversies with the United States, or to defeat the measures of the Government of the United States; and every person, being a citizen of or resident within the United States or in any place subject to the jurisdiction thereof, and not duly authorized, (who) counsels, advises, or assists in any such correspondence with such intent, shall be fined not more than \$5,000 and imprisoned not more than 3 years.

I wish to read from an article by Marquis W. Childs in the St. Louis Post-Dispatch of June 10, 1939:

Negotiations between American oil companies and the Mexican Government over expropriated American properties have broken down, the Post-Dispatch has learned, and Mexico is understood to be entering into a series of new transactions with W. R. Davis, of New York, the independent oil operator who a year ago concluded a series of barter deals with Germany for Mexican oil.

Two transactions which Davis recently arranged are said to involve \$10,000,000 and another, \$8,000,000. The Mexican Government in return for oil in these amounts would receive refining machinery which it is hoped would enable the Mexicans greatly to increase their oil production. * * *

Reports have come from the State Department here that he has been negotiating the new transactions with apparently unlimited

capital.

Behind the Davis deals is an extraordinary network of intrigue involving high political officials in Washington and Mexico City.

How much of this behind-the-scenes activity will ever become known is doubtful. But if and when the whole story of the fight for oil is revealed it will read like a Phillips Oppenheim thriller.

Davis is a man of mystery. A free-lance oil operator with interests scattered all over the world, spending much of his time in airplanes and in urgent discussions on the trans-Atlantic telephone,

airplanes and in urgent discussions on the trans-Atlantic telephone, he is said to control a large refinery in Hamburg, Germany, and much of the oil from expropriated Mexican wells has gone there. But in part, at least, this has been shipped after refining, to the Scandinavian, Baltic, and Central European countries.

Just how much was involved in the original Mexican-German deals, engineered by Davis, has never been definitely known. In the first 3 months Mexico received, according to a reliable source, more than \$5,000,000 in cash and bartered goods. Machinery, office

equipment, and newsprint were taken from Germany in exchange

for Mexican oil.

State Department officials believe that Germany is behind Davis' present activities in Mexico.

On June 15, 1939, Mr. Childs wrote another article in which he said:

W. R. Davis, the free-lance oil operator who put over barter deals with Germany for oil from expropriated American wells now held by the Mexican Government, had the aid and advice of powerful figures in the Washington scene, including Senator Joseph F. Guffer (D., Pa.), a member of the Senate Foreign Relations Committee, the Post-Dispatch has learned.

John L Lewis, head of the Congress of Industrial Organizations, also interested himself in the Davis deals to the extent of assuring organized labor in Mexico that Davis had the resources to move Mexican oil in the face of a seemingly world-wide blockade by British and American companies, it has been learned from

authoritative sources.

Guffer said yesterday that his only interest in Davis was through Walter A. Jones, oil operator and politician of Pittsburgh, who was a heavy contributor to the Roosevelt campaign fund in both 1932 and 1936. Jones is still associated with Davis in the Mexican oil deals, he said last night.

in the Mexican oil deals, he said last night.

GUFFEY, himself formerly an oil operator, accompanied Jones on a hurried trip to Mexico City in 1937, nearly a year before expropriation of American and British oil properties. The Pennsylvania Senator introduced Jones, who was then engaged in laying the groundwork for deals that Davis later carried out, to various Mexican officials. Later Guffey, Jones, and Davis met in Jones' apartment at the Mayflower Hotel here with Eduardo Suarez, Mexican Minister of Finance, when the latter was on a visit to Washington.

What makes this so extraordinary is the fact that the State Department had given unofficial sanction to the efforts of Donald Richberg, Washington attorney, to negotiate a settlement be-tween American and British oil companies and the Mexican Government for the return of expropriated properties. These negotiations have come to a standstill and there is little hope they will be resumed.

State Department officials thoroughly disapprove of Davis, believing that he is operating with German capital. His barter deals will have a harmful effect on American trade, it is thought at the

State Department.
"I interested myself at the request of Walter Jones," Guffer aid. "I would do anything to help Walter Jones. He contributed largely to the election of Franklin D. Roosevelt. I never really knew Davis, but I believe he is a man of great ability. I have not seen him for a year or more." Records of the Democratic National Committee show that Jones contributed \$52,000 to the party in 1936. While records are not available for 1932, he is believed to have given a comparable sum in that year. An ardent New Deal Democrat, he has taken an active part in Pennsylvania politics in recent years. Former Governor George Earle made him chairman of the Pennsylvania Turnpike Commission building a superhighway across the State.

"I am still associated with Davis," Jones said on the long-distance telephone from his State office in Harrisburg. "I believe those people down there in Mexico should have a chance to sell their oil."

Those who champion Davis in Washington say that at least he

Those who champion Davis in Washington say that at least he has enabled the Mexican Government to get through the blockade which has been aimed at preventing the Mexicans from selling their oil in the world market. These same champions declare that Davis has concluded deals not only with Germany but with

that Davis has concluded deals not only with Germany but with seven other countries in Europe, including even a "behind the door" deal with Great Britain, whose Royal Dutch Shell lost an enormous stake when the Mexican properties were taken over.

The State Department is skeptical of reports of such deals, believing that Davis' only important connection is with Germany. Davis is now in Mexico City working out details of new transactions which involve supplying the Mexican industry with refinery equipment to make it possible, the hope is, greatly to increase production.

John Lewis' interest in the Davis deal comes about through his relationship with the Mexican Confederation of Labor and the Mexican Oil Workers' Union, now operating the oil industry in Mexico. It is reported here, however, that Lewis gained his first knowledge of Davis and Jones through Guffer.

Last year Lewis attended a Pan-American Labor Congress organ-ted by Vincent Lombardo Toledano, head of the Mexican con-

federation.

He was impressed at that time, it is said, by the efforts of the Mexican Government to operate the oil industry in the face of the blockade by the great companies with their world-wide ramifica-tions. He was impressed, too, it is understood, by the resources which Davis could command for moving blockaded Mexican oil. Davis and his associates are said to have convinced Lewis that they could muster at least 30 tankers for transporting oil, this being

an important factor, since the blockade is said to have extended to

the use of oil-carrying vessels.

Doubtful that negotiations with the Mexican Government will ever be resumed, Richberg conferred Monday with Standard Oil executives in New York on the next step to be taken. Returning yesterday, he discussed the present impasse with Secretary Cordell Hull, it has been learned.

For the time being at least, it is believed, Richberg will make no open move, waiting to give the Mexican Government every possible opportunity to reopen the negotiations, although the dead line for a reply has long since passed.

I now read from an article in the New York Herald Tribune under date of June 16, 1939, as follows:

The impasse now apparent in the unofficial efforts of Donaid M. The impasse now apparent in the unofficial efforts of Donaid M. Richberg to negotiate a settlement between American and British oil companies and the Mexican Government for return of their expropriated properties was traced today to the aid and comfort given to W. R. Davis, free-lance oil operator, by a group here, including Senator Joseph F. Guffer, Democrat, of Pennsylvania. Among others named as having offered advice to Mr. Davis, who put over the recent barter deals with Germany for oil from expropriated American wells now held by the Cardenas government, was John L. Lewis, head of the Congress of Industrial Organizations, and Walter A. Jones, Pittsburgh oil operator and a heavy contributor to President Roosevelt's campaign fund in both 1932 and 1936. Senator Guffer, who said today that his only interest in the

Senator Guffer, who said today that his only interest in the Davis ventures in Mexico was through Mr. Jones, accompanied the Pittsburgh oil operator on a trip to Mexico City in 1937, nearly a year before the expropriation of American and British oil properties. The Pennsylvania Senator introduced Mr. Jones, oil properties. The Pennsylvania Senator introduced Mr. Jones, who was engaged in laying the groundwork for the deal which Mr. Davis later carried out, to various Mexican officials. Later Senator Guffey met with Mr. Jones and Mr. Davis in the Jones apartment at the Mayflower Hotel here with Eduardo Saurez, Mexican Minister of Finance, when he was on a visit to Washington to consult the Treasury on its silver-buying policy.

Meanwhile, Mr. Lewis also interested himself in the Davis deals to the extent of assuring organized labor in Mexico that Mr. Davis had the resources to move oil out of Mexico in the face of a blockade which might be attempted by the American and British oil companies.

British oil companies.

Mr. Lewis' interest in the Davis deals comes about through his relationship with the Mexican Confederation of Labor and the Mexican Oil Workers Union, now operating the oil industry in Mexico. It is reported here, however, that he gained his first knowledge of Mr. Davis and Mr. Jones through Senator Guffer. Last year Mr. Lewis attended a Pan American Labor Congress, organized by Vincente Lombardo Toledano, head of the Mexican confederation, attended also by Edwin Smith, a member of the National Labor Relations Board.

Mr. Lewis was impressed at that time, it is said, by the efforts

Mr. Lewis was impressed at that time, it is said, by the efforts of the Mexican Government to operate the oil industry in the face of the blockade by the great companies, with their world-

wide ramifications. He was impressed, too, it is understood, by the resources which Mr. Davis could command for moving blockaded Mexican oil.

Mr. NEELY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from West Virginia?

Mr. BRIDGES. Certainly.

Mr. NEELY. Mr. President, I inquire of the able Senator from New Hampshire whether he is of the opinion that the articles which he has read into the RECORD impute to the Senator from Pennsylvania [Mr. Guffey] any conduct or motive unworthy of a Senator or unbecoming a Member of this body?

Mr. BRIDGES. No. I am not impugning the motives of Senator Guffey. I am merely reading from certain articles. and I have been very careful, during the course of the speech I have been delivering, in no way personally to venture an opinion about the Senator from Pennsylvania. I have not personally mentioned his name; but I am reading into the RECORD articles which deal with this situation, which articles, I understand, mention Senator Guffey's name. I read them for what they may be worth.

Mr. NEELY. Mr. President, will the Senator further yield?

Mr. BRIDGES. Certainly.

Mr. NEELY. I understand that the Senator's charges, if such they be, were read from newspapers and that the Senator does not contend that they are based upon personal knowledge. But will not the Senator from New Hampshire state whether, in his opinion, those articles impute to Senator Guffey any conduct or motive unworthy of a Member of the Senate?

Mr. BRIDGES. No, sir. I am making no charges.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Washington?

Mr. BRIDGES. I vield.

Mr. SCHWELLENBACH. Just prior to his last discussion the Senator read an excerpt from the Logan Act. Does the Senator contend that there has been any violation of the Logan Act either by Mr. Davis or Mr. Jones or Senator Guffey?

Mr. BRIDGES. I will answer the Senator from Washington by saying that when the pending spending-and-lending bill is out of the way I propose to offer, if it shall then be in order, a resolution calling for a senatorial investigation of this whole situation; and I do not know, of course, whether or not the facts uncovered by such an investigation would be such as to call for action under the Logan Act. If I did I would not ask for it. I should inform the Senate. I do not know what an investigation may reveal.

I wish to say, in perfect frankness, to the Senator from Pennsylvania [Mr. Guffey], and in answer to the question of the Senator from West Virginia, that I am making no charges at all so far as Senator Guffey is concerned. I am giving a picture of the oil situation in Mexico and of our relationship with that country. Senator Guffey's name merely comes into some of the articles I have read.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield further?

Mr. BRIDGES. Certainly.

Mr. SCHWELLENBACH. I will concede that any Member of this body has a perfect right to present matters which are of public interest, and that if, as a result of the presentation of them, the name of a Member of the body may become involved, possibly that is something that cannot be avoided. However, immediately before launching into that portion of his discussion which involved the Senator from Pennsylvania, the Senator from New Hampshire rather dramatically read from the Logan Act, which is a criminal statute, the violation of which, as I remember its reading, involves a fine of \$5,000, a violation of which certainly would cast a reflection upon the name of any Member of this body or anyone else who might be connected with a transaction which violated the Logan Act.

So far as I have been able to see from what the Senator has read since quoting from the Logan Act, there is not a single, solitary thing which in any way involves a violation of the Logan Act. I think Members of this body, whether discussing other Members of the body or discussing politics or discussing matters of general interest, should have some degree of care when they undertake to charge persons with violation of the criminal statutes of the United States.

I never heard of any of these gentlemen except the Senator from Pennsylvania before the Senator from New Hampshire started reading; but if what he has read concerning them constitutes a violation of the Logan Act, then there is not a large corporation in the United States dealing with foreign governments which does not repeatedly and consistently violate the Logan Act. The Senator knows that there is not any violation of the Logan Act; and I call upon the Senator from New Hampshire upon this occasion, when he is attempting to bring into the discussion on the floor of the Senate the name of a Member of this body, to have some reflection upon his responsibility as a Member of the Senate of the United States.

When we take our oaths of office here, Mr. President, we change our status. Even though in the past we may have been simply careless scandalmongers, when we take our oaths of office we become representatives of the Government of the United States, and we have some responsibility to this Government and some responsibility to the people of the country. When a Senator, such as the Senator from New Hampshire, stands here and reads charges from newspapers and introduces those charges by reading from a criminal statute, and then is not able in the slightest particular to show a violation of the criminal statute, I say he is doing something which, while it may not be technically in violation of his oath as a Member of this body, certainly comes very close to a violation of that oath.

I call upon the Senator from New Hampshire, unless he has facts to show that the Senator from Pennsylvania and the other persons whom he is mentioning have violated the Logan Act, to eliminate now, openly and before this body. any portion of his remarks which may refer to a criminal statute. Common decency, common fairness, a common recognition of the responsibility we have as Members of the Senate of the United States, call upon him to do that very thing.

Mr. BRIDGES. Mr. President, in answer to the Senator from Washington, let me say that I quoted from the Logan Act, the criminal statutes of 1909, for the reason that I wanted to emphasize to the Senate and the country the grave responsibility of in any way conniving with a foreign government or representatives of a foreign land in regard to such matters as are covered by that statute. I am making no charges, but I say that this is a grave situation. It is a weird story; and I say that it is worthy of an investigation by the United States Senate to ascertain whether or not the story is something besides weird.

I am making no charges against the Senator from Pennsylvania in any way, shape, or manner. 'The Senator's name merely came into the speech by way of the various articles I have read.

Mr. MINTON. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Indiana?

Mr. BRIDGES. Certainly.

Mr. MINTON. In view of the observations of the Senator from Washington [Mr. Schwellenbach] about the statements made by the Senator from New Hampshire IMr. BRIDGES I make the point of order that the Senator from New Hampshire is out of order under rule XIX, paragraph 2, which reads:

No Senator in debate shall, directly or indirectly, by any form of words, impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The Chair would like to understand whether the Senator is making a point of order under paragraph 2 of rule XIX on the basis of which he invokes a ruling from the Chair as to

whether or not the Senator from New Hampshire, in anything he has said, has violated that paragraph.

Mr. MINTON. That is the point on which I should like to have the Chair rule.

The PRESIDING OFFICER. If that is the point of order,

the Chair is ready to rule.

The Chair rules that, in the opinion of the present occupant of the chair, the Senator from New Hampshire has not himself in debate, directly or indirectly, by any form of words, imputed to another Senator any conduct or motive unworthy or unbecoming a Senator. Any references which the present occupant of the chair has heard to the Senator from Pennsylvania have been in connection with the Senator from New Hampshire's reading of newspaper articles. Therefore, the Chair believes the point of order is not well taken.

Mr. BYRNES. Mr. President-

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from South Carolina?

Mr. BRIDGES. I yield. Mr. BYRNES. I simply desire to ask whether it is the opinion of the Chair that a Senator may make statements reflecting upon another Senator and then say, "I do not make that charge, but they do say that that is said and it is true." May a Senator say, "I do not make the charge," and then proceed to say, "But they do say in the community," and proceed to make a statement reflecting upon the integrity of a Member of the Senate?

The PRESIDING OFFICER. The present occupant of the chair would not care to make a ruling upon a hypothetical situation; but it is the view of the present occupant of the chair that paragraph 2 of rule XIX refers to remarks made by a Senator, and not to articles which he may be reading or other quotations which he may be making,

Mr. LUCAS. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. LUCAS. Does the present occupant of the chair hold that when a Senator reads from a newspaper article wherein a Senator is involved, that particular reference in a newspaper does not become his own words?

The PRESIDING OFFICER. That is the opinion of the present occupant of the chair, under the rule and the prece-

dents.

Mr. McKELLAR. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Tennessee?

Mr. BRIDGES. I do.

Mr. McKELLAR. Mr. President, the rule says-

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

I have read from rule IX, on page 25. Newspaper articles may be read as a form of words to make an accusation or to impute conduct unworthy of a Senator. It seems to me that reading these articles imputes to a Senator unbecoming conduct. It does so just as effectively as if the Senator from New Hampshire had used his own words. I think the Chair is wrong; and I appeal from the ruling of the Chair.

The PRESIDING OFFICER. The question is, Shall the ruling of the Chair stand as the judgment of the Senate?

Mr. BARKLEY. Mr. President, I did not hear the quotation; I was absent from the Chamber; but I merely wish to observe, if I may, that I do not believe the encirclement of words within quotations, from whatever source they may come, relieves them of their quality as imputing misconduct on the part of a Senator, if another Senator uses them and appropriates them to his own uses.

Mr. BORAH. Mr. President, if we are going to be called upon to vote upon the matter, we ought to have something specific. I ask those who make the point of order specify what it was that the Senator from New Hampshire stated which they regard as being in violation of the rule.

Mr. SCHWELLENBACH. Mr. President, when I first started to discuss this matter it was not with the idea that any point of order would be made. I may say to the Senator from Idaho, however, that the point I made was this:

Immediately before reading these newspaper articles in which the name of the Senator from Pennsylvania was mentioned, the Senator from New Hampshire read an excerpt from the Logan Act, a criminal statute. He then read some newspaper articles about certain activities which the articles alleged had been carried on by Mr. Davis, Mr. Jones, and the Senator from Pennsylvania [Mr. Guffey]. My contention was that since the Senator from New Hampshire immediately prior to that time had very definitely empasized the Logan Act, no other inference could be drawn but that, taking the two together, the Senator from New Hampshire was charging the Senator from Pennsylvania with violation of a criminal statute.

My objection was that, so far as I have been able to see, no statement was made in the articles from which he read, which would constitute a violation of the Logan Act. Therefore, I look upon it as an unwarranted injection of an excerpt from a criminal statute for the purpose of attempting to reflect upon a Member of this body.

Mr. BORAH. Mr. President, I heard the first statement of the able Senator from Washington, and I quite agree with the views which he expressed as to the responsibility which rests upon a Senator in making charges, directly or indirectly, against a colleague. He ought to be sure that he is speaking facts. But it does seem to me that this still is a very vague proposition. It is true that the Senator read a criminal statute. I am familiar with that criminal statute. On one occasion I myself was considered as having violated it. I regard it as a criminal statute, although its history is not such as to cause one to regard it as very serious. But this matter is too vague to warrant the invocation of a rule. We certainly are not prevented from reading criminal statutes, and we certainly are not prevented from reading from a newspaper which does not reflect upon a Senator. It is conceded that the reading of the newspaper does not in any sense bring the matter under the Logan Act. So, as it appears now, it has not been brought within the Logan Act by anything the Senator has said.

Mr. NEELY. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. NEELY. If the newspaper articles which the Senator from New Hampshire has read are true, the distinguished persons to whom they refer are probably subject to the penalties specified in the statute.

Mr. BORAH. Mr. President, we are certainly not going to take the position that a Senator cannot stand upon this floor and discuss matters of a serious nature without being charged with attacking a Senator, when the discussion in no sense charges any misconduct upon the part of the Senator himself.

Mr. GUFFEY. Mr. President, I hope the ruling of the Presiding Officer will be sustained. There is nothing the Senator from New Hampshire has read in this article to which I object. I want all the facts brought out. If he has any additional facts, let him bring them out as well. I sincerely hope that, if put to a vote, the decision of the Presiding Officer of the Senate will be sustained. I have nothing to conceal.

Mr. McKELLAR. Mr. President, under those circumstances, if the Senator from New Hampshire will yield to me, I withdraw the appeal.

The PRESIDING OFFICER. Without objection, the appeal is withdrawn.

Mr. BRIDGES. Mr. President, I read further from the article in the Herald Tribune:

Mr. Davis and his associates are said to have convinced Mr. Lewis that they could muster at least 30 tankers for transporting oil, this being an important factor, since the blockade is said to have

extended to the use of oil-carrying vessels. What makes the disclosures so extraordinary here and a source of embarrassment to the Department of State is the fact that the Department gave unofficial sanction to the efforts of Mr. Richberg to effect a settlement, a procedure the American oil companies assented to with considerable reluctance.

Doubtful that negotiations with the Mexican Government would ever be resumed, Mr. Richberg conferred on Monday with Standard Oil officials in New York on the next step to be taken. Back in

Washington, he discussed the present impasse with Cordell Hull, Secretary of State, it has been learned. For the time being, at least, it is believed, Mr. Richberg will make no open move, waiting to give the Mexican Government every possible opportunity to reopen the negotiations, although the dead line for a reply has long since passed.

State Department officials are said to disapprove of Mr. Davis,

State Department officials are said to disapprove of Mr. Davis, believing that he is operating with German capital and that his barter deals will have a harmful effect on American trade.

"I interested myself at the request of Walter Jones," Senator Guffer said. "I would do anything to help Walter Jones. He contributed largely to the election of Franklin D. Roosevelt. I never really knew Mr. Davis, but I believe he is a man of great ability. I have not seen him for a year or more."

Those who championed Mr. Davis in Washington say that at least he has enabled the Mexican Government to get through the blockade aimed at preventing the Mexicans from selling their oil in the world market. They further declare that Mr. Davis has concluded deals not only with Germany but with seven other countries in

world market. They further declare that Mr. Davis has concluded deals not only with Germany but with seven other countries in Europe, including even a "behind the door" deal with Great Britain, whose Royal Dutch Shell lost an enormous stake in the Mexican properties taken over. State Department officials, however, are skeptical of reports of such deals.

Similar stories, which I shall not burden the Senate with, appeared in the Pittsburgh Post Gazette and the Philadelphia Enquirer.

Now, Mr. President, I want to show another effect of this sort of good-neighbor dealing. I quote from an article from Mexico City in the Christian Science Monitor under date of April 26, 1939. It says that virtual monopoly of Mexico's rayon imports has been given to Italy with the signing of a contract for the barter of \$2,500,000 in oil in exchange for rayon and machinery. The article says that this is the second large barter arranged with Italy, the first having been for \$3,000,000 in oil in exchange for four oil tankers. This article says that the United States rayon exports to Mexico are not affected, since we send in a special kind of yarn which cannot be duplicated elsewhere. The article continues:

These machinery exports will, however, affect United States exports to Mexico, it is expected, with a further displacement of United States machinery which has been so heavily hit by the barters for German machinery.

The conclusion of the Italian contract marks one more blow at United States business in Mexico, which has lost consistently since barter for oil supplanted normal trade relations, following the oil expropriations. The sum of \$34,000,000 has been lost through the contracts of the William R. Davis Co. alone, with this firm supplying machinery and equipment for that amount from Germany and the Scandinavian countries in exchange for Mexican oil.

Under the heading "Germany profiting by Mexico's 'double deal," the following article by Mr. H. R. Knickerbocker appeared in the Lawrence (Mass.) Tribune on February 7, 1939:

The United States is taking a double beating in Mexico after having turned one cheek to the blow of oil expropriation. Uncle Sam is now receiving in the loss of trade an even more vigorous salute to the good-neighbor policy on the other cheek. Chief profiteer from the "double deal" is Germany.

Latest statistics show that we are losing a minimum of \$20,000,000 a year of sales to Mexico as a direct result of expropriation of the

American oil properties.

I could go on, Mr. President, giving examples of our loss of trade without end.

Sometime ago the State Department announced proudly that an agreement had been concluded with Mexico concerning agrarian claims, some of which had been pending for Under this agreement this Government is to many years. receive \$1,000,000 annually. Hopes were held out that this settlement augured well for the settlement of the oil dispute. Then it developed that the \$1,000,000 which Mexico is to pay us is to be taken from American owners of mineral properties in Mexico.

I think the whole story is made more amazing when we consider that through our purchase of \$216,000,000 of Mexican silver, for which we have no earthly use, and which I and my Republican colleagues fought against the President's tenacious opposition, to stop-through this subsidy the Mexican Government is maintained.

Now, I want to hark back to Mr. Jones' heavy campaign contributions to the New Deal. There is good reason to believe that they have far exceed the \$52,000 mentioned in the articles from which I have quoted. We all know that there has been considerable question as to where the C. I. O. and the Non-Partisan Labor League get their ample funds for other than straight unionization activities.

I think we should have an investigation of this amazing phase of the New Deal with two of its main subsidiaries, the C. I. O. and the Non-Partisan Labor League.

We are supposed to be against Germany—for Mexico. They work together against us and campaign funds from one of the principals of the intrigue flow back to the New Deal. It is a weird story—let us get at the bottom of it.

Mr. President, various Senators today have raised the question of the propriety of the remarks which I have made. The Senator from West Virginia [Mr. Neely] very properly asked me whether anything I said was intended to impugn the character or standing of the Senator from Pennsylvania [Mr. Guffey]. My answer to that is "no."

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. NEELY. The Senator has not accurately quoted my inquiry, although I am certain that he has not intentionally erred. I asked the Senator whether, in his opinion, the newspaper articles which he read, imputed to the Senator from Pennsylvania [Mr. Guffey] any conduct unbecoming a Member of the Senate?

Mr. BRIDGES. I think that the articles merely told a story, that they made no charges involving the Senator from Pennsylvania [Mr. Guffey]. They merely told the story of the whole Mexican situation.

Mr. NEELY. Mr. President, will the Senator further yield?

Mr. BRIDGES. Certainly.

Mr. NEELY. In anticipation of the ruling which the Chair has made, I endeavored to obtain from the Senator from New Hampshire his interpretation of newspaper articles in question in order to establish a foundation upon which a point of order against the improper imputations

which they contain might be sustained.

Mr. BRIDGES. Mr. President, I think the whole Mexican deal, as I have stated, is a weird story, it is an amazing story, and I believe that the Senate of the United States or the Congress of the United States should get to the bottom of the story. I make no charge today against anyone; I am merely reciting the facts, and giving the Senate a picture of this amazing intrigue, this amazing story, which can be easily gathered by any Senator. The only reference to the Senator from Pennsylvania I made was quoted from the public press of the country. I made no individual reference to him, and I in no way reflect on the Senator from Pennsylvania. As I have stated, his name inadvertently came in some of the press articles which I quoted. But I do impress upon the Senate with all the force at my command the seriousness of the whole Mexican situation.

Mr. President, last fall I made a trip to South America and I found in many of the South American countries that as the result of our weak-kneed attitude toward Mexico we were held in contempt by many in those countries. I believe that good feeling and good neighborliness cannot be promoted by our attitude toward Mexico in dealing with the Mexican situation, with our Government sitting still and allowing property of American citizens and American companies and American corporations to be seized without an excuse, and on the other hand continuing to subsidize the Mexican Government which is doing all this, by the purchase of silver. A majority of the Members of this body voted last evening to continue the purchase of foreign silver. Mr. President, I say that this is a subject which should be investigated. When the lending-spending bill shall have been disposed of I propose to offer a resolution for an investigation of the entire Mexican-American relationship.

Mr. GUFFEY. Mr. President, about 2 months ago Marquis Childs, an accredited correspondent of the St. Louis Post-Dispatch, came to my office and asked me about a trip which I had made to Mexico in May 1937. I gave him all the facts. I told him with whom I had gone to Mexico and whom I met there. My reason for going to Mexico, I told him, was that from the summer of 1918 until the middle of the year 1921 I had been active in the oil business in Mexico, and was familiar with many of the conditions there, and knew many persons in the oil business in Mexico.

So I accompanied my friend Mr. Jones, studied the situation, and gave him my opinion.

When Mr. Childs sent that story to the St. Louis Post-Dispatch he sent a story which was 100-percent false, and it was a malicious, character-destroying lie. I have been in the public service for 40 years, and have dealt with newspaper representatives almost daily during that time, either as a Government official in Pittsburgh or as the general manager of a public-utility corporation, or later in business for myself, and in public life, and I wish to say that this is the first time, with all the press representatives I have met, that I ever had one write such a malicious, character-destroying story about me.

Mr. President, I never met Mr. Childs before that, nor have I seen him since, but I am sure he received other compensation for sending that story out than that which he receives from his regular employer.

Ruth Shelton has an article in the Saturday Evening Post of this week, a rehash and write-up of the same story. Miss Shelton spent some months in Mexico recently as a guest of the English and American oil companies, and I have no doubt she wrote the same story for the same reason that Mr. Childs did.

Had the senior Senator from New Hampshire asked me a question as a matter of courtesy due one Senator to another, I would have given him a copy of the reply I issued to the Philadelphia Bulletin and other Pennsylvania papers when I was in Erie, Pa., the morning after the story appeared. I should have furnished it to him had he extended me the courtesy of asking me about it.

I hope and I believe that time will demonstrate that the senior Senator from New Hampshire did not read his prepared speech on the floor of the Senate for the same reason these other people sent the story to their newspapers.

I thank the Senate.

ACCEPTANCE OF EASEMENT WITH RESPECT TO LANDS IN NEW MEXICO—CONFERENCE REPORT.

Mr. HATCH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1558) to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 2.

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "Commissioner of Work Projects"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "Commissioner of Work Projects"; and the House agree to the same.

CARL A. HATCH,
RUFUS C. HOLMAN,
JAMES E. MURRAY,
Managers on the part of the Senate.
RENÉ L. DEROUEN,
J. W. ROBINSON,
KNUTE HILL,
JAMES W. WADSWORTH,
Managers on the part of the House.

The report was agreed to.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. TAFT. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The Chair will state that an amendment is pending. The question is on the amendment offered by the Senator from Wyoming [Mr. O'Mahoney], as modified.

Mr. GEORGE. Mr. President, let the amendment be reported to the Senate.

The PRESIDING OFFICER. The amendment will be read by the clerk for the information of the Senate.

The CHIEF CLERK. On page 4, line 17, after "Act", it is proposed to insert a colon and the following: "Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged, loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted, and a finding as to both the reasonableness of said offer and also as to the failure of acceptance has been made after public hearing by the Public Works Commissioner."

Mr. NORRIS. Mr. President, the adoption of this amendment for practical purposes will make it impossible for any municipality in the United States to get any assistance under the provisions of the pending measure toward the construction of a municipal light plant. From what many Senators with whom I have talked have said I believe the amendment will probably be adopted. In what I shall now say, Mr. President, I will, as nearly as I can, express plainly my belief and my judgment as to what will happen if the amendment is adopted, without any idea of impugning the motives of any Senator who supports the amendment, or of the Senator who offered it.

Mr. President, I think when it comes to loaning money or offering any financial assistance to municipalities for the construction of municipal electric-light plants, the municipalities should determine for themselves, under the State law, whether they wish to build or construct such municipal light plants, and their decision should be final.

If they decide they do not wish to build such plants, we should not in any way try to exert influence to induce them to do so. On the other hand, if they decide that they want to go into the business of generating and distributing electricity in their municipalities, we should keep our hands off. I go on the theory and the belief that the municipality should decide for itself whether it shall enter the electric-light business; and if it decides to do so, then it should not be circumscribed or hindered by any Federal statute. I think the language of this amendment will for practical purposes absolutely prohibit them from getting any benefit under the bill.

Why do municipalities go into the generation and distribution of electricity to their citizens? Not because they want to go into the business. What has been the history with respect to public utilities in the United States? What have municipalities which were supplied by a private corporation done before they have gone into the generation and distribution of electricity on their own part? The story is known to every Senator and to every citizen. The municipality goes to the private company which is supplying it with electricity and on bended knee begs the corporation to reduce its rates. The municipality feels that the rates are too high. The municipality never thinks of building a municipal plant except as a last resort. Does any Senator suppose that a municipality would not rather buy the private plant than to put in a competing system? Does any Senator believe that a municipality would gladly go into business knowing that it had to compete with a powerful corporation, a monopoly, the arms of which extend from the Atlantic to the Pacific, and from the Great Lakes to the Gulf? It seems to me it is foolish to think that municipalities want to go into that kind of a battle. They never do enter into such a struggle until they have exhausted every honorable means to obtain what they believe to be fair rates.

Mr. President, the people must be the judges. The responsibility is on them. The courts have held without exception that the people have a right to enter that business if they wish to do so. They may go in or stay out; that is their business. So, the right to enter the business cannot be questioned. Universally the courts have held that the fact that a private company is to have competition from a municipal plant is no defense whatever on the part of the

private company unless it has an exclusive franchise, and in that case the municipal plant could not compete with a private company. The day of grace of the municipality would be signed away.

A private corporation has no legal right whatever to say that a municipality should not construct an electric-light plant on the ground that it would compete with the plant of the private company.

When the people decide, vote the bonds, and make application for Federal assistance, they are always glad if they can buy the existing system at a reasonable price. It is to their financial advantage to do so. As a rule they pay more than the private system is worth. Whenever I have been consulted about such matters I have always said that I would pay more than it is worth, because I know what is ahead. There is a line of litigation extending from the municipality to the Supreme Court of the United States if it is possible to get there—and nearly always it is. Injunctions galore will be started, and a long chain of litigation will be commenced.

We all know the history of such things. As a rule injunction proceedings start the day after the people have decided to put in a municipal plant. It is often true—I think it is so apparent that no one will dispute it—that litigation is commenced when the corporations which commence it know that they are going to be defeated in the end. They want delay. They want to make expense for the municipality.

What happens? An ordinary municipality is worn out in the courts. It is carried from one court to another, always running the risk that somewhere in the proceeding as the case goes up there will be some error and that an appellate court may set aside a previous decision. The municipality always runs that risk. It often happens that a decision is set aside on some technicality, and the municipality has to go back and have another election and commence over again. Municipalities know that weary path. A municipality does not often start the construction of a municipally owned plant because it knows it will have to go through long and tedious litigation which will probably wear it out in the end; and often it submits to injustices and to unreasonable rates rather than start a chain of litigation which may last for years.

Somewhere in the record is a report made by myself on a bill which was pending, which shows the delay. The case to which I refer was not the case of an electric-light plant, but of a gas plant. The regular officials of the State, up to the State supreme court, passed upon the application. They settled the question; and the State supreme court unanimously said that the municipality was right. Afterward a rehearing was granted, and the question was again passed upon in the State supreme court. Again the court said the municipality was right.

Later, before the local court which had originally passed upon the question could take up the mandate coming from the State supreme court, the private company dismissed its case and commenced a case in the Federal court. The municipality took the ground that since the question had gone to the State supreme court and had been passed upon there, the company had no standing in the Federal court. That question went to the Supreme Court of the United States; and the Supreme Court said that the municipality had no right to object, because the original suit had been dismissed, and it upheld the jurisdiction of the Federal district court.

Then the case went back again, because it was reversed on a technicality, and it came up in the Federal district court. After long and expensive litigation, after several thousand dollars had been spent employing technicians to appraise the value of the property and go through all the necessary formalities, the case was set aside and new appraisals had to be obtained. Specialists were employed, and the case was again tried. It was appealed to the circuit court of appeals, and from there to the Supreme Court. The Supreme Court rendered final judgment in favor of the municipality. The case came back the last time 7 years after it had been commenced.

What happened then? Instead of obeying the mandate of the Supreme Court the company made a showing in the lower court that so much time had elapsed that conditions were altogether different. There might have been something in that argument. Seven years bring about great changes. What was a reasonable rate when the litigation was first started might not then be a reasonable rate.

That case illustrates what happens to municipalities when they are taken into court. In the pending amendment, no matter what the municipality has decided, no matter how unreasonable have been the rates charged to the citizens of the municipality, it is proposed that a Federal official hold a hearing. He must pass upon the reasonableness of the rates which are objected to. He must pass upon all the questions involved after a public hearing. It may be that it has been decided by the State authorities, or even by the courts of the State, that the rates are unreasonable. That does not make any difference. A Federal official must conduct a public hearing and pass upon the question as to whether or not the rates are reasonable.

Then come the injunctions again. Who is going to decide what is reasonable? It may be that the proper officials have already determined the question. That does not make any difference. The Federal Commissioner must pass upon the question after a public hearing. All kinds of evidence will be offered. Evidence will be brought in by the private corporation which will fill volumes. The public hearing will involve great expense. Then, after the public hearing, the Commissioner is to decide what is reasonable, regardless of anything which may have previously happened.

Mr. President, it seems to me the people of a municipality should be supreme in deciding whether or not they want to go into the business. It is their business. It involves the people of the municipality, and if the people start in the business their property will be involved.

That ought to determine it.

Mr. President, if this amendment is agreed to, the specter of delay and expense will stare every municipality in the face, so that, before they commence, they will say, "We had better suffer wrongs and ills than enter upon litigation, the end of which it takes the imagination to conceive." That is what is going to happen if we adopt this amendment.

Mr. President, what has been the history? Are the municipalities hunting around for a big or small monopoly that they want to slap in the face or injure? We all know what the history has been. That has not happened in the past. There has not been any abuse on the part of municipalities. I could cite many cases that are pending right now, if I wanted to take the time, of the people of municipalities voting 4 to 1 for municipal distributing plants. In the municipality there was a plant owned by a private party—owned by a private corporation-a foreign corporation, controlled in Wall Street, for, by going through several holding companies, that is where the control would be found. The municipality wanted to buy the private plant and took up the question with the local manager. I have in my office copies of correspondence showing that the municipality's proper officials who had in charge the construction of a distributing plant, which had been decided on by the voters by a vote of 4 to 1, asked the manager of the private plant to sit down with them at the table and see if they could not reach an agreement by which they would buy the existing distributing plant. The answer was, "We see no advantage in doing anything of that kind; we have nothing to say." So they took it up with the holding company in New York City and said, "Our people have voted to put in a distributing plant and the local manager of your subsidiary corporation in the municipality refuses even to talk it over with us. Rather than put in a competing plant, we want to buy the existing plant. Can we meet him and see if we cannot reach a price that will be agreeable to both sides?" The answer from that magnate in Wall Street was, "I know what you have tried to do with the operating company, and I believe they did just what was proper; I will have no consultation with you; I will not meet with you around the table." Where was that municipality left? They had, under the mandate of the people, to construct a distributing plant. That is what usually follows; that is what has been going on in the past. Nobody has been injured by the municipalities. They have leaned backward, and nine times out of ten have paid the private company, or offered to pay it, more than its distributing plant was worth.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. NORRIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator has described exactly what took place in my home city of Memphis, except that the vote there was 17 to 1 in favor of a municipally owned plant.

Mr. NORRIS. The municipality of which I was speaking was not Memphis; I did not have any reference to Memphis; but I thank the Senator for his contribution.

Mr. HILL. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Alabama.

Mr. HILL. Of course, there are many other cases as well as the case at Memphis that might be cited. Is not that true?

Mr. NORRIS. Oh, yes; there are many of them.

Mr. HILL. There is a case in Bessemer, Ala., where a project has been held up for nearly 6 years by one injunction suit after another.

Is it not true, also, that the dictates of common sense and of business judgment require really that the municipality, first, if there be any way possible, purchase the existing publicutility distributing system? Is it not true that every dictate of common sense suggests that they try to do that?

Mr. NORRIS. Certainly, it is to the interest of both sides

to do that.

Mr. HILL. It is to the interest of both sides.

Mr. NORRIS. And the litigation should be avoided; the municipality wants to avoid it.

Mr. HILL. It is to every interest of the municipality, if possible, to avoid it.

I should like to call the Senator's attention to the fact with which I am sure he is familiar-but I want the Senate to realize it—that the amendment has been modified since it was submitted and printed by putting in it, as the Senator knows, a provision that a public official will not only have to pass on the question of the reasonableness of the offer but will also have to pass on the question as to whether or not the offer has been refused or accepted. The private power company will say, "We have not rejected this offer; we have not turned it down; we are considering it; but our auditors have got to investigate the books; they have got to make a study. This is a very important matter; it involves much money and many technical questions. We have got to have our engineers go through this matter; our economists have to study it." Heaven only knows how long a time it would take before there was an acceptance or refusal of the offer. Thus there would be another invitation for inordinate delay. Is not that true?

Mr. NORRIS. That is correct. I do not have the amendment before me, but, as I remember reading it, it provides also that the Federal Administrator or Commissioner or whatever he may be called must pass on the question as to whether the rates charged by the private company are reasonable or otherwise.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. O'MAHONEY. Such a provision is not in the amendment.

Mr. NORRIS. Then I withdraw that statement; I was speaking from memory; but that provision is, the Senator has said, eliminated from the amendment.

Why should not the people of a municipality decide what they want to do? Why incur all this delay which will mean the defeat of the project in the end?

Senators, there has been no complaint, so far as I know, that municipalities have been unjust. The history of such matters, running back 20 years, does not so show. I have not in mind a single instance of a municipality trying to rob a private corporation of its property. Municipalities do not want to go into the business. I never would advise any

municipality to go in the business if its citizens were getting rates that were fair. But the Commissioner or Administrator ought not to pass on the reasonableness of anything connected with such a transaction. That should be up to the municipality. They have a right to act. If they make a mistake, they lose; if they are wrong, they lose. It is their property; it is their municipality; it is their business.

Mr. President, under the old P. W. A. a great many cases of this kind came up. For instance, I remember one at Jacksonville, Ill., a city, as I remember, of some 30,000 population. First, they went to a private company and, practically on bended knees, begged the private company to give them relief from high rates. The company refused to do anything; it would not give the municipality any consideration; and, as a last resort, there was circulated a petition calling for an election on the question of constructing a private plant or buying out the existing one. That was contested in a campaign extending over weeks. I know something about what took place in that campaign. The private company spent all kinds of money; the municipality did everything it could, although it did not have money to equal that of the private power company. The question was argued before the people and an election was held. I have forgotten the vote, but it was overwhelmingly in favor of the municipal plant. Then, what happened? The next day there came an injunction from the Federal court. Proceedings were started the very next day and the municipality was prohibited under that injunction from doing anything.

I never followed the case through; I do not know what happened in that particular instance; but it was the old story over again. Nobody wanted to rob the private company of their property. But now we are proposing to nullify any action taken by a municipality; we are proposing, under the guise of protecting property that does not need any protection, God knows, to set up a commissioner to pass on whether the municipality, if it desires to secure any Federal assistance

under this bill, has a right to take action.

It seems to me it is unjust; it is uncalled for, as I see it, and there is no reason for it. If the amendment is intended to apply to other things, such as the Government going into business, starting some new industry, or anything of that kind, nobody, as far as I know, wants it to do that. I do not want that to be done; I do not want the Government to go into the manufacturing business, and it ought not to do so, in my judgment. But here is a municipality that has a right to say, "We want to construct a municipal plant"no one questions that right-"we are dissatisfied; we do not want to destroy our competitor's property; we want to buy it if we can, and we will buy it if we can agree on a price." I have followed many such disputes through, I have followed hundreds of them, and I want to say to the Senator that I have never found a single instance where a municipality, so far as I could see, wanted to interfere with or detract from any private industry. They were looking after their own interests; they were dissatisfied with the prices they had to pay; but never did they want to rob the private company; always, according to my recollection, they wanted to buy it out, if they could.

So far as my advice is concerned—and it has been sought in hundreds of cases all over the United States-I have always said, "You can afford to pay something more than the private company is worth, and I advise you to do it, because if you do not, God only knows when you are going to get through litigating; God only knows where the end of the destructive path is going to lead. Nine times out of ten the private companies do not expect to win their suits; they merely want to wear you out; they want to delay; they want to increase expense; they want to discourage you and then compel you

to go back to the monopoly you always have had."

There is not anything in the history of the investigation by the Federal Trade Commission, which extended over several years, that ever showed an instance in which a municipality was trying to rob a private power company. These electric utilities, constituting one of the greatest monopolies under our flag, try to make us believe and try to make the country believe that they are suffering, that they have been abused, that the malicious municipalities have tried to build systems competing with them. We know that is their story; and we know, taking the country as a whole, so far as the Federal Trade Commission is concerned, that the water and the air in their capitalization was, as I remember now, nearly \$2,000,000,000. I am not referring to any particular locality; but in all the research I have ever made I have never yet found one of these great power companies that did not have

a great deal of illegal capitalization.

I will give an illustration. Down in Knoxville, Tenn., now supplied with power by the T. V. A., I remember that at one time the private corporation supplying Knoxville with electricity closed their books one night, and next morning when they woke up and started a new day's work their capitalization was arbitrarily increased on the books to the extent of \$5,000,000-\$5,000,000! It is the same old story. The same thing happened in my State, where the Nebraska Power Co.—supposed to be a Nebraska corporation, but as a matter of fact incorporated in Maine, owned by the American Water Works Co., they in turn being owned by the Electric Bond & Share Co. of Wall Street, three corporations—manipulated their books years ago in a way by which the capitalization was increased, by which they borrowed millions of dollars in the New York market when they did not need any money, by which they borrowed more money before their debt was due when they needed nothing, canceled the debt, made a new loan at an increased rate of interest, and paid off the old one with interest, always bringing the burden home at last to the consumers, or to the investors who furnished the money. They are the only two sources of income this great monopoly has-the people who pay for electricity in the homes, the factories, and the business houses, and the widows and orphans who have money to invest. The electric utilities rob them both. They rob them both ways. It is the story that has run through the investigations of the Federal Trade Commission all over the United States.

If I wanted to take the time, I could take the Congres-SIONAL RECORD and point out where those stealings and losses in almost every State of the Union have been put into the RECORD, I could show that the citizen of the ordinary municipality, if he wants to find out who owns the little bulb that gives him light, will have to go through three or four States. He will find that this company is owned by that company, and that company is owned by another company, and that one is owned by still another company, perhaps half-way across the United States, and usually he winds up in Wall Street, New York, where the parent company on a pyramid has built up a number of corporations that stagger the imagination, the machinery of all of which must be oiled by the little man in the little home who buys electricity, the housewife who uses it in her kitchen, the washerwoman who uses it to run her washing machine, and the other people who have money to invest, investing in one or more of these corporations that go from the operating

company up to the top holding company.

I put on the wall here, during the consideration of the Holding Company Act, charts which showed how these things went up in the cases of almost all the prominent utility companies of the United States. In my imagination I can see one of them now, over on the wall, in which there were 13 steps between the corporation that actually made the electricity and the top holding company that controlled it. Mr. President, in my humble opinion, that is the kind of institution that this amendment is going to help, and it is the only place where the amendment is going to help any-

So far as electricity is concerned, the amendment ought to be defeated. It has no place in the pending bill; and I state it as my opinion that if the amendment is put in the bill it will mean that practically no assistance will come to any municipality anywhere in the United States by virtue of this proposal.

Mr. HILL. Mr. President-

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. NORRIS. I yield to the Senator.

Mr. HILL. The Senator doubtless will recall that when the bill creating the Tennessee Valley Authority passed the House of Representatives, it had in it a provision very similar to the provision set out in this amendment, requiring that before the Tennessee Valley Authority could construct a transmission line it had to negotiate and endeavor to purchase the then existing transmission lines. I recall that in the conference committee the Senator from Nebraska stood out against any such provision, and fortunately was victorious in his efforts to keep the provision out of the Tennessee Valley Authority Act.

In the light of all that has transpired, all that we now know of the steps that have been taken by the power companies to defeat the Tennessee Valley Authority and to defeat municipal distribution of power, does not the Senator believe that if he had been unsuccessful, and if that provision had gone into that act, it would have been practically fatal so far as establishment or operation of the Tennessee

Valley Authority is concerned?

Mr. NORRIS. Mr. President, I think that is a proper question. In my humble judgment the Tennessee Valley Authority would have been a colossal failure just because of that little thing. Even without it, the road of litigation going back and forth from the courts of Tennessee and Alabama to the Supreme Court is literally littered with money that the T. V. A. had to spend and with losses they sustained because of injunctions. The T. V. A. won their cases in the end in the Supreme Court; but, nevertheless, the delay would have amounted to millions of dollars, and the delay suffered by the municipalities that were unable to get electricity by virtue of injunctions would have amounted to millions of dollars more.

As I remember the history of the language to which the Senator from Alabama has referred, it is a little different from that to which I referred. The amendment was offered right here in the Senate to require what the Senator from Alabama has stated. I then said in the debate, "If you put in this amendment, you will have stabbed the entire thing to death." All the various methods of obstruction, of delay, of expense, would come in if we had to negotiate to buy, if

that provision were put in the law.

As a matter of fact, the municipalities always do negotiate to buy. Every municipality has tried to buy instead of building; but the law does not require them to do so. If it did, and if it prescribed the modus operandi that they had to pursue, as this amendment does, we would give to all the private power companies as a matter of law the right to go into any case and every case, and they could always allege that the finding was wrong, was unreasonable. Any good lawyer can make a good case on paper. Secretary Ickes will tell you that he has always required, if any question was raised, that the municipality should first offer to the private utility there in existence a fair price for its property, if the law required that to be done. Then an injunction would come in under the law, and whatever was offered would be alleged to be unfair; whatever was said would be controverted. Whatever the commissioner's finding, they would allege he was corrupt, that his findings were wrong, that he did not know what he was ta'king about. They would say immediately, "He is not an expert." Yet he is the man set up by this very amendment to pass on the matter. He will have to listen to experts; he will have to hold the public hearings in every case; and God only knows how long they will last and what measures will be resorted to by the power companies and their shrewd attorneys to delay the matter, and to get error into it, to get something in it on which they may hang an injunction suit.

So we have been going on, paying them more than they are worth, as the Senator from Alabama suggests. Congress passed a law to permit the T. V. A. to carry out an agreement with the private companies, which is not yet perfected, because we delayed the legislation until the time had expired under the tentative contract. They have made another contract, the same as the old one, and I tell Senators, as, I think, I stated it when the bill was before us, that not only

is the T. V. A. doing the fair thing by the private power companies in the purchase of their property, but, in my honest judgment, it is paying \$10,000,000 more than the property is worth. I put it up to the T. V. A. experts, and they have admitted that they are paying more than it is worth. I think they should be paying more than it is worth. The press generally has said they made a very liberal contract with the private companies.

Mr. President, there is no danger that municipalities are hunting around the dark corners to try to steal from these great corporations, or illegally to take their property away. There has not been any such thing. There is no history that would warrant this amendment. I think that if there is desire that the municipalities shall get any benefit, this amendment must be defeated, or they will not be able to take advantage of anything in the pending measure.

Mr. MINTON. Mr. President, I agree entirely with what the Senator from Nebraska [Mr. Norris] has just said about the implications of the amendment. I think it cannot be doubted that if this amendment is agreed to, it will make it extremely difficult, if not impossible, for municipalities to erect electric-light plants and distributing systems in the

municipalities.

I know that the Senator from Wyoming [Mr. O'Mahoney] does not sponsor this amendment in order to accomplish that purpose; I know that the Senator from Wyoming did not offer the amendment in order to aid the cause of those who are opposed to municipal utilities; but, in my judgment, the enactment of the amendment would have that effect.

In speaking in support of the amendment this morning, the distinguished Senator from Wyoming spoke with great force and eloquence about private enterprise, and the Senator from Utah [Mr. King] spoke about those who wanted to turn the country over to the Socialists. I know that there is no one in this Chamber who wants to turn this country over to state socialism, and I know that we are all interested. as the Senator from Wyoming is interested, in maintaining private enterprise. But we cannot overlook the fact that there happens all too often in this country the thing the Senator from Nebraska has so clearly pointed out, that private enterprise encroaches upon the rights of private citizens, and that private citizens are entitled to be protected from the buccaneers in private enterprise. That is all we seek to do when we authorize a municipality to erect and maintain a municipal light plant and distribution system.

So, Mr. President, this amendment, as I see it, would have the effect of putting a limitation upon the power the Supreme Court has said in its recent cases municipalities have in the establishment of municipal light plants by the aid of grants

and loans from the Federal Government.

In the recent case of Alabama Power Co. v. Ickes (302 U. S. 464), the utility involved challenged the right of the Federal Government to assist four municipalities in the State of Alabama in the erection of municipal light plants and distributing systems. They challenged the constitutionality of the act under which Mr. Ickes was proceeding, and sought to enjoin these municipalities and Mr. Ickes from entering into a contract for the erection of municipal plants and the giving of a grant to the municipalities and the making of the loan to them.

The district court held that the contracts were valid and that the statute was constitutional, and that the power company had the right to raise the question. But the circuit court of appeals, on the appeal of that case, held that the utility did not have the right and the standing in court to raise the question and it did not pass upon the constitutionality.

The case went to the Supreme Court of the United States, and the Supreme Court took the same position the circuit court of appeals had taken. The Supreme Court of the United States said that the utility had no standing in the courts to raise the question, because, the Supreme Court said, these municipalities had a right under the law of Alabama to erect a municipal plant and to enter into competition with a private enterprise in the same community. In other words, they

held that the private utility had no vested right under the law to be free from competition. Therefore, having no right to be free from competition, they could not question the source of the funds of the municipality which sought to give them competition because the municipality had the right to give them competition and they therefore invaded no right.

Mr. Justice Sutherland said in that case:

What petitioner anticipates with emphasis is damage to something it does not possess, namely, a right to be immune from lawful municipal competition. * * * The ultimate question which, therefore, emerges is one of great breadth: Can anyone who will suffer injurious consequences from the lawful use of money about to be loaned unlawfully maintain a suit to enjoin the loan?

The Supreme Court of the United States answered that question in the negative.

The result of that opinion is that the municipalities, whose State legislatures have given them the authority to erect electric-light plants and maintain distributing systems, and to receive grants and loans in aid of their construction, have a right to do those things; that even though there is a competing utility in the municipality, such utility has no right to say it shall have no competition; and when the municipality seeks Federal aid, it is doing what it has a right to do under the law; and when it brings competition to the utility in doing so, it invades no right of the utility.

If we adopt the amendment, therefore, the result will be that we will place a limitation upon the existing right of the municipalities to ask the Federal agencies for aid under the proposed law to enter into competition with a corporation which has no right to deny competition.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BONE. I agree with what the Senator is saying, but I think there is a further consideration involved in this matter. In the Tennessee Valley location, and in the Northwest, the Government has built, through authority of acts of Congress, some enormous public-power developments. In the very nature of things it is contemplated that they will not compete with the private utilities, but will take over their operations and systems and pay for them. Certainly no one can be harmed by that kind of arrangement.

Suppose the people of my State wanted to buy the Washington water-power system. If we really want to buy it, what harm is done, what purposeful, decent American principle do we challenge by buying that system and paying the owners, so that we can utilize the power from the instru-

mentality we set up here in the Congress?

We are not going to compete with these

We are not going to compete with these organizations and put them out of existence, but we will buy them. I know of no well-founded principle in our whole American system to which we do violence in buying out a power system. I do not know of any principle that gives a private monopoly the right to tie up a community. What fundamental moral principle can such a monopoly invoke to demonstrate that it has the exclusive right to operate in the city of Seattle, or in any other municipality in my State? The people are the masters of their destiny. What principle of morality can anyone invoke to indicate that that statement is wrong?

We are going ahead with these developments in my section of the country. We built the Coulee and Bonneville Dams, and I hope that in due time we will take over the electric distributing systems in my State. What is wrong in that? What principle is involved in that which anyone can challenge? God knows, the people are the final resort; and, if they are not, we will have to revamp the whole American tradition. If the people of the State of Washington march to the ballot box and say, "We want that system, and we will pay for it," does that do violence to any American principle? The Supreme Court of the United States has held that it does not.

Mr. KING. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. KING. Does the Senator from Washington contend that a corporation, whether it is engaged in the publicutilities field or in the ownership of real estate, has no protection under the law, and does he contend that ethical concepts are not to be considered as against a mere legal statement of one's rights?

Mr. BONE. Let me say to the Senator that, because of my interest in the power question, I have read every decision of a court of last resort that I could get my hands on dealing with that question, and I find nothing in the pronouncements of the courts that reflects in the slightest degree upon the morality of a transaction of that kind. My party, and the party of the Senators on the other side of the aisle, have repeatedly announced that a private monopoly is indefensible and intolerable. Both parties make that high and holy pronouncement in their platforms. The Lord knows there is no more airtight monopoly than a private monopoly, and we have given it our blessing by means of a system of regulation. The point is, however, that the power of eminent domain for public purposes has been recognized from the beginning of the Republic.

There is no sanctity of private ownership that rises above public interest, necessity, and convenience. I, in common with probably every lawyer in this body, have participated in suits to condemn land and property for public purposes. The supreme court of my State has declared that a power system is a public necessity when the municipality so declares by proper underlying resolution. I am not going back to that. I do not see any moral principle involved in it. There is the quid pro quo; if the system is worth a million dollars and we pay the owner a million dollars, he steps out. What moral right has he to insist that he is entrenched in his ownership beyond any possibility of any public body taking over his property? To keep company with such a doctrine would be to tie the hands of every public body in America.

Mr. KING. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. KING. I regret that my friend, the Senator from Washington, has not answered my question. I think no one will deny the right of the Government to exercise the power of eminent domain. I think State legislatures have the right to confer upon municipalities or upon corporations set up by the Government the right of eminent domain to subserve a public purpose; but, in the exercise of the right of eminent domain, certainly the Senator does not justify the expropriation of property, and he certainly must concede, even if he does believe in the expropriation of property without compensation, that there is something immoral and unethical in it.

Mr. O'MAHONEY and Mr. BONE addressed the Chair.
The PRESIDING OFFICER. The Senator from Indiana
has the floor. Does the Senator yield; and if so, to whom?

Mr. MINTON. I yield to the Senator from Wyoming.
Mr. O'MAHONEY. While the Senators are debating this question in the abstract, I should like to clear it up a little bit in the concrete. I am desirous of making every reasonable modification of this amendment to satisfy whatever objections may reasonably be made. Therefore, in order that at least part of the criticism which has been offered by the very able and distinguished Senator from Nebraska may be met, I desire to offer a modification of my amendment. The modification which I now propose includes everything that has been in the amendment up to date, but merely undertakes to make clear, first, by whom the offer must be made; and second, that the Commissioner of Public Works shall have the authority to fix the time within which the hearing may be held.

Mr. President, I will state the modification and will read the entire amendment. Beginning in line 2 of the printed amendment:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged—

That language being a recitation of the declaration of the President of the United States—

loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices, unless in the latter case a reasonable offer is made—

And here I insert the words:

by the applicant for the loan-

Then the language of the amendment continues:

to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted, and a finding as to both the reasonableness of said offer and also as to the failure of acceptance has been made after public hearing by the Commissioner of Public

With this added phrase:

within such time as may be fixed by said Commissioner.

Mr. WHITE and Mr. BONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana has the floor. Does he yield; and if so, to whom?

Mr. MINTON. I yield first to the Senator from Maine.

Mr. WHITE. Mr. President, if it is agreeable to him, I wish to ask the Senator one or two questions about the draft of the amendment. I am not going to concern myself about the purpose of the amendment. I am interested in the effect, or the lack of effect, of the language as it is. The amendment provides that "loans under this subsection shall be so administered as not to promote any undertaking," and so forth. I am not clear in my mind as to the meaning of that word "promote." Does it mean to construct, or reconstruct, or enlarge, or repair, or improve, or what is the technical meaning of the word "promote"? That is one question.

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Nebraska?

Mr. MINTON. I yield to the Senator from Nebraska to

answer the question of the Senator from Maine.

Mr. NORRIS. If we shall adopt the amendment, the Senator will have an answer to his question at the hands of the Supreme Court in about 10 years from now. In the meantime, other loans that will be made under this measure will be hanging fire and the matter will be in the Supreme Court.

Mr. WHITE. But the trouble with that is that the Senator from Nebraska and I may not be here then to hear the answer

of the Supreme Court.

Mr. NORRIS. Of course, we may not; and that will be another invitation to the private companies to get injunctions and rulings as to the construction of these very words.

Mr. WHITE. My point is that it seems to me that the use of that word leaves the meaning altogether indefinite, and there ought to be more precision than is to be found in that language.

Mr. MINTON. I think in any event, if I may suggest to the Senator from Maine, that the construction of that language would lie within the discretion of the Administrator, and he certainly could not be liable for anything outside of gross abuse of that discretion. But as the Senator from Nebraska has said, he might be dragged into court to find out whether he has abused his discretion.

Mr. WHITE. I do not suppose the administrator would have the last word as to the meaning of this language, and it seemed to me there ought to be an effort made to employ language which could be understood by Members of the present Senate.

I have one or two other questions. The amendment provides that these loans "shall be so administered as not to promote any undertaking in a field now adequately supplied

by existing competitive private enterprise."

So far as I know, and so far as I can tell by reading, there is no authority given to anyone under this amendment to determine whether any field is now being adequately supplied by existing competitive private enterprise. Who is to determine that question? When is it to be determined, and how is it to be determined? I think the language of the amendment is wholly inadequate in that respect.

Mr. MINTON. I think that calls again for the judgment

of the Commissioner of Public Works.

Mr. WHITE. This particular language relates to noncompetitive enterprises. Is it the Senator's idea that the Administrator of Public Works can go into the State of Indiana, or into the State of Washington, or into any other State of the Union and determine that a competitive private

enterprise is not adequately supplying hairpins or clothespins or any other article of commercial use?

Mr. MINTON. I should say undoubtedly he could. Mr. WHITE. The Senator thinks he could?

Mr. MINTON. I think he undoubtedly could. If he was presented with a proposition from the local community, he would have to make a decision as to whether or not any such program undertaken should be in the community.

Mr. WHITE. Then I will go on. I come to the words-

Or by existing noncompetitive private enterprise at reasonable rates or prices.

Again I ask the question. Where do we find in the amendment any authority for anyone to determine the reasonableness of a rate or a price?

Mr. MINTON. I will say to the Senator, if it is a utility whose rates are fixed by the public, its rates are presumed by the law to be reasonable.

Mr. WHITE. Then in this instance the Senator relies on presumption of law for the interpretation of this language?

Mr. MINTON. Yes. Whenever the rate is fixed by law there is a presumption of law that that rate is reasonable until it is set aside under a petition to determine its reasonableness.

Mr. WHITE. The trouble with the Senator's answer, so it seems to me, is that the language is not binding on the Administrator, because it says:

Unless in the latter case a reasonable offer is made to acquire the facilities of such noncompetitive enterprise and such offer has not been accepted-

And unless there is a finding of that latter fact to that effect.

It seems to me that, taken as a whole, someone, whoever drafted the amendment, has employed language which carries no certainty at all as to its meaning. It seems to me that Senators should be able to draft an amendment which would be more understandable than this one is. It may be due wholly to my inability to understand, but I do not believe so.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MINTON. I yield to the Senator from Alabama.

Mr. HILL. The Senator from Maine [Mr. WHITE] has asked many interesting questions; but the most interesting part about his queries is that they illustrate, if the amendment is adopted, how many, many excuses will be given for the utilities to drag applications into court with various kinds of injunctions and court actions. All these queries will be raised, of course, just as the Senator has raised them, and will be used as a basis for some kind of court action to delay, thwart, and defeat the applicants and their requested projects.

Mr. WHITE. Mr. President-

Mr. MINTON. I yield to the Senator.

Mr. WHITE. I quite agree with what the Senator is saying, that the very questions I have raised—and I do not know the answers-will be the basis of challenge hereafter. As I have said, I dislike to have enacted legislation which is not so clear in its meaning that the opportunities for controversy are reduced to a minimum.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BONE. I merely wish to refer for a moment to the statement of the able Senator from Utah [Mr. King], who asked me if I thought it was a good legal or moral principle to tolerate in a piece of legislation the right to expropriate property. I am not sure I caught the Senator's meaning. I do not know whether or not he means the forcible taking of property without compensation. I know the Senator from Utah is too good a lawyer not to understand that private property may not be taken for public use unless just compensation is paid. So, if he implies forcible taking by the use of the term "expropriation," that is outside the pale.

The Senator from Wyoming [Mr. O'MAHONEY] referred to the President's attitude. I do not know whether or not he suggests that the President is in sympathy with this viewpoint. If he is, it would be a most astounding and revealing thing. I am not prepared to believe that the President is putting his blessing on any proposal to limit the operation of a system which was set up primarily because of the assistance, support, and encouragement given by the President.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BONE. I shall be through in a moment. When the President came out to my State-

Mr. O'MAHONEY. Let me quote the President. Will the Senator from Indiana permit me to interrupt?

Mr. BONE. Let me finish my statement.

The President came to my State in 1934, at the time the Grand Coulee project was launched. He also spoke at the Bonneville plant when it was nearing completion. In both those statements the President of the United States gave encouragement to the spread of service of great plants of that character.

Mr. President, such plants can only be benign rather than malignant social growths. If they are given the opportunity to serve they can serve effectively only if the electric current from the plants is floated on distributing lines and pumped into the homes and business enterprises of the State of Washington and the State of Oregon.

One way to accomplish that, which does no violence to a single American tradition or a single principle of American jurisprudence, is to take over the existing distributing systems, many of which are privately owned at present, and pump current into the lines from those plants. I will say parenthetically that the laws of my State permit such action; but if we by an act of Congress say that there is something tainted in that proposal, and that in the great program to rehabilitate industry and the health of the country we may not lend money to the city of Spokane or any other city to take over a distributing system and pay the private owners its value we are thwarting the very thing about which the President himself spoke. If we are to have a peculiar twist given to our party philosophy I should like to know it, because I think the people of the Northwest would be tremendously interested in the new slant being given our party philosophy. I hope the Senator from Wyoming [Mr. O'MAHONEY] can explain the shift in the President's attitude, if there has been a shift. The President talked about the current going out to the homes in the State of Washington. How are we to get it out? Are we to do that to which many Senators have objected, and build parallel competing lines? The thing to do is first to take over existing distributing systems so that we will not have a double investment. Yet it is calmly suggested that we thwart the doing of that which every lawyer in this body will say is the logical thing to do. Let us not duplicate the lines. That is an intolerable thing, frowned on by good practice. The thing to do is to take over the existing distributing systems so as not to impose a double burden on the people who use the current.

Mr. MINTON. Mr. President, I shall conclude in a moment. To summarize the thought I wish to leave, it is simply this: The Supreme Court has spoken, and the Supreme Court has said what the rights of municipalities are. This amendment has the effect of limiting the right which the Supreme Court says a municipality has.

In addition the amendment has all the vices which have been so clearly pointed out by the Senator from Alabama in his questions to the able Senator from Nebraska.

Every lawyer knows that a defense lawyer wants nothing better than a statute which gives him an opportunity for delay. This little amendment is an answer to a defense lawyer's prayer. Incalculable delay is wrapped up in the amendment. As the Senator from Alabama has pointed out, there would be no end of litigation to determine whether or not there has been a failure to accept an offer, and whether or not the offer was reasonable. So, Mr. President, I am unwilling to be a party to limiting the right which the municipalities fought clear to the United States Supreme Court to vindicate. For that reason, as well as for the additional reasons cited by the Senator from Nebraska and the Senator from Alabama, I do not support the amendment.

Mr. O'MAHONEY obtained the floor.

Mr. ADAMS. Mr. President, will the Senator yield in order that I may suggest the absence of a quorum?

Mr. BARKLEY. Mr. President, before that is done, I ask the Senator from Wyoming and other Senators whether or not we can secure a limitation of debate on this amendment alone.

Mr. DANAHER. Mr. President, will the Senator yield? Mr. O'MAHONEY. I yield to the Senator from Connect-

Mr. DANAHER. I respectfully submit that I should like to be heard further with reference to the substitute which I intend to offer.

Mr. BARKLEY. I am not trying to deny that opportunity to the Senator. I wish to see if we cannot limit the time for debate to 15 minutes on the amendment and any amendment thereto. Such an arrangement would not apply to anything but the pending amendment.

Mr. AUSTIN. Mr. President, I think the point of no quorum should be made before the unanimous-consent request is presented.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Colorado for the purpose of suggesting the absence of a quorum?

Mr. O'MAHONEY. I do.

Mr. ADAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll. The Legislative Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	Johnson, Colo.	Russell
Austin	Downey	King	Schwartz
Bailey	Ellender	La Follette	Schwellenbach
Bankhead	Frazier	Lodge	Sheppard
Barbour	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smith
Bone	Gillette	McKellar	Stewart
Borah	Green	Maloney	Taft
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Chavez	Hill	O'Mahoney	Wagner
Clark, Idaho	Holman	Pepper	Walsh
Clark, Mo.	Holt	Pittman	Wheeler
Connally	Hughes	Radcliffe	White

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

The question is on the modified amendment of the Senator from Wyoming [Mr. O'MAHONEY].

THE PROTECTION OF PRIVATE ENTERPRISE

Mr. O'MAHONEY. Mr. President, just before the call for a quorum, the question was asked by the Senator from Washington [Mr. Bone] whether or not I had any basis for a statement made earlier in the debate that the principles enunciated by the President of the United States support the amendment I have offered.

I want to demonstrate to the Senator from Washington and to the Senate that there is ample basis for my statement. This amendment does not represent any change in the policy of the Democratic Party or any change in the policy of the administration. It represents a continuation of the announced program of this administration to stimulate free private enterprise.

A year ago, on the 2d of June 1938, when the Public Works appropriation was pending, a similar question arose. On that occasion the Senator from Kentucky [Mr. BARKLEY], in his capacity as majority leader, made this statement: I quote from page 7930 of the Congressional Record for June 2, 1938:

Mr. Barkley. Mr. President, in view of the situation which has arisen with regard to this amendment and an amendment to it or a substitute for it which I had planned a week ago to offer, and which I have abandoned, I wish to make a very frank statement about how the matter arose and what followed with reference to it.

At a conference some days ago with the President which was attended by Vice President Garner, Speaker Bankhead, House Leader Rayburn, and myself, the question of the propriety and wisdom of the committee amendment prohibiting the allocation

of any funds from this appropriation for the construction of competing public utilities in States, counties, or other political subdivisions in which there is an existing plant, came up for discussion. The President took the position—

Observe the language of the majority leader:

The President took the position that Federal money ought not to be allocated for the construction of public utilities where there is an existing private utility whose rates are regulated by a public authority until and unless the municipality or other political subdivision made in good faith an offer to purchase at a fair price the existing privately owned and operated plant. This position was agreed to by all those present at the conference.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Let me say further, before yielding, that that announcement by the majority leader of the position of the President of the United States is an accurate and correct description of the amendment I have offered.

I yield to the Senator.

Mr. BONE. Just once, and for all time, let us lay some ghosts.

There is being erected in my State right now, under the encouragement and direction of the President of the United States, a power plant which will be capable of producing 2,000,000 horsepower of electric energy. There is another great Federal power project capable of producing a half million horsepower of electric energy. When those plans were suggested, let me say to the Senator from Wyoming, it was announced that they were being erected with the blessing of the President of the United States. There came the parallel announcement from private plants that they had adequate facilities to supply the electric needs of the State of Washington and the State of Oregon.

I want the Senator from Wyoming to tell me now why it is asserted to us that the President does not want to erect any competing plants when in my State and on its borders are plants capable of producing two and a half million horsepower of electric energy that will of necessity, unless we turn them over to private companies, have to compete in some fashion, or we shall be compelled to take over the distribution systems of private companies.

Mr. O'MAHONEY. Mr. President-

Mr. BONE. If the Senator-

Mr. O'MAHONEY. I will not yield further at this point. I will answer the Senator and not permit him to make a speech in the middle of my time.

Mr. BONE. Very well.

Mr. O'MAHONEY. I want to make this matter clear.

Mr. BONE. It will have to be made pretty clear.

Mr. O'MAHONEY. It will be made pretty clear. In this bill there is, by an amendment offered by the Senator from Idaho [Mr. Clark] and myself, a provision allocating \$90,000,000 for reclamation; and the evidence before the Banking and Currency Committee in support of that amount contained provision for the development of power in my own State by public funds. I will not permit the Senator to put me in the position of being opposed to the development of public power. I am not opposed to it. I have always been for it. No one can put me in that position before this body or before the country.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am saying to the Senator that he mistakes the issue. The question here is whether or not the \$350,000,000 allocated in this bill for the construction of public works by loans shall be so limited that those loans of Federal money shall not be used to strike down private enterprises which are now operating.

Mr. BONE. Mr. President, will the Senator yield?

A FIGHT ALREADY WON

Mr. O'MAHONEY. The Senator is under the impression that a fight against abuses which was long since won is still in progress. I sympathize with the fight which was made by the distinguished and able Senator from Nebraska [Mr. Norris] against the Power Trust. I sympathize with the great fight which the Senator from Washington [Mr. Bone] has made in the State of Washington with respect to abuses committed by private utilities.

I am in no sense defending such abuses. I am here, however, to say that the constant attrition of the forces which have been supporting administration policies in this Chamber and in the House has been the result of a growing belief in the country that the principle so clearly enunciated by the President of not competing with private enterprise is being undermined by others who do not speak his philosophy, but who speak, or attempt to speak, in his name.

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield to the Senator.

Mr. NORRIS. I am not finding fault, and I do not believe anybody is, with the principle which the Senator has enunciated.

Mr. O'MAHONEY. The Senator from Washington [Mr. Bone] was finding fault.

Mr. NORRIS. The objection I have to the Senator's amendment is that he tries first to remedy a situation which does not exist, and he carries out the policy by adding language that is going to lead to endless, costly, and unnecessary litigation and defeat the very purpose we have in view.

Mr. O'MAHONEY. Mr. President, I do not believe it will result in the defeat of any such purpose, because—

Mr. NORRIS. Of course, I do not think the Senator would do that.

Mr. O'MAHONEY. As I pointed out a moment ago, this amendment is attached only to an appropriation of \$350,000,000 for public works. Most of that money will go, not for the construction of municipal light plants, not for the construction of utilities, whether competing or not competing, but for the construction of bridges, for the construction of buildings, for the construction of dormitories and university buildings on the grounds of various State institutions, and for innumerable similar projects which have no relation whatsoever to public utilities. It is hardly likely that one-tenth of this sum will be sought by any municipality for the construction of municipal light plants.

Mr. NORRIS. In my opinion, none of it will be sought. The Senator, as I see it, is now excusing the language of his amendment by saying that it will not amount to much, because there will not be much of that kind of business; and the Senator may be absolutely right about it.

Mr. O'MAHONEY. Mr. President, even if that were true, I say that if this amendment should have the result of making it impossible to loan a single penny for the development of any competing public utility anywhere in the United States, it would be worth while to prevent that construction if, in exchange for the prevention, we succeeded in convincing the people of America that it is not the purpose of this administration to undermine free private enterprise.

Mr. CLARK of Idaho. Mr. President-

Mr. O'MAHONEY. I yield to the Senator from Idaho.

Mr. CLARK of Idaho. I call the attention of the able and distinguished Senator from Nebraska and the distinguished Senator from Washington to the fact that in the case of a bill which was recently passed by both the House and the Senate, and which I suppose is now on its way to the White House, providing for the veritable repayment of the reclamation contracts, the distinguished Senator from Alabama [Mr. BANKHEAD] appointed the Senator from Wyoming [Mr. O'MAHONEY] chairman of a subcommittee to consider the bill. The Senator from Nevada [Mr. McCarran] and I were members of the subcommittee. In the bill, as originally drafted by the Bureau of Reclamation and the Department of the Interior, was a provision requiring that all power developed on reclamation projects should be given preferential treatment with regard to municipalities, municipal corporations, and cooperatives organized under the Rural Electrification Administration. When the bill went to the House, the House committee and the House itself eliminated that provision.

I desire to say, in fairness to the Senator from Wyoming, that as chairman of the subcommittee—the Senator from Nevada [Mr. McCarran] will bear me out in this statement—he fought through the committee hearings to retain in the

bill the provision that municipalities and municipal corporations and cooperatives organized under the R. E. A. should receive preference with regard to all power. I want to say further, on behalf of the Senator from Wyoming, that he obtained the holding of that provision in the bill in the full committee and in the Senate, and that when the bill went back to the House he made a fight in conference and retained the provision in the bill as now drafted.

So I think that any implication that the distinguished Senator from Wyoming is in any way adverse to the development of municipal and cooperative power in proper case is wholly

unjustified.

Mr. NORRIS. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I am very glad to yield to the Senator. Mr. NORRIS. Of course, if the Senator from Idaho intends to convey the idea that I have been implying that the Senator from Wyoming has opposed municipal power development, that is entirely erroneous. I have made no such implication. I am familiar with the matter about which the Senator speaks. The Senator from Wyoming will bear me out that I talked with him about it.

Mr. O'MAHONEY. The Senator is quite right.

Mr. NORRIS. About retaining that language. The Senator from Wyoming did a magnificent job, a good work, in my opinion. I do not want to imply that the Senator from Wyoming is trying to deceive the Senate, or that he is unfair. Still I have the right, the honorable right, to draw a conclusion which I think is inevitable from the language of the amendment, that, so far as utilities are concerned, the Senator's amendment is only inviting litigation, and that it would mean long, tedious, expensive litigation, which would wear out the applicants. That is my idea. If the Senator from Wyoming does not believe that, I am not finding fault with him because he does not. I do not believe the Senator from Wyoming is laboring under the impression that I have attempted to imply anything wrong in his conduct in advocating this amendment. I have certainly tried to make it plain that I am not doing that, and I do not believe that.

Mr. O'MAHONEY. Mr. President, I have no question in mind whatsoever about the attitude of the Senator from Nebraska. I know that he is not offering any criticism, because, as he stated a moment ago, he knows I conferred with him about the retention in the reclamation repayment bill of the provision which, as the Senator from Idaho has stated, was reinserted by the subcommittee of which I was chairman, giving a preference to municipalities and public bodies and cooperatives under the R. E. A. in the use of power developed by reclamation projects. I am deeply grateful to the junior Senator from Idaho [Mr. CLARK] for his most

gracious remarks.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield. Mr. MALONEY. I rise to ask the Senator from Wyoming to yield to me that I may refer to the statement he made just before he yielded to the Senator from Idaho.

I am tremendously interested in this subject, and interested in the pending amendment, as the Senator knows. Yesterday I offered, in connection with an amendment covering other things, an amendment on this particular subject. I thought it was a comprehensive amendment; I thought it treated the matter in more proper detail than the one now before the Senate, because it provided a way for the building without delay of plants where there are existing plants.

It set up a board of arbitration to determine what was a fair price; and I might point out, if the Senator from Wyoming will be kind enough to give me the time, that it was the same as the amendment which was under consideration at the time we had the message, and the President's letter, from the Senator from Kentucky, the majority leader, to which the Senator from Wyoming just a few moments ago referred.

I should like to see this amendment extended. I had prepared an amendment of my own, another one, concerning this subject, which I had intended to offer a little later.

I am going to support the Senator's amendment, but I want to emphasize the truth of the statement he made concerning the worth of his amendment just before he was

interrupted by the Senator from Idaho. He said that it would give promise to the American people that there would not be governmental competition with private enterprise.

I want to tell Senators that such competition is coming from sources we know little about, and I should like to read, in the time of the Senator, if I may, a part of a letter which I received this morning from an insurance executive in my

I presume there will go with the reading of this letter some feeling that I am concerned with insurance executives or with insurance companies. That is in part true. I am naturally concerned in the protection of an important industry of my State and of the country; but I am especially concerned with the thousands and thousands and thousands of workers engaged by the insurance companies, and the thousands of insurance agents over the land, and with the danger of a precedent which may take us as deeply into competition with private enterprise.

I apologize to the Senator from Wyoming for taking so much of his time, and I will read just three paragraphs from the letter and conclude for now.

Mr. O'MAHONEY. The Senator is always very lucid and very helpful. I am glad to have him interrupt me.

Mr. MALONEY. This will help him in the statement he just made. I quote:

It is my understanding that the Department of Agriculture during previous seasons has been advancing loans to the farmers on their corn and in support of such loans has been requiring and receiving at the hands of the farmers insurance policies to indemnify the Government in the event of loss through fire and windstorm. I am now told that the Department of Agriculture is preparing to have the Government of the United States insure this corn itself and for the insurance proposes to collect a premium from the farmers. I am further informed that the rules and regulations covering the matter are in the process of being printed and early distribution is planned.

Let me say in parentheses that no one here knows much about that yet. This is the development of a theory in Washington which takes us into a new field of competition. I continue the reading of this letter:

The purpose of this letter is not only to bring this to your attention but to respectfully request that you have an investigation made at the earliest possible time to ascertain if the information which has been given me is correct, and if so and it is consistent with your views to register objection to such a procedure on the part of the Government. There are ample facilities at the disposal of the Government through regularly constituted insurance carriers and I cannot believe it is in the interest of the people of this country for those carriers and their agents to be people of this country for those carriers and their agents to be deprived of this legitimate business, nor to have the Government

in competition with them for it.

This request is made of you purely in the interest of the American way of doing business and does not grow out of any selfash interest because my company has not in the past, nor does it expect in the future to participate in this business or to enjoy any of the benefits which might accrue from the premiums pro-

duced by it.

That is the end of the letter. I would like to say that the last sentence explains my interest. I am not concerned too much with the Government writing fire insurance on corn. But it is a dangerous step. I am concerned with still another step of Government competition with private business, and I am glad it is so able a Senator as the Senator from Wyoming, for whom we all have so much respect, who is making the argument now.

Of course the Senator from Nebraska is conscientious and especially able and well informed, and has pursued a policy which has meant much to the American people. I have not helped him much, but I have been in company. I am not opposed to the nationalization of power. I am concerned at a possible confiscation of power properties. If there is to be a nationalization of power, I want it done in the orderly way. I think nationalization of power is inevitable in this country. I think the only question is how long before it will come. But I insist we must protect the people who own stock in utility companies, hundreds of thousands of them, the people who have jobs; and by far most important of all, the preservation of the American system of competition.

I thank the Senator from Wyoming.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KING. I desire to corroborate the information which the Senator has just brought to our attention. I heard several days ago of the matter brought out in the letter as to the insurance of corn, and I immediately called up an official in the Department of Agriculture, and he confirmed the statement that the Government was now about to insure the corn which it has in bins, stored throughout the United States, and to impose, as I recall, a 2-mill tax upon the farmers whose crops are being insured. In other words, the Government is going into the insurance of the corn which is in the bins, and, of course, will impose a tax upon those who own the corn. Whether it will be adequate to meet the losses I am unable to state, but it is certain that the Department of Agriculture is going into the insurance business in a broad way. As was indicated a few days ago, it is insuring many crops.

Mr. BONE. Mr. President, the Senator from Wyoming is always so generous and good natured, and I am so fond of him personally, that I dislike to appear to take issue with him, and I hope that if I seem to be doing so he will display his usual forgiving disposition. But let me suggest to the Senator that if his amendment had been the law, the people of San Francisco would never have built the great bridge over San Francisco Bay. It is my recollection, and the Senator from California [Mr. Johnson] will correct me if I am in error, that the people there got a \$60,000,000 loan.

Mr. O'MAHONEY. Mr. President, if I may interrupt the Senator, I desire to finish this discussion and allow the Senate to complete consideration of the amendment and recess. The Senator is not talking to the point. It is not his fault; it is mine, because I have not yet been able to develop the point. Permit me to explain the reason why I believe that though this amendment should prevent the expenditure of a single penny of the \$350,000,000 for public works, for municipal utilities, it would be well worth being prohibited if we obtain in exchange a declaration that we do not intend to undermine free, private enterprise. I will explain it to the Senator now.

First, let me continue with the clarification of the position of the President of the United States. In the letter which he addressed to the junior Senator from South Carolina just before this bill was sent to the Committee on Banking and Currency the President of the United States said:

I have caused estimates to be made of the extent of the field for investment of funds in revenue-earning channels on a selfliquidating basis and in no way competitive with private enterprise.

In other words, the President sent this communication with the purpose of making an opportunity for the investment of private funds in enterprises not destructive of private business.

Mr. BONE. How could it be self-liquidating if there is no investment possible? Where would a return come from?

investment possible? Where would a return come from?
Mr. O'MAHONEY. The Senator misunderstands me.
The President sent this bill to us in order to promote private enterprise, and to secure the investment of private funds in the bonds to be issued to finance the projects.

PRESERVATION OF PRIVATE ENTERPRISE

Not only did the President of the United States in the conference with the majority leader a year ago enunciate this purpose, not only did he pledge himself to this policy in the letter to the junior Senator from South Carolina this year, but he made himself amply clear in the message which he sent to Congress in April 1938, as the result of which the Temporary National Economic Committee was set up.

Every Member of Congress and every citizen of the country ought to be thoroughly familiar with the announced purposes of the study as outlined by the President in his message. Let me read the eloquent conclusion of his message of April 29, 1938:

No man of good faith will misinterpret these proposals. They derive from the oldest American traditions. Concentration of economic power in the few and the resulting unemployment of labor and capital are inescapable problems for a modern "private enterprise" democracy. I do not believe that we are so lacking in stability that we will lose faith in our own way of living just

because we seek to find out how to make that way of living work more effectively.

more effectively.

This program should appeal to the honest common sense of every independent businessman interested primarily in running his own business at a profit rather than in controlling the business of other men.

It is not intended as the beginning of any ill-considered trustbusting activity which lacks proper consideration for economic results.

Observe this language of the President of the United States:

It is a program to preserve private enterprise for profit by keeping it free enough to be able to utilize all our resources of capital and labor at a profit.

With that declaration of the President of the United States I am in complete accord, and I believe that all the people of the United States agree with the statement. But the feeling has gone abroad in the country that there is a purpose in the minds of some to undermine that principle. I seek the adoption of this amendment in order that it may be made perfectly clear to the entire country that Congress, under the President, is seeking to inspire and invigorate free private enterprise, and in order that that may be made clear I shall ask Senators to be good enough to bear with me while I point to the chart which I have placed upon the wall.

PRESIDENT'S LETTER TO T. N. E. C. CHAIRMAN

Let me say, first, that only a few weeks ago the President of the United States sent a letter to the chairman of the Temporary National Economic Committee in which he asked the question why the investment of private funds lags in the United States. He sent to the chairman of the committee a letter which was intended to request that committee to develop an answer to the question why the banks are bulging with money and why there is no opportunity for private investment.

Mr. President, the answer is clear. It is made clear on this chart. It has been made clear by what has been said on this floor.

The upper line on the chart represents the total income payments in the United States, the national income—not the income of the Government but the income of all the people in the United States, the income which is important.

THE INCOME OF THE PEOPLE

The Government of the United States was established for the purpose of promoting the welfare of the men and women who constitute the citizenship of America. Of what use is it to us to pour out billions of dollars of Government funds through deficit spending if the rank and file of the people of the United States do not have incomes which they themselves can earn by their own efforts?

The figures upon the side of the chart represent billions of dollars—10, 20, 30, 40, 50, 60, 70, 80. Eighty billion dollars was the national income in 1929. In 1919 the national income was only about \$59,000,000,000. It will be observed how it went up to almost \$70,000,000,000 in 1920. Then came the depression of 1921, the Harding deflation, under President Harding, the "courageous" deflation, that stout-hearted action under that administration, which deflated so many farmers in the West. And down went the national income to a point far below that of 1919. And then it began gradually to climb again through the Coolidge and Hoover administrations of "prosperity" until in 1929, before the crash, it had reached the peak of \$80,000,000,000.

Then came the crash, and the national income tobogganed. This line [indicating], showing that it dropped from \$80,-000,000,000 in 1929 to \$49,000,000,000 in 1933, the smallest national income since before 1919, tells the story of men out of work, of families in distress, of starvation and disaster for men, women, and children. It is the story of the effort of the Government through W. P. A. expenditures and other pouring out of Treasury millions to save people from starvation. This line, the climbing line [indicating], shows that Government spending did have a good result. The national income began to rise in 1933, until in 1936 it had come to about \$65,000,000,000 or \$67,000,000,000. The chart does not show the slump of 1937, but the important thing that I want to call to the attention of the Members of the Senate is that

the income on which prosperity depends is the income of the people, represented by this upper line.

ESSENTIAL INEFFICACY OF GOVERNMENT SPENDING

Let me now ask Senators to look at the lower line, which represents the Government payments. There has not been a single year in all the story of public spending in which the Government has expended in any one year more than \$12,000,000,000. Government spending back in 1919 was about \$5,000,000,000 a year. Expenditures went along on a rather level line until 1933, when they slowly began to rise, and in 1935 and 1936, for the first time they rose above \$10,000,000,000,000 a year—\$11,000,000,000 a year.

What has been the result of that expenditure? It brought about a temporary uprise, followed by another decline in 1937; but year by year these expenditures have added to the deficit, until today we have a governmental national deficit of over \$40,000,000,000. Is it any wonder that I say to the Congress of the United States that the one important thing before all the people of the country is to promote free private

enterprise?

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. The Senator's address is very interesting. He made the remark that after the Government started to spend more than it normally did the income of the people rose. I think the inference might be drawn from that remark that the income of all the people increased solely because of Government spending. I do not think the Senator, perhaps, meant to leave any such inference as that.

Mr. O'MAHONEY. I would not say that it was solely because of public spending. I think more important than the public spending was the confidence that existed throughout the country at the beginning of this administration, the confidence that the administration was devoted to the promotion of free private enterprise. That confidence has gradually dwindled away by reason of suggestions of the character which came to the Senate when this bill was first introduced.

Mr. TYDINGS. I thank the Senator. My conclusions are

very much the same as his.

Mr. O'MAHONEY. Mr. President, I want to point out that the Temporary National Economic Committee as a committee has never answered the letter which the President sent to its chairman, because the committee has not as yet completed its study, and it was impossible for the committee to answer that inquiry in an orderly, intelligent, and constructive way after considering all points of view, as the question should be answered. But there were some elements of the testimony before that committee which I think are worthy of mention before the Senate.

TESTIMONY BEFORE TEMPORARY NATIONAL ECONOMIC COMMITTEE

I have here another chart which was presented to the committee. This chart was presented to show the composition of income-producing expenditures that offset savings. It was part of the "famous" study on investment. It will be observed that the first column represents 1925, the second column represents 1929, and the last column represents 1937.

In 1929, for example, 12.2 percent of the entire national income-producing expenditures was made in changes of inventory as compared with 8.9 percent in 1929, and with 27.7 percent in 1937. That is what the economists talked to the committee about as expenditures for "consumer goods."

Here we find that in 1929, 19.4 percent of the total was devoted to housing and nonprofit institutions, as compared with 32.9 percent in 1925, and only 11 percent in 1937.

Here is a most important item in the constitution of these expenditures—"Other plant and equipment." These are the capital goods expenditures which Professor Hansen, economist from Harvard, said constituted the "high powered" money—the money that produces and reproduces new expenditure. In 1929 that amounted to 21.6 per cent of the total national income-producing expenditures, as compared with 18.4 percent in 1925, and with 19.3 percent in 1937.

Senators will see how manufacturing in 1937 had only a 20 percent of the total; it had a 19.8 in 1929 and 15.4 percent in 1925.

THE IMPORTANT FIGURE—GOVERNMENT EXPENDITURE

But now I come to the important figure, the amount of Government expenditure. In 1925 it constituted 3.1 percent of the total. This Government expenditure is computed, for the purposes of this chart, by taking from the total outlay the amount that is canceled by taxation, and the balance makes the contribution to income-producing expenditure.

In 1929 that percentage had increased only eight-tenths of 1 percent. In 1937, in the midst of all of the spending, it

constituted only 5.3 percent of the total.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. Does the Senator include State and local government expenditures?

Mr. O'MAHONEY. It includes all government expenditures, local, State, and Federal.

Mr. LODGE. All government expenditures?

Mr. O'MAHONEY. Yes.

Mr. TAFT. All government deficits, that is, so to speak. Mr. O'MAHONEY. Well, it is not exactly that, because it is more than the deficits. It is a computation of what is not canceled by taxes. Of course, there may be some income aside from taxes.

Mr. TAFT. On the whole the local governments have

decreased their debt rather than increased it.

Mr. O'MAHONEY. I could show the Senator another chart which would indicate that there has been simply a shift of the debt from the local governments to the National Government.

THE BUSINESS OF THE PEOPLE

The point I wish to emphasize, however, before this body, which is clearly shown by the charts, is that the Government contribution is only a drop in the bucket. What we must stimulate is the free public enterprise that goes into housing, that goes into plants and equipment, that goes into mining and manufacturing, that goes into the purchase of goods for distribution, that goes into the retail business of the United States, the business of the people of the United States.

Let me say to the Senate, when Dr. Hanson and Dr. Currie, then of the Federal Reserve Board, were before the committee presenting and discussing this chart, and it was explained to the committee that this contribution to the income-producing expenditures of Government represented the difference between taxes and expenditures, I asked the two gentlemen if the contribution of the Government could not be made just as effective by reducing the taxes as by increasing the expendi-

ture, and the answer was "yes."

Mr. President, I think there is nothing more that need now be said. That is the whole story. The announced purpose of this whole administration has been to stimulate free private enterprise. I am happy to be able to say that I see in the bill before the Senate now an instrumentality for accomplishing that purpose. But if it is to accomplish the purpose, it must be made crystal clear to all the people of the United States that it is not the intention of any responsible person in Government—whatever irresponsible people may propose or plan—to undermine the democratic American system of a free private economy.

The loans permitted in this bill for rural electrification would promote that purpose, because when the electric power gets out to the farm it will create a demand for the products of the mill and the factory. They will create a new demand for radios and for all manner of electrical equipment. There

can be no question about that.

When the loans go out to the promotion of reclamation in the West, again there will be a tendency to promote free private enterprise. When the loans go out from the Farm Security Administration to farmers living on the land, there also will be found a stimulation of free private enterprise.

The virtue of the bill, as I see it, is that it apparently represents the termination of the attempt to solve the economic problem by W. P. A. expenditures, offering miserable pittances of \$26 to \$54 or \$90 a month for highly skilled workers to the unemployed masses of the people of America. There is no solution that way. The solution of the problem is in the stimulation of free private enterprise.

So, Mr. President, I say to the Senate, stop all this quibbling about what is going to happen with a \$350,000,000 loan fund, stop all quibbling about the right of some municipality to obtain a loan to build a utility in competition with an existing utility. The fight against abuses by corporate power has been practically won. I believe it has been completely won. I believe that one of the great reasons why the fight has been won is because Senators like the distinguished and able Senator from Nebraska [Mr. Norris] have been willing to stand upon the floor of this body and out on the stump to wage a fight for free private enterprise.

Free private enterprise is endangered not only by monopoly. It is also endangered by Government. My experience during the past 12 months with the Temporary National Economic Committee has convinced me that 90 percent of all the businessmen in the United States want only the opportunity to go forward. I say, Mr. President, give them the signal by adopting this amendment.

Mr. DANAHER. Mr. President, there can be little question that those of us who have been in the Chamber during the past half hour have heard from the Senator from Wyoming one of the most challenging speeches delivered in the Senate during the present session. There can be little question that no other Member of this body could have made that speech.

By the same token, in its overwhelming proportions the speech of the Senator from Wyoming applied directly, forcefully, and positively in support of the substitute amendment which I am offering, and which in its essence I caused to be stated by the clerk earlier in the day. In a few moments I shall ask that the substitute which I hold in my hand be read.

However, before doing so, let me advert to the actual language of the amendment of the Senator from Wyoming. Let me call attention to what the situation actually is, independently of the speech he has made. Let me call attention to the fact that from lines 1 to 6, inclusive, of the amendment offered by the Senator from Wyoming it is provided:

Provided, That in order that the competitive system of private enterprise for profit shall be maintained and encouraged—

The Senator has told us that those words were taken from the message of the President himself—

loans under this subsection shall be so administered as not to promote any undertaking in a field now adequately supplied by existing competitive private enterprise—

Let us stop right there. That language in and of itself constitutes a proposed limitation. Who is to decide whether or not an existing competitive private enterprise is adequately supplying the field? Who is to make the decision as to whether or not it is a competitive private enterprise?

Mr. President, that is where the challenge lies in the amendment offered by the Senator from Wyoming. Under the amendment offered by the Senator from Wyoming the determination is to rest with the Commissioner of Public Works, who I understand is Mr. Carmody, who appeared before the Committee on Banking and Currency. He is the one who is to decide; and, consequently, if the amendment be adopted, we shall transfer from the possibility of having a judicial determination of whether there is or is not a justifiable loan to a decision by a bureaucrat downtown. That is where the vice in the amendment lies.

I invite the attention of the Senator from Nebraska [Mr. Norris] to that provision. He will run into difficulty with it; and if he is looking for interminable litigation he will not have to worry about it under the amendment of the Senator from Wyoming, for the question will be decided by the gentleman downtown.

Let us go on with the other language of the amendment. It is drawn in the alternative. It provides that there shall be no loans under this subsection—

to promote any undertaking in a field now adequately supplied by existing competitive private enterprise or by existing noncompetitive private enterprise at reasonable rates or prices—

Who is to decide that question? Who is to decide whether or not rates are reasonable? Who is to decide whether or not prices are reasonable? Again, that decision will rest with the Commissioner of Public Works, Mr. Carmody.

The vice of the amendment is exactly this: While it purports to be in line with the maintenance of a system of free public enterprise, and while it may, in the approach which the Senator from Wyoming gives to it in his speech, ultimately have that effect, the fact of the matter is that it is the opening wedge for the use of public funds by way of loans under this section to break monopoly. That is the purpose of it. That is the purport of it. Let us recognize it for what it is.

Mr. President, I shall not ask the Senate to decide whether that particular result should or should not be attained by legislation in due course. I say to the Senate, as was argued with reference to the amendment offered by the Senator from Delaware [Mr. Townsend], that the matter was never before our committee. The Committee on Banking and Currency never had an opportunity to decide on the merits or lack of merits of any such proposal. We did not have the facts, the figures, and the circumstances. All those data are being collected by the committee of which the Senator from Wyoming is the distinguished chairman. He has not even yet been able to complete his hearings. They are in process. We have progress reports which may or may not in due course be adequate to sustain and justify the legislative pronouncement he now seeks to write into this legislation; but if there be justification for the bill at all, it certainly is not to be found in the adoption of the amendment offered by the Senator from Wyoming and what is sought to be done under it.

Mr. President, I have prepared a substitute, which I now send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Connecticut to the modified amendment of the Senator from Wyoming will be stated.

The LEGISLATIVE CLERK. On page 1, line 2, of the amendment offered by Mr. O'MAHONEY it is proposed to strike out all after the word "following" and to substitute the following:

No funds, whether loans or expenditures, shall be made available under section 4, subsection (2), to any Federal, State, or local public body, or to any person or corporation, for use by any such agency or corporation to purchase, establish, construct, relocate, or expand any mill, factory, plant, or commercial enterprise which is or will be as a result of such loan or expenditure in competition with any existing industry or commercial enterprise, provided the limitation herein shall not apply to any such loan or expenditure for a public hospital, college, or university.

Mr. DANAHER. Mr. President, my amendment is, in line 2 of the amendment offered by the Senator from Wyoming, after the word "following", that the language beginning with the word "Provided" be stricken out throughout the rest of the amendment and that in lieu thereof there be substituted the amendment which I have sent to the desk, the adoption of which I now move.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. DANAHER. I yield.

Mr. O'MAHONEY. I think the Senator is just painting the lily. I hope he will withdraw the suggestion.

Mr. DANAHER. I beg the Senator's pardon?

Mr. O'MAHONEY. The Senator is merely painting the lily. He might just as well withdraw the suggestion. I hope he will.

Mr. DANAHER. I thank the Senator for his courteous words; but I have no intention of withdrawing the proposed amendment.

Mr. President, I recognize that the purport and intendment of the amendment offered by the Senator from Wyoming, as its language states and as it implies on its face, would do what he hopes it would do. For that reason I believe it should be rejected, and that the substitute should be approved by this body.

If we honestly, sincerely, and actually do not wish to compete with private enterprise, we should stop such competition.

If we honestly, sincerely, and actually do not wish that Federal funds be used for the transportation of mills from one location to another, or for the development of competitive industry, all we have to do is to say so. I submit that the substitute amendment which I have offered accomplishes that end.

Mr. President, if a municipality wishes, as the Senator from Washington implied, to create its own power plant, there is no reason in the world why it should not do so. I agree with him that it has the power, and that it may vote to do so. All I say is that if there be an existing private industry somewhere, Federal funds should not be used in competition with that private industry.

Because I am insistent on that doctrine, I differ materially in that particular from the approach of the Senator from Washington [Mr. Bone], who would under this bill grant Federal funds, or at least lend them for such purpose; and on that point I differ with the Senator from Washington.

However, happily that is not the issue before us. The issue before us is not even the amendment submitted by the Senator from Wyoming. The issue before us is, Do we honestly, actually, and earnestly want to stop the use of Government funds—100-percent loans, if you choose—and to prohibit governmental agencies under P. W. A. from competing with private industry? If we do, Mr. President, and if that be the sense of the Senate, then the amendment which I have sent to the desk will do just that.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. WAGNER. I should like to propound to the Senator the same question which I propounded earlier in the day to the Senator from Wyoming [Mr. O'MAHONEY]. I take it that under this provision, if it should be enacted into law, some bridges would be constructed. I understand there is quite a demand for the construction of new bridges. Some of them, of course, would compete with the present facilities, such as ferries. Under the terms of the amendment proposed by the Senator, would it be essential for the municipality, or whatever public body decides to build the bridge, to consider the different facilities for crossing the stream? Would the municipality be required to purchase the ferries in order to build the bridge? Or does the Senator interpret his amendment as not coming within the purview of a situation of that kind?

Mr. DANAHER. Answering the Senator specifically, of course, he well knows that we discussed this whole matter. It was very thoroughly canvassed in the committee; and I say, of course, a bridge does not compete with a ferry. I do not believe any municipality would have to buy the ferry or anything else; of course not. I say that a loan for such a purpose is perfectly legitimate and could be undertaken.

That is my answer to the Senator.

Mr. WAGNER. The Senator's answer is that he does not regard that as providing competition for an existing private enterprise, as stated in his amendment?

Mr. DANAHER. That is correct.

Mr. WAGNER. Of course, there is this to be said, however: When a bridge is built it certainly will take customers away from a ferry. A bridge provides a more expeditious and perhaps a more comfortable means of transportation across the water, so that it will seriously affect the business of a ferry that is in operation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Maryland.

Mr. TYDINGS. As I understand, if the Government were to lend money to build a competing ferry line, that is the kind of thing the Senator's amendment would prohibit.

Mr. DANAHER. Precisely.

Mr. TYDINGS. But when the Government builds a bridge, it does not operate a private business. When the Government builds a ferry line, it does operate a private business. When the Government operates a municipal power plant, it

does operate a private business; but there is no operation of a private business in operating a bridge, per se.

Mr. WAGNER. Perhaps that may be a technically correct statement; but the Senator knows the result has always been that when a bridge provides transportation that a ferry formerly provided the bridge service is so superior that the ferry goes out of business. That has happened time and time again; so there is that type of competition.

I simply wanted to clear up the matter, so that the question could not be raised afterward if an amendment of this

kind is included in the pending bill.

Mr. DANAHER. Mr. President, briefly by way of reply to the Senator from New York, let me observe that although there are bridges over the Hudson River in New York, and although there are Holland tubes and Lincoln tubes and other types of tubes, taking transportation facilities, if you like, away from the ferries in one sense or another, the ferries definitely run. The ferries run day in and day out. They are crowded. They do a splendid business, and I am glad of it.

Mr. WAGNER. The business has been reduced, however; and on the East River the result has been just the opposite. The ferry finally had to stop operating, because its customers were taken away. I am quite willing, however, to accept the interpretation made here, that that is not the kind of competition which is proposed to be affected by this amendment.

Mr. DANAHER. I thank the Senator from New York.

Mr. TYDINGS. Mr. President-

Mr. DANAHER. I yield to the Senator from Maryland. Mr. TYDINGS. I should like to say to the Senator from New York, as one Senator who is supporting the amendment of the Senator from Connecticut—and, if that amendment does not prevail, certainly the amendment of the Senator from Wyoming, because they are both directed to the same end—that it is my understanding, for whatever it is worth, that a bridge would in no sense of the word be precluded under the amendment of the Senator from Connecticut.

Mr. KING. Mr. President-

Mr. DANAHER. I yield to the Senator from Utah.

Mr. KING. The Senator from Connecticut is a member of the committee reporting the bill, as I understand.

Mr. DANAHER. That is correct.

Mr. KING. I desire to ask the Senator if a single person in private life or in business life appeared before the committee and supported this provision in the bill, with the exception of Mr. Pelley, who is connected with the railroads.

My understanding is that the only persons who appeared were Government officials, who would have high positions or important positions if the bill should go into effect, in the administration of the bill and the expenditure of the funds therein provided. I ask again, were any private persons invited to testify, or did any private persons testify, in behalf of the provisions of the bill?

Mr. DANAHER. In answer to the Senator from Utah, permit me to say that all but one of those who testified in support of the bill upon which hearings were held were officials of the Government. The single exception was Mr. Pelley, who, as I understand, is president of the American Association of Railroads. Does that answer the Senator's question?

Mr. KING. I think so. So that officials of the executive department who were holding jobs, getting high salaries, and expecting to retain those positions and perhaps have their emoluments increased, or at least get higher salaries, were the ones who were pushing this bill, and they were the ones who furnished the testimony upon which the bill is predicated. Is that correct?

Mr. DANAHER. Mr. President, I assume that the conclusion reached by the Senator from Utah is true in part. I imagine that others than those who appeared are pushing the bill. In fact, I rather suspect that others who did not appear actually pushed the bill.

Mr. WAGNER. Mr. President-

Mr. DANAHER. I yield to the Senator from New York. Mr. WAGNER. I want to explain that there was not a single request to be heard from any person in opposition to the bill. The only individual outside of an official who asked to be heard—and the officials did not ask to be heard; they were requested to appear—was Mr. Pelley, representing the railroads; and he did appear as a witness. I know of no other request that came before the committee from any private individual who desired to be heard.

Mr. ADAMS and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Connecticut yield, and, if so, to whom?

Mr. DANAHER. I yield first to the Senator from Colorado.

Mr. ADAMS. Mr. President, it occurs to me that there is a very adequate explanation of that fact; that the burden of proof was upon those who were advocating the bill, and I think it was quite essential that those who wanted the bill passed should make a case. I know, as to some parts of the bill, that some of us thought they failed to make the case, and it was not necessary for anybody to appear on the opposite side.

Mr. DANAHER. Then am I to understand the Senator from Colorado to imply that this matter was tried and heard by way of demurrer, let us say, as if there were just

nothing to it anyway?

Mr. ADAMS. No; I will not say that. I think there is

much to it.

Mr. TAFT. Mr. President, does the Senator also recall that on Friday afternoon, as soon as the last witness for the bill, Mr. Jones, had testified, the chairman urged that the committee immediately report the bill, and over strenuous objection we were allowed to adjourn until Saturday morning, at which time the committee did report the bill; so that if anybody who had read the hearings during the past few days had wished to appear, he would not have had time to request an opportunity to appear before the committee?

Mr. NORRIS and Mr. KING addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Connecticut yield, and, if so, to whom?

Mr. DANAHER. I yield first to the Senator from Nebraska. Mr. NORRIS. Mr. President, I have what purports to be a copy of the Senator's amendment, as modified. The copy I have says "under this act" instead of "under this section."

Mr. DANAHER. Under section 4, subdivision (2). It is limited simply to the P. W. A. section, which is section 4. subsection (2).

Mr. NORRIS. The limitation is the same as in the amendment of the Senator from Wyoming?

Mr. DANAHER. That is correct.

Mr. NORRIS. Now I desire to ask the Senator a question. Suppose this amendment were adopted and became the law, and a bridge were in operation across, let us say, the Mississippi River; and suppose the city of St. Louis, we will say, decided that they wanted an additional bridge: Would their decision on the matter be sufficient? Would there be a question as to whether they ought to have another bridge there, which would come up before the administrator of the bill?

Mr. DANAHER. No, I will say in answer to the Senator; for the simple reason that another bridge could not possibly be considered in competition with any existing industry or

commercial enterprise.

Mr. NORRIS. Would not a bridge be a commercial enter-

Mr. DANAHER. I do not consider that a bridge which is operated by any subdivision of a municipality is a commercial enterprise; no.

Mr. NORRIS. Of course, if that were the case, the city could build as many bridges as they decided to build.

Mr. DANAHER. I should say so; yes, sir.

Mr. NORRIS. Why does the Senator say, at the end of the amendment, that it shall not apply to a loan for a public hospital? Such a building might come into competition, might it not, with a privately owned hospital?

Mr. DANAHER. Let me say in answer to the Senator in that connection, that there were those of us on the committee who thought it did; but the majority felt that language such as this was more apropos; and because they did, irrespective of what my particular judgment may be, and without indicating it, I adopted that thought.

Mr. NORRIS. I desire to say to the Senator that in asking that question I do not want it to be understood that I object at all to that exception, if it may be called such; but it seems to me the principle involved in having the amendment not apply to a public hospital would also apply to anything else.

Mr. DANAHER. I think the Senator is not entirely correct in making so sweeping a statement. I think what we really had in mind was to make possible loans to eleemosynary institutions. Does that clarify the matter in the Senator's

Mr. NORRIS. I am not asking these questions because I object to the suggestion. I am in favor of it. I think the Senator's statement is one in which I would entirely coincide.

Mr. DANAHER. I am sure the Senator will; and I am sure the amendment itself, upon examination, will commend itself equally to the Senator.

Mr. NORRIS. It seems to me, upon an examination of it, that I would prefer it to the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. DANAHER. That has been my own feeling, if I may say so to the Senator.

If there be no other questions-

Mr. BARKLEY. Mr. President, I desire to occupy the floor for a few moments.

Mr. DANAHER. Then I will simply say, in conclusion, that I feel that if we want to stop competition with private industry, all we have to do is to say so, and we do not have to adopt the circumlocution that has provoked over 3 hours of debate here this afternoon to try to find out what may be the meaning of the language of the amendment submitted by the Senator from Wyoming.

I hope the Senate will adopt the substitute.

Mr. BARKLEY. Mr. President, I am in favor of a declaration in this bill pertaining to the activities of the Public Works Administration which will clarify what we propose to expend the money for.

A year ago, when we had under consideration the Public Works appropriation, the very same question arose; and in the conference at the White House referred to by the Senator from Wyoming the question came up as to whether there ought to be an amendment in the law, or whether the President could make clear his intention with respect to the expenditure of money so as to obviate the necessity of any amendment in the law itself. As a result of that understanding, I read into the RECORD the statement referred to by the Senator from Wyoming, in which it was explicitly stated that in the expenditure of that money under the P. W. A. no funds would be loaned to any municipality or other public body in order to establish a public utility where there was already an existing utility giving adequate service at reasonable rates, until the locality had given an opportunity to the owners of the private utility to sell to the community at a fair price; and that was to be determined by the Public Works Administrator. I think that is a fair principle.

There is no doubt that any Senator has a right to vote, if he wants to do so, to establish a new public utility in competition with an existing utility. Communities have a right to establish one if they desire, and have the power under their laws, where there is a utility that is giving adequate service at reasonable rates under public legal regulation. If they want to do that, that is their affair; but that is not quite the same thing as asking the Government of the United States to furnish the money with which they may do that without first giving to the private utility an opportunity to sell out to the town or city.

Mr. NORRIS rose.

Mr. BARKLEY. I will say that what I stated a year ago, and the position taken by the President, has been meticulously adhered to.

Mr. NORRIS. Mr. President, that is what I was going to ask. Is it not a fact that in all these operations that position has been adhered to?

Mr. BARKLEY. It has been adhered to, and it had been

even before the President made his statement.

Mr. NORRIS. I think so. The objection, as I see it, to putting all this language into the law itself is that it lays a foundation for these companies to continue litigation indefinitely. They cannot complain of the treatment so far, because there has not been any case where the suggestion has not been adhered to.

Mr. BARKLEY. I think there is a good deal of force in the Senator's argument. The amendment offered by the Senator from Wyoming is a little bit circumlocutionary, if I may suggest a word in reference to the language it uses, because the word "promote" may be subject to legal definition which we may not anticipate. Nor do I like the substitute offered by the Senator from Connecticut.

Mr. HILL. Mr. President, before the Senator starts to comment on the substitute of the Senator from Connecticut, I should like to say that I think we are all in agreement as to a policy such as that declared by the President, and such as that the Senator from Wyoming has read to the Senate today. I wonder whether the Senator from Wyoming knows of any instance since that policy has been declared of a

departure from it?

Mr. O'MAHONEY. It is quite immaterial whether or not there has been such an instance. The point is not whether there will be public-utility loans or no public-utility loans. The point is that we should end the condition which is consistently promoting the defeat of the principles for which we stand. Did Senators read the roll calls yesterday? Did they hear motion after motion sponsored by the Senator from Kentucky defeated? Why were they defeated? They were defeated because the feeling is growing in the country that we are not standing for free private enterprise. It is far more important to declare this principle in language which cannot be misunderstood than it is to quibble about a word or two in an amendment which declares a principle announced by the President.

Mr. HILL. Will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. HILL. I wish to say that, so far as the declaration of policy is concerned, I join with the Senator from Wyoming. Mr. O'MAHONEY. Yes; but the Senator does not want

an amendment announcing the policy.

Mr. HILL. That is correct, because I know what this amendment would do. It would be opening up the door to defeat the very thing we are trying to do, to wit, to make these loans and take the resultant benefits to the people of the country.

Mr. O'MAHONEY. Mr. President, the Senator is quite wrong about that. As I have pointed out, there are only \$350,000,000 involved in the provision for public-works loans; so that it could not possibly wreck the program. Most of the money will be expended for other types of public works.

Mr. BARKLEY. I agree with those who think that it will probably be wise to have some declaration in this bill with

respect to this subsection.

Mr. O'MAHONEY. Mr. President, the Senator agreed yesterday morning, to all intents and purposes, with the declaration contained in my amendment.

Mr. BARKLEY. I agreed to the principle of it, and I still

Mr. O'MAHONEY. Then, why talk about it now? Let us have it decided.

Mr. BARKLEY. I have not talked about it much, but it has been talked about all day. That is all we have talked about. It is the only amendment and the only part of the bill that has been under discussion all day. I wish to talk about the substitute which has been offered for the Senator's amendment, as well as his own amendment, because I have scribbled off something which I think will probably satisfy both Senators.

The substitute of the Senator from Connecticut creates more confusion than anybody could possibly imagine in con-

nection with the language of the amendment of the Senator from Wyoming. It starts out by saying, "Provided, That no funds, whether loans or expenditures." There is nothing in this subsection about loans. There is no provision in it for spending any money. The Federal Government is not going to expend a dollar. It is only lending money to public bodies for the purposes set out in the provision, and that might even be construed to mean that even if the cities under any circumstances had money of their own, they could not expend it in connection with any loan they might have had from the Public Works Administration. It is needless to have the word "expenditures" in the measure, because this is a loan proposition, and not an expenditure proposition.

Mr. WALSH. Mr. President, do not the constitutions and the statutes of the several States define very accurately when and under what conditions a municipality may purchase a plant and start in competition with utilities or manufacturing

or private industry?

Mr. BARKLEY. Undoubtedly that is true.

Mr. WALSH. Then, how is making a loan to a municipality

going to change any of those laws?

Mr. BARKLEY. It is not going to change any of those laws, but it can provide a means by which a community may carry out its powers by obtaining a loan from the Federal Government.

Mr. WALSH. Under local law?

Mr. BARKLEY. Under local law; yes. There is nothing we can do to change local law with respect to their power.

The substitute further provides that no such loan can be made "to any Federal, State, or local public body, or to any person or corporation."

There is not a single syllable in this subsection which would authorize a loan to any person or corporation. No one can borrow any money under this subsection except a city, town, State, or district that is a public body; so that the language prohibiting the lending of any money to persons or corporations has no proper place in the amendment, because it could not be done anyway, for any purpose, under the bill.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield. Mr. DANAHER. This morning I extended the Senator the courtesy of submitting to him a copy of the proposed amendment. At that time he had a carbon copy of the one which, has since been redrafted, and the word "person" is not in it. That will dispose of that, will it not?

Mr. BARKLEY. This copy is the one the Senator gave

me, and he did not advise me he had changed it.

Mr. DANAHER. The Senator will recall that I asked that the clerk state the amendment, and I assumed that the Senator would change the amendment as the clerk read it, as the rest of us did.

Mr. BARKLEY. That was my fault, then, as nearly everything else is.

Mr. DANAHER. I do not agree to that.

Mr. BARKLEY. I do not think the exclusion of hospitals, colleges, or universities is a wise provision. I do not think we should specify what is excluded, because when we undertake to specify what is excluded, we may forget a hundred things which ought to be, but which we cannot think of at the time, and if the law were enacted in this form all that could possibly be excluded would be hospitals, colleges, and universities.

I do not know whether the draft I have written off is any better than the others, perhaps it is worse; but I have written off something which I think covers the situation.

On page 4, line 17-and I should like to have the attention of both the Senators to this-I propose to insert:

Provided. That no loan shall be made under this subsection for the establishment or expansion of any existing factory, mill, or plant engaged in the production of goods, wares, or commodities for sale in trade or commerce, nor for the establishment of any public utility which would compete with an existing utility giving adequate service at reasonable rates, subject to legal regulation, unless the Public Works Commissioner, after public hearings, advises that an offer has been made in good faith to purchase such existing facilities at a fair price, and that such offer has not been accepted.

It seems to me that is direct. It says what we mean. Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. Of course, I have had no chance to examine the proposed amendment, but from the Senator's reading of the proposal, it seems to me it is unnecessary to include provision for a public hearing and all that. If the Senator provides that it shall be illegal and improper, stop

Mr. BARKLEY. I understand that Secretary Ickes has adopted the plan of holding public hearings whenever these matters have come up. I raised the same objection to the language of the amendment of the Senator from Wyoming, but my attention was called to the fact that Secretary Ickes had really established the practice of holding public hearings, and I could see no objection to it.

Mr. NORRIS. I see no objection to a public hearing. It may be difficult to make my position understood, but there is in my mind a definite difference between putting that into the law, and laying a foundation for expensive, long-

drawn-out litigation.

Mr. BARKLEY. I do not think the public hearing would

be necessarily long drawn out.

Mr. NORRIS. Let him hold a public hearing if he desires. Mr. BARKLEY. The city authorities and the owners of the public utility would come before the Commissioner, and, on one side, contend that an offer had been made to buy at a fair price, and, on the other, they could contend that the price was not fair; and the decision of the Commissioner would decide.

Mr. NORRIS. I think that if we had had any trouble along that line in the past with a public utility, if there had been any indication of any trouble of that kind, there would be some foundation for inserting such a provision, but there

Mr. BARKLEY. I think there is force to the suggestion, and I entertained the idea myself. I do not really think the provision is necessary. But we do not seem to be able to get together on language which should go into the bill. Many Senators do not think any such amendment should be added. Some think we should eliminate altogether any reference to public utilities, and others do not; so I was making an effort to frame language which would accomplish what we are all trying to do, language which would seem to be more direct and to the point, because it would contain no kind of preamble, somewhat after the fashion of the amendment of the Senator from Wyoming.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield. Mr. BYRNES. I desire to ask the Senator a question. As I caught the reading of the amendment the Senator proposes, it provided that "no loan shall be made under this subsection for the establishment or expansion of any existing factory, mill, or plant."

I am wondering if the Senator's proposal is not open to the same criticism he has made of the proposal of the Sen-ator from Connecticut, for in the bill there is nothing, so far as I know, which provides for a loan to any individual or corporation for the establishment of any mill or plant, but only to States and subdivisions of States.

Mr. BARKLEY. I agree that there is nothing which authorizes a loan to a city to establish a factory to make shoes, or anything else, but someone seems to fear that lurking in the bill somewhere is such authority to make loans which might be used to establish plants to compete with existing private industry, and I want to clear that up. I do not think there is anything here granting such power; but if anyone fears there is, we ought to clear it up.

Mr. BYRNES. I do not think anyone fears it except my good friend the Senator from Connecticut, who feared it in the committee, and still entertains that fear, apparently; but no other Member of the Senate does.

Mr. BARKLEY. As between the amendment of the Senator from Wyoming and the substitute offered by the Senator from Connecticut, I would favor the amendment of the Senator from Wyoming, because I do not think the language in the substitute is adequate. I do not think we can safely name two or three things we will exempt, because we know the legal maxim inclusio unius est exclusio alterius. For the reasons I have stated I hope the substitute will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. DANAHER] in the nature of a substitute for the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. CLARK of Missouri. I suggest the absence of a quo-

The PRESIDENT pro tempore. The clerk will call the roll. The legislative clerk called the roll and the following Senators answered to their names:

Davis	La Follette	Russell
Downey	Lodge	Schwartz
Ellender	Lucas	Schwellenbach
George	Lundeen	Sheppard
Gerry	McCarran	Slattery
Gillette	McKellar	Smith
Green	Maloney	Stewart
Guffey		Taft
Gurney	Miller	Thomas, Utah
Hale	Minton	Townsend
Hatch		Truman
Havden		Tydings
Herring	Norris	Vandenberg
Hill	Nve	Van Nuvs
Holman		Wagner
Holt		Walsh
Hughes		Wheeler
Johnson, Colo.		White
King	Reed	
	Downey Ellender George Gerry Gillette Green Guffey Gurney Hale Hatch Hayden Herring Hill Holman Holt Hughes Johnson, Colo.	Ellender George Gerry Gillette McCarran Gillette McKellar Green Maloney Guffey Mead Gurney Miller Hale Minton Hatch Murray Hayden Neely Herring Norris Hill Nye Holman Holt Hughes Johnson, Colo. Radcliffe

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present.

The clerk will again state the pending amendment.

Mr. DANAHER. Mr. President, in conformity with the suggestion of the Senator from Kentucky, I have stricken out the words "or expenditure" where they occur.

The LEGISLATIVE CLERK. In lieu of the amendment offered by Mr. O'Mahoney, as modified, Mr. Danaher proposes the following as a substitute:

No funds or loans shall be made available under this subsection No funds of loans shall be made available under this subsection to any Federal, State, or local public body, or to any corporation, for use by any such agency or corporation to purchase, establish, construct, relocate, or expand any mill, factory, plant, or commercial enterprise which is or will be as a result of such loan in competition with any existing industry or commercial enterprise, provided the limitation herein shall not apply to any such loan for a public hospital, college, or university.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Connecticut [Mr. DANAHER] in the nature of a substitute for the amendment offered by the Senator from Wyoming, as modified.

Mr. DANAHER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from Vermont [Mr. Gibson], who, if present, would vote as I am about to vote. I vote "yea."

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. WILEY]. I transfer that pair to the senior Senator from New Jersey [Mr. Smathers] and will vote. I vote "nay."

Mr. GUFFEY (when his name was called). I have a pair on this vote with the junior Senator from New Hampshire [Mr. Tobey]. If present, the Senator from New Hampshire would vote "yea." If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Texas [Mr. Connally] is absent because of illness.

The Senator from Arizona [Mr. ASHURST] and the Senator from North Carolina [Mr. REYNOLDS] are absent, due to illness in their families.

The Senator from Arkansas [Mrs. CARAWAY], the Senator from New Jersey [Mr. Smathers], the Senator from Oklahoma [Mr. Lee], and the Senator from Mississippi [Mr. HARRISON] are detained on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Arkansas [Mr. Miller], the Senator from Kentucky [Mr. Logan], the Senator from West Virginia [Mr. Neely], the Senator from Louisiana [Mr. Overton], and the Senator from Oklahoma [Mr. Thomas] are unavoidably detained.

The Senator from Minnesota [Mr. Lundeen], the Senator from Utah [Mr. King], the Senator from Arizona [Mr. Hayden], and the Senator from Florida [Mr. Pepper] are detained on official business. I am advised that if present and voting, the Senator from Utah would vote "yea."

Mr. AUSTIN. I desire to announce the following general pairs:

The Senator from Oregon [Mr. McNary] with the Senator from Mississippi [Mr. Harrison]; the Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. Glass]; the Senator from California [Mr. Johnson] with the Senator from West Virginia [Mr. Neely]; the Senator from North Dakota [Mr. Frazier] with the Senator from Arkansas [Mr. Miller]; and the Senator from North Dakota [Mr. Nye] with the Senator from Oklahoma [Mr. Lee].

The result was announced—yeas 24, nays 44, as follows:

	YE	AS-24	
Austin	Danaher	Holt	Taft Townsend Tydings Vandenberg Walsh White
Bailey	Davis	Lodge	
Barbour	Gerry	Maloney	
Bridges	Gurney	Norris	
Byrd	Hale	Radcliffe	
Capper	Holman	Reed	
	NA.	YS-44	
Adams	Clark, Idaho	Johnson, Colo.	Schwartz
Andrews	Clark, Mo.	La Follette	Schwellenbach
Bankhead	Downey	Lucas	Sheppard
Barkley	Ellender	McCarran	Slattery
Bilbo	George	McKellar	Smith
Bone	Gillette	Mead	Stewart
Brown	Green	Minton	Thomas, Utah
Bulow	Hatch	Murray	Truman
Burke	Herring	O'Mahoney	Van Nuys
Byrnes	Hill	Pittman	Wagner
Chavez	Hughes	Russell	Wheeler
	NOT VO	OTING-28	
Ashurst	Glass	Logan	Pepper
Borah	Guffey	Lundeen	Reynolds
Caraway	Harrison	McNary	Shipstead
Connally	Hayden	Miller	Smathers
Donahey	Johnson, Calif.	Neely	Thomas, Okla.
Frazier	King	Nye	Tobey
Gibson	Lee	Overton	Wiley

So Mr. Danaher's amendment in the nature of a substitute for Mr. O'Mahoney's amendment, as modified, was rejected

The PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Wyoming [Mr. O'Ma-HONEY] as modified.

Mr. O'MAHONEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GREEN (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. Wiley]. That pair has been transferred to the senior Senator from New Jersey [Mr. Smathers]. I vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote, I withhold my vote. If at liberty to vote I should vote "yea."

Mr. GUFFEY. On this question I have a pair with the Senator from New Hampshire [Mr. Tobey], and therefore withhold my vote.

Mr. MINTON. I announce that the Senator from Texas [Mr. Connally] is absent because of illness.

The Senators from Arizona and North Carolina [Mr. ASHURST and Mr. REYNOLDS] are absent due to illness in their families.

The Senator from Arkansas [Mrs. Caraway], the Senator from New Jersey [Mr. Smathers], the Senator from Oklahoma [Mr. Lee], and the Senator from Mississippi [Mr. Harrison] are detained on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. Glass], the Senator from Arkansas [Mr.

MILLER], the Senator from Kentucky [Mr. Logan], the Senator from West Virginia [Mr. Neely], the Senator from Louisiana [Mr. Overton], and the Senator from Oklahoma [Mr. Thomas] are unavoidably detained.

The Senator from Utah [Mr. King] is detained on official business. I am informed that if present and voting, the Senator from Utah would vote "yea."

Mr. AUSTIN. I announce the following pairs: The Senator from Oregon [Mr. McNary] with the Senator from Mississippi [Mr. Harrison]; the Senator from North Dakota [Mr. Frazier] with the Senator from Arkansas [Mr. Miller]; the Senator from Minnesota [Mr. Shipstead] with the Senator from Virginia [Mr. Glass]; the Senator from California [Mr. Johnson] with the Senator from West Virginia [Mr. Neely]; and the Senator from North Dakota [Mr. Nye] with the Senator from Oklahoma [Mr. Lee].

If present, the Senator from California [Mr. Johnson] would vote "yea"; the Senator from West Virginia [Mr. Neely] would vote "nay"; the Senator from Minnesota [Mr. Shipstead] would vote "yea"; and the Senator from North Dakota [Mr. Frazier] would vote "nay."

The result was announced—yeas 46, nays 24, as follows:

	YE	AS-46	
Adams Andrews Balley Bankhead Barbour Barkley Bridges Brown Bulow Burke Byrd Byrnes	Capper Chavez Clark, Idaho Clark, Mo. Downey George Gerry Gillette Hale Hatch Herring Holman	Holt Hughes Johnson, Colo. Lucas McCarran Maloney Murray O'Mahoney Pittman Radcliffe Reed Schwartz	Slattery Smith Taft Townsend Tydings Vandenberg Van Nuys Wagner Walsh White
	NA'	YS-24	
Austin Bilbo Bone Danaher Ellender Green	Gurney Hayden Hill La Follette Lodge Lundeen	McKellar Mead Minton Norris Pepper Russell	Schwellenbach Sheppard Stewart Thomas, Utah Truman Wheeler
	NOT V	OTING-26	
Ashurst Borah Caraway Connally Davis Donahey Frazier	Gibson Glass Guffey Harrison Johnson, Calif. King Lee	Logan McNary Miller Neely Nye Overton Reynolds	Shipstead Smathers Thomas, Okla. Tobey Wiley

So Mr. O'Mahoney's amendment, as modified, was agreed to.
Mr. TYDINGS obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. TYDINGS. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, from day to day I think practically all Senators have hoped that we might dispose of the pending measure before we adjourned on each particular day. That was true yesterday. It has been true today. We have made practically no progress, having adopted one amendment after 8 hours of deliberation.

Mr. President, there seems to be some sort of undercurrent, which I cannot locate or describe, which is causing the consideration of the bill to drift. I am wondering if we have not gone far enough to reach an agreement. Anyway, I shall try.

I ask unanimous consent, assuming that we shall recess until Monday, that beginning with the consideration of the bill on Monday next no Senator shall speak more than once or longer than 15 minutes on the bill, or more than once or longer than 15 minutes on any amendment; and that at an hour not later than 5 o'clock p. m. the Senate shall proceed to vote on the bill and all amendments thereto.

Mr. AUSTIN. Mr. President, I ask the Senator to consider for a moment a suggestion for an amendment to the unanimous-consent request in the following respects:

First, that in respect of the amendments proposed, we exclude from the limitation any amendment affecting the highway provisions of the bill which have been stricken out.

Second, that a limitation be not placed upon the time of voting, but only upon the duration of time of debate by any Senator upon the bill or upon any amendment.

Mr. BARKLEY. Mr. President, I do not see why any possible highway amendment should be put on a pedestal and exempted from the rule applying to other amendments. So far as I am concerned, and so far as I know, no highway amendment will be offered. I have reiterated that statement over and over again. I suppose nothing would be lost by agreeing to exempt one if some Senator should offer it. Inasmuch as I have heretofore included the exemption, I have no objection to doing so now. However, in view of the length of time the bill has occupied, there should be a time fixed to vote on Monday.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CLARK of Missouri. I am perfectly willing to agree to a limitation of debate. I think the debate has been very extensive. For nearly a week we have been in session from 11 o'clock in the morning until 11 o'clock or later at night. The bill certainly has been discussed in full detail, largely by the Senator from Kentucky himself.

Mr. BARKLEY. I should not say quite that. I did take

some time at first.

Mr. CLARK of Missouri. I am not objecting to the Senator from Kentucky taking as much time as he pleases, but I do object to the idea of fixing a time to vote on a bill of this very diffuse nature. In view of the varied form which amendments to the bill have taken I do not think we ought to tie our hands and possibly create such a situation that amendments of very great import might be offered at the very last moment before 5 o'clock, and be pending at the hour of 5 o'clock, without any opportunity to debate them.

So far as I am concerned, I am just as anxious as is the Senator from Kentucky to dispose of the bill. I am sure every other Senator is anxious to bring about disposition of this matter at the earliest practicable moment. I have not taken any time in the debate; but I do not think the Senate ought to be put in the situation of possibly being confronted with many amendments of great import to a bill of such diffuse nature without having an opportunity to debate them

at all.

Mr. BARKLEY. I will say to the Senator that the subject is not so diffuse now as it was when we started.

Mr. CLARK of Missouri. That is true; but we do not know how widely it may be diffused at 5 o'clock Monday.

Mr. BARKLEY. If, after all the debate which has been in progress on the bill during the past week, in sessions which have lasted 11 or 12 hours a day, the important amendments which might be offered to it have not been conjured up, and could not be until 5 o'clock, a rather peculiar situation is presented.

Mr. CLARK of Missouri. Does not the Senator think that with the rather drastic limitation on debate of 15 minutes on the bill and 15 minutes on any amendment, the process of arriving at a disposition will move along sufficiently speedily without attempting arbitrarily at this time to fix an hour at which to vote? No Senator has any desire to fillibuster to delay the bill. I think the limitation on debate will operate to bring the measure to a sufficiently speedy conclusion without at this time fixing an hour to vote.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. TYDINGS. I yield to the Senator from Nevada.

Mr. McCARRAN. A request for an exemption from the rule has been suggested as to certain amendments. It has come to the attention of some of us during the day that an amendment proposed last evening, and voted down, might be revived in another form. I refer to the amendment pertaining to silver. I would not and could not consent to a limitation of debate if such an amendment were offered.

Mr. BARKLEY. Mr. President, it is apparent that we cannot obtain any agreement at this time. I withdraw the request.

SEVERAL SENATORS. Vote! Vote!

Mr. TYDINGS. Mr. President, I do not know what we are to vote on. There is nothing before the Senate.

SEVERAL SENATORS. Vote on the bill!

Mr. TYDINGS. We cannot very well vote while I have the floor.

Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Maryland will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. 20. (a) It shall be unlawful for any person to contribute to any candidate for office at any election, or to any political committee or political party, any amounts paid as dues, assessments, or fees by the members of any organization, lodge, or group, unless said dues, assessments, or fees were paid by such members for the sole purpose of alding a particular candidate, political committee, or political party, and such members had actual knowledge that the amounts so paid by them were to be used solely for such purpose. As used in this section, the terms "candidate," "election," and "political committee" shall have the meanings assigned to them in section 302 of the Federal Corrupt Practices Act, 1925.

(b) Any person who violates any of the provisions of this sec-

(b) Any person who violates any of the provisions of this section shall be fined not more than \$1,000, or imprisoned not more

than 1 year, or both.

Mr. TYDINGS. Mr. President, I do not believe the amendment really needs any explanation on my part. It does not prevent any member of any organization, or any organization itself, from collecting dues from the members of the organization for political purposes. It provides only that if dues are collected for general purposes, they may not be given to any political candidate or to any political party; but assessments and dues may be paid by members, and the organizations may give them over to political parties or to candidates, if the members know they are contributed for that particular purpose.

I have modified the amendment since I first broached it, because the Senator from Pennsylvania [Mr. Guffey] made the statement that in last year's gubernatorial election assessments were made by certain groups and organizations for political purposes with the knowledge of the members thereof. That could be done under the amendment. The amendment would only prohibit taking general funds which were not contributed for political purposes and handing them over by those at the top of the organization.

I hope there will be no objection to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. Typings].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I ask unanimous consent that from this time forward—with the understanding that if the agreement is entered into the Senate will recess until Monday—during the remainder of the consideration of this bill no Senator shall speak more than once or longer than 15 minutes on the bill, or more than once or longer than 15 minutes on any amendment thereto.

The PRESIDENT pro tempore. Is there objection?

Mr. BRIDGES. Mr. President, the acting minority leader [Mr. Austin] is temporarily absent. I ask the Senator to wait until he arrives. He will be here in a moment.

Mr. BARKLEY. Of course, that carries with it the exemption of the immortal road proposition, which has been here-tofore discussed.

Mr. NORRIS. Mr. President, the Senator from New Hampshire is the leader now. Let him answer.

Mr. AUSTIN entered the Chamber.

Mr. BARKLEY. I will repeat my request. I ask unanimous consent that during the further consideration of this bill no Senator shall speak more than once or longer than 15 minutes on the bill, or more than once or longer than 15 minutes on any amendment, with the understanding that if a road amendment is offered it will be excluded from the agreement.

Mr. BYRD. An amendment dealing with roads, bridges, or tunnels.

The PRESIDENT pro tempore. Is there objection?

Mr. AUSTIN. Mr. President, I understand this is on condition that the Senate will recess until Monday.

Mr. BARKLEY. I am planning to move a recess. We have some little preliminaries to dispose of first; but there will be no further discussion of this bill, I think.

Mr. AUSTIN. With that understanding, I have no objection.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Denis W. Delaney, of Massachusetts to be Work Projects Administrator for Massachusetts.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Francis M. Shea to be Assistant Attorney General in charge of the Claims Division of the Department of Justice.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Howard L. Doyle to be United States attorney for the southern district of Illinois.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HIGH COMMISSIONER TO PHILIPPINE ISLANDS

The legislative clerk read the nomination of Francis Bowes Sayre to be United States High Commissioner to the Philippine Islands.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL DEPOSIT INSURANCE CORPORATION

The legislative clerk read the nomination of Leo T. Crowley to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Phillips Lee Goldsborough to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. WAGNER. I ask unanimous consent that the President be notified of the confirmation of the nominations of Mr. Crowley and Mr. Goldsborough.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Henry J. Willingham to be Collector of Internal Revenue for the District of Alabama.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST GUARD OF THE UNITED STATES

The legislative clerk read the nomination of Fred A. Nichols to be captain.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

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The legislative clerk read the nomination of Roderick S. Patch to be commander.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles R. Peele to be district commander, with the rank of lieutenant. The PRESIDENT pro tempore. Without objection, the

POSTMASTERS-NOMINATIONS REJECTED

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the first three nominations, adversely reported, be rejected.

The PRESIDENT pro tempore. The nominations will be read.

The legislative clerk read the nomination of James Walter Morrow to be postmaster at Iberia, Mo.

The nomination was rejected.

nomination is confirmed.

The legislative clerk read the nomination of Amy Foster to be postmaster at Warrensburg, Mo.

The nomination was rejected.

The legislative clerk read the nomination of Charles A. O'Donnell to be postmaster at Frackville, Pa.

The nomination was rejected.

POSTMASTERS-NOMINATIONS CONFIRMED

Mr. McKELLAR. I ask unanimous consent that the remaining nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

IN THE ARMY, NAVY, AND MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Army and the Navy and Marine Corps.

Mr. WALSH. I ask unanimous consent that the promotions and appointments in the Army, the Navy, and the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That concludes the calendar.

JOHN J. WELCH AND RAYMOND A. KENNEDY—RECONSIDERATION AND CONFIRMATION

Mr. LUCAS. I ask unanimous consent that the votes rejecting the nomination of John J. Welch to be postmaster at Deerfield, Ill., and the nomination of Raymond A. Kennedy to be postmaster at Libertyville, Ill., be reconsidered, with a view to asking that the nominations be confirmed.

The PRESIDENT pro tempore. Without objection, the votes rejecting the nominations are reconsidered.

Mr. LUCAS. I now move that the nominations be confirmed.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a.m. on Monday next.

The motion was agreed to; and (at 7 o'clock and 6 minutes p. m.) the Senate took a recess until Monday, July 31, 1939, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29 (legislative day of July 25), 1939

ASSISTANT ATTORNEY GENERAL

Francis M. Shea to be Assistant Attorney General in charge of the Claims Division of the Department of Justice.

UNITED STATES ATTORNEY

Howard L. Doyle to be United States attorney for the southern district of Illinois.

UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS Francis Bowes Sayre to be United States High Commissioner to the Philippine Islands.

FEDERAL DEPOSIT INSURANCE CORPORATION

Leo T. Crowley to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

Phillips Lee Goldsborough to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

COLLECTOR OF INTERNAL REVENUE

Henry J. Willingham to be collector of internal revenue for the district of Alabama.

COAST GUARD OF THE UNITED STATES

Fred A. Nichols to be captain.

Roderick S. Patch to be commander.

Charles R. Peele to be district commander, with the rank of lieutenant.

WORKS PROJECTS ADMINISTRATION

Lt. Col. Philip Mathews to be Work Projects Administrator for Pennsylvania.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ATR CORPS

First Lt. William Denton Cairnes.

First Lt. Robert Thomas Crowder.

First Lt. Nicholas Tate Perkins.

Second Lt. Glenn Preston Anderson, Jr.

Second Lt. Harvey Pettibone Barnard, Jr.

Second Lt. Merrick Bayer.

Second Lt. William Hugh Blanchard.

Second Lt. George Arthur Bosch.

Second Lt. Joe Reese Brabson, Jr.

Second Lt. Robert Allen Breitweiser.

Second Lt. William Peek Brett.

Second Lt. Robert John Bruton.

Second Lt. Sherwood Ernest Buckland.

Second Lt. Nicholas Horace Chavasse.

Second Lt. Louis Edward Coira, Jr.

Second Lt. John Boddie Coleman. Second Lt. Castex Paul Conner.

Second Lt. Fred Murray Dean.

Second Lt. Edward George DeHart.

Second Lt. Carter Eugene Duncan.

Second Lt. Wallace Stafford Ford.

Second Lt. William Henry Frederick, Jr.

Second Lt. Felix Moses Hardison.

Second Lt. Bertram Cowgill Harrison.

Second Lt. Philip Robert Hawes.

Second Lt. John Bennet Herboth, Jr.

Second Lt. Gregory Hoisington, Jr.

Second Lt. John Robert Hopson.

Second Lt. Henry Charles Huglin.

Second Lt. James Horace Isbell.

Second Lt. Lloyd Earl Johnson, Jr.

Second Lt. Howard Doan Kenzie.

Second Lt. William Brett Kieffer.

Second Lt. William Keith Kincaid.

Second Lt. Omar Ellsworth Knox.

Second Lt. Leland Oscar Krug.

Second Lt. Maurice Raymond Lemon.

Second Lt. Milton Edward Lipps.

Second Lt. Ralph Brown Lister.

Second Lt. James Rhea Luper. Second Lt. Clifford Field Macomber.

Second Lt. Robert Carleton McBride.

Second Lt. Vincent Morgan Miles, Jr.

Second Lt. John Dean Moorman.

Second Lt. Harry Cornelius Morrison.

Second Lt. William Folwell Neff.

Second Lt. Ashley Burdett Packard. Second Lt. Shelby Young Palmer, Jr.

Second Lt. Littleton James Pardue.

Second Lt. Alexander Bruce Pendleton.

Second Lt. Douglas Clinton Polhamus,

Second Lt. Paul Theodore Preuss.

Second Lt. Joseph Claude Reddoch, Jr.

Second Lt. James Willis Rhymes.

Second Lt. Harris Edward Rogner.

Second Lt. Robert William Rulkoetter.

Second Lt. Gabriel Caldwell Russell.

Second Lt. John Dale Ryan.

Second Lt. Donald Ward Saunders.

Second Lt. Charles Winfield Sherburne.

Second Lt. Albert Peterson Sights, Jr.

Second Lt. Gibson Emerson Sisco, Jr.

Second Lt. William Kenneth Skaer.

Second Lt. Robert Lee Snider.

Second Lt. John Herbert Spangler.

Second Lt. Prescott Miner Spicer.

Second Lt. Frank Pleasants Sturdivant.

Second Lt. Morris Frederick Taber.

Second Lt. Benjamin Marcus Tarver, Jr.

Second Lt. Hugh Douglas Wallace.

Second Lt. Joseph Breece Wells.

Second Lt. Laurence Edward Wernberg.

Second Lt. Edward Joseph York.

Second Lt. Charles Mathis Young.

Second Lt. Robert Alan Zaiser.

Second Lt. Virgil Lee Zoller.

TO QUARTERMASTER CORPS

Maj. Rohland Andrew Isker.

First Lt. Carleton Merritt Clifford.

PROMOTION IN THE REGULAR ARMY

Leonidas Lee Koontz to be major, Air Corps.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

Ernest Starkey Moon to be major.

PROMOTIONS IN THE NAVY

To be captains

Carleton H. Wright

Ralph S. Wentworth Lunsford L. Hunter

To be commanders

George H. Mills Kendall S. Reed Edward E. Pare

Frederick B. Kauffman To be lieutenant commanders Roy M. Signer

Myron E. Thomas

Ralph H. Wishard

Harold R. Stevens

John P. Bennington

William V. Davis, Jr.

Robert G. Lockhart

Erskine A. Seay

John C. Daniel

Braxton Rhodes

Louis T. Young

Charles R. Skinner

Alfred H. Richards

Charles R. Woodson

Burnice L. Rutt Victor D. Long

To be lieutenant

George R. Stone

To be lieutenants (junior grade)

Paul C. Stimson

Sherman "E" Wright, Jr.

George A. Wagner, Jr.

David Zabriskie, Jr. To be assistant surgeons

Michael V. MacKenzie

Richard P. Wilson

Donald W. Miller

George N. Thompson, Jr

Everett P. Kirch

Lewis L. Haynes Tom T. Flaherty

Daniel W. Boone

John B. MacGregor Reginald R. Rambo

Benjamin B. Langdon

Aubrey C. Stahr

Samuel H. Oliver

Mark S. Curtis

Martin E. Conti

Arthur M. Barrett

Vincent M. Dungan

Richard L. Fruin Paul H. Morton

Clifford A. Stevenson John V. Prevost

John R. Marron Charles S. Hascall, Jr. Harry N. Kirban George L. Tabor, Jr. Lester J. Pope

Edward P. Irons Joseph J. Timmes Russell E. Hanlon Lynn S. Beals, Jr.

Samuel C. White John E. Nardini

Martin Cooperman Alvin J. Paulosky John W. Thomas Otto C. Baumgarten

James K. Van Deventer Bruce L. Kendall Harry T. Stradford Wilfrid D. McCusker

Thomas F. Wright

DeSales G. DuVigneaud

Carl N. Ekman
Philip C. Guzzetta, Jr.
Paul Deranian
William J. James
Phillips L. Claud
George M. Hutto
Vincent F. Biondo
Elvin E. Keeton
Norman E. King
Ferdinand V. Berley
James Crawford
Hugh V. O'Connell
Lester L. Smith

Alton C. Bookout
James F. Handley, Jr.
Haydon Rochester
Leonard H. Barber
John G. Feder
John H. Cox
Arthur E. Gulick
Jaroud B. Smith, Jr.
Horace D. Warden
Leslie W. Langs
Edward T. Byrne
Jacob G. Hebble 3d

MARINE CORPS
To be majors

James A. Stuart Shelton C. Zern

Frank D. Weir Reginald H. Ridgely, Jr.

To be captains

Clarence O. Cobb Sidney S. Wade

To be first lieutenants

Bryghte D. Godbold Noah J. Rodeheffer Stuart M. Charlesworth Robert F. Scott Thomas C. Moore, Jr. Richard A. Evans John B. Heles Erma A. Wright

To be second lieutenants

Roger S. Bruford
Lee A. Christoffersen
Frank H. Collins
Richard M. Day
George T. Fowler
Louis L. Frank
Elmer L. Gilbert
Joseph A. Gray
Ralston R. Hannas, Jr.
John D. Howard
Robert W. Kaiser
Howard E. King
William D. Masters

Robert C. McDonough
Louis Metzger
William G. Muller, Jr.
Martin E. W. Oelrich
Ralph R. Penick
Richard Quigley
John T. Rooney
Lester A. Schade
Norman E. Sparling
Lyman D. Spurlock
Curtis R. Vander Heyden
Lyndon Vivrette
Tom R. Watts

POSTMASTERS

ARIZONA

Harriet C. Dean, Duncan. Linnie N. Smith, McNary. Albert H. Adams, Scottsdale.

ARKANSAS

Arthur Woodward, Gentry. Frederick Guy Mabrey, Leslie.

COLORADO

Neville George Parsons, Central City. Rudolph G. Verzuh, Crested Butte. Agnes J. Beynon, Frederick. Esther M. Stanley, Gypsum. James A. Tinsley, Lakewood. Arthur L. Carlson, Wellington.

ILLINOIS

John J. Welch, Deerfield. Raymond A. Kennedy, Libertyville.

KENTUCKY

Jesse B. Pope, Brooksville.
William H. Cundiff, Cadiz.
Jack Smith, Campton.
Nannie G. Woodson, Eddyville.
Mary Christine Willett, Fancy Farm.
Lula M. Stuart, Glendale.
Darwin N. White, Hazel.
Robert W. Vinson, Louisa.
Peter T. Colgan, Middlesboro.
Harry Imes Sledd, Murray.
Sister Marie M. LeBray, Nazareth.
J. Wise Higgins, Salyersville.
Milton Ashby, Sebree.

Byron P. Boyd, Sedalia.
Mary K. Diersing, Shively.
William Tyler Smith, Taylorsville.
Coy B. Reynolds, Waynesburg.
Kathryn E. Stewart, West Paducah.
Beulah M. Matheus, Whitesville.

MICHIGAN

Arthur A. Weng, Daggett. Claude E. Cady, Lansing. Matthew Max, Ypsilanti.

MISSISSIPPI

William Frank Irving, Ackerman.
John B. Glenn, Brookville.
Pink Hardy, Bruce.
Ralph D. Sigler, Bucatunna.
Sarah R. Lee, Carrollton.
Harry S. McGehee, Centreville.
Pink H. Morrison, Heidelberg.
Mary D. McMahen, Holcomb.
Anice N. Graves, Houlka.
Billie B. Boyd, McCool.
Samuel P. Carter, Quitman.
Olive Alexander, Rolling Fork.
Erma L. Morris, Seminary.
Horace E. Wilkinson, Shelby.
John L. Owen, Utica.

MISSOURI

June C. Lankford, Adrian. Waller W. Eubank, Madison.

NEVADA

Elva I. Hermansen, East Ely.

NEW YORK

Pricilla A. Fairbank, Ashville. John L. Purcell, Aurora. Claude E. Shill, Avoca. Benjamin F. Griffin, Camillus. Leon H. Ingersoll, Cincinnatus. John Roe, East Durham. George S. Hart, Freeville. John W. Masterson, Harmon-on-Hudson. George Heal, Holley. Thomas R. Morris, Ilion. Elwyn S. Sloughter, Ithaca. William H. McLaughlin, Little Falls. George J. McGovern, Madison. Gordon E. DeVille, Ontario. Robert A. Lundy, Ray Brook. Grace M. Dibble, Richmondville. Julian E. McVean, Scottsville. Gertrude M. Ackert. West Park. Albert B. Sabin, Wolcott.

NORTH DAKOTA

Coral I. Ware, Amidon.
Anna Holkesvik, Carson.
Harry L. Morrow, Drake.
Agnes S. Reynolds, Edmore.
Evelyn L. Swank, Egeland.
Winfield S. Hooper, Fargo.
Cecil Wigness, Fortuna.
Jeannette A. Siegel, Goldenvalley.
Peter L. Freund, Hope.
John P. Mohr, Wimbledon.

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Clarence D. Hindall, Ada.
Lulu M. Helphinstine, Amsterdam.
Henry J. Walter, Archbold.
Linn G. McKnight, Buckeye Lake.
Edward F. Lawler, Carrollton.
Mary E. Perry, Castalia.
John R. Gunning, Chillicothe.
A. Hulse Hays, Circleville.
Curtis D. T. Watts, Crooksville.

Harris O. Stanley, Damascus. Gerald L. Whaley, Fayette. John P. Watt. Greenfield. Charles L. Collett, Ironton. Harry C. Lieurance, Jamestown. Herman H. Montooth, Leipsic. William J. Moriarty, Lorain. C. Woodrow Wilson, Lyons, Ray H. Strouse, McComb. Neal D. Roshon, Medina. James Woodward, Mineral Ridge, Albert P. McQuade, New Straitsville. John O. Entrikin, North Lima. Walter R. Williams, Norwalk. Fred L. Decker, Ostrander. Jessie B. McFadden, Pataskala. Orville C. Ryan, Peebles. William W. Norris, Ripley. Ellsworth E. Poots, Strongsville. Edward T. Brighton, Sylvania. Loran M. Grooms, West Union. John Kenneth Faist, Woodville.

OKLAHOMA

Foster F. Johnson, Carter. Shelby M. Alexander, Lone Wolf.

PUERTO RICO

Alberto Bravo, Mayaguez. George P. DePass, San Juan.

TENNESSEE

Howard Long, Kingsport. Charles A. Galloway, Waynesboro.

TEXAS

William G. Bryan, Avery. Luther G. Porter, Bangs. Samuel G. Selkirk, Jr., Bay City. Hugh B. Edens, Big Lake. Lawrence C. Galbraith, Big Sandy. Maurene W. Steuart, Blackwell. Harvey L. Pettit, Bloomburg. Joseph Edward Johnson, Brownwood. Albert H. Loyless, Burleson. Arthur K. Tyson, Calvert. Harry McDonald Thomson, Coleman. Nadyne McGehee, Collinsville. Wilbur D. Hart, Cooper. Clarence H. Nobles, Deport. Leland B. Doshier, Edcouch. William H. Wheeler, Eustace. Stanley F. Labus, Falls City. James F. Atkinson, Florence. Emmett W. Pack, Garrison. Spencer Boyd Street, Graham. Claude H. Hamilton, Harlingen. Ross Kenner, Hemphill. John Dunlop, Houston. Baxter Orr, Idalou. Robert L. Peebles, Lexington. Lula J. Moreland, Lindale. Ralph W. Ford, Linden. Sam H. Amsler, McGregor. J. William Dyer, Mabank. Edward F. Springer, Matador. Effie Viola Haden, Megargel. Benjamin T. Tucker, Mercedes. Stephen E. Fitzgerald, Miami. Augustus S. Hightower, Millsap. Alva O. Dannelley, Mirando City. William E. McClintock, Mount Pleasant. Robert H. Patterson, Mullen. Joe December, Orange Grove. Grace M. Barnett, Palacios. Mansel R. Coffee, Perryton. Richard J. Bradford, Pettus. Walter S. Martin, Port Arthur.

Oliver M. Lamkin, Rosenberg. Adlai C. Breustedt, Seguin. Edmund Herder, Shiner. Grady W. Hodges, Whitesboro. Oscar W. Stone, Wolfe City.

VERMONT

Alvarado C. Gibson, Cavendish. Charles R. Hazen, Chester Depot. John M. Jewell, Proctorsville.

WASHINGTON

Leland F. Nelson, Elma.

WEST VIRGINIA

William R. Kincaid, Cameron. Roscoe Cook, Lorado.

REJECTIONS

Executive nominations rejected by the Senate July 29 (legislative day of July 25), 1939

POSTMASTERS

MISSOURI

James Walter Morrow to be postmaster at Iberia, in the State of Missouri.

Amy Foster to be postmaster at Warrensburg, in the State of Missouri.

PENNSYLVANIA

Charles A. O'Donnell to be postmaster at Frackville, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

SATURDAY, JULY 29, 1939

The House met at 12 o'clock noon.

Rev. Clarkson R. Banes, pastor of Waugh Methodist Church, Washington, D. C., offered the following prayer:

Our gracious Heavenly Father and Father of our Lord, Jesus Christ, we humbly bow in Thy presence to acknowledge Thee as our Father. We are Thy children. Look upon us with Thy love, we beseech Thee, and richly reward us according to our faith.

May Thy blessings be upon this legislative body, and wilt Thou give them wisdom in all of their deliberations. May there be Thy divine guidance upon all the affairs of our Nation, and may our people live in peace and happiness. May the gospel of righteousness and of brotherly love be proclaimed throughout our land and even beyond our own borders until righteousness shall reign everywhere.

May Thy love be in our hearts this day and may we so live that the spirit of love shall go forth from our lives into the lives of others with whom we come in contact. Forgive us when we have gone astray, and lead us always in Thy way. We humbly ask in the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2879. An act to authorize the posthumous appointment of the late Arthur Mortimer Fields, Jr., to be an ensign of the United States Navy.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 188) entitled "An act to provide for the administration of the United States courts, and for other purposes."

PERMISSION TO ADDRESS THE HOUSE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, it is well at times to recall great events in the world's history. Parliamentary institutions are menaced by various movements. I wish to remind the House that tomorrow will be the three hundred and twentieth anniversary according to the calendar, old style, and August 9 will be the three hundred and twentieth anniversary according to the calendar, new style, of the meeting at Jamestown, Va., of the first legislative assembly in the New World. The assembly consisted of a Council of State, made up of the Governor and his councilors, and of another body consisting of two burgesses chosen out of each town hundred or other particular plantation. This popular body was known as the House of Burgesses. For the first time a legislative body opened its session with prayer.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein historical and other quotations. I shall also include a brief summary of the laws passed at the first legislative assembly in the New World.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

IMPORT PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT OF 1933

Mr. JONES of Texas. Mr. Speaker, on yesterday in the passage of the bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act, through a printer's mistake the word "are" was left out of line 11. I ask unanimous consent that in the engrossment of the bill the Clerk be authorized to insert the word "are" after the word "or" in line 11.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE LATE HONORABLE SALVATORE A. COTILLO

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, may I, in view of the nature of the bill before us today, call to the attention of the House and the country, of the untimely death in New York City of one, who not many years ago, arrived in this country as an immigrant boy-a man educated in the public schools and colleges of New York-a member of the bar-the first native of Italy to serve in the Legislature of the State of New York and to serve on the New York Supreme Court bench who, upon the completion of his first 14-year term, was relected with the endorsement of all parties and received the largest vote given that year to a judicial candidate, who during his judicial career naturalized more than 30,000 persons, who spent a whole life in public service and whose passing shocks his friends-Supreme Court Justice Salvatore A. Cotillo-his star rises tonight, an immigrant, yes, but an American, for are we not immigrants all-Americans all.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Judge Wilfred Bradshaw, of Indianapolis, at the grave of President Lincoln's mother in Indiana.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ACCEPTANCE OF AN EASEMENT WITH RESPECT TO CERTAIN LANDS IN NEW MEXICO

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill (S. 1558) to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1558) to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
That the House recede from its amendment numbered 2.

That the Senate recede from its disagreement to the amendment

of the the House numbered 4, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "Commissioner of Work Projects"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the fol-lowing: "Commissioner of Work Projects"; and the House agree to the same.

RENÉ L. DEROUEN, J. W. ROBINSON. KNUTE HILL, JAMES W. WADSWORTH, HARRY L. ENGLEBRIGHT, Managers on the part of the House. CARL A. HATCH, RUFUS C. HOLMAN, JAMES E. MURRAY, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1558) to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accommended in the accommended in the accommended in the accommended.

on amendments Nos. 1 and 3: These amendments struck out the words "Works Progress Administrator" in two places in the bill and inserted in lieu thereof "Commissioner of the Work Projects Administration." The Senate recedes with amendments inserting the words "Commissioner of Work Projects," which is the proper designation of the office as now constituted.

On amendment No. 2: This amendment of the House struck out that part of section 2 which makes the section applicable to the reservoir referred to in this legislation as well as to the dam. Since referred to the easement and the reversionary clause involved referred to the dam and reservoir together, it is necessary that this language be restored. The House recedes.

On amendment No. 4: This was a clerical amendment changing a reference to the Works Progress Administration to a reference to the "Work Projects Administration." The Senate recedes.

RENÉ L. DEROUEN, KNUTE HILL, J. W. ROBINSON, JAMES W. WADSWORTH, HARRY L. ENGLEBRIGHT Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOUSTON. Mr. Speaker, they used to tell a story about three candidates who were running for the same office at one time, and in order for the voters to test the capacity and stability of the various candidates, a test was decided upon; so they got a skunk, put it in a room, and then sent the first candidate into the room. He stayed about a minute and came out. Then they sent the second candidate in, and he stayed about 2 minutes, and he came out. The third candidate then went in, and the skunk came out. [Laughter.]

Mr. Speaker, last night we had a Democratic caucus. This morning when I picked up the Congressional Record I was very much pleased to see that there was nothing stated therein regarding the caucus; but you can imagine my amazement when I picked up this morning's Post and found almost a stenographic report of everything that was alleged to have happened here last night. All I can say is that the skunk came out. [Laughter and applause.]

HON. ROYAL C. JOHNSON

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in

the Appendix.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to insert therein a copy of the proceedings, together with the short addresses made by the friends of Mr. Johnson who appeared and participated in the presentation of an oil painting of him to the Committee on World War Veterans' Legislation, and that my remarks be printed in the Appendix.

The SPEAKER. Is there objection to the request of the

gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a short article on the new proposed spending-lending bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. Keefe asked and was given permission to revise and extend his own remarks in the Record.

TAXES OF THE GREAT LAKES STEEL CORPORATION

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, an interesting situation comes to light out Michigan way. The Great Lakes Steel Corporation had its taxes raised by a mere trifle of \$6,000,000 out in Ecorse, Mich. Lo and behold! the 14 union organizations within the company's employee structure promptly protested to the Board of Review with such telling effect that the increase was cut down to \$2,000,000. They realized at once that this huge boost in taxes would inevitably bring an increase in steel prices with a resultant loss of orders to competitors, with decreased wages and fewer jobs.

Here is a new development in the field of labor relations. Intelligent labor leaders are coming to realize that high taxes invariably affect the man who toils, the man who can

least afford to absorb the burden. [Applause.]

EXTENSION OF REMARKS

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that my colleague [Mr. Clevenger] may extend his remarks in the Record by printing a statement made by him before the Committee on Appropriations.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

BLACK HAWK WAR ANNIVERSARY

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. Bolles addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the National Grange on the subject of lending and spending legislation.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimons consent to extend my remarks in the RECORD and to include therein

a resolution by the Shippensburg Legion Post relative to the antifireworks bill in Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record with particular reference to an article in the National Geographic Magazine concerning the State of Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WHY JOHN L. LEWIS LOST HIS TEMPER

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks. The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, John L. Lewis is accustomed to enforcing his will through his "goon squads" and "wrecking crews." He has often reminded the President of his United Mine Workers' New Deal campaign contribution. He has called the President's attention to what Lewis considered an unpaid political debt. When anyone ventures to oppose him, he flies into a rage. That is the method of all tyrants.

Correctly or incorrectly, Lewis apparently has been advised that Vice President Garner does not believe in Lewis' methods of levying tribute; hence, when opportunity offered, Lewis disclosed his true self by making an unfounded attack upon the Vice President. It is a sweet racket that Lewis has been working, and any exposure of or interference with it is reason for a tirade.

In the 2-year period to which I referred day before yesterday, Lewis collected over \$7,000,000 from the miners. What became of the money? From July 17, 1935, to May 18, 1937, Lewis himself, for his salary and expenses, got \$65,-768.11. That is something; that is a tidy sum, and all collected from the workingman for whom Lewis pretends to feel so sorry.

Then Lewis likes to make presents, and he saw to it that \$6,250 be allowed for the purchase of Democratic campaign books at \$250 each. Do you think any of the miners enjoy looking at the pictures in those books at that price? And can Lewis name one miner whose money he spent for the picture books who ever saw one of them?

Lewis likes to do things in a big way, so he saw to it that the United Mine Workers contributed \$458,418.91 to the Roosevelt campaign and, after his candidate was elected, so that he might have an inaugural befitting royalty, Lewis took from the money collected from the miners \$2,500 to contribute to the splendor of that inaugural spectacle.

Yes; Lewis is mad at GARNER, and he is mad at anyone who calls attention to the way in which he gets his money and the manner in which he spends it.

How much did he collect in Pennsylvania for the Tom Kennedy campaign and what did he do with it? Who got it? How much of an assessment has he levied on the United Mine Workers, to be spent for political purposes in the State of Kentucky to put in the Governor's chair John Young Brown, so as to have in the executive office of that State a man who he thinks will do his bidding?

Like a bee interrupted in its honey collecting, Lewis buzzes and stings whoever happens to come within the range of his venom. [Applause.]

EXTENSION OF REMARKS

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Washington Star.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the housing bill and on the W. P. A. matter, and in the latter to include certain short excerpts from some letters that I have received.

The SPEAKER. Is there objection? There was no objection.

INTERSTATE COMMERCE ACT

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers in transportation and modifying certain provisions thereof, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection?

Mr. WARREN. Mr. Speaker, I reserve the right to object, but, of course, I say to the gentleman from California that I shall not object. This is the transportation bill. We all realize that the water section of the bill was retained, but there were three or four very vital amendments written into that bill by the House, on which the gentleman from California [Mr. Lea] or any other Member of the House could have had a roll call had he so desired. Those amendments, briefly, were the ones offered by the gentleman from Texas [Mr. Jones], the one offered by the gentleman from Mississippi [Mr. Whittington], an amendment offered by the gentleman from Iowa [Mr. HARRINGTON], protecting the rights of the railroad employees, and a very vital amendment offered by the gentleman from New York [Mr. Wadsworth], which was in identical form with an amendment already passed in the Senate, offered by Senator Miller. I think it is only fair to the House, in view of the fact that no separate vote was asked for by the gentleman from California on those amendments, that he state to the House that he will insist on those amendments being incorporated in the final conference report.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. WHITTINGTON. There was a certain amendment which I proposed to the so-called Ramspeck part of the bill. which was accepted by the committee and that I think should

Mr. DISNEY. Then there was still another amendment, the barge-line amendment. That seems to me extremely important, to at least my section of the country and to the gentlemen with whom I have discussed it. I think that ought to be kept in the bill.

Mr. WARREN. I agree with the gentleman. The main point, I think, is this-and I think all the amendments were very important-but in the case of the Wadsworth amendment the House adopted it in the identical language of the Senate, and, of course, the long-and-short-haul amendment means nothing so far as affecting the Wadsworth amendment is concerned, but I do think, in view of the fact that the gentleman from California did not ask for a separate vote. that he ought to give the House real assurance as to that amendment.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. MAY. I am not interested in the amendments or anything connected with them, but does not the gentleman from North Carolina think, in view of the fact that the House requires the conferees, and particularly the chairman, to contend for the House position, it is rather extraordinary to ask the chairman of any committee to commit himself?

Mr. WARREN. Not at all. This statement is made, as the gentleman from Kentucky knows, on bill after bill, before it goes to conference. It has been made here a dozen times during this session of Congress. I am merely calling the attention of the chairman of the committee and the chairman of the House conferees to the action of the committee, which later proved to be the unanimous action of the House.

Mr. RANKIN. And let me say to the gentleman from Kentucky that on occasions of this kind I have seen the House instruct conferees, as it has a right to do. I think the gentleman from North Carolina is entirely right, and that we ought to have assurance from the conferees that this amendment will be held in the bill.

Mr. MAY. I am not arguing about the amendment being proper or improper, but I think it is embarrassing to a chairman to be told what he must do in advance.

The SPEAKER. Is there objection to the request of the gentleman from California? Does the gentleman from North Carolina yield the floor?

Mr. WARREN. Mr. Speaker, I am not objecting. The SPEAKER. Is there objection?

There was no objection.

The Speaker appointed the following conferees: Mr. Lea, Mr. Crosser, Mr. Bulwinkle, Mr. Cole of Maryland, Mr. WOLVERTON, Mr. HOLMES, Mr. HALLECK.

AMENDING CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. Mr. Speaker, I call up the conference report on the bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 281) to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House of Representatives and agree to an amendment as follows: In lieu of the matter proposed to be inserted by the House

follows: In lieu of the matter proposed to be inserted by the House amendment insert:

"That section 3 of the Act of May 29, 1930, as amended, is amended by striking out all of that portion thereof beginning with paragraph (g) and continuing to the end of the section and inserting in lieu thereof the following:

"(g) This Act shall not apply to such employees of the Lighthouse Service as come within the provisions of section 6 of the Act of June 20, 1918, entitled "An Act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes", nor to members of the police and fire departments of the municipal government of the District of Columbia, nor to such employees or groups of employees as may have been before the effective date of this Act excluded by Executive orders from the benefits of the Act of May 22, 1920, and amendments thereof.

"(h) The provisions of this Act may be extended by Executive order, upon recommendation of the Civil Service Commission, to apply to any employee or group of employees in the civil service of the United States not included at the time of its passage. The President shall have power, in his discretion, to exclude from the

President shall have power, in his discretion, to exclude from the operation of this Act any employee or group of employees in the civil service whose tenure of office or employment is intermittent

civil service whose tenure of omce of employment is intermittent or of uncertain duration.

"'(1) Any officer or employee to whom the Act of July 13, 1937 (Public, Numbered 206, Seventy-fifth Congress, first session), applies who has failed to exercise the option provided thereby to come within the terms of the Retirement Act of May 29, 1930, as amended, may exercise such option within six months from the effective date of this Act.'

"SEC. 2. Strike out all of section 4 of the Act of May 29, 1930, as amended, and insert in lieu thereof the following, so that this

amended, and insert in lieu thereof the following, so that this

amended, and insert in lieu thereof the following, so that this section shall read:

""(a) The annuity of an employee retired under the provisions of the preceding sections of this Act shall be a life annuity, terminable upon the death of the annuitant and shall be composed of (1) a sum equal to \$30 for each year of service not exceeding thirty: Provided, That such portion of the annuity shall not exceed three-fourths of the average annual basic salary, pay, or compensation received by the employee during any five consecutive years of allowable service at the option of the employee; nor shall such portion be less than an amount equal to the employee's purchasable annuity as provided in (2) hereof; and (2) the amount of annuity purchasable with the sum to the credit of the employee's individual account as provided in section 12 (a) hereof, together with interest at 4 per centum per annum compounded on June 30 of each year, according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries.

"'(b) The total annuity paid shall in no case be less than an amount equal to the average annual basic salary, pay, or compensation, not to exceed \$1,600 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of service, not exceeding thirty years, and divided by forty.

"'(a) Any employee at the time of his retirement may elect

"'(c) Any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's

death shall be returned.

"'(d) Any employee retiring under the provisions of section 1 of this Act may at the time of his retirement elect to receive in lieu of the life anuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary, duly designated in writing and filed with the Civil Service Commission at the time of his retirement, during the life of such beneficiary (a) equal to or (b) 50 per centum of such reduced annuity and upon the death of such surviving beneficiary all payments shall cease and no further annuity shall be ficiary all payments shall cease and no further annuity shall be due or payable. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forthe actuarial value of the single life increased annuity with forfeiture provided by this section: Provided, That no election in lieu of the life annuity provided herein shall become effective in case an employee dies within thirty days after the effective date of retirement, and in the event of such death within this period, such death shall be considered as a death in active service.

"'(e) For the purpose of this Act all periods of service shall be computed in accordance with section 5 hereof, and the annuity shall be fixed at the nearest multiple of twelve.

"'(f) The term "basic salary, pay, or compensation," wherever used in this Act, shall be so construed as to exclude from the operation of the Act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation.'

"Sec. 3. Section 6 of the Act of May 29, 1930, as amended, is

"SEC. 3. Section 6 of the Act of May 29, 1930, as amended, is

hereby amended as follows:

"'(a) At the end of the first paragraph add the following: "The time limitation for execution of claims for retirement under "The time limitation for execution of claims for retirement under the terms of this section may be waived by the Civil Service Commission in cases of employees who at the date of separation from service or within six months thereafter, are adjudged mentally incompetent, but the application in such cases must be filed with the Civil Service Commission within one year from the date of restoration of any such person to competency or the appointment of a fiduciary whichever is the earlier. In the case of any such person heretofore separated from service application may be filed within one year after the effective date of this Act."

("'(h) The second paragraph of section 6 of such Act of May

"'(b) The second paragraph of section 6 of such Act of May 29, 1930, as amended, is amended by striking out the words "ninety days from the date of the medical examination showing such recovery" and inserting in lieu thereof the following: "one year from the date of the medical examination showing such recovery." "SEC. 4. The following paragraph shall be inserted after the first paragraph of section 10 of the Act of May 29, 1930, as amended:

"Any employee may at his option and under such regulations as may be prescribed by the Civil Service Commission deposit additional sums in multiples of \$25 but not to exceed 10 per centum per annum of his annual basic salary, pay, or compensation, for service rendered since August 1, 1920, which amount together with interest thereon at 3 per centum per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to pur-chase, as he shall elect and in accordance with such rules and reguchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission with the approval of the Board of Actuaries, in addition to the annuity provided by this Act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries based on an interest rate of 4 per centum. In the event of death or separation from the service of such employee before becoming eligible for retirement on annuity, the total amount so deposited with interest at 3 per centum per annum compounded on June 30 of each year shall be refunded in accordance with the pro-June 30 of each year shall be refunded in accordance with the provisions of section 12 of this Act.'
"Sec. 5. This Act shall take effect January 1, 1940."

And the House agree to the same.

ROBERT RAMSPECK. JENNINGS RANDOLPH. EDITH NOURSE ROGERS, Managers on the part of the House.

M. M. NEELY, W. J. Bulow, LYNN J. FRAZIER Managers on the part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 281) to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the bill was in effect a substitute bill for the one that passed the Senate, in that the House Committee on the Civil Service struck out everything in the Senate bill after the enacting clause and inserted a new bill as one amendment, which passed the House.

The Senate conferees have receded from the language of the Senate bill, but have refused to accept all of the sections of the House amendment. The House conferees have agreed to eliminate sections 1, 2, 6, 7, 8, 10, and 11 of the House amendment.

The following statement describes the resulting bill as agreed to

The following statement describes the resulting bill as agreed to by your conferees:

Section 1 will extend the Civil Service Retirement Act to post-masters who have been classified under the civil-service law and rules, and will also grant legislative and judicial employees an additional 6 months from January 1, 1940, to exercise an option of coming within the terms of the Retirement Act.

Section 2 deals with the computation of annuities and leaves

of coming within the terms of the Retirement Act.

Section 2 deals with the computation of annuities and leaves the law as it now exists, with two additions, viz: (1) That the Government's part of the annuity shall not be less than the employee's purchasable annuity, and (2) that an employee may elect at the time of his retirement to receive a reduced annuity for himself with a survivorship annuity for a duly designated beneficiary.

Section 3 waives the time limit of 6 months as provided in present law for making application for retirement benefits for present law for making application for retirement benefits for mentally incompetent employees, who will be given 1 year after restoration to competency or the appointment of a fiduciary, whichever is the earlier. This section also permits retention on the annuity roll of recovered disability annuitants for 1 year instead of 90 days as under existing law.

Section 4 authorizes employees at their option to deposit, in addition to the compulsory contribution of 3½ percent of their salaries, additional sums in multiples of \$25 but not to exceed 10 percent of their annual salaries to purchase additional annuity. Section 5 makes the effective date of the act January 1, 1940.

All of the above sections retained and agreed to by the con-

All of the above sections retained and agreed to by the conferees were embodied in the House amendment as originally passed.

ROBERT RAMSPECK, JENNINGS RANDOLPH. EDITH NOURSE ROGERS Managers on the part of the House.

Mr. RAMSPECK. Mr. Speaker, the bill as it passed the Senate had some changes in the optional retirement ages. The House made certain changes in that. The Senate bill provided for deductions from employees' salaries of 4 percent, and the House bill made it 5 percent. In the conference we were unable to agree on the difference between 4 percent and 5 percent, due to the objections of certain representatives of employee groups. For that reason the conference struck out all of the language of the bill reducing the present optional ages of retirement, or in any way changing the ages of retirement.

I just wanted to make that explanation. Of course, it saves the Government some money.

I have no requests for time, Mr. Speaker, and I move the previous question on the adoption of the conference report.

Mr. Speaker, under the privilege given me to revise and extend my remarks relative to the conference report on S. 281, I am including at the end of this statement a letter from William Green, president of the American Federation of Labor, which is self-explanatory.

I think it is also fair to state that notwithstanding the letter from Mr. Green, Mr. Frank Bennett, president of the Railway Mail Association; Mr. William Horner, legislative representative of the National Federation of Post Office Clerks, and Mr. Charles I. Stengle, president of the American Federation of Government Employees, each personally assured me of their willingness to compromise the controversy relative to the percentage to be deducted from the salaries of the employees at 41/2 percent, in order that a reduction of the optional ages of retirement might be secured.

The credit or the blame, depending upon the point of view, for the failure of the conferees to agree about this matter must rest with the leaders of those employee groups who refused to compromise.

Mr. Jacob Baker, president of the United Federal Workers of America, also assured me of his willingness to compromise if necessary to secure lower optional retirement.

Other groups of Federal employee organizations expressed their views in a letter signed by Mr. Luther C. Steward, legislative chairman, and Mr. John J. Barrett, chairman of the council representing the National Federation of Federal Employees, the National Rural Letter Carriers Association, United National Association of Post Office Clerks, National Association of Postal Supervisors, National Federation of Post Office Motor Vehicle Employees, and the National Association of Post Office Laborers, in a letter dated July 20, 1939, attached hereto.

In more than 100 speeches delivered to groups of Federal employees during the past 2 or 3 years, I have stated to them frankly that I could not and would not support legislation reducing the optional ages of retirement unless the contribution of the employees was substantially increased.

In the face of the opposition of certain groups, the Senate conferees declined to yield in the matter of contributions, and as a result, the agreement was reached to eliminate the lower optional ages.

AMERICAN FEDERATION OF LABOR, Washington, D. C., July 22, 1939.

Hon. ROBERT RAMSPECK,

House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I am writing you as a member of the
House conferees, who along with Senate conferees, will endeavor
to adjust the differences which exist between the two branches of
Congress in the enactment of the retirement bill S. 281. The American Federation of Labor and the organizations affiliated with it which are directly affected by this measure favor a 4-percent deduction in this retirement bill.

I am transmitting this opinion and attitude of the American Federation of Labor and the organizations affiliated with it to you and your associates on the conference committee referred to, with the hope that you may agree to accept this recommendation providing for a 4-percent deduction as transmitted to you by the American Federation of Labor.

Sincerely yours,

WM. GREEN. President, American Federation of Labor.

NATIONAL LEGISLATIVE COUNCIL OF FEDERAL EMPLOYEE ORGANIZATIONS, Washington, D. C., July 20, 1939.

Hon. ROBERT RAMSPECK,

Chairman, House Conference Committee on S. 281, Washing-

ton, D. C.
DEAR CONGRESSMAN RAMSPECK: You have before you today consideration of S. 281. Favorable action on this measure is of the utmost importance to Federal employees, and we hope that the conferees may reach an agreement on it today.

The National Legislative Council of Federal Employee Organizations is strongly in favor of S. 281, particularly the following

Optional retirement after 30 years of service at age 60; Optional retirement after 15 years of service and up to 30 at

Optional retirement after 30 years of service at age 55 with immediate annuity in lesser amount;

Inclusion of postmasters of all classes;
Five percent deductions from employees' salaries;
Annuity for second life at option of employee;
Disability limit increased from 90 days to 1 year; and
Option of depositing 10 percent of annual salary in multiples of

The National Legislative Council represents nearly 200,000 Federal employees in the National Rural Letter Carriers Association, National Association of Postal Supervisors, United National Association of Post Office Clerks, and the National Federation of Federal Employees.

Sincerely,

LUTHER C. STEWARD, Legislative Chairman.

Attest:

Chairman of the Council.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made and to include sev-

The SPEAKER. Without objection it is so ordered. There was no objection.

THE HOUSING BILL

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered. There was no objection.

Mr. LEAVY. Mr. Speaker, early next week we will be called upon to vote on the housing bill providing for an \$800,000,000 authorization. Yesterday I secured from the Housing Authority certain facts and figures as to what had been done with the authorized money of last session and what is proposed to be done with this money if we pass the legislation. I placed that in the Appendix of the RECORD and it will be found on page 3602 and 3 pages following. I did that solely for the purpose of giving the membership the facts. An examination of those facts will disclose that the question is neither a sectional one nor is it a political one. The breakdown shows every State that has secured allocations and every State that has made application. Then it shows the cities and towns within those States that are directly interested in this legislation.

I merely took this time to suggest to the membership that an impartial examination of those facts will place each of us in a better position to intelligently pass upon the legislation when it comes before us.

[Here the gavel fell.]

SUPPRESSION OF CERTAIN SUBVERSIVE ACTIVITIES

Mr. HOBBS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States; to require licensing of civilian military organizations; to make unlawful attempts to interfere with the discipline of the Army and Navy; to require registration and fingerprinting of aliens; to enlarge the jurisdiction of the United States Circuit Court of Appeals in certain cases; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5138, with Mr. Chapman in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday there was pending an amendment offered by the gentleman from Colorado [Mr. MARTIN].

The gentleman from Colorado is recognized for 5 minutes. Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Colorado.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Martin of Colorado: On page 24, line 11, after the word "anarchists", strike out the period, insert a comma and the words "Communists, Nazis, or Fascists."

THE UNPARDONABLE SIN

Mr. MARTIN of Colorado. Mr. Chairman, I was brought up in an environment where I became imbued with the old doctrine that "while the lamp holds out to burn the vilest sinner may return." I also heard in a vague way about the unpardonable sin, the unpardonable sin against the Holy Ghost; that "all manner of sin and blasphemy shall be forgiven unto men, but the blasphemy against the Holy Ghost shall not be forgiven neither in this world nor the world to come."

Now, that single unpardonable sin was denounced by the Saviour. A man could commit all manner of sin, even murder, said the Saviour, and he would be forgiven, but if he committed blasphemy against the Holy Ghost he should never be forgiven. As far as we know down to this time, that is the only unpardonable sin in the world that man is capable of committing. But in this bill we are inventing another unpardonable sin, a man-made sin, of which, if a man has once been guilty, he shall never be forgiven. For him there shall be no repentence, no redemption, and no pardon.

TORQUEMADA AND THE INQUISITION OUTDONE

Let me read the anathema of the bill, which places the curse of America, like the brand upon the brow of Cain, forever upon those who fall beneath the ban of the law,

It is enough to make Thomas Jefferson turn over in his grave. It is without precedent in the history of American legislation. It is an invention of intolerance contrary to every principle of democracy and abhorent to the spirit of Christianity. It seems incredible that it should be written into the law by the elected representatives of the American people or that it will be sustained by the courts of the land when in due course it reaches them. Indeed, I doubt that it will ever reach them. The provision reads as follows:

It being the intent and purpose of this section that membership in any one of the classes of aliens enumerated in section 1 of this act, at any time, of no matter how short duration, or how far in the past, irrespective of its termination, or of how it may have ceased, shall require deportation.

Only a mind incapable of a true concept of Americanism could have conceived this utterance, worthy of Torquemada and the Inquisition.

At any time, of no matter how short duration, or how far in the past, irrespective of its termination, or of how it may have ceased.

That sentence in all its inescapable implications, its hopelessness for humanity, its gross violation of all experience and of every instinct of reason and justice, would have taxed the imagination of the blackest tyrants of history. They asked only that a man recant, but under the bill there will be no recanting. Even Torquemada, whose name stands in history as the symbol of persecution, published a decree offering grace and pardon to all who presented themselves before the tribunal of the Inquisition and avowed their fault. But there is no tribunal in this bill before which erring humanity may appear and avow its fault. If a man stumbles for a moment, he is damned forever.

There are some good things in this bill and some not so good, and the foregoing is a sample; but the class who are to be condemned to everlasting perdition from the standpoint of Americanism in this bill are not the only classes who, in my judgment, if there is an unpardonable sin, are guilty of that sin against this country. Since I know the bill will pass, no matter what is in it, I propose by my amendment to treat them all alike; that we shall not make flesh of one and fish of another; that if there are other "isms" besides the "ism," not specifically named in this bill but intended and denounced by it, who are foresworn enemies of the American form of government and dedicated to the proposition of destroying it, we ought to equally denounce them in this bill.

This bill means communism and communism only. Let us name it, and name with it the two other "isms" whose goal is the destruction of America. That is the purpose of my amendment.

You will find in line 7, on page 24, section 1, enumerated classes which shall be excluded from admission into the United States and deported from it.

(a) Aliens who are anarchists.

My amendment simply proposes to add to that: "Communists, Nazis, or Fascists." This is the same amendment I offered to the Hobbs bill when that bill was before the House. The objection to the amendment at that time was that it affected in some way not explained some other provision of the alien laws. In view of the fact, however, that we are now amending those provisions in this bill, it seems to me that it is not only entirely germane and relevant, but it is absolutely essential to the rounding out of our statutory policy in dealing with aliens. These three words could take the place of several legalistic pages in the bill and everybody would know what they mean.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Several Members rose.

Mr. MARTIN of Colorado. I am sorry, I have not the time to answer any questions.

I called to the attention of the House when I presented this amendment before that anarchists, so far as I know, are an obsolete cult in this country. I do not know of any anarchist activities being reported in this country. I have not seen them mentioned in the papers in years, but if they are left in this country they would not include the three classes I propose to add to this bill, because an anarchist is a man who believes in no form of government, who is opposed to all forms of government. That charge cannot be laid to Communists, Nazis, and Fascists, because they believe in plenty of government, they believe in all government, they believe that men are made for government, not governments for man. They have the strongest, most efficient, and most orderly governments in the world. That language, therefore, would really not affect communism or nazi-ism or fascism.

The next paragraph (b) is directed entirely against members of societies, organizations, and groups and all that sort of thing who teach or advocate opposition to all organized government. That would not embrace the three classes I seek to reach.

ALL FOREIGN "ISMS" LOOK ALJKE

It is well known to all Members of this House that there is more than one European "ism" operating against the American form of government and democracy in this country. There are those who today in their embassies and in their consulates are plotting internal warfare against the United States, so that if we got into another war we would have the Black Tom and the Kingsland explosions duplicated one-hundredfold. I read an article the other day by one of the Washington correspondents who said that all these trails of espionage and sedition and plotting against this Government led to the doors of certain consulates in this country, but the doors were locked to them by international comity.

So far as I am concerned, I would bash those doors open. I would do more than that; I would padlock those doors. Why should this Government permit the existence of such things in this country as foreign national spy centers right here in Washington, plotting the destruction of this Government just as they did during the World War? What objection can there be to this amendment? Can we afford to go on record by voting this amendment down, and thereby, by implication, favoring the excluding of those classes from the operation of the law? I am going to get a division on this amendment and count noses this time.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I yield.

Mr. VOORHIS of California. I would just like to say to the gentleman that out on the west coast we have one consul who goes out and makes speeches to foreigners about the glories of a certain dictatorial form of government.

Mr. MARTIN of Colorado. Why, sure. One of them is just as deep in the mud as the other is in the mire, but some gentlemen here in the House are soft pedaling on the one you refer to. You never hear them denounce the Nazis or the Fascists—always the Communists. They are all anti-American; they are all equally consecrated to the destruction of this form of government. They all consider America their No. 1 enemy in the world, because it is the greatest and most powerful democracy in the world. [Applause.]

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there is a great deal of merit in what the distinguished gentleman from Colorado says. I feel, however, that it would be a mistake for the House to follow his logic.

The word "anarchist," as he said himself, means one who believes in no government, no order, no courts, or other forms of organized society. It is perfectly permissible, therefore, as we have done, to prevent such a person from coming into our midst, or to deport one who has illegally come in. The gentleman is mistaken in his statement that there are none in this country now; in fact, when the Hobbs bill was under consideration I was waited on by a committee, one of whom advanced

the only novel argument that I heard during the whole of the discussion with reference to that bill, and it was that anarchists should not be deported, for they were the best people here. They felt that my bill was a measure of religious persecution, because anarchists were the most Christlike people in our body politic. That was the only novel argument made in the discussion. At any rate, there are people like that here who are constantly trying to get their relatives or cult members in.

This amendment would add Fascists, Nazis, and Communists to those banned. The adoption of this amendment would violate our solemn treaties with Russia, Italy, and Germany. Although we have the undoubted right to do so, I maintain that it would not be the part of wisdom for us to

pass this sweeping ban.

Now, then, the other reason we oppose this amendment is because it is an attempt to legislate by labels. It might be that one member of these groups—a Fascist, a Communist, or a Nazi-would prove himself to be a bad actor. But it is equally true that there are others who would not be in any sense dangerous. Therefore, on the whole, I sincerely hope the gentleman's amendment will be voted down.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. HOBBS. I yield with pleasure to the gentleman from Colorado.

Mr. MARTIN of Colorado. We have a treaty with Russia?

Mr. HOBBS. Yes, sir.

Mr. MARTIN of Colorado. It is proposed by this legislation to deport a man from this country if he has ever been a Communist. The sole fact of communistic affiliation, no matter how remote, is sufficient. That is the form of government which only Russia has. Is that not a violation of the treaty with Russia?

Mr. HOBBS. In answer to the gentleman's question, I beg to assure him there is no such provision in the bill. The bill defines those aliens who are dangerous to be those who advocate the preaching and practicing or belonging to an organization that does so of the destruction of this form of government by force or violence.

Mr. MARTIN of Colorado. And that is communism.

Mr. HOBBS. The gentleman so interprets the law, and in many cases he might be right.

Mr. MARTIN of Colorado. That is the very essence of communism.

Mr. HOBBS. The gentleman has a right to his own interpretation.

Mr. MARTIN of Colorado. We know this bill is aimed at communism. I cannot see why we do not add the other two "isms," which are just as bad, and even more active in this country than communism. There is no use in the Congress shutting its eyes to the facts, because if we do we will wake up, just as we have in the case of Japan.

Mr. HOBBS. The fifth circuit court of appeals has held that the gentleman's interpretation is erroneous. In addition to that I submit that the definitive language of this bill applies equally to fascism and nazi-ism as much as to communism, and proof will have to be offered in the regular hearings provided under our immigration and naturalization statutes in each case to bring any one of the three groups within the purview of the law; and that applies just as much to one as to the other.

Mr. MURDOCK of Utah. Will the gentleman yield?

Mr. HOBBS. I am always happy to yield to the gentleman from Utah.

[Here the gavel fell.]

Mr. MURDOCK of Utah. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional

The CHAIRMAN. Is there objection to the request of the gentleman from Utah [Mr. MURDOCK]?

There was no objection.

Mr. MURDOCK of Utah. Does the gentleman know of any court in the United States or any action of the Secretary of Labor where an alien has been deported because of his affiliation or membership in either the Fascist or Nazi Party?

Mr. HOBBS. No, sir; I do not. I do not believe any such question could be properly presented in any deportation proceeding.

Mr. MURDOCK of Utah. But we do know that many of our courts have held that membership in the Communist Party is sufficient to warrant or support deportation.

Mr. HOBBS. In view of the proof made in the individual case, yes; that the defendant advocates the overthrow of this

Government by violence.

Mr. MURDOCK of Utah. So that by leaving the language as it is now, coupled with the construction of certain court decisions, it places Russia in a little different category than either Italy or Germany would be. In my opinion, the argument of the gentleman from Colorado [Mr. MARTIN] is very sound that the bill is aimed by reason of those decisions particularly at the Communists and immigrants from Russia.

Mr. HOBBS. I do not think so.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. MARTIN].

The question was taken; and on a division (demanded by Mr. Martin of Colorado) there were-ayes 21, noes 53.

So the amendment was rejected.

Mr. McCORMACK. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. McCormack: Page 24, line 25, after the word "Government", insert "within the United States."

Page 25, line 16, after the word "Government", insert "within the United States."

United States.

Mr. McCORMACK. Mr. Chairman, if you will notice the language, it says that this applies to any alien who believes, and so forth, in the overthrow by force or violence of the Government of the United States, or of all forms of law, or (2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers-either of specific individuals or of officers generally—of the Government of the United States or of any other organized government.

Of course, we do not want to legislate here with reference to England, France, Czechoslovakia, or any place else. My amendment limits it to the United States or any organized government within the United States. For example, we have seen what has happened recently in Czechoslovakia. The Premier or President of that country is an exile and is in the United States now hoping that his people will again regain freedom. That language might possibly affect the activities of a man of that kind in the United States. I understand the amendment which I have offered is acceptable to the

Mr. FADDIS. Mr. Chairman, will the gentleman yield? Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. Might not the gentleman's amendment make it possible for them, say, to advocate the overthrow of the Government of the United States in Hawaii or Alaska?

Mr. McCORMACK. Of course, "the United States" as used here means not only continental United States but all our possessions.

Mr. FADDIS. Anywhere?

Mr. McCORMACK. Certainly. The intent and construction of the language "within the United States" is that it is to apply to any area under the jurisdiction of our country. The purpose of this amendment is that we are legislating for the United States and do not want to interfere with activities within the United States which are proper, where aliens are organizing in a proper way in accordance with our law, in a law-abiding way, in the hope some day of obtaining freedom for their own people. For example, we have had in the past activities in the United States for the freedom of Ireland, for the freedom of Poland, and years ago for the freedom of Czechoslovakia, which is now practically eliminated as a result of recent European activities, yet the ambition exists and activities within our law are being engaged in in the United States in the hope that the people of other countries seeking will regain or attain their freedom. I know none of us want to interfere with the activities in the

United States in accordance with our law of any such group, and my amendment will accomplish that purpose.

Mr. FADDIS. I fail to find in the bill anywhere a defini-

tion of terms that would make that clear.

Mr. McCORMACK. My language will be construed in the proper way, that this bill applies to the United States, and not only continental United States but any of our possessions. If there is any question about it, it can be corrected in the Senate. However, the language in its present form is so broad we are, in effect, as far as this provision is concerned, legislating for the whole world. What we intend to do is protect the United States from subversive activities. Any activity in the United States that has its effect or intended effect abroad must be in accordance with the law of the United States done in accordance with our law. The present language goes far beyond what is intended and what we should do. The committee is willing to accept the amendment. I believe it is an amendment which for our own protection we should incorporate into this bill. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCor-

MACK].

The amendment was agreed to.

Mr. GWYNNE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. GWYNNE: On page 26, line 20, after

"1917", strike out the period and insert a comma and the following: "except as hereinafter provided."

On page 27, line 2, after "membership", strike out the period and On page 27, line 2, after "membership", strike out the period and the remainder of the section and insert a semicolon and the following: "Provided, however, That the fact of prior membership in any organization, association, society, or group referred to in section 1 of this title shall not of itself require deportation, if the said alien shall prove, first, that he had ceased to be a member of such organization, association, society, or group at least 5 years prior to the institution of the deportation proceedings against him; and, second, that such termination of his membership was in good feith and not for the purpose of preventing deportation." faith and not for the purpose of preventing deportation."

Mr. GWYNNE. Mr. Chairman, this amendment is a very simple one and will be very limited in its operation.

If you will refer to title III you will see that it deals with three subjects: First, it deals with the admission of certain aliens. This amendment does not cover that provision. Second, it deals with the deportation of certain aliens who have themselves personally done certain wrongs, such as to advocate the overthrow of the Government. This amendment does not deal with that part of title III. Title III further provides that any alien who at any time has been a member of certain organizations may be deported, irrespective of the time he may have joined or terminated his membership. This provision was placed in the bill to meet the situation left after the decision of the Supreme Court in the Strecker case. I agree that some legislation along that line is necessary. It seems to me, however, that the provision we have in the bill goes entirely beyond the necessities of the case.

You might have a situation such as this: An alien might in some unfortunate moment join a prohibited organization. He might be a member one day and resign, and thereafter be active in his opposition to that type of organization. Yet 25 years later, if that fact should be proved, the bill as

it is now would require his deportation.

Under this amendment, if the Government proves in the deportation case that the alien has been a member of this organization the Government has made out a case and deportation would follow unless the alien would then sustain the burden of proving two things: First, that he terminated his membership 5 years prior to the beginning of the deportation proceedings, and, second, that he had done so in good faith and not for the purpose of avoiding deportation.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentle-

man yield?

Mr. GWYNNE. I yield to the gentleman from Utah.

Mr. MURDOCK of Utah. Under the gentleman's amendment, as I understand, the burden of proving the 5-year period and the burden of proving good faith in severing his connection with the party is on the alien himself.

Mr. GWYNNE. The gentleman is correct.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Pennsyl-

Mr. WALTER. During the course of the investigation in connection with the resolution calling for the impeachment of the Secretary of Labor the attention of our committee was called to the case of an alien who had joined what he believed to be an organization for the benefit of laboring people, but it subsequently developed that he had joined the Communist Party. When he learned of this fact he withdrew from the organization, but because he had joined he was actually deported. Would not this amendment meet a situation of that sort where an innocent man suffered?

Mr. GWYNNE. That is correct. That is the purpose of the amendment. It is not to protect the undesirable alien That is correct. That is the purpose of

but to protect the alien who is innocent.

Mr. McCORMACK. Also, is not this fact pretty well established, that a lot of people during depressions are under an emotional reaction, and do things which under normal conditions they would never think of doing, and when normalcy is restored they appreciate the emotional action they have engaged in, and many do everything they can to remove its effect.

Mr. GWYNNE. That is correct.

Mr. McCORMACK. And the 5-year requirement seems to be a complete protection for our institutions, with the additional requirement which puts the burden of proof on the alien himself.

Mr. GWYNNE. I think that would adequately protect the Government. In every State we have statutes of limitations. A man may commit almost any crime, with few exceptions, and yet after a lapse of a certain time unless the Government has proceeded against him all is forgiven.

The CHAIRMAN. The time of the gentleman from Iowa

has expired.

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment. I do so with great reluctance, for I have the most profound and well-founded respect for the opinion of my distinguished friend of the Judiciary Committee, the gentleman from Iowa [Mr. GWYNNE], the author of this amendment. I know that he is sincere. I know that he is able, and the amendment that he has proposed comes very close to being a good one. If the House sees fit to adopt it, that of course is the prerogative of the House, but I believe we should do so with our eyes open. The gentleman from Pennsylvania [Mr. Walter] cited the same case in our committee deliberations which he has cited here today; and in order to correct any possible hardships that might arise under the provisions of this section, on his motion, the words "knowingly and voluntarily" were inserted, so that the case of the poor Swede who joined the Communist Party without full knowledge of what he was doing, or the case of someone who might be under the influence of liquor or a narcotic and joined ignorantly, would be removed from the field of operation of this section. Those words were inserted by a vote of the committee on the motion of the gentleman from Pennsylvania [Mr. Walter] to take care of such cases as the one which he hypothecized.

Mr. GWYNNE. But it does not cover the case of a man who joined voluntarily.

Mr. HOBBS. I realize that, and that of course is the crux of this situation. If gentlemen will give me their attention for a moment I shall give the underlying philosophy of this section. It is that in this day and time we have floods of applications from perfectly good aliens who want to come here and make their homes and make the same splendid contribution to our civilization that good aliens have throughout the ages. This country has been builded by good aliens who have come here and have worked wonderfully with the good people of this Nation.

We are all aliens, if you trace the family tree far enough, so we have no prejudice against aliens. With the world to select from, with the cream of the alien world seeking admission, when we are unable to accommodate millions because of our quota limitations, why not select the best? Why insist upon keeping some of the worst? They may have sinned only once, but there are thousands who have never sinned. I prefer those. You may as well say that one slip, one sin, does not militate against chastity. No matter how long since, nor for how short a time, anyone may have knowingly and voluntarily strayed from the straight and narrow path of virtue, he cannot be sinless. Of course there is virtue in sincere repentance. Many really reform. Forgiveness is a divine attribute, which we should practice whenever possible. We are perfectly willing to forgive every one of those aliens who brought or bring themselves within the purview of this title. This title inflicts no punishment upon any of them; it says to them, "Go and sin no more."

They came to our home and plotted the destruction of our Government that bade them welcome, but all we do here is to send them-not to prison or gallows-but back to their own home.

Though we deal only in such kindly fashion with them, we feel in duty bound to prefer those who have never been guilty of allowing themselves to be inoculated with the poison virus of those alien isms that seek to destroy our Government by violence. That is the issue.

In the passage of the original exclusion law, Congress sought to express the intent which title III of this bill makes clear. The Supreme Court recently said that such an intention was not expressed in the original act. With all due respect, that seems to be a rather strained construction. But whether it be so or not, the Judiciary Committee has tried in title III to express that intention so clearly as to remove all possibility of doubt or question. I beg of you not to impair the force and effect of this declaration by adopting the Gwynne amendment. Title III will help our immigration authorities to preserve America for real Americans, and for those who long to become real Americanswho have never sinned by espousing the cause of assassination of our officials or Government. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. SMITH of Virginia. Mr. Chairman, I hope that this amendment will be voted down. Superficially it has merit. I do not want to do an injustice in this bill to anybody, and I know the Judiciary Committee does not, but I think you ought to be advised further as to the purpose of that title.

This provision was not in the bill as I introduced it, but while the matter was under consideration by the Judiciary Committee the Supreme Court decided the famous Strecker case. You know, we have on the west coast a gentleman by the name of Harry Bridges who is an alien. I guess he has given this country about as much trouble as all the rest of the aliens put together. He has certainly given us more trouble than many thousands, and I might say many millions of our own citizens here, and yet in the face of his outrageous violation of all rules of hospitality since he has been in this country, under the decision in the Strecker case we are probably powerless to get rid of him.

Now, why did the Judiciary Committee put this title in the bill? Because under the language of the law as it now exists. to the ordinary person there was no question about the deportability of Harry Bridges or Strecker, either one; but by a strained construction, as the gentleman from Alabama [Mr. Hobbs has told you, the Supreme Court in that case decided, notwithstanding what seemed to me the clear language of the law, that if this man had previously belonged to one of the inhibited organizations, but had resigned a day or a week or a year or 10 years before, he was no longer deportable.

For your information, I want to read you the language of the present law as quoted in the decision in the Strecker case. Listen to this carefully, will you? It will show the necessity of being very careful in the language which we use in this bill today. We ought to make it so clear that the Supreme Court cannot misunderstand what this Congress means about it. Let me read it to you. This is the present

Any alien who at any time after entering the United States is found to have been at the time of entry or to have become thereafter, a member of any of the classes of aliens enumerated—

Now, in the face of that language the Supreme Court held that a person who had resigned from that organization could not be deported.

Mr. HOBBS. Mr. Chairman, will the gentleman yield? Mr. SMITH of Virginia. I yield to the gentleman.

Mr. HOBBS. I will ask the gentleman, although Joe Strecker was admitted to have ceased to be a member of the order because of failure to pay dues, if he did not reiterate under oath in the hearings that he still believed in the Russian system, still bought Russian bonds with the proceeds of his business in this country, and that when the revolution came to overthrow this Government, if he did not pledge himself to fight on the side of Russia?

Mr. SMITH of Virginia. Now, that is the kind of a situation we have with the law as it exists today. What the Judiciary Committee is seeking to do is to make this law so clear that these people will know that we have the power and will deport them if they belong to or have belonged to these organizations.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield? Mr. SMITH of Virginia. I yield.

Mr. GWYNNE. Is it not true that this amendment would not affect the Strecker case? The evidence clearly showed in that case that Strecker had not resigned in good faith.

Mr. SMITH of Virginia. What I am talking about now is the danger of writing into this bill on the floor of the House language which may cause misapprehension and may defeat the purpose of this act.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROOKS. Will this bill as presently proposed give Congress authority to handle the Bridges case, to which the gentleman referred?

Mr. SMITH of Virginia. That is exactly what it is designed to do. I do not want in the confusion of the Committee of the Whole House to write into a bill that has been so carefully considered by the Judiciary Committee language which may destroy its entire effect.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not believe that there are two men in this body more interested in a sane solution of this problem than are the men who spoke for and against this amendment. They have worked most diligently in an effort to meet what, in my opinion, is a very acute problem, and I pay my respects to both of them for the fine work they have done in connection with the legislation the gentleman from Virginia sponsored. However, I have to differ with the distinguished gentleman from Virginia with respect to his interpretation of the decision of the Supreme Court in the Strecker case.

In that case, and I think the decision was strained to some extent perhaps, the Supreme Court said that had Congress intended that membership in the Communist Party at any time was a deportable ground, then Congress would have

Unfortunately under the act that was being interpreted. I believe the intent of Congress was perhaps ambiguous, but certainly the language of the amendment offered by the gentleman from Iowa [Mr. GWYNNE] is not ambiguous. It describes exactly what many of the members of the Judiciary Committee intended doing. There can be no doubt in the minds of the Justices of the Supreme Court or of any other court what Congress intended if this amendment is adopted. It certainly is in conformity with our fundamental belief that a man is entitled to a chance where he has sincerely and honestly recognized the error of his ways. I believe that we can very safely adopt the amendment offered by the gentleman from Iowa [Mr. GWYNNE]. [Applause.]

[Here the gavel fell].

Mr. SABATH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa. I think it is a step in the right direction, for it is my belief that even an alien is entitled to justice tempered with mercy in this great land of ours. Should a young man at some time, through force of economic conditions, be misled to join an organization which he finds later advocates principles which are un-American, principles which he does not approve and did not know of at the time of joining, and when he discovers them and resigns from the organization, should he be penalized by the proposed provision of the law and be deported? Surely such harsh and unfair action on the part of the great Government of the United States would in itself be thoroughly un-American and contrary to all established ideas of American justice and fairness.

Just a short time ago we all read of the appointment of a man to one of the highest positions in our Government. It was urged against his confirmation for the position that he had once belonged to an organization that advocated principles that are considered un-American by great masses of our citizens. Great effort was made to prevent his confirmation, notwithstanding the fact he stated he joined the organization as a young man, never attended a meeting, and when he learned its real purposes and activities withdrew from membership. You all know to whom I refer. Had he been unfortunate enough to be an alien, he would have been subject to the provisions of this act. I address myself to the gentleman from Alabama as well as to other Members, because the gentleman from Alabama knows to whom I have reference in citing this little instance.

For 24 years I was a member of the Committee on Immigration. Section 19 of the Immigration Act and some of the most stringent deportation provisions were written by me and adopted by the Congress. I have favored the deportation of all those aliens who fail to recognize and appreciate the privileges accorded them by our Government. Some people, however, seem to believe that an alien, simply because he is an alien, must be above sin, must be always virtuous, and never make a mistake. Mr. Chairman, there never was a perfect human being, there is no such thing as perfection, and every human being makes a mistake now and then. In fact, and even at the risk of offending some professional patriot, I never saw a perfect native-born American, a perfect Member of Congress. It would be the height of legislative unfairness and hypocrisy thus to subject an alien who desires to remain in this country and become a citizen to the unusual, harsh, and inhuman double punishment carried in this bill for some slight mistake, transgression, or error of

Aliens, Mr. Chairman, by and large, have contributed a great deal to the welfare of this great Nation. Aliens helped us gain our independence. Aliens have served with distinction our Government, our industry, our scientific progress. They have developed many of our great inventions, pioneered our vast undeveloped lands, aided in every way to make this the greatest country on the face of the globe.

Prejudice against the alien is not new. It existed in 1700, in 1800, in 1900, just as it does today. Search through the reports of committee and commission studying the problem of the immigrant and the alien and you will find, as I have, that even as far back as 1790 some people looked with alarm on the alien, charging he represented the criminal element of Europe. Those people were no more criminals as a class than those who come here today. They made good citizens and they were the forbears of some of the most outstanding citizens of this country, some of their progeny even serving in this distinguished body.

We cannot let prejudice and narrow-mindedness blind us to what is fair and just and American, even in dealing with the problem of the alien who comes to our shores seeking to become a citizen. I hope, therefore, that the amendment offered by the gentleman from Iowa will be adopted. [Applause.]

[Here the gavel fell.]

Mr. DONDERO. Mr. Chairman, I would like to be heard on the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan for 5 minutes.

Mr. HOBBS. Mr. Chairman, will the gentleman from Michigan yield to permit me to submit a unanimous-consent request?

Mr. DONDERO. I yield.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DONDERO. Mr. Chairman, undoubtedly, I am one of a large number of Members of this House whose parents were alien immigrants to this country. More than three-quarters of a century ago my parents came to these shores, one from Italy and the other from Germany. Notwithstanding that fact I have not the slightest interest in the Rome-Berlin axis of today. [Applause.]

I believe I understand what it was that induced millions of people to come to this land from other countries. We beckoned to the downtrodden and the oppressed people of the world. They saw here privileges and opportunities their own lands did not provide or afford to them. They came to enjoy the blessing of a new government founded on liberty and justice for all. They came not to disobey our laws, but to obey our laws and to become useful and loyal citizens of the United States. They and their descendants today constitute the masses of the American people.

It must be a strange condition of mind on the part of anyone who can live here in this country, enjoy its privileges, have the protection of its laws, enjoy its opportunities, and at the same time advocate, act, and exert his influence to overthrow this Government by force and violence, and even bloodshed if necessary. I say it must be a strange condition of mind to make a man want to do that. Remember they are the same people who want to overthrow this Government and set up in this country some foreign "ism" or alien form of government from which they or their ancestors fled in days gone by, to come here and enjoy the privileges granted under the Stars and Stripes.

I see nothing in this bill that any alien, any resident, or any citizen of this country need stand in fear of as long as he acts and conducts himself like an American. This bill proposes to make it hard for aliens who do wrong, and easy for those who desire to do right. I intend to support it, and appeal to my colleagues to do likewise. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, the amendment offered by the gentleman from Iowa, I think, is directed at the paragraph we had under discussion on page 27 of the bill yesterday, in which I attempted in my humble way to point out that under the provisions of that paragraph, even though a man may have been a Communist for an hour in Russia or in this country for the same length of time, he would be forever stamped; he could not live it down. I pointed out at that time in a question I asked that in my opinion this is not Christianity.

In this connection I want to read some remarks made by a distinguished colleague in the United States Senate from the State of Montana, which it seems to me may have an indirect bearing upon the question that we are now discussing.

In an address before the recent convention of the Baltimore Conference of the Methodist Church, Senator Burton K. Wheeler said that this Nation needed a moral reawakening to save it from utter collapse. Senator Wheeler pointed out that leaders of business, labor, agriculture, and politics must sit down together in a Christian spirit, forget their selfish interests, and work for the welfare of the Nation.

He continued and made the following statement:

Until we have learned how to distribute all our surpluses of food and clothing you will find it hard to go out and preach Christianity to hungry men. They want to see the practical application. Christianity and democracy go hand in hand.

If we do not give man the right to reform, we deny the right of forgiveness which we understand was the underlying principle of the preachings of the Man from Galilee. Let us not take hope away from the repentant. Of course, it is

wrong to preach overthrow of this Government by violence or in any other fashion. Of course, it is wrong to go out and kill somebody; but murderers have been known to have reformed. All kinds of trespassers and violators of the law have been known to reform.

Let us adopt a policy of forgiveness of people when they show they have it coming. Under the provisions of this law as written, once the brand is placed, never can it be removed. That is the reason I support the amendment of the gentleman from Iowa.

Now, my fellow citizens [laughter]-

Mr. HOBBS. Will the gentleman yield?

Mr. O'CONNOR. I have only a few minutes.

Mr. HOBBS. I wanted to ask the gentleman if all his colleagues were not fellow citizens?

Mr. O'CONNOR. Yes; the finest in the world.

Mr. Chairman, I call attention to something else. It will be recalled that about 2 years ago, when Justice Black was promoted to a position upon the Supreme Court of the United States, it was charged that he had been a member of the Ku Klux Klan. It will be recalled there was considerable discussion whether or not he should be confirmed if he had been a member of that organization. It will be further recalled, according to newspaper reports, that Justice Black said at one time he either had had a card in the organization or had become a member of it, but he did not know what sort of an institution he had joined, and as soon as he learned he got out. Do the people of the United States hold that against Black? Absolutely not, because they are tolerant of man's mistakes. He may have gone into that organization, just as many other men have gone into what we call this communistic theory of government, without knowing the vitals of it.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There was no objection.

Mr. O'CONNOR. Mr. Chairman, in closing, may I say that you cannot legislate morals into people. That was demonstrated by the eighteenth amendment. You cannot legislate patriotism into people any more than you can legislate morals into people. You have to feed the people. Let us find a way of taking care of a third of our population that need care and quit spending our time trying to pass laws to put them in jail and to deport them. Let us try to make them love our country, instead of hate it, by giving each man, rich or poor, a square deal.

Mr. HARE. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Under the gentleman's theory or philosophy, what would be the use for any general laws at all?

Mr. O'CONNOR. We have plenty of laws already. What I am trying to get over is this: Let us spend our time endeavoring to rectify the economic conditions that are destroying this country today, just as Senator Wheeler said.

Mr. HARE. This is not an economic question.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GWYNNE].

The question was taken; and on a division (demanded by Mr. EBERHARTER), there were-ayes 48, noes 54.

So the amendment was rejected.

Mr. HOBBS. Mr. Chairman, I offer a committee amendment, which is on the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. Hobbs: Page 20, line 10, after the word "law," insert a comma and the following: "or a violation of the Marihuana Tax Act of 1937, Public Law 238, Seventy-fifth Congress."

The committee amendment was agreed to.

Mr. FLAHERTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Flaherty: On page 20, line 11, after "entry", strike out "possesses or carries" and insert "has been convicted of possessing or carrying."

Mr. FLAHERTY. Mr. Chairman, this amendment is reasonable and can be explained in one or two sentences. The object of the amendment is to make an alien deportable only upon conviction of carrying or possessing arms illegally. We know that practically every State in the Union has laws on this subject and the State courts have the authority to determine whether a person in specific cases carries arms legally or illegally. Otherwise, the Department of Labor would be required to perform the judicial function of determining when a State law has been violated. Aside from the possible conflict that might arise from different interpretations given to State laws by State courts and by the Department of Labor, I do not believe that the Department of Labor-and I think you will agree with me in that respect—is equipped to carry out this essential judicial function of determining when State laws are violated. I understand that the author of the bill is in accord with the amendment and I hope it will be accepted by the Committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Flaherty.]

The question was taken; and on a division (demanded by Mr. Flaherty) there were—ayes 39, noes 46.

So the amendment was rejected.

Mr. WALTER. Mr. Chairman, a moment ago a committee amendment was adopted on page 20, line 10. As I understand, the Starnes amendment took out the language in that line. I ask unanimous consent that the action taken in regard to the committee amendment be vacated and that the committee amendment be inserted in line 16 after the words "sawed-off shotgun."

Mr. HOBBS. Reserving the right to object, Mr. Chairman, will the gentleman modify his request to say "or at the appropriate place," having regard to the Starnes amendment already adopted?

Mr. WALTER. Yes; I so modify my request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amend-

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 19, line 18, insert a new title as follows:

"TITLE II

"Sec. 6. It shall be unlawful for any person by word of mouth or in writing, or by transmission by radio, to advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by the assassination of any officer of the United States, or any officer of any State of the United States, or any officer of any subdivision thereof, or by any other unlawful means.

State of the United States, or any officer of any subdivision thereof, or by any other unlawful means.

"Sec. 7. It shall be unlawful for any person with intent to over-throw or destroy the Government of the United States, or the government of any State of the United States, or any subdivision thereof, by force or violence, or by any other unlawful means, to print, publish, edit, issue, or knowingly circulate, sell, distribute, or publicly display any book, paper, document, or written or printed matter in any form containing or advocating, advising, or teaching the doctrine that the Government of the United States, or the government. the doctrine that the Government of the United States, or the gov-ernment of any State of the United States, or any subdivision thereof, should be overthrown or destroyed by force or violence or

by any other unlawful means.
"Sec. 8. It shall be unlawful for any person to openly, willfully, "Sec. 8. It shall be unlawful for any person to openly, willfully, or deliberately justify or defend by word of mouth or in writing the assassination or unlawful killing or assaulting of any officer of the United States, or any officer of any State of the United States, or any officer of any subdivision thereof, because of his official character or act, or openly, willfully, or deliberately justify or defend or teach, spread, or advocate the propriety, desirability, or necessity of overthrowing or overturning the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by any other unlawful means.

"Sec. 9. It shall be unlawful for any person to organize or help

"SEC. 9. It shall be unlawful for any person to organize or help to organize or become a member of, or affiliate with any society,

group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by any other unlawful means.

"Sec. 10. Any person who violates any of the provisions of this title shall be subject to the same penalties prescribed in section 5."

Mr. SMITH of Virginia rose.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. MARCANTONIO. I want to find out to what title this

is an amendment.

Mr. SMITH of Virginia. It is a new title, after title I. Mr. Chairman, those of you who have the bill before you, if you will refer to the first page of the original bill, will find that title I is stricken out by the committee. It is this title I in identical language I am seeking now to restore to the bill. I regard that feature of the bill as the very heart of the legislation. I think perhaps the Committee on the Judiciary agrees with me in that respect. I want to explain to you why it was stricken out of the bill.

After this bill was introduced, and when it was pending before the Committee on the Judiciary, the gentleman from Massachusetts [Mr. McCormack], who is really the author of the language, obtained passage of substantially the same bill by attaching it as a rider to some other bill, as I understand. As it had already passed the House, the Committee on the Judiciary were of the opinion that it should not be included in this measure, and they will probably oppose the amendment. My view is that the McCormack bill having passed and gone over to the Senate as a separate measure it may perhaps never become law. I regard it as very essential that we have a complete piece of legislation on this subject, and I should like to see my amendment included in the bill. It certainly can do no harm if you are for the principles enunciated in that legislation.

Now I want to tell you what title I does. We have heard a lot of talk here about abusing the poor alien. The gentlemen who have been talking that way cannot complain about this section. We have laws against aliens who advocate the overthrow of this Government by force, but do you know that there is nothing in the world to prevent a treasonable American citizen from doing so? He can advocate revolution, the overthrow of the Government by force, anarchy, and everything else, and there is nothing in the law to stop it. This amendment makes it unlawful for any person, be he American citizen or alien, to advocate the overthrow of the Government of the United States by force. So I ask that you restore this provision to the bill. Because it has already passed the House there certainly should be no objection to it, and it can do no harm in case the bill which has been sent to the Senate is not adopted.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman is undoubtedly familiar with the decisions of the Supreme Court on the question of the various criminal syndicalism statutes, statutes that make it illegal to advocate the overthrow of the Government by violence.

Mr. SMITH of Virginia. The gentleman does me a high honor.

Mr. MARCANTONIO. The gentleman undoubtedly knows that the Supreme Court has ruled that when such advocacy becomes incitement, then, and only then, can the statute be invoked against a person. If it continues to be mere advocacy, you cannot proceed against that person, because such an application would be unconstitutional. Therefore, can the gentleman tell this House when does advocacy cease and when does incitement begin, or where is the line of

Mr. SMITH of Virginia. No; I cannot tell the gentleman that, and I cannot tell him any more when anything is constitutional or unconstitutional.

Mr. MAY. Mr. Chairman, will the gentleman yield? Mr. SMITH of Virginia. I will be pleased to yield to the

gentleman.

Mr. MAY. I notice that the title just offered as an amendment provides penalties for conspiracy to overthrow the Government or to assassinate officers, or things of that sort. there any conflict in the penalty that is provided in the section referred to that fixes the penalty and the various penalties that may be provided in the various States that have statutes on the same subject?

Mr. SMITH of Virginia. This has nothing to do with State This provides penalties for violations of this law.

Mr. MAY. I understand it is a Federal statute, or will be when enacted; but I was just wondering if there was any more severity to be exercised under this law than under the usual State law

Mr. SMITH of Virginia. I am not familiar with that.

Mr. MAY. What is the penalty provided?

Mr. SMITH of Virginia. If you will look at section 5, you will find the penalties prescribed for any violation of this act. [Here the gavel fell.]

Mr. GEYER of California. Mr. Chairman, I do not know how much longer we are going to be working on this bill, but I am very anxious that the Record be made clear.

There has been a lot of heat generated here, particularly on yesterday. The implication has been made by certain ones on this floor that those who are opposing this bill are un-American. Gentlemen got up on the floor yesterday, after a facetious amendment had been offered, and inferred that those who were opposing this bill were trying to establish foreign principles here in the United States. Another gentleman got up and after defending the American bund, inferred that Members, particularly on this side, were not good Americans.

Now, I want the RECORD to be straight, at least so far as I am concerned. I do not want any man anywhere, and most of all on this floor, to question my loyalty to American principles. I wore the uniform at the time we felt our country was in danger, and I am ready to put that uniform on again if ever the occasion demands. I have two sons, and if the time comes when their services are needed. I will say to them, as my dad and mother said to me, "Go, son, and do your duty; God bless you."

Now, let us not have any misunderstanding. I am op-posed to this bill because I believe, in opposing it, I am defending American principles. Let us look for a moment at what Americanism is. Does it consist in merely waving the flag and saluting and clicking our heels together when the emblem of democracy, the flag, goes by? I say that is merely an indication of what should lie within when we do that. Real Americanism consists of being able, willing, and anxious to defend the fundamental principles on which Americanism is founded. What are those fundamental principles? Let us examine our fundamental document. I know no better place to go to find what it is that Americanism stands for. Let us take the first of the Bill of Rights, without which this Constitution could not have been established. It says something like this: Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

Then we have other amendments guaranteeing the right of trial by jury and the other rights Americans enjoy.

I maintain that by your action on a previous amendment you have denied the right of trial by jury, and this amendment of the gentleman from Virginia [Mr. Smith] is denying most of the other rights.

Mr. WALTER. Mr. Chairman, will the gentleman yield? Mr. GEYER of California. No; I cannot yield.

This amendment offered by the gentleman from Virginia denies the right of freedom of speech, yet, under the guise of Americanism, we are trying to pass this Hitler measure. It is identically the thing that is being done in Germany. The people's liberties were destroyed by the acts of government, and not by what some foreigner did. I say to you that this measure, as I pointed out during the consideration of the rule, is a labor-baiting measure. The author of this bill admits that it is to get Harry Bridges. I do not know about Harry Bridges. I do not know whether he is a member of the Communist Party or not. He claims he is not. I do know this. I know, as the gentleman has said, he has caused a lot of trouble here. Yes; he has caused a lot of But for whom? For the employers who were trying to make the longshoremen work for 10 cents an hour. Do they want to get him because he is an alien or because he might be a Communist? No; they want his scalp because he is going to bat for the underprivileged group. That is at the bottom of this type of legislation. That is exactly what you have in front of you and, under the guise of Americanism, you are fostering this thing of foreign origin upon our own people.

My colleagues, look well to your vote, lest under the guise of defending democracy you undermine its very foundations. You cannot preserve it by destroying it bit by bit, as this bill does. You cannot defend our Americanism by denying it to a minority group, as this bill does. Let us take care lest if we get the habit abroad in the land of discriminating against minority groups, this foreign custom creeps slowly upon us and we be included in some minority group of which we are a member. There is only one way to defend democracy, and that is to never allow it to be denied to

anyone.

[Here the gavel fell.]

(Mr. GEYER of California asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. HINSHAW rose.

The CHAIRMAN. The Chair recognizes the gentleman from California, a member of the committee.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. Yes.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 10 minutes.

Mr. WALTER. Mr. Chairman, reserving the right to object, does that contemplate my having 5 minutes?

Mr. HOBBS. Yes.

Mr. McCORMACK. Mr. Chairman, I reserve the right to object. I have an amendment which I desire to offer to the Smith amendment. I would be satisfied with 3 minutes.

Mr. HOFFMAN. Mr. Chairman, I would like to have 2 minutes.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 12 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HINSHAW. Mr. Chairman, on a great many subjects the gentleman from California [Mr. GEYER] and I are divided. On this particular amendment to this bill I am in accord with him, and I think that it should be rejected. That may surprise a good many of you, but I can conceive of a good many situations in which parts of that amendment would be bad provisions to have in the laws of the United States. We can look back into the history of the United States and see times of turmoil, times of strife among the people. We can look back to the point where the United States itself was born by a revolution from the mother country. The people in those days were subject to laws which were equally stringent to those proposed in this amendment, but the people of the United States went ahead and did revolt against England and became a nation. They were subjected to being hanged and drawn and quartered, or to any particular type of punishment that seemed to be suitable at the moment, and yet they persisted and this Nation was formed. I speak to my colleagues on the Republican side, as it appears there are a good many there, as well as many on the Democratic side, who would favor this amendment, and I call attention to the fact that it is quite conceivable that at some time in the future of the United States a government might come into power that was not at all to their liking, and it might come there by ballot. I refer to such a government as a virtual dictatorship, supported by a Congress as supine as the German Reichstag. There might be those among you who would feel that the persons who were in command of the United States through such a government should not be there, and I suggest that you consider whether it is not a fact that in some words that you might speak, you yourselves might be subjected to the conditions of this title which it is proposed to have inserted in the bill.

First, let me say that nearly all of the provisions of this proposed title were accepted by the House when we voted on the McCormack amendment to another bill. That amendment was designed to prevent the overthrow of government by force and violence, and with those principles I am heartily in accord. But listen to this. I shall read section 3 of this amendment:

It shall be unlawful for any person to openly, willfully, or deliberately justify or defend by word of mouth or in writing the assassination or unlawful killing or assaulting of any officer of the United States, or any officer of any State of the United States, or any officer of any subdivision thereof, because of his official character or act, or openly, willfully, or deliberately justify or defend or teach, spread, or advocate the propriety, desirability, or necessity of overthrowing or overturning the Government of the United States, or the government of any State of the United States, or the government of any subdivision thereof, by force or violence, or by any other unlawful means.

Note the use of the words "or deliberately justify or defend by word of mouth," as contained in line 20, and then

go on and read line 25 to the end.

Now, no man in his right senses under present conditions is going to commit any of these acts, but it is not difficult to conceive of intolerable conditions that might arise in the future under which perfectly good American citizens in the heat of controversy might subject themselves to the full penalty of this act and at the same time be in their own minds entirely justified at the moment. Persecution could run rampant under this section.

We are here considering a bill to prevent aliens from violating the hospitality of our people. If we here insert a title which has to do solely with the citizens of the United States, and which smacks of the laws of George III, we shall

be, in my opinion, taking a long step backward.

I believe in fair play to all concerned. I certainly agree with the gentleman from Alabama [Mr. Hobbs] in his statement that aliens in this country have no right whatever to tell us how to run this Government nor to advocate its overthrow. But I submit to you that so long as we citizens are to have freedom of speech and freedom as individuals some word or thought that we as citizens might express offhand, without intending to violate the law, might be taken under this title to mean something very serious, and a man could be subjected to persecution and to the heavy penalties of this act. I do not think it is right, I do not think it is fair, and I hope that the title proposed as an amendment to this bill will be voted down. I do not believe in meeting intolerance with injustice. I value my liberty as did my ancestors who fought to set this country free.

Mr. WALTER. Mr. Chairman, 5 years ago a special committee was appointed to make an investigation of activities in the United States that all of us are opposed to. As a result of the investigation made by this committee, headed by the distinguished gentleman from Massachusetts [Mr. Mc-CORMACK], a bill was drafted and reported favorably by the Committee on the Judiciary of the House. Just recently that bill was made a part of a bill increasing the punishment for the crime of espionage, which I introduced. After the House accepted this amendment and it was passed by the House our committee concluded that the language in title I, which the amendment offered by the gentleman from Virginia [Mr. SMITH] seeks to put back in the bill, was no longer necessary. and for that reason it was stricken from the bill before it was reported by the committee. We felt that the language adopted by the House in the amendment to the espionage bill met the situation in a much better and more effective way than does the language in title I as introduced by the gentleman from Virginia. We feel that the measure already passed

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very adequately meets this situation and that the amendment which the gentleman from Virginia has offered is surplusage, capable and susceptible of almost any kind of interpretation. I sincerely hope that this amendment will not be adopted. The bill as reported by the committee represents the result of months of hard, painstaking work. I am certain that the aliens in my district-and there are a great many of them-do not approve of the classes that are affected by the bill under consideration. In my opinion, they are more bitter toward these classes than is any of us because of the fear that the doing of those things covered by the bill brings to every alien unwarranted suspicion, to say the least.

Mr. McCORMACK. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. McCormack: After the word "to", in the second line of section 1 of the Smith amendment, insert the words "knowingly or willfully."

Mr. McCORMACK. Mr. Chairman, in the event the Smith amendment is adopted, I feel that the amendment which I have offered should also be adopted. The special committee of which I was chairman 5 years ago recommended the passage of a law of this kind, but we felt the Government should have the burden of proving that a person "knowingly or willfully" advocated overthrow of the Government by force or violence. We did not feel that a person should be indicted who is a good American citizen and who is distressed, who is out of employment, for example, and saw his wife and children looking to him with longing for something to eat; out looking for a job all day and come home and find them with a look of hope and then be disappointed. If that man got up and said something that might be construed as advocating the overthrow of government by force or violence, when he never meant it, we do not want that man to be subject to indictment and possibly conviction.

A Communist is one who "knowingly or willfully" is committed to a movement which has as its objective the ultimate overthrow of government by any means, legal or illegal, or a combination of both. We all know that the Communist movement has as its ultimate objective the overthrow of government by force and violence or by any means, legal or illegal, or a combination of both. That testimony was indisputably produced before the special committee of which I was chairman, and came from the lips not of those who gave hearsay testimony, but of the actual official records of the Communist Party of the United States, presented to our committee by the executive secretary of the Communist Party and the leader of the Communist Party in the United States, Earl Browder. That was the testimony, the best evidence presented to our committee at that time, that such is the objective of the Communist Party. Therefore, a Communist is one who intends knowingly or willfully to participate in any actions, legal or illegal, or a combination of both, that will bring about the ultimate overthrow of our Government. He is the one we are aiming at, and the Government should have the burden of proving that a person "knowingly or willfully" advocates the overthrow of government and is "knowingly or willfully" a member of an organization that believes in the ultimate overthrow of our Government.

Section 2 of the Smith amendment carries the word "knowingly." Section 3 of the Smith amendment carries the word "willfully." I think the gentleman from Virginia [Mr. SMITH], himself, from a conversation that I had with him, will agree to the acceptance of my amendment.

I am for legislation of this type. Whether this particular amendment should be adopted, in view of what the House has heretofore done, is a matter that I will not pass upon, but if it is adopted, certainly the words "knowingly or willfully" should be inserted in the amendment.

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Chairman, I will accept the amendment, as far as I am concerned.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCor-MACK] to the amendment offered by the gentleman from Virginia [Mr. SMITH].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. Smith], as amended.

The question was taken; and on a division (demanded by Mr. Marcantonio) there were-ayes 79, noes 32.

So the amendment was agreed to.

Mr. HOBBS. Mr. Chairman, there seems to be some misunderstanding as to the request that the gentleman from Pennsylvania [Mr. Walter] made a while ago as amended by me. Therefore I ask unanimous consent that the committee amendment, relating to marihuana be inserted after the words "District of Columbia" in the Starnes amendment at the proper place.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. FLAHERTY. Mr. Chairman, reserving the right to object, I have an amendment to offer.

Mr. HOBBS. I will modify the request, Mr. Chairman, to make it 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. Hobbs] as modified?

There was no objection.

Mr. FLAHERTY. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Flaherty: On page 22, line 8, after the word "deported", strike out the word "provided" and the remainder of the proviso ending with the word "act", in line 14.

FLAHERTY. Mr. Chairman, the purpose of this amendment is to delete the proviso which provides "that the marriage to an American citizen of a female of the sexually immoral classes, the exclusion or deportation of which is prescribed by this act, shall not invest such female with United States citizenship if the marriage of such alien female shall be solemnized after her arrest or after the commission of acts which make her liable to deportation under this act."

Since the Cable Act of 1922, the language which appears in this proviso is obsolete, but it is still contained in the Immigration Act, section 19, of February 1917. Under the Cable Act the marriage of an alien female to an American citizen does not confer upon her any of the rights of American citizenship. She still must comply with the naturalization laws to this extent.

Mr. HOBBS. Mr. Chairman, will the gentleman yield? Mr. FLAHERTY. I yield.

Mr. HOBBS. As far as I am concerned, I am perfectly satisfied with the explanation which the distinguished gentleman has made. If this law has been, in effect, repealed, it, of course, ought not to be in this bill, and as far as I am personally concerned, I will be glad to accept the gentleman's amendment.

Mr. FLAHERTY. I thank the gentleman. I think the language is merely surplusage at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Smith of Virginia: Page 23, line 19, after the word "final", strike out the period and quotation mark and insert a colon and the following: "Provided, That such decision shall be made pursuant to recommendation by the Board of Review, which Board shall have discretionary authority in respect of a deportable alien not racially inadmissible or ineligible to citizenship in the United States, and who last entered the United States prior to January 1, 1937, and who is not deportable under the act of October 16, 1918 (40 Stat. 1008; U. S. C., title 8, sec. 137), entitled 'An act to exclude and expel from the United States aliens who are members of the anarchist and similar classes,' as amended by the act of June 5, 1920, or the act of May 26, 1922, entitled 'An act to amend the act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," 'approved February 9, 1909, as amended

Bell

Cox

Creal Crowe

Culkin

Darrow

Dempsey DeRouen

Dirksen

Disney

Crawford

Hoffman

Houston

Jacobsen

Jenkins, Ohio

Hunter

Jarman Jeffries

Jensen

Hope Horton

(42 Stat. 596; U. S. C., title 21, sec. 175), or the act of February 18, 1931, entitled 'An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics' (46 Stat. 1171; U. S. C., title 8, sec. 156a), and the provisions of the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens and residence of aliens in the United States' (39 Stat. 874; U. S. C., title 8, sec. 156) as such act relates to prostitutes, procurers, or other immoral persons, the mentally and physically deficient, anarchists, and similar classes, having proven good moral character for the past 5 years. (a) to having proven good moral character for the past 5 years, (a) to permit such deportable alien to depart the United States to any country of his choice at his own expense in lieu of deportation (r) to order suspension of the deportation warrant if the Board shall find that the execution of such warrant would work or (b) to order suspension of the deportation warrant it the Board shall find that the execution of such warrant would work a serious economic detriment to a dependent citizen or legally resident alien wife, parent, or minor child of such deportable alien; but if any order suspending execution of a warrant of deportation shall have effect more than 6 months all of the facts and pertinent provisions of law in the case shall thereupon be reported to the Congress with appropriate recommendations and the reasons for clemency, which report shall be printed as a public document by the Clerk of the House. Upon the failure of Congress to act or resolve in respect of the case before the next adjournment of regular session after recommendation made, the order suspending deportation shall be vacated and deportation of the alien shall be immediately effected. If by act or resolution the Congress shall direct the deportation warrant to be canceled, the Commissioner of Immigration and Naturalization shall thereupon issue a certificate of arrival as if the alien's last entry had been lawful; whereupon the Secretary of State shall reduce by one the immigration quota of the country of the alien's nationality for the fiscal year then current or next following; and any alien in whose case the Board of Review shall decline to suspend an order of deportation shall be immediately deported. In funcan order of deportation shall be immediately deported. In functioning under this bill, the Board of Review shall act independently as a quasi-judicial body and its decisions and recommendations shall not be subject to the control of any other officer of the Government."

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. SMITH] for 5 minutes.

Mr. SMITH of Virginia. Mr. Chairman-

Mr. HOBBS. Mr. Chairman, will the gentleman from Virginia yield?

Mr. SMITH of Virginia. I yield.

Mr. HOBBS. Mr. Chairman, this amendment is thoroughly acceptable and I believe will strengthen the bill. It simply gives the alien "a break" by giving him the right to have his case heard by the regular Board of Review of the Bureau of Immigration. It relieves aliens of the necessity of getting private bills through Congress for their relief. It is a thoroughly well worked out amendment, very carefully drawn, and I believe that it should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to. The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHAPMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States, to require licensing of civilian military organizations, to make unlawful attempts to interfere with the discipline of the Army and Navy, to require registration and fingerprinting of aliens, to enlarge the jurisdiction of the United States Circuit Court of Appeals in certain cases, and for other purposes, pursuant to House Resolution 257, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the amended bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to

The SPEAKER. Is the gentleman opposed to the bill? Mr. MARCANTONIO. I am.

The SPEAKER. The Clerk will report the motion. The Clerk read as follows:

Mr. MARCANTONIO moves to recommit the bill H. R. 5138 to the Committee on the Judiciary.

The SPEAKER. The question is on the motion to recommit

The question was taken; and on a division (demanded by Mr. Marcantonio) there were-ayes 28, noes 149.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. The Chair has just counted the membership present. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were-yeas 48, nays 272, answered "present" 1, not voting 107, as follows:

[Roll No. 148]

	The	10-10	
Barry Bloom Bradley, Pa. Burdick Casey, Mass. Coffee, Wash. D'Alesandro Delaney Dunn Eberharter Ferguson Flaherty	Ford, Thomas F. Fries Gavagan Gehrmann Geyer, Calif. Havenner Healey Hill Hull Kean Keller Kennedy, Michae	Keogh Kirwan Kunkel Leavy Lemke McKeough Marcantonio Martin, Colo. Murdock, Utah Myers Norton	O'Day O'Toole Pierce, Oreg. Sabath Sacks Shanley Shannon Sirovich Tenerowicz Tinkham Voorhis, Calif. Wallgren

NAYS-272 Allen, Ill. Dondero Johns Patton Allen, La. Allen, Pa. Doughton Dowell Johnson, Ill. Johnson, Ind. Pearson Peterson, Fla. Andersen, H. Carl Doxey Johnson, Luther A. Peterson, Ga. Johnson, Lyndon Pittenger Johnson, Okla. Plumley Johnson, W. Va. Poage Jones, Ohio Polk Jones, Tex. Ramspecl Anderson, Calif. Anderson, Mo. Durham Dworshak Andresen, A. H. Andrews Edmiston Elliott Ramspeck Randolph Angell Ellis Arends Kee Keefe Arnold Engel Rankin Englebright Kelly Austin Rayburn Kennedy, Md. Reece, Tenn. Reed, Ill. Barden Evans Barnes Barton Kerr Kilday Faddis Fenton Rees, Kans. Flannery Kinze Bates, Ky. Richards Kitchens Risk Beam Folger Ford, Leland M. Ford, Miss. Beckworth Knutson Robertson Robinson, Utah Kocialkowski Bender Robsion, Ky. Rodgers, Pa. Rogers, Mass. Rogers, Okla. Romjue Fulmer Kramer Blackney Gamble Lambertson Landis Garrett Bland Larrabee LeCompte Lewis, Colo. Lewis, Ohio Boehne Bolles Gartner Gathings Brewster Gearhart Rutherford Ryan Brown, Ga. Gifford Luce Sandager Schafer, Ill. Schafer, Wis. Brown, Ohio Gilchrist Gillie Ludlow Bryson McAndrews Schiffler Buck Gore McCormack McDowell Buckler, Minn. Schuetz McGehee McLaughlin McMillan, John L. Burch Graham Schwert Seccombe Grant, Ala. Grant, Ind. Burgin Byrne, N. Y. Byrns, Tenn. Cannon, Mo. Sheppard Simpson Smith, Maine Green Gregory Maas Mahon Carlson Carter Cartwright Maloney Smith, Ohio Smith, Va. Smith, W. Va. Griffith Gross Mapes Marshall Guyer, Kans. Case, S. Dak. Chandler Gwynne Halleck Martin, III. South Sparkman Martin, Iowa Chapman Chiperfield Hancock Martin, Mass. Spence Hare Mason Springer May Michener Miller Church Harness Starnes, Ala. Clark Harrington Steagall Sumner, Ill. Clevenger Hart Mills, Ark. Mills, La. Cochran Coffee, Nebr. Harter, N. Y. Harter, Ohio Talle Tarver Monkiewicz Taylor, Colo. Taylor, Tenn. Colmer Hawks Cooper Corbett Costello Monroney Hendricks Moser Hess Hinshaw Mott Thill Mouton Thomas, Tex. Courtney Mundt Thomason Hobbs

Murdock, Ariz.

Murray Nelson

Norrell

O'Brien O'Leary

O'Neal Pace Parsons

Patrick

Thorkelson

Vincent, Ky.

Vinson, Ga. Vorys, Ohio Vreeland Walter

Tibbott Tolan Van Zandt

Ward

Whelchel White, Ohio Whittington Williams, Mo. Winter Wolcott Wolverton, N. J. Woodrum, Va. Youngdahl Warren Weaver West Wheat Williams, Del. Wolfenden, Pa.

ANSWERED "PRESENT"-1

Smith, Wash.

NOT VOTING-107

Curley Lanham Satterfield Schulte Darden Lea Ashbrook Ball Lesinski McArdle Scrugham Secrest Seger Dickstein Bates, Mass. Dies Dingell Boland McGranery Ditter Douglas McLean McLeod Bolton Shafer, Mich. Short Boren McMillan, Thos.S. Maciejewski Smith, Conn. Smith, Ill. Boykin Drewry Bradley, Mich. Buckley, N. Y. Bulwinkle Duncan Eaton, Calif. Eaton, N. J. Magnuson Snyder Somers, N. Y. Stearns, N. H. Mansfield Byron Caldwell Fay Fernandez Massingale Stefan Sullivan Cannon, Fla. Celler Mitchell Fish Sumners, Tex. Sutphin Fitzpatrick Nichols Clason Claypool Cluett Cole, Md. Cole, N. Y. Oliver Flannagan Osmers Patman Pfeifer Pierce, N. Y. Sweeney Taber Thomas, N. J. Gerlach Hall Hartley Hennings Treadway Wadsworth Collins Connery Holmes Powers Welch White, Idaho Hook Reed, N. Y. Cooley Crosser Izac Jarrett
Jenks, N. H.
Rennedy, Martin
Kleberg
Rich
Rockefellet
Routzohn
Sasscer Rich Rockefeller Wigglesworth Wood Crowther Woodruff, Mich. Cullen Cummings

So the motion to recommit was rejected. The Clerk announced the following pairs: On this vote:

On this vote:

Mr. Dingell (for) with Mr. Reed of New York (against).

Mr. Hook (for) with Mr. McLean (against).

Mr. Dickstein (for) with Mr. Thomas of New Jersey (against).

Mr. Lesinski (for) with Mr. Thomas of New Jersey (against).

Mr. Cullen (for) with Mr. Shafer of Michigan (against).

Mr. McGranery (for) with Mr. Fish (against).

Mr. Smith of Connecticut (for) with Mr. Darden (against).

Mr. Smith of Connecticut (for) with Mr. Darden (against).

Mr. Fay (for) with Mr. Eaton of New Jersey (against).

Mr. Fay (for) with Mr. Eaton of New Jersey (against).

Mr. Buckley of New York (for) with Mr. Ditter (against).

Mr. Culley (for) with Mr. Hartley (against).

Mr. Pfeifer (for) with Mr. Kleberg (against).

Mr. Sullivan (for) with Mr. Seger (against).

Mr. Martin J. Kennedy (for) with Mr. Holmes (against).

Mr. Fitzpatrick (for) with Mr. Cole of Maryland (against).

Mr. Merritt (for) with Mr. Flannagan (against).

General pairs until further notice:

General pairs until further notice:

General pairs until further notice:

Mr. Mansfield with Mr. Wadsworth.
Mr. Thomas S. McMillan with Mr. Treadway.
Mr. Lanham with Mr. Short.
Mr. Bulwinkle with Mr. Taber.
Mr. Rabaut with Mr. Bolton.
Mr. Boykin with Mr. Wigglesworth.
Mr. Coldwell with Mr. McLeod.
Mr. Boren with Mr. Wochod.
Mr. Boren with Mr. Wochod of Michigan.
Mr. Sumners of Texas with Mr. Pierce of New York.
Mr. Lea with Mr. Osmers.
Mr. Magnuson with Mr. Crowther.
Mr. Cooley with Mr. Stearns of New Hampshire.
Mr. Nichols with Mr. Stefan.
Mr. Patman with Mr. Oliver.
Mr. Fernandez with Mr. Jenks of New Hampshire.
Mr. Schulte with Mr. Douglas.
Mr. Cummings with Mr. Hall.
Mr. Sutphin with Mr. Cole of New York.
Mr. Ashbrook with Mr. Rich.
Mr. Snyder with Mr. Rockefeller.
Mr. Sweeney with Mr. Rockefeller.
Mr. Lac with Mr. Clason.
Mr. Connery with Mr. Routzohn.
Mr. Massingale with Mr. Bradley of Michigan.
Mr. Dies with Mr. Alexander.
Mr. Sasscer with Mr. Bates of Massachusetts.
Mr. Claypool with Mr. Maciejewski.
Mr. SMITH of Washington. Mr. Speaker, I Mr. SMITH of Washington. Mr. Speaker, I have a live pair with the gentleman from Oregon, Mr. Pierce. I therefore withdraw my vote of "yea" and answer "present."

The result of the vote was announced as above recorded. The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes."

Mr. HOBBS. Mr. Speaker, I ask unanimous consent, since the adoption of the Smith amendment inserting a new title in the bill, that the numbers of the titles and sections may be corrected to conform with the amendments which have been agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. Hobbs]?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. SABATH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 277.

The Clerk read the resolution, as follows:

House Resolution 277

Resolved, That the Committee on Ways and Means, as a whole or by subcommittee, is authorized to sit and act during recesses of the Seventy-sixth Congress, in the District of Columbia or else-where, and to hold such hearings as the committee may determine, in connection with the consideration and preparation of a bill or bills relating to internal-revenue taxes. For the purposes of this resolution the committee is authorized to employ such stenographic services, to have such printing and binding done, and to incur such other expenses as the committee may deem necessary.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

The resolution was agreed to.

JOHN H. BALMAT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill (S. 2288) for the relief of John H. Balmat, Jr., may be re-referred to the Committee on Military Affairs.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

A NATIONAL CENSUS OF HOUSING

Mr. NELSON, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 1419), which was referred to the House Calendar, and ordered to be printed:

House Resolution 281

Resolved, That immediately upon the adoption of this resolution Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2240, an act to provide for a national census of housing. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Census, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instruc-

EXTENSION OF REMARKS

Mr. Cochran asked and was given permission to extend his own remarks in the RECORD.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts from the Foreign Service

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. Peterson]?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two editorials on the Hatch bill.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. Shanley]?

There was no objection.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include some statements of record.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. GREEN]?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein excerpts from letters from my district on the transportation bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. Coffee]?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to included therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio address by the national commander of the Veterans of Foreign Wars, and an editorial.

The SPEAKER. Is there objection to the request of the

gentleman from Pennsylvania [Mr. Van Zandt]?

There was no objection.

Mr. Corbett, Mr. Bender, and Mr. Patrick asked and were given permission to extend their own remarks in the Record.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial from the Daily Argus Leader of Sioux Falls, S. Dak.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. Mundt]?

There was no objection.

CORRECTION OF MILITARY RECORD OF OBERLIN M. CARTER

Mr. ANDREWS. Mr. Speaker, on July 6 I reported for the Military Affairs Committee, to the House, a bill (H. R. 4723) to correct the military record of Oberlin M. Carter, formerly captain, Corps of Engineers, United States Army, to show that the judgment of court martial in his case is unlawful and invalid. I ask unanimous consent that this bill may be transferred from the Private to the Union Calendar.

The SPEAKER. Is that request by direction of the com-

mittee?

Mr. ANDREWS. It is the request of the majority of the members of the Committee on Military Affairs, who made the report.

The SPEAKER. The Chair suggests that the gentleman withhold that request until he gets authority from the committee. Under the rules that is necessary.

Mr. ANDREWS. I may say that the report was filed on behalf of the majority of the committee.

The SPEAKER. Is the gentleman making the request by direction of that committee?

Mr. ANDREWS. Not by direction of the committee; no. The SPEAKER. The Chair thinks that is necessary and suggests that the gentleman temporarily withdraw his request.

Mr. ANDREWS. Mr. Speaker, I temporarily withdraw my

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and to include certain excerpts from the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HINSHAW]?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from a gentleman in Atlanta, Ga., and an article from the Atlanta Constitution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

Mr. Johnson of Oklahoma asked and was given permission to extend his own remarks in the RECORD.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their own remarks in the RECORD on the bill H. R. 5138.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 2879. An act to authorize the posthumous appointment of the late Arthur Mortimer Fields, Jr., to be an ensign of the United States Navy; to the Committee on Naval Affairs.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5375. An act to promote nautical education, and for

other purposes;

H.R. 6746. An act to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes;

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 5375. An act to promote nautical education, and for other purposes;

H. R. 6746. An act to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes: and

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 53 minutes p. m.) the House adjourned until Monday, July 31, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs in the committee rooms, the Capitol, on Tuesday, August 1, 1939, at 10:30 a.m., for the purpose of considering

the following resolutions: House Joint Resolution 364, requesting the President to invite the Interparliamentary Union to hold its annual conference in New York in 1940, and authorizing an appropriation to defray the expenses of the conference; House Joint Resolution 336, to provide that the United States extend to foreign governments invitations to participate in the Congress of the International Federation for Housing and Town Planning to be held in the United States in 1941, and to authorize an appropriation to assist in meeting the expenses of the Congress.

EXECUTIVE COMMUNICATIONS, ETC.

1058. Under clause 2 of rule XXIV a letter from the Acting Secretary of the Interior transmitting the draft of a proposed bill for the relief of Roy F. Lassly, acting chief disbursing clerk, Department of the Interior, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SCHAFER of Wisconsin: Committee on Indian Affairs. House Joint Resolution 288. Joint resolution authorizing the Osage Tribe of Indians to submit claims to the Court of Claims; with amendments (Rept. No. 1415). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; with amendment (Rept. No. 1416). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 7032. A bill to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; with amendment (Rept. No. 1417). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 7411. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; without amendment (Rept. No. 1418). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON: Committee on Rules. House Resolution 281. Resolution providing for the consideration of S. 2240, a bill to provide for a national census of housing; with amendment (Rept. No. 1419). Referred to the House Calendar.

Mr. HILL: Committee on Expenditures in the Executive Departments. S. 506. An act relating to mileage tables for the United States Army and other Government agencies and to mileage allowances for persons employed in the offices of Members of House and Senate; with amendments (Rept. No. 1420). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 7420. A bill to amend laws for preventing collisions of vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. ELLIS:

H. R. 7421. A bill to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 7422. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5143. By Mr. MICHAEL J. KENNEDY: Petition of William Mesevich, president, local joint executive board, Hotel and Restaurant Employees' International Alliance and Bartenders' International League of A. M. A., representing 50,000 members in New York City, supporting the works financing bill; to the Committee on Appropriations.

5144. Also, petition of the American Merchant Marine Institute, Inc., relative to the Wheeler-Lea transportation bill; to the Committee on Interstate and Foreign Commerce.

5145. Also, petition of the Retail Dry Goods Association, requesting that the Doughton bill, H. R. 6635, with the Johnson amendments, S. 115, 117, and 126, be favorably reported by the conference committee and passed by the Congress; to the Committee on Ways and Means.

5146. Also, petition of locals Nos. 96, 100, and 109 of the United Federal Workers, urging enactment of pending amendments to the Relief Appropriation Act of 1940; to the Committee on Appropriations.

5147. Also, petition of the Interchemical Corporation, of New York City, relative to the importation of China-wood oil; to the Committee on Ways and Means.

5148. Also, petition of the American Association of Social Workers, favoring support of pending amendments to the Work Projects Administration Relief Act of 1940; to the Committee on Appropriations.

5149. Also, petition of the American Labor Party, favoring enactment of Wagner housing amendments; to the Committee on Banking and Currency.

5150. Also, petition of the New York State Association of Electrical Contractors and Dealers, urging favorable action on the Starnes bill, H. R. 7243, by the Appropriation Committee; to the Committee on Appropriations.

5151. Also, petition of the National Grange, protesting against the enactment of House bill 7120 and Senate bill 2759, providing for the construction and financing of self-liquidating projects; to the Committee on Banking and Currency.

5152. By Mr. KEOGH: Petition of W. C. Schiltuis, chairman, trade and transportation committee, New York Produce Exchange, New York City, concerning Senate bill 2009, the Wheeler-Lea transportation bill; to the Committee on Interstate and Foreign Commerce.

5153. Also, petition of Empire State Truck Operators Association, Syracuse, N. Y., opposing the Wheeler-Lea transportation bill; to the Committee on Interstate and Foreign Commerce.

5154. Also, petition of the American Manufacturing Co., Brooklyn, N. Y., concerning the O'Mahoney bill (S. 2719); to the Committee on the Judiciary.

5155. Also, petition of the New York State Industrial Union Council, New York City, concerning amendments to the Fair Labor Standards Act, amendment of the Social Security Act relative to aliens, and the Smith antialien bill (H. R. 5138); to the Committee on Labor.

5156. Also, petition of W. I. Bolton, president, New York State League of Savings and Loan Associations, concerning House bill 6971 and the Spence amendment for tax equalization; to the Committee on Ways and Means.

5157. By Mr. KERR: Petition of a mass meeting of peanut growers of North Carolina, in respect to the establishment of a schedule of prices in the 1939-40 peanut surplus removal program; to the Committee on Agriculture.

5158. By Mr. PFEIFER: Petition of James F. Keenan, representative, Iron Workers Local 361, Brooklyn, N. Y., urging restoration prevailing wage rate on Works Progress Administration; to the Committee on Appropriations.

5159. Also, petition of Robert E. Blum, secretary, Abraham & Straus, Inc., Brooklyn, N. Y., urging action on the amendments to the Social Security Act; to the Committee on Appropriations.

5160. Also, petition of the Hooker Electrical Co., New York City, favoring the amendment to House bill 7312, the Antidumping Act, and Senate Resolution 160, the Borah resolution; to the Committee on Interstate and Foreign Commerce.

5161. Also, petition of the Catholic Central Verein of America, Meriden, Conn., opposing the American participation in foreign affairs; to the Committee on Foreign Affairs.

5162. Also, petition of the National Grange, Washington, D. C., protesting against the enactment of Senate bill 2759 and House bill 7120; to the Committee on Appropriations.

5163. By the SPEAKER: Petition of the German-American League for Culture, Inc., Chicago, Ill., petitioning consideration of their resolution with reference to un-American propaganda; to the Committee on Rules.

SENATE

MONDAY, JULY 31, 1939

(Legislative day of Tuesday, July 25, 1939)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, the foundation of wisdom, whose statutes are good and gracious and whose law is truth. We beseech Thee so to guide and bless this Senate, that it may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of Thy people. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Saturday, July 29, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	King	Russell
Andrews	Downey	La Follette	Schwartz
Austin	Ellender	Lee	Schwellenbach
Bailey	Frazier	Lodge	Sheppard
Bankhead	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smathers
Bone	Gillette	McKellar	Smith
Borah	Guffey	Maloney	Stewart
Bridges	Gurney	Mead	Taft
Brown	Hale	Miller	Thomas, Okla.
Bulow	Harrison	Minton	Thomas, Utah
Burke	Hatch	Murray	Townsend
Byrd	Hayden	Neely	Truman
Byrnes	Herring	Norris	Tydings
Capper	Hill	Nve	Vandenberg
Chavez	Holman	O'Mahoney	Van Nuys
Clark, Idaho	Holt	Pepper	Wagner
Clark, Mo.	Hughes	Pittman	Walsh
Connally	Johnson, Calif.	Radcliffe	Wheeler
Danaher	Johnson, Colo,	Reed	White

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is absent from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. Green] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

PETITION AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the annual convention of the Arizona Wool Growers' Association at Flagstaff, Ariz., protesting against the present policy of reciprocal trade agreements, with particular reference to the granting of concessions to countries having low labor standards, and requesting that no concessions in the wool schedule be made in any new trade agreement, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the annual convention of the Arizona Wool Growers' Association at Flagstaff, Ariz., protesting against the transfer of the Forest Service, or any of its activities, from the Department of Agriculture and its consolidation with any other department of the Government, which was referred to the Select Committee on Government Organization.

Mr. HOLT presented a resolution of the Marshall County (W. Va.) McGuffey Society, favoring inclusion in the commemorative series of stamps issued by the Post Office Department of an appropriate design dedicated to honor William Holmes McGuffey, famous American educator, which was referred to the Committee on Post Offices and Post Roads.

Mr. NYE presented memorials, numerously signed, of sundry citizens of the State of North Dakota, remonstrating against the enactment of the so-called Wheeler-Truman bill, being the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1710) to provide for the cancelation of certain notes acquired by the Farm Credit Administration as a result of the activities of the Federal Farm Board, reported it with amendments and submitted a report (No. 1039) thereon.

Mr. LUCAS, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 5764) to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill., reported it without amendment and submitted a report (No. 1040) thereon.

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 66) making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax, reported it with amendments and submitted a report (No. 1041) thereon.

Mr. BARKLEY, from the Committee on the Library, to which were referred the following bill and joint resolutions, reported them severally without amendment:

H.R. 6585. A bill to provide for the disposition of certain records of the United States Government;

S. J. Res. 178. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.; and

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover.

LABOR POLICIES OF EMPLOYERS' ASSOCIATIONS—REPORT OF COM-MITTEE ON EDUCATION AND LABOR (REPT. NO. 6, PT. 5)

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to submit a report from the subcommittee of the Senate Committee on Education and Labor, pursuant to Senate Resolution 266, of the Seventy-fourth Congress, entitled "Labor Policies of Employers' Associations, Part II, the Associated Industries of Cleveland."

The VICE PRESIDENT. Without objection, the report will be received and printed.

INVESTIGATION CONCERNING COURT MARTIAL OF CAPT. OBERLIN M. CARTER

Mr. MINTON, from the Committee on Military Affairs, reported a resolution (S. Res. 176), which, under the rule, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas on May 1, 1935, Senate Resolution 60, Seventy-fourth Congress, was passed by the Senate to authorize the investigation of the facts leading up to the court martial and the court-martial proceedings and all the findings relating to the court martial of Capt. Oberlin M. Carter, formerly of the United States Army Engl-

Whereas the papers and records pertaining to this matter are voluminous and the facts are involved and relate to a case

whereas the Committee on Military Affairs, after some hearings in the matter, believe the cause worthy of the most searching inquiry, and the same is a matter beyond the time available to the members of the committee, the committee is further of the opinion that an expert investigator should be employed by the committee in this matter and funds be made available therefor:

Therefore, be it

Recolled That the Military Affairs Committee be and the same

Therefore, be it Resolved, That the Military Affairs Committee be, and the same is hereby, authorized to employ and pay an expert investigator to aid the committee in carrying out the purpose of Senate Resolution 60 of the Seventy-fourth Congress and to otherwise defray the necessary expenses of said committee, and there is hereby authorized to be paid from the contingent fund of the Senate the sum of \$5,000 to employ said investigator and to defray the expenses of said investigation, said appropriation to be disbursed upon vouchers approved by the chairman of the committee or the chairman of the subcommittee that may be in charge of said investigation.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 2922. A bill for the relief of Mr. and Mrs. Juan Ramirez; to the Committee on Claims.

By Mr. NYE:

S. 2923. A bill for the relief of Joseph Darabout; and S. 2924. A bill for the relief of Joseph Darabout; to the Committee on Finance.

(Mr. Norris introduced Senate bill 2925, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 2926 (by request). A bill for the relief of the Osage Tribe of Indians in Oklahoma; to the Committee on Claims.

By Mr. WALSH (for himself, Mr. Byrnes, Mr. Brown, and Mr. La Follette):

S. 2927. A bill to authorize the Secretary of Agriculture to enter into cooperative agreements or leases with the owners of forest lands in order to provide for their management in accordance with proper forestry practices, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LA FOLLETTE:

S. 2928. A bill providing for payment to the State of Wisconsin for certain State-owned lands which the United States by treaties granted to certain Indian tribes; to the Committee on Indian Affairs.

TAXATION OF TENNESSEE VALLEY AUTHORITY PROPERTIES

Mr. NORRIS. Mr. President, when the Congress recently passed the act amending the Tennessee Valley Authority Act, having for its object carrying out the tentative program of purchase by the Authority, there was considerable agitation in regard to the money, if any, that should be paid by the Tennessee Valley Authority in lieu of taxation.

I promised at that time, both in the Senate and outside, that I would introduce a bill covering that subject as soon as possible; that the subject was under discussion by experts of the T. V. A., Federal authorities, and State authorities; and that it would require some time to complete those studies. Mr. President, those studies have not as yet been completed, but I desire to fulfill the promise I made; and today Representative Sparkman, of Alabama, of the House of Representatives, and I are each introducing identical bills in the House and Senate for the purpose of eliciting criticism, study, and advice on this very complicated subject. It is not our intention that hearings even be had at this session of Congress, but the desire is to obtain sufficient publicity and to elicit recommendations and suggestions concerning the problem from any party interested, either on the side of the Federal Government or of the States.

I ask consent to introduce that bill in the United States Senate, and also ask that it be printed in the RECORD, and that, in connection with it, in the RECORD there be printed a letter to me from Dr. Morgan, Chairman of the Tennessee Valley Authority Board, together with some statistics showing the study that has thus far been made on the subject and some conclusions that have been reached; and also publish with it in the RECORD a joint statement from Representative SPARKMAN, of Alabama, and myself as to the objects to be accomplished or attempted to be accomplished by the bill and the purpose of introducing the bill at this time.

The VICE PRESIDENT. Without objection, the bill will be received and properly referred, and together with the matters referred to by the Senator from Nebraska will be

printed in the RECORD.

The bill (S. 2925) to amend the Tennessee Valley Authority Act of 1933, was read twice by its title and referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 13 of the Tennessee Valley Authority Act of 1933 be, and the same is hereby, amended to read as follows:

"SEC. 13. In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has accorporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the board is authorized and directed to pay to said States, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable purpose. together with such additional amounts as may be payable pursuant to the provisions hereinafter set forth, said payments to be in lieu of taxes and to constitute a charge against the power operations of the Corporation for the fiscal year then beginning and to be made upon condition that no State, county, or local taxes shall be assessed or levied against the property, operations, or business of the Corporation; for the fiscal year (beginning July 1) 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7½ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent. Gross proceeds, as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States.

The payment for each fiscal year shall be apportioned among said States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof

The payment for each fiscal year shall be apportioned among said States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all such property held by the Corporation on the same date. The book value of power property shall include that portion of the investment allocated or estimated to be allocable to power. Provided, That the minimum annual payment to each State shall not be less than the 2-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State plus that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and allocated or estimated to be allocable to power. The said 2-year average shall be calculated for the last 2 tax years during which said property was privately owned and operated. Provided, further, That the minimum annual payment to each State in which the Corporation owns and operates power property shall not be less than \$10,000 in any case. The determination of the board of the amounts due hereunder to the respective States shall be final.

The payments above provided shall in each case be made to the State not later than July 31 of each year, and it is the intention of the Congress that each State shall redistribute said payments or a portion thereof to counties and other local taxing districts affected by the program of the Corporation.

It is likewise intended that each of the said States shall in like manner redis

manner redistribute all payments made in lieu of taxation paid to

municipalities by municipal authorities as provided in contracts made for the purchase of power from the Corporation.

The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various

States hereunder and the redistribution by the States of the amounts paid to them; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States receiving payments hereunder and to the local subdivisions thereof, and the effect of such benefits in increasing taxable values within such States and local subdivisions; and such other data, information, and recommendations as may be pertinent to future legislation.

The letter, statistics, and statement presented by Mr. Norris are as follows:

TENNESSEE VALLEY AUTHORITY, KNOXVILLE, TENN., July 28, 1939.

Tennessee Valley Authority,
Knoxville, Tenn., July 28, 1939.

The Honorable George W. Norris,
United States Senate, Washington, D. C.

Dear Senator Norris: Some weeks ago during the course of public hearings before the Committee on Military Affairs on the bill to amend the bond-issuing powers of the Tennessee Valley Authority, you stated that you would introduce in this session of the Congress a bill revising section 13 of the T. V. A. Act which deals with payment in lieu of taxes by T. V. A. to the States. You urged that this subject should not be dealt with in the bond legislation because, among other things, it was advisable that conferences be held between the T. V. A. and the States concerned and that further study be given to the matter. The conferences were proposed for the purpose of seeking agreement on the amount of tax losses that would arise from the transfer of private property to tax-exempt public ownership and the fiscal effects to be anticipated from such transfers. It was proposed in addition that there be an exchange of views between the T. V. A. and the various States on the complicated problem of T. V. A. contributions to the cost of State and local government.

These conferences have proceeded with due diligence. In Tennessee, Governor Cooper appointed a State committee consisting of Mr. George Fort Milton, publisher of the Chattanooga News; Mr. Lon McFarland, general counsel for the Tennessee Railroad and Public Utilities Commission, and Mr. Will Gerber, city attorney of the city of Memphis. A number of conferences were held between representatives of the T. V. A. and this State committee. In Alabama, such conferences were had with Governor Dixon, Mr. John W. Lapsley, counsel for the State department of revenue, and also with an interim committee of the State legislature appointed for the purpose of considering this subject. In Georgia, conferences were had with Governor Rivers and other State officials. In Kentucky, the conferences included Governor Chandler and Acting Commissioner of Rev

ing of this draft will indicate clearly its content, some additional comments may be useful.

1. The in-lieu-payment problem involves fundamental policy considerations as well as public-finance issues that are more technical in character. There was considerable difference of opinion on the issues involved within the T. V. A. staff itself and among the able tax consultants who considered the problem. Differing and conflicting interests were found among the States and between the Authority and the various States.

2. The draft of the recommended bill provides that the payment by the T. V. A. to the States as a contribution to the cost of State and local government be 10 percent of gross proceeds from the sale of power for the first year and that it be graduated downward over a period of years to 5 percent. Due to the expanding gross revenues of the T. V. A. from the same service area and without any expansion of its market area the declining percentages are estimated to yield substantially a constant amount until 1949. After that date the amount payable to the States under the constant 5 percent would increase in proportion to revenue expansions.

under the constant 5 percent would increase in proportion to revenue expansions.

3. The enclosed statistical tables show that the total estimated annual payments to the States will be approximately \$1,200,000. The percentages of gross proceeds from power sales provide about \$1,100,000 of this annual payment. The remaining \$100,000 is added because of a proviso that the minimum annual payment shall be equal to the former State and local ad valorem property taxes levied on property acquired from utility companies and on that share of the purchased reservoir lands properly allocated to nower.

4. An important feature of this recommended bill is a formula 4. An important reature of this recommended bill is a formula for the allocation among the several States of the total payment set aside by T. V. A. for tax equivalents. This formula gives equal weight to (a) T. V. A. power-property investment in the State and (b) T. V. A. power revenues derived in the State. Estimates of the percentage distribution by States of power sales and power property are given in the accompanying tables for the fiscal years (beginning July 1) 1940-44. 5. The minimum payment of \$10,000 a year to each State means that prior to an allocation of properties in process of construction in North Carolina (Hiwassee) and Kentucky (Gilbertsville, now known as the Kentucky Dam) these States will receive some revenue in recognition of the tax problem which certain of their counties in the presence of the lax problem.

ties in the reservoirs will experience.
6. The payments to the States under the proposed bill are less than the total of State and local taxes formerly collected on the than the total of State and local taxes formerly collected on the purchased property and operations of privately owned utilities and private landowners. We consider the 10-percent payment for the first year to be a fair State and local tax equivalent. Since the power program of the Authority is conferring valuable benefits in the area and is producing and marketing a volume of power greatly in excess of the operations that could have been expected under private ownership, it appears equitable that a portion of this tax equivalent be retained by the Authority for the Federal Treasury. The report required on January 1, 1945, should indicate whether or not the allowance for such benefits conforms to sound and desirable fiscal policy.

The only subject dealt with in this recommended draft of bill

The only subject dealt with in this recommended draft of bill The only subject dealt with in this recommended draft of bill is the Federal Government's contribution on property which it owns; the contribution to the State and local subdivisions by municipalities and other public agencies owning their own electric facilities is, of course, not included in these computations nor covered by this proposed bill. We have reason to believe that the States—certainly the State of Tennessee, which is most extensively affected—will energy State legislation providing for such payments by municipalienact State legislation providing for such payments by municipalities to the State and other local agencies.

As you know, the T. V. A. Board has committed itself to indicate to the States and other interested parties the results of its investigation of the facts and its recommendations respecting tax adjust-Such a report, directed to the agencies with whom we have been conferring, will be made sometime next week.

Drafts of this letter and the proposed amendment to section 13 have been submitted to the Bureau of the Budget, which has advised that there would be no objection to their transmission with the understanding that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely yours,

TENNESSEE VALLEY AUTHORITY, HARCOURT A. MORGAN, Chairman of the Board.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940-44

State	Amount of percentage payment allocated by for- mula 1	Amount added by proviso 2	Total pay- ment
		1940, rate 10 p	ercent
Alabama	\$238, 710 19, 480 103 40, 610 309 731, 488	\$41, 874 9, 897 29, 472 9, 691 115, 614	\$238, 710 61, 354 10, 000 70, 082 10, 000 847, 102
Total	1, 030, 700	206, 548	1, 237, 248
	194	1, rate 9 perc	ent .
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$239, 025 19, 118 226 43, 235 25, 678 803, 838 1, 131, 210	\$42, 236 9, 774 26, 757 43, 264	\$239, 025 61, 354 10, 000 70, 082 25, 678 847, 102
1000		2, rate 8 perc	
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$243, 023 15, 837 765 40, 741 29, 709 762, 165	\$45, 517 9, 235 29, 341 84, 937	\$243, 023 61, 354 10, 000 70, 082 29, 709 847, 102
Total	1, 092, 240	169, 030	1, 261, 270

¹ Allocation: ½ according to location of power property including the portion of multipurpose investment allocated or estimated to be allocable to power; ½ according to power sales.

² The minimum payment is the ad valorem property taxes on power property purchased from utility companies plus ad valorem property taxes on the portion of reservoir lands of multipurpose projects allocated or estimated to be allocable to power or \$10,000, whichever is higher.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940–44—Continued

State	Amount of percentage payment allocated by for- mula	Amount added by proviso	Total pay- ment
	1943	, rate 7½ per	cent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee Total	\$234, 383 14, 848 770 41, 575 29, 367 778, 932 1, 099, 875	\$46, 506 9, 230 28, 507 68, 170 152, 413	\$234, 383 61, 354 10, 000 70, 082 29, 367 847, 102 1, 252, 288
	194	4, rate 7 perc	ent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$220, 485 13, 842 1, 428 41, 856 27, 684 793, 285	\$47, 512 8, 572 28, 226 53, 817	\$220, 485 61, 354 10, 000 70, 082 27, 684 847, 102
Total	1, 098, 580	138, 127	1, 236, 707

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power sales

100000	1940	1941	1942	1943	1944		
State	Amount						
Alabama Georgia Kentucky Mississippi North Carolina Tennessee Total	\$238, 710 19, 480 103 40, 610 309 731, 488 1, 030, 700	\$239, 025 19, 118 226 43, 325 25, 678 803, 838 1, 131, 210	\$243, 023 15, 837 765 40, 741 29, 709 762, 165 1, 092, 240	\$234, 383 14, 848 770 41, 575 29, 367 778, 932 1, 099, 875	\$220, 485 13, 842 1, 428 41, 856 27, 684 793, 285 1, 098, 580		
	GNE A		Percentage				
Alabama Georgia Kentucky Mississippi	23, 16 1, 89 . 01 3, 94	21. 13 1. 69 . 02 3. 83	22. 25 1. 45 . 07 3. 73	21.31 1.35 .07 3.78	20. 07 1. 26 . 13 3. 81		

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power sales—Continued

	1940	1941	1942	1943	1944			
State	Percentage							
North Carolina Tennessee	0.03 70.97	2. 27 71. 06	2. 72 69. 78	2. 67 70. 82	2. 52 72. 21			
Total	100.00	100.00	100.00	100.00	100.00			

Preliminary estimate of State and local property tax losses resulting from completed and proposed Tennessee Valley Authority purchase of electric-utility properties and reservoir lands, July 13. 1939

Former ad valorum tax levies on property

	purchased or proposed for purchase by Tennes- see Valley Authority						
		Reserve	Total				
State	Utility- company proper- ties	er- (te		utility company plus 40 percent reservoir land			
Alabama	2 \$53, 261 61, 354	\$\$65, 841	\$25, 936	\$79, 197 61, 354			
Kentucky Mississippi North Carolina Tennessee	69, 029 803, 382	4 10, 000 2, 632 6, 320 5 109, 300	4, 000 1, 053 2, 528 43, 720	4,000 70,082 2,528 847,102			
Total	987, 026	193, 093	77, 237	1, 064, 263			

In general, estimates are calculated on basis of tax levy for year preceding date of Tennessee Valley Authority acquisition of properties. Data are not available for computing tax losses on basis of a 3-year average.

I Minimum payment to States guaranteed under proposed amendment to see. 13. Drafted July 13, 1939.

Includes \$1,725 State and local property taxes estimated to have been lost through War Department land purchases for Wilson Dam, Reservoir, and a small amount of reservation located north of the Tennessee River.

Estimate based upon probable Tennessee Valley Authority land acquisition through fiscal year 1940. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands in Kentucky may approximate \$15,000.

Includes total computed tax losses resulting from Pickwick, Guntersville, Chickamanga, and Norris Reservoirs, plus estimate of \$10,000 for Gilbertsville and \$5,000 for Watts bar reservoirs. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands for the Gilbertsville project in Tennessee may approximate \$50,000, and for the Watts bar project, \$30,000.

Preliminary estimated gross receipts 1 from Tennessee Valley Authority power sales, by States, for the fiscal years 1940-443 [Gross sales in thousands of dollars]

			o in thousand							
State	19403		1941		1942		1943		1944	
State	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Alabama Georgia Kentucky Mississippi North Carolina. Tennessee	930, 000 50, 000 2, 000 390, 000 5, 000 8, 930, 000	9. 02 . 49 . 02 3. 78 . 05 86. 64	1, 340, 000 60, 000 4, 000 460, 000 5, 000 10, 700, 000	10. 66 . 48 . 03 3. 66 . 04 85. 13	1, 775, 000 66, 000 6, 000 500, 000 6, 000 11, 300, 000	13.00 .49 .04 3.66 .04 82.77	1, 880, 000 73, 000 6, 000 550, 000 6, 000 12, 150, 000	12. 82 . 50 . 04 3. 75 . 04 82. 85	2,000,000 80,000 7,000 600,000 7,000 13,000,000	12. 74 . 51 . 05 3. 82 . 05 82. 83
Total	10, 307, 000	100.00	12, 569, 000	100.00	13, 653, 000	100.00	14, 665, 000	100.00	15, 694, 000	100.00

Preliminary estimates of the percentage distribution of the book

State	1940	1941	1942	1943	1944
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	37. 3 3. 3 0 4. 1 0 55. 3	31. 6 2. 9 0 4. 0 4. 5 57. 0	31. 5 2. 4 .1 3. 8 5. 4 56. 8	29. 8 2, 2 , 1 3, 8 5, 3 58. 8	27. 4 2. 0 2. 2 3. 8 5. 0 61. 6
Total	100.0	100.0	100.0	100.0	100.0

¹ Property devoted exclusively to electric purposes plus common property allocated to electric purposes.

JOINT STATEMENT OF REPRESENTATIVE SPARKMAN, OF ALABAMA, AND SENATOR NORRIS, OF NEBRASKA, RELATING TO BILL INTRODUCED TO AMEND SECTION 13 OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933. WITH REFERENCE TO CONTRIBUTIONS OF THE TENNESSEE VALLEY AUTHORITY, IN LIEU OF TAXATION

JULY 31, 1939.

We have today introduced in the House and the Senate identical bills, the purpose of which is to amend section 13 of the Tennessee Valley Authority Act to provide for payments to the States by the Tennessee Valley Authority, in lieu of taxation.

The bill provides that a fund shall be created for this purpose by a levy upon the gross receipts from power sales in the fiscal year 1940 of 10 percent of such sales. This percentage shall gradually be reduced during succeeding fiscal years until the fiscal year 1948 and thereafter, when such percentage shall

Excluding power used by the Authority or sold or delivered to any other department or agency of the Government of the United States.

The sales estimates for each year have been reduced by about \$775,000 to allow for contingencies such as the curtailment in delivery of interruptible and secondary power to industry.

Revenue estimates assumes transfer of Tennessee Electric Power, Alabama and Mississippi properties by Aug. 15, 1939.

be 5 percent. It is estimated that on account of increased sales practically the same amount of money will be raised during

each of these years.

This fund so created shall be divided among the States where the properties of the T. V. A. are located, as follows: One-half of said fund shall be apportioned by paying to each State the percentage thereof of which the gross proceeds of the power sales by the corporation within such State during the preceding fiscal year bears to the total gross proceeds from all sales of power. The other one-half of said fund shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the corporation within said State bears to the total book value of all property held by the T. V. A. on the same date. The book value of the power property includes that portion of the investment allocated to power. It is provided that the minimum annual payment to each State under this division shall not be less than the 2-year average of State and local ad valorem property taxes levied against said property purchased and operated by the T. V. A. in said State, plus that portion of reservoir lands related to dams constructed by the Government of the United States and allocated to power. The 2-year average is calculated for the last 2 years during which This fund so created shall be divided among the States where The 2-year average is calculated for the last 2 years during which

The 2-year average is calculated for the last 2 years during which said property was privately owned and operated.

The bill we have introduced is tentative in its nature. We do not intend to attempt to secure the passage of the bill at this session. We introduce it now for the purpose of inviting criticism from all interested parties. We expect further studies to be made of the subject matter by the T. V. A., the tax representatives of the various States affected, and other experts representing the Government of the United States between now and the beginning of the next session of Congress, at which time it is ing the Government of the United States between now and the beginning of the next session of Congress, at which time it is also our expectation that such studies will be completed and that hearings shall be held upon the bill, with a view of changing or correcting anything that appears to be wrong as a result of such studies, that Congress may be informed of all the facts relating to the subject, so that legislation can be had at the beginning of the next session of Congress.

We desire also to call attention to the fact that the money to

We desire, also, to call attention to the fact that the money to be raised by the provisions of this bill is not the only contribution made in lieu of taxes. When the T. V. A. contracts with a municipality to sell power, it is provided in said contract there shall be paid out of revenues received from the sale of power a sum equal to what the distribution system would pay in taxes, if such system were privately owned. The vertous sums thus if such system were privately owned. The various sums thus raised should be added to the fund created by the bill in order to get a true picture as to what the entire T. V. A. system would pay in lieu of taxes, if this is enacted into law.

We have also had printed in the Congressional Record a

alter from the chairman of the Board of the Tennessee Valley Authority, with accompanying tables and statistics, showing the study which has thus far been made by the T. V. A. and the various State representatives of this very perplexing question.

FOREST RESTORATION

Mr. WALSH. Mr. President, in behalf of myself, Senator Byrnes, of South Carolina, Senator Brown, of Michigan, and Senator La Follette, of Wisconsin, I ask consent to introduce, for appropriate reference, a bill embodying a forest-restoration plan. The purpose of the bill is to restore idle forest land to production and help to rehabilitate men and bring communities new forest areas without additional appropriations-the money to pay for the work being transferred from relief or public works funds to the Secretary of Agriculture who would use the funds as a form of credit to improve those lands. The bulk of the work would be done in distressed forest regions where the struggle for existence is most strenuous. These regions are located in the sections of the country where the forests have been denuded, namely: New England States, Midwestern Lake States, and Southern States. It is believed the proper development of these areas will afford both an opportunity for worth-while employment of relief labor on the basis of recovery in part of the labor cost and will also result in community betterment and an economic gain of substantial proportions.

It is estimated the program of forest work, if carried out on a Nation-wide scale, would give temporary part-time employment to as many as 1,000,000 relief workers in localities

adjoining rural areas.

The plan is to be administered by the Secretary of Agriculture in association with State forestry agencies, voluntary State committees, and county advisory committees.

The essence of the plan is the leasing by the Government of private-owned depleted forest lands by voluntary contractual agreement. No owner of denuded forest lands is under any compulsion to lease his land. The rental under the lease, payable annually by the Government to the owners, is an amount not exceeding the annual average of the taxes for the preceding 5 years. This rental would permit the owner to pay his local real-estate tax. The term of the lease by the Government from the owner would run until the Government has obtained reimbursement for its expenditures to the extent of 50 percent, without interest in all cases, except where the lease embraces more than 500 acres from an owner. In such cases the reimbursement to the Government is to be 100 percent.

The owner may, at any time, terminate his lease with the Government if he refunds the advances made by the

Government on his land.

The work by the Government is to include planting, harvesting, and marketing of forest products, all costs paid by the Government.

It is believed this plan will encourage villages, towns, and school districts to start a community forest since the plan will aid and assist them in properly managing the property.

Preference in employment under this program of work is to be given to the owner or occupant of the lands in the forest restoration units and to qualified local persons in need of employment in the vicinity of these areas.

The plan has been under consideration for some time by a number of public-spirited citizens residing in the areas and after consultation and cooperation with the Federal Forest Service, and is now submitted to the Congress for study and investigation.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred.

(See Senate bill 2927, introduced today by Mr. Walsh (for himself, Mr. Byrnes, Mr. Brown, and Mr. La Follette), which was referred to the Committee on Agriculture and Forestry, and appears under the appropriate heading.)

EXTENSION OF CREDITS AND LOANS TO FOREIGN NATIONS AND NATIONALS

Mr. GILLETTE submitted the following resolution (S. Res. 173), which was referred to the Committee on Banking and Currency:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation with respect to make a full and complete study and investigation with respect to (1) the extension of credits, and the lending and advancing of funds, by agencies or instrumentalities of the United States to foreign governments or to foreign governmental agencies or instrumentalities or to foreign nationals, (2) the effects and desirability of such extensions of credits and loans and advances of funds, and (3) the use which has been or may be made of such credits and funds. The committee shall report to the Senate, as soon as practicable, the results of its study and investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hear-

authorized subcommittee thereof, is authorized to hold such hearauthorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-sixth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed \$15,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

TOBACCO INQUIRY

Mr. GEORGE. I submit a resolution for reference to the Committee on Agriculture and Forestry. With the permission of the Senate I will read the resolution, because it is in my own handwriting, and the clerk might have some difficulty in deciphering it.

The resolution (S. Res. 175) is as follows:

Resolved, That a committee of five Senators be appointed by the Vice President to inquire into:
(1) The stocks of flue-cured tobacco now on hand, whether

in the hands of growers, warehousemen or manufacturers;

(2) The consumption of tobacco during the last 12 months;
(3) The cause of the present decline in prices of unmanufactured tobacco (raw tobacco) prevailing in the 1939 market;
(4) What if any steps have been taken by the Department of Agriculture to stabilize the price to the American producers of the 1939 crop now coming on the market;—
and report to the Senate at the earliest practicable time.

That \$1,000 be appropriated for such inquiry and investigation, and that the committee shall have the usual powers of investigating committees.

Mr. GEORGE. Mr. President, I ask that the resolution be referred to the committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, it is so ordered.

INVESTIGATION OF NEGOTIATIONS BY AMERICAN CITIZENS RELATIVE TO CERTAIN OIL SALES IN MEXICO

Mr. BRIDGES submitted the following resolution (S. Res. 177), which was referred to the Committee on Foreign Relations:

Whereas various editorials and news articles have been published in the daily press from time to time concerning the activities of certain American citizens with the Mexican Government in connection with the sale, barter, or exchange of Mexican oil; and Whereas, due to the expropriation of certain American-owned oil

Whereas, due to the expropriation of certain American-owned oil properties by the Mexican Government, such activities of the American citizens are vitally important to the Government of the United

Whereas it is alleged that a certain official or officials of the United States Government have appeared in Mexico and made public statements to the effect that the expropriation of the said property of certain American citizens was in accord with the social objectives of the New Deal; and

Whereas it is alleged that the expropriated property of the said American citizens has been sold, traded, or bartered to certain foreign powers with the aid, assistance, and connivance of American citizens to the detriment of American trade and industry; and

Whereas it is alleged that certain American citizens, members of the Congress of Industrial Organization and the Non-Partisan Labor League, were active in promoting the expropriation of the said properties of American citizens; and

Whereas the said expropriation of American-owned properties in Mexico is not compatible with the so-called good-neighbor policy maintained by the United States and Central and South American governments; and

Whereas it is alleged that certain of the above-mentioned American citizens who are concerned with the activities in connection with the expropriation of the said American properties in Mexico have been large contributors to political campaigns in the United States; and

Whereas the United States Government aids and assists the Mexican Government, which has expropriated the above-mentioned properties of American citizens, by its purchase of Mexican silver at a premium: Now, therefore, be it

Resolved, That a committee of three Senators be appointed by the President of the Senate and directed to make a full and complete investigation of any and all negotiations carried on by officials of the United States Government or other citizens of the United States with the Mexican Government, or any official thereof, or citizens thereof, in connection with the sale, barter, exchange, or trade of oil produced on American-owned property expropriated by the Mexican Government, with the view of determining whether such editorials, news articles, or other statements made in connection with such negotiations are true or whether any criminal statute of United States has been violated. The committee shall report to the Senate as soon as practicable after the commencement of the next session of the Seventy-sixth Congress the results of the investigation, together with its recommendation, if any, for necessary legislation. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the recesses and adjourned periods of the Senate in the Seventy-sixth Congress, to employ such clerical, investigators, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 5c cents per hundred words. The expenses of such hearings, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

SURPLUS PURCHASES OF DAIRY PRODUCTS—ADDRESS BY SENATOR LA FOLLETTE

[Mr. La Follette asked and obtained leave to have printed in the Record a radio address by himself, broadcast by transcription over station WHA, Madison, Wis., on June 29, 1939, on the subject, Surplus Purchases of Dairy Products, which appears in the Appendix.]

DIAMOND JUBILEE OF CIGAR MAKERS INTERNATIONAL UNION—ADDRESS BY SENATOR MEAD

[Mr. Mead asked and obtained leave to have printed in the Record a radio address delivered by him at the Raleigh Hotel, Washington, D. C., on June 28, in connection with the seventy-fifth anniversary of the Cigar Makers International Union of America, which appears in the Appendix.] SERMON AT FUNERAL SERVICES OF THE LATE REPRESENTATIVE LORD

[Mr. Mead asked and obtained leave to have printed in the Record the sermon delivered by Rev. Fred J. Nichols, pastor, First Baptist Church, Afton, N. Y., at the funeral services of Hon. Bert Lord, late a Member of Congress, which appears in the Appendix.]

THE UNITED STATES AND THE WORLD WAR—ARTICLE BY HON. GEORGE WHARTON PEPPER

[Mr. Borah asked and obtained leave to have printed in the Record an article entitled "Never Again," written by Hon. George Wharton Pepper, and published in the American Legion for August 1939, which appears in the Appendix.1

CONSCRIPTION IN CASE OF WAR

[Mr. Wheeler asked and obtained leave to have printed in the Record an article under the heading "M-Day and after," by Cabell Phillips and J. D. Radcliffe, condensed from the American Legion magazine, which appears in the Appendix.]

HON. JAMES A. FARLEY

[Mr. GILLETTE asked and obtained leave to have printed in the Record several editorials concerning Hon. James A. Farley, which appear in the Appendix.]

THE UNITED STATES AND WORLD PEACE—ADDRESS BY HON. PAUL V. M'NUTT

[Mr. Minton asked and obtained leave to have printed in the Record an address by Hon. Paul V. McNutt, delivered on International Peace Day, World's Poultry Congress, Cleveland, Ohio, July 30, 1939, on the subject of the United States and World Peace, which appears in the Appendix.]

ADDITIONAL FEDERAL JUDGESHIPS

IMr. REED asked to have printed in the RECORD an editorial dealing with creation of additional Federal judgeships, entitled "No Fifth Judgeship," published in the Newark Evening News of Thursday, July 27, 1939, which appears in the Appendix.]

AMERICAN SECRETARIES OF STATE

[Mr. McKellar asked and obtained leave to have printed in the Record an editorial dealing with the American Secretaries of State, entitled "Our Cabinet Premiers," published in the Nashville Banner of July 29, 1939, which appears in the Appendix.]

AMERICA'S RESPONSIBILITY

[Mr. Shipstead asked and obtained leave to have printed in the Record two editorials published in the Montreal Daily Star, one on June 22, 1939, entitled "Should Britain Fight Japan Alone?" and the other, on June 27, 1939, entitled "Why Not Redeem Woodrow Wilson's Pledges?" which appear in the Appendix.]

AMERICA AND WORLD PEACE

[Mr. Bone asked and obtained leave to have printed in the Record an article on the subject of America and world peace, entitled "Civilization in Our Keeping?" by Stuart Chase, published in Common Sense of August 19, 1939, which appears in the Appendix.]

VICE PRESIDENT GARNER

[Mr. Clark of Missouri asked and obtained leave to have printed in the Record an editorial on Vice President Garner, of Texas, entitled "For the Enemies He Has Made," published in the Nashville Tennesseean, Friday, July 28, 1939, which appears in the Appendix.]

RESIGNATION OF JESSE H. JONES AS CHAIRMAN OF THE BOARD OF THE RECONSTRUCTION FINANCE CORPORATION

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the Record the letter from Jesse H. Jones, tendering his resignation as Chairman of the Board of the Reconstruction Finance Corporation, together with resolutions passed by the Board extending their felicitations to Mr. Jones on the new avenues of useful activity opened to him in his position as Federal Loan Administrator.

There being no objection, the matters were ordered to be printed in the Record, as follows:

RECONSTRUCTION FINANCE CORPORATION, Washington, July 15, 1939.

To the Board of Directors:

To the Board of Directors:

I hereby tender you my resignation as Chairman of our Board. Tomorrow I shall resign as a director of the Corporation to accept appointment by the President as Federal Loan Administrator.

I need not tell you that I resign as your Chairman and leave the Board with a heavy heart. Not because I feel that someone else cannot take my place, and do as well both as a director and as Chairman, but because of the more than 7 years' association with you and the others who have served on the Board and in the Corporation since it was organized February 2, 1932.

It is my belief that no body of men in public or private business has ever gotten along more harmoniously than our Board and those who have served the Corporation with us.

Bipartisan by act of Congress, I am glad to be able to say that politics and partisanship have never influenced our decisions.

The R. F. C. has rendered a great service to the American people, far greater than can be generally known. It has averted ruin and disaster for millions of our citizens.

disaster for millions of our citizens.

It has saved millions of depositors and shareholders in banks and building and loan associations; it has strengthened the banking system of the country, making loans to and putting capital in more than 10,000 banks; it has aided millions of farmers and stockmen through loans and advances on their products and livestock, and through refinancing drainage, levee, and irrigation districts has enabled a great many farmers and landowners to reduce by two-thirds the water and debt charges on their lands; it has helped thousands of home owners save their homes, and made possible the construction of many new homes; it has created work for millions of nearly through loans to husters enterprises and for useful of people through loans to business enterprises and for useful public works; it has extended aid to thousands of victims of disasters; and in many other ways has contributed to the economic

stability of our country.

All this has been accomplished without any net loss or cost to the

All this has been accomplished without any net loss or cost to the Government, and yet every deserving borrower who has asked for credit has been given credit where he could comply with the letter and the spirit of the law under which we operate.

If I were leaving the R. F. C. entirely, I would be unhappy beyond expression. I love the organization, and have a deep affection for every member of it. I appreciate the service and loyalty they have given it, and like to believe that everyone connected with the Corporation has the same pride in its achievements that I have. I love the very name "R. F. C." It represents 7½ years of my life, and is a part of me. a part of me.
With every good wish for its continued success,

Sincerely yours,

JESSE H. JONES. Chairman.

Whereas Jesse H. Jones became a member of the Board of Directors of the Reconstruction Finance Corporation on February 2, 1932, the date the Corporation was organized, and was elected Chairman of

the Board on May 5, 1933; and
Whereas Mr. Jones has been appointed by the President of the
United States Federal Loan Administrator, in charge of the Federal
Loan Agency, of which this Corporation is a part; and in consequence
thereof has resigned as Chairman and a member of this Board:

Now, therefore, be it

Resolved, That the members of the Board of Directors of this Corporation express to Mr. Jones their sincere congratulations and best wishes in his new undertaking and their genuine happiness that they will continue to be closely associated with him as Federal Loan

Administrator; that
It is the sense of the Board that the great emergency service which
the R. F. C. has rendered in a national crisis has been due in greatest measure to the statesmanship and rare business ability of Mr.
Jones, whose outstanding qualities of leadership have commanded

public confidence; that

His attributes of high character, understanding of human problems, and devotion to the public interest have been an inspiration
to his associates and have endeared him to the people of all political
faiths, so much so that the R. F. C. and Jesse Jones have become
synonymous in the public mind; that

It is the unanimous view of the members of this Board, concurred in by the entire staff, that there be recorded in the minutes of this Corporation an expression of their genuine love and friendship for Mr. Jones; and that it has been a privilege to serve with him on the Board of Directors of the R. F. C., and it will be an honor to serve under him as Federal Loan Administrator; be it further

Resolved, That these resolutions be spread upon the minutes of this Corporation this the 17th day of July 1939, and an engrossed copy thereof, signed by the members of the Board, be transmitted by the secretary, under the seal of the Corporation, to Mr. Jones with the high esteem and affectionate regard of the members of the Board and the entire staff of the Corporation; be it further Resolved, That a copy of these resolutions be transmitted by the Secretary to the President of the United States, the President of the

Senate, and the Speaker of the House of Representatives.

EMIL SCHRAM, Chairman. CARROLL B. MERRIAM, Director. CHARLES B. HENDERSON, Director. H. J. KLOSSNER, Director. GEORGE R. COOKSEY, Secretary.

UNEMPLOYMENT AND CORRELATED PROBLEMS OF SECURITY-ADDRESS BY W. ARTHUR SIMPSON

Mr. AUSTIN. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "Unemployment and Correlated Problems of Security," delivered by Hon. W. Arthur Simpson, director of old-age assistance, State of Vermont, at the Social Work Institute, University of New Hampshire, Durham, N. H., on July 31, 1939.

In this connection, I wish to call attention to certain phrases which are contained in the address. I quote only a part of it:

The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

Any attempts to fix minimum amounts of public assistance by legislative enactment destroys the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaken in the world. Its provisions are as liberal as can be expected from any Government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertakings.

undertakings.

The best friend of social security is the friend who keeps it solvent

Mr. Simpson has had a distinguished record as administrator of social security in the State of Vermont, and I regard his address as important for public consideration.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY W. ARTHUR SIMPSON, DIRECTOR OF OLD-AGE ASSISTANCE, STATE OF VERMONT, AT THE SOCIAL WORK INSTITUTE, UNIVERSITY OF NEW HAMPSHIRE, DURHAM, N. H., JULY 31, 1939

For many years in this country we went on the theory that any man who wanted a job could get it; and if he worked hard, he could support himself without the help of Government. Private initia-

man who wanted a job could get it; and if he worked hard, he could support himself without the help of Government. Private initiative and enterprise and our policy of encouraging industry and thrift had resulted in the American system under which a reasonable economic prosperity was more nearly universal than in any other country in the world. Our living was more expensive and more enjoyable than any developed elsewhere at any time in human history. It required 300 years of sacrifice, hard work, careful planning, and prudent saving to build this Nation into the high position it occupies among the nations of the world.

The depression which began in 1929 brought home to everyone that even America was no Utopia, that many people could not secure work, that many hard workers were unable to provide for their old age, and that savings had been wiped out or exhausted and earnings from investments had been greatly reduced. The uncertainties of jobs, wages, and of returns from efforts put into farming and other producing occupations have been and are everincreasing factors in the great social problem of the Nation.

America was largely a self-sustaining country for over 200 years. A majority of its citizens lived off the land or in relatively small self-sustaining communities supplying their own needs. The Nation had tremendous room for expansion. Life was not easy, sacrifice and hard work were essential to existence, but opportunity was virtually unlimited. Less than 100 years ago our great industrial developments were in their infancy. The shoe business and then textiles were the first great New England industries which built up our urban centers and drained away the young blood from the farms of Vermont, New Hampshire, and Maine. With approximately every 20 years new and specialized great industries came into operation in the Nation. The employment of persons in industry was progressively increased in an expanding ratio for nearly two generations. progressively increased in an expanding ratio for nearly two generations.

In our most prosperous year, 1929, there were gainfully employed 36,000,000 workers. A decade later, this year, we have gainfully employed only 33,000,000 workers, in spite of the fact that about 10,000,000 new workers have grown up and become available in the Nation. A simple mathematical calculation gives the reason for

nation. A simple mathematical calculation gives the reason for many of our prevailing social and economic problems.

Agriculture has passed from the self-sustaining stage to a highly specialized industry hedged about by many man-made restrictions. It is at the mercy not of the elements alone but of highly organized distributors. Specialized agriculture is in competition not only with other parts of the Nation but with many and similar products with other parts of the Nation but with many and similar products from abroad negotiated for through trade pacts with the entire world. Consequently, nearly all the rural sections of our northern New England States are progressively declining in productive land use, in population, and particularly in taxing ability. We must not forget that all the civilizations of history came into being and were supported by the self-sustaining way of life.

This country was built up by the constant establishment of new business and the expansion of old businesses. In every city and every village throughout the country men were constantly starting out on their own initiative to improve on the enterprises of others or develop a new product. They put a few men to work. If successful, they expanded to employ ten or a hundred or thousands. If unsuccessful, they passed from the picture without need of Government subsidy. New methods of production were found and small industries expanded into large industries. Men were willing to spend their time and their money in order that they might provide more completely for themselves and their family in their old age, in order that they might rise above the average standard of living and enjoy a little more luxury or a little more power. In the last 6 years this process has come to an end.

The first and most important problem is that of unemployment. The question is how we can encourage again in the United States the tremendous volume of private enterprise which existed in the twenties. Our national income is still far below that of 1928, although there are 10,000,000 more people today among whom it must be divided. If we could get back to the business activity of those days, we should have a \$90,000,000,000 income, 40 percent larger than we have today. Any such increase would take up the greater part of the present unemployment. Unless it can be cured we may have to admit that the whole American system of democratic government is a failure.

Further reference to the background of the problems of insecurity are unnecessary, nor is it my purpose to review the social

democratic government is a failure.

Further reference to the background of the problems of insecurity are unnecessary, nor is it my purpose to review the social security legislation which has been enacted for the very laudable purpose of erecting barriers against some of the hazards and vicissitudes of life. Some of us are concerned with one particular group, but we are all enlisted in the broad field of public service.

We have adopted the principle that unfortunate people must be assisted by Government and, since the resources of local governments are limited, we have recognized that the State and Federal Governments must supply a portion of the financial help. Programs of this nature are humanitarian in character and have met with the approval of a great majority of our people and are endorsed without political bias. There can be no question that these programs must be continued. If wisely and soundly administered they offer a dignified method of self-help, either in whole, or in part. Dependency may be complete in some instances, but in a vast majority of cases, public assistance must be made objective and rehabilitating; otherwise, it will destroy itself through unbearable burden upon the taxpayer. The only people through unbearable burden upon the taxpayer. The only people who can support men and women who cannot work, are those who

through unbearable burden upon the taxpayer. The only people who can support men and women who cannot work, are those who are working. Obviously, even humanitarian measures must be administered conservatively and economically.

No government can long endure if any large group of its people are solely dependent upon government bounty. Otherwise, you reduce by taxation and extravagance those still engaged in productive enterprise and of necessity supporting those on relief, to the same common denominator. We cannot maintain humanitarian measures through a policy of taxation and borrowing which will completely bog down our industrial machine. Continued borrowing and a continued deficit can only lead to bankruptcy, inflation, confiscation, and repudiation.

We have been teaching all classes of our population to come to the Government for subsidies and handouts. Everybody is doing it. Every group numerous enough to form a lobby has been successful in dipping into the Treasury. The clamor to be on Government pay rolls is an indication of the trend. We may face a time when there will not be enough producers and wage earners to support privileged classes—public employees, delinquents, defectives, young children, the handicapped, and the aged.

We may be actuated by the most humanitarian motives and still insist that the menacing danger to sound programs and to the very existence of government itself lies in extreme liberalizing movements for class advantage or group control.

In many States militant minority groups constitute a voting meterity under our two-party relitical system and it is nossible that

In many States militant minority groups constitute a voting majority under our two-party political system, and it is possible that the only method to resist these pressure groups and to avoid national confiscation, repudiation, and bankruptcy will be a coalition form of government.

form of government.

It is required in this hour that the representatives of the people have vision, courage, and judgment. Politicians are continually tempted by the idea of promising from the Public Treasury greater benefits to certain groups. Thomas Jefferson dreaded a time to come when government could not be stopped from "wasting the substance of the people under pretense of taking care of them."

I realize that those who mention taxes and debt are not speaking on popular subjects. We are literally "voices crying in the wilderness." People do not want to listen to disagreeable subjects. They prefer to talk about the great unlimited resources of the Nation without being reminded of the mortgage on it. We administer relief and public assistance without thought of the future, still under the cloak of an emergency, still on a day-to-day basis and still imagining that there is some magic formula for solving the ills of the human race. There is grave need for genuine efforts toward rehabilitation and the situation constitutes a challenge to America greater than any challenge which America has faced.

and the situation constitutes a challenge to America greater than any challenge which America has faced.

We should honestly ask ourselves if the generation in control of this country today has the right to barter away the credit of the coming generation and their vested heritage. I contend that we have no right to pass on to posterity a crushing burden of debt which will put a mortgage upon the ambitions, the initiative, the ability, and the thrift of those who must take over the operation of the Nation.

The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

of earned contributions.

I am particularly concerned that the program for the aged be practical and sound. It must be financed in accordance with the ability of the Nation to support it, and it must not be enhanced to the detriment of other worthy and needy groups. The senior citizens of America whose work and sacrifice made it great among nations should have a sound conception of our system of government and, unless encouraged by political promises that run wild, would be the last to ask for any special consideration without reasonable effort to provide the ways and means to justify new benefits which some are promising to pay.

Any attempts to fix minimum amounts of public assistance by legislative enactment destroy the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any

basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaking in the world. Its provisions are as liberal as can be expected from any government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertaking. takings

The best friend of social security is the friend who keeps it solvent.

Mr. PEPPER subsequently said:

Mr. President, the Senator from Vermont [Mr. Austin] this morning put into the RECORD certain excerpts which he emphasized relative to social security. They are just three. He quoted from a speech delivered by W. Arthur Simpson as follows

The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

Any attempts to fix minimum amounts of public assistance by legislative enactment destroys the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

The last quotation was:

We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaken in the world. Its provisions are as liberal as can be expected from any government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertakings.

I want to ask the Senator whether or not by approving the quotations he put into the Record he intended to intimate or disclose that he was opposed to the Townsend plan.

Mr. AUSTIN. Mr. President, I do not feel obliged to pass on that question tonight.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill, S. 2864. to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. TAFT. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, line 24, after the word "loans", it is proposed to insert "approved in the case of loans made under subdivision (2) of section 4 hereof by the Federal Loan Administrator."

Mr. BARKLEY. I have no objection to that amendment. The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. TAFT. I offer a further amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated. The LEGISLATIVE CLERK. On page 18, line 15, it is proposed

to strike out "\$200,000,000" and insert "\$125,000,000." Mr. TAFT. The Export-Import Bank was established as a District of Columbia corporation by Executive Order 6581, under authority of the National Industrial Recovery Act. The life of the bank was extended to June 30, 1939, by the act of January 31, 1935, and further extended to June 30, 1941, by an act which we passed on March 4 of this year. That act limited the amount of loans outstanding at any one time to \$100,000,000. The spending-lending bill proposes to increase this limit to \$200,000,000, and my amendment proposes that instead it shall be increased to \$125,000,000.

The function of the Export-Import Bank is to promote our export trade by providing credit for American exporters. It was designed to assist these exporters, large and small, by providing credit for which the existing commercial machinery is somewhat inadequate. It was not intended to make longterm loans, and the \$100,000,000 was to be revolving fund, constantly replacing itself as the short-term credits were paid off.

The Banking and Currency Committee and the Senate in February considered that \$100,000,000 was ample for the proper purposes of the bank; but I have made this amendment \$125,000,000 because that was the amount asked for by Mr. Jones in February, and I am willing to give full respect to his opinion at that time. In testifying before the House committee at that time he said:

I don't think we would ever need more than \$125,000,000. like to have you put that in the act. (House hearings on H. R. 2011 and H. R. 4012, p. 95.)

In testifying before the Senate committee at that time, he

We suggested a limitation. Probably \$100,000,000 is not quite enough, but Chairman Steagall asked me about that, and I told him we could get along with it.

The Senator from Delaware [Mr. Townsend] asked: Does that include the authorization of \$25,000,000 to China?

And Mr. Jones said:

Yes, sir.

Mr. President, if \$125,000,000 was sufficient in March, what is the reason for asking an increase at this time?

The answer is to be found in the President's letter to Senator Byrnes, which appears in the Record. In that letter he requests Congress to authorize him to lend \$500,000,000 to foreign governments on short-term and long-term loans for the purpose of promoting our foreign trade. That created such a furor at the time that when the bill actually came in the only proposal was that the amount be increased by \$100,000,000 and that it be given to the Export-Import Bank.

The Export-Import Bank has now outstanding, after many years' operation, loans in the sum of \$53,000,000. Even of this \$53,000,000, \$10,000,000 is to the Reconstruction Finance Corporation itself for purposes which could be handled by the Reconstruction Finance Corporation, and \$10,000,000 is a loan recently made to the International Telephone & Telegraph Co., which has only an indirect relation to exports, and, according to Mr. Jones' testimony, could be handled by the Reconstruction Finance Corporation itself. In other words, it is not required that the money be used to finance exports. The company referred to is an exporting company, but it conducts its operations in foreign lands and probably the money would be used for that purpose. If these loans were paid off, the bank would have only \$33,000,-000 outstanding, and this amendment would give it \$92,000,-000 more. This would be ample for all legitimate purposes of the Export-Import Bank.

I think the fact that this money is sought for the purpose of making loans to foreign governments is perfectly clear from the record which has been made. Since February the bank has loaned \$19,200,000 to the Bank of Brazil, for the purpose of freeing Brazilian exchange. In other words, Brazil was unable to pay its debts to American exporters, so we loaned them the money with which to pay those debts. It is in effect a loan to Brazil, which may be paid if the export balance of Brazil improves, and certainly will not be paid if the export balance of Brazil becomes worse. No one can tell what the condition of Brazil may be.

In addition to that, the bank has undertaken a half-million-dollar commitment to Nicaragua, with an additional commitment of \$2,000,000 for freeing exchange. It has entered into a commitment to Paraguay for half a million dollars, and apparently has made a further commitment of \$2,000,000 for sales of additional American materials. It has entered into a commitment for 5 years with the wholly Government-owned Bank of Uruguay for \$4,000,000. It is understood that Paraguay and Nicaragua are also to get \$2,000,000 more apiece with which to buy American goods.

In Haiti the bank has undertaken to finance, and has financed in part, \$6,000,000 worth of internal improvements, and it is said that at least 20 percent of this amount is to be spent within Haiti, while the other 80 percent is spent for importing American road machinery and the like. Mr. Jones' discussion of this matter, on page 205, is very interesting. Mr. Jones said:

I think it is entirely fair to say to this committee that these loans you are discussing—to Haiti and to Nicaragua and to Paraguay—are loans made somewhat as a big brother to a little one. There is no argument about that. We would not go out and seek to make a loan in Haiti, to make money. If we can help our whole situation by making a small loan to Haiti, we think that we have served our country and we do not think that we shall loss any money on it. lose any money on it

Senator TAFT. Would you extend this power of having the Government loan money to other governments all over the world?

Mr. JONES. No; I certainly would not.

However, he now testifies that there is a commitment to the Portuguese railways, which is in effect the Portuguese Government, for \$5,000,000, and a commitment to China to a total of \$25,000,000, of which some \$9,000,000 has been

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. TAFT. I would prefer if the Senator would wait until I conclude, on account of the limitation of time.

Mr. Jones also testifies that he is contemplating more loans to Brazil for heavy equipment. When asked what other future loans were contemplated, requiring an increase at this time, he referred to loans on cotton to be sold in Spain on 27 months' credit. As far as cotton is concerned, I see no reason why the Commodity Credit Corporation should not use some of its vast resources to sell cotton on credit, if that seems to be a desirable purpose, without calling on the Export-Import Bank.

An interesting discussion of the real point of view of the Government is contained in an article by Leon M. Pearson. brother of Drew Pearson, in the Washington Times-Herald of last Thursday, which I quote:

It was a party given by Hal Horan, of Time, and the speaker was the chairman of one of the most important New Deal agencies.

We ought to take a leaf from the German notebook, and offer terms to the Latin Americans that they can't refuse. And loans—they need more money, and we have this glut of gold. It takes only a little to give them a healthy shot in the arm.

Good neighbors? We're piddling! Kissing the fingertips! What we need is a good abrazo!

To understand what lies ahead in the field of United States—

To understand what lies ahead in the field of United States-Latin American relations, you have to sit in with a man like that, out of office hours. He is one of the New Deal thinkers, one of the planners. What he says is important, and he is not alone in saying it. There are two Cabinet officers who, in similar private corners, say the same thing.

Another thing in the article is interesting:

Paraguayan General Estigarribia, hero of the Chaco War, is passing good news around Asuncion these days. Just returned home from the Washington post, he is saying, in effect: "You read in the papers that we are to have half a million from the United States. The real fact is we are to have three million."

The official statement of the United States-Paraguayan agree-The official statement of the United States-Paraguayan agreement, dated June 13, carried only one dollar figure in the text—\$500,000. And the press stories that followed made mention of this loan. No attention was paid to the statement, which carried no dollar figure, that the Export-Import Bank would cooperate with United States exporters and with Paraguay "in arranging for the financing of equipment" for highway construction.

Discreet inquiry disclosed that this financing would reach the figure of \$3,000,000, possibly three and a half.

The question whether this Government shall loan money to foreign governments is certainly a fundamental question, which question Congress should determine. We have had a most unfortunate experience with such loans in the past, and foreign governments today owe this country more than \$10,000,000,000, which there seems to be no possibility of collecting. Short-term credits contemplated by the Export-Import Bank really are likely to be paid off. People who make the loans feel the moral obligation to see that they are paid. But once a new government comes in, its attitude is likely to be one of complete lack of responsibility for obligations entered into years before. Unlike the other loans provided in this bill, there is no possible way in which loans to foreign governments can be collected short of war, and this country will not stand for threats of war to collect debts.

It is proposed that these loans be made to South American countries. Nearly all of these countries are in default on

their obligations held in the United States.

There is inserted in the record of the hearings a list of the bonds of Latin-American countries held in this country. Out of \$1,728,000,000, \$1,277,000,000 of bonds are now in default. Of those the state of Brazil, for instance, is in default \$366,000,000. Yet we have just loaned them another \$19,000,000, and are contemplating further loans as part of the good-neighbor policy. Of those loans \$168,000,000 represents obligations of the Brazilian Government itself held in this country, and something like \$195,000,000 loans of Brazilian States and municipalities held in this country.

Some of the loans are to Mexico, which is in default \$349,-000,000; and the testimony before the committee was that Mexico had a perfect record. They have never at any time

paid a long-term debt held in the United States.

Those are the people to whom it is proposed that we set out on a new policy of Government loans. Whether we are justified in increasing our exports by selling the exports for silver, in effect, is a question which we debated a few days ago. But whether we are justified in selling exports for poor paper, for obligations which we cannot enforce, and which history seems to show are likely never to be paid, is certainly open to question. That is no legitimate way in which to increase the exports of the United States.

Our total export trade today is approximately two and a half billion dollars, and the most the Import-Export Bank has ever financed is about \$50,000,000 a year, or 2 percent. The increase proposed, if entirely used, would increase the total export trade of the United States only 4 percent. That certainly is not a vitally important question in our entire economy. But I think that \$125,000,000 will finance every feature of legitimate commercial enterprise, and assist American exporters as they should be assisted.

Incidentally, I notice that among the loans to foreign governments which are in default is \$289,000 due from the Government of Nicaragua, to whom it is now proposed we extend loans of additional money. I think it may be somewhat doubtful whether under the Johnson Act they would be extended, because those appear to be part of the war debts.

The total foreign debt now in default is \$11,436,000,000.

The whole purpose of this policy as I see it is to give the Government more chips in the game of international politics, if you please, supposed to be part of the good-neighbor policy. That is the purpose for which it is advanced. I question very much whether it is a legitimate part of the good-neighbor policy. I never saw a man who loaned money to all his neighbors around about who was regarded as a good neighbor for more than about 3 months after he made the loan. The Government does not make good credit for itself, it does not prove itself a good neighbor, by lending money to everybody in sight, because the day comes when it is necessary to ask the debtors for money. Uncle Sam is regarded as a Shylock today in every country in Europe simply because he is insisting on the payment of perfectly good, legitimate debts. If this policy is followed long, we will be regarded as a Shylock in every country in Latin and South America. That will be the inevitable result. It is not a policy of good neighborliness. If we cannot get the good will of South America except by sending them our goods for nothing, or for promises to pay money which, in the backs of their minds, they know they do not have to pay if they do not want to, then we might as well give up the

I think all our export trade should be sound export trade. No one has criticized more than the present administration the fact that the people of this country loaned \$5,000,000,000 during the twenties for the export of foreign goods, \$5,000,-000,000 which is still largely unpaid, in addition to the Gov-

ernment debts. It was an unsound policy; it was properly criticized; it was criticized because it built up on an unsound foundation large export trade in many industries which cannot possibly continue.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. TAFT. Will not the Senator wait until I conclude? The PRESIDENT pro tempore. The Senator's time on the amendment has expired.

Mr. TAFT. I will use my time on the bill.

Mr. TYDINGS. Many loans were made by private citizens to foreign countries during the twenties, amounting to over \$13,000,000,000.

Mr. TAFT. I thank the Senator for his correction.

Mr. President, I am as anxious as anyone to build up export trade, but not to build up export trade on unsound foundations, on loans that we cannot continue making. Americans thought in the 1920's that trade could be built up on foreign loans. But they found suddenly that such loans were unsound; that those to whom the loans were made would not pay the debt, and no one would finance further loans, and all those who were to be put to work in industry on the assumption that employment would be created by this export trade were suddenly put out of work and the condition was worse than it otherwise would have been.

Mr. President, that very policy has been criticized by the Government, by the present administration; it has been criticized by no one more strenuously than by the present administration itself, and for it to come forward now and say, "We want to adopt this policy of lending money to foreign governments in order to stimulate our export trade" is an absolute reversal of the position the administration has adopted for the last 7 years.

The other day the majority leader made a general attack on the theory of "dollar diplomacy." I say if anything can be called properly by the name of "dollar diplomacy" the proposed policy can. It may be contended that the only way to get the good will of these countries is by lending them money; that the only way to get the good will of these countries is by paying out gold, by shipping our surplus all over the world, through this dollar diplomacy, this diplomacy based solely on money, on financial advantage, but I say we will get exactly what we pay for, and that is an obligation on paper, but we will not get any good will and we will not get any substantial or permanent political advantage.

Mr. President, I, therefore, say that it seems to me the time has come to end the policy of lending to foreign governments. One hundred and twenty-five million dollars will take care of every legitimate purpose of trade. The adoption of this amendment will result only in the limitation to such an amount that the Government cannot effectively continue its policy of continuing to loan money to foreign governments. I feel confident it is a matter which the Senate and the other House should decide.

The provision of the bill is another general grant of power. It says that the Government may, in effect, make treaties with Brazil or with Paraguay or other countries without the consent of the Senate. The Senate should pass on the question, and if we do pass on the question by adopting this amendment I think we can be certain that the Government, except in the most extreme and absolutely essential cases, will no longer continue the policy of extending and developing loans to foreign governments.

Mr. BARKLEY. Mr. President, when this matter came up earlier in the year, under different circumstances not connected with any intensive efforts particularly such as we are trying to make now to expand our foreign trade, Mr. Jones, the chairman of the Reconstruction Finance Corporation, and Mr. Pierson, the president of the Export-Import Bank, asked Congress to increase the capital stock of the Export-Import Bank to \$125,000,000. Congress increased it to \$100,000,000. Now the success of the Export-Import Bank, through its operations in making loans to facilitate the exportation of American products, has been not only satisfactory but I think it has been outstanding. It has now to its credit by reason of these operations a profit of \$1,700,000.

The argument made by the Senator from Ohio would almost convince one that he looked with a great deal of disfavor upon the Government of the United States doing anything to foster foreign trade or the export of American products. The argument has been made over and over again here that about 10 percent of our industrial production depends on foreign markets.

I realize that 10 percent is not so important as 90 percent, but if we are to adopt the policy of curtailing the sale of that 10 percent, or interfering with it altogether, we certainly shall be obliged to absorb that extra 10 percent in our domestic consumption, or stop that much production, and therefore throw more men and women out of employment.

It is nothing new for governments of the world to foster exports. We have sent commercial attachés and commercial representatives all over the world to work along with our consuls and our diplomats to try to find markets for American products.

The Japanese Nation is at this time concentrating on its efforts to find markets in South and Central America, and whenever they find those markets, to that extent they deprive manufacturers and laboring men in the United States of the opportunity to work and sell our products to the people to the south of us.

Loans made by the Export-Import Bank directly increase our exports of manufactured and agricultural commodities, and thereby increase employment. It is particularly true

in reference to cotton and cotton products.

Most of our creditors now are promoting their trade and their exports by the extension of Government credits. In order to enable the United States to maintain its export markets abroad it is necessary that we take at least partial steps to be on a competitive basis with our chief competitors, particularly in Latin America. Several foreign countries are employing the devices of clearing agreements, subsidies, special currency units, and other instruments to obtain an increasing share of the world trade, particularly in the field of South and Central America. One of the steps this country can take to help protect its share of this commerce is to help our businessmen to sell goods abroad by giving them credit at low rates of interest.

The record of the Export-Import Bank is one of sound investment, which yields a substantial return to the Government.

Mr. President. I should like to call attention to some of these loans. The Senator from Ohio talks about ten billion or twelve billion or fourteen billion dollars now due the Government of the United States from foreign countries. The loans about which he speaks are loans which were made in connection with the war, either during it or following the World War, and they have no connection whatever with our effort here to create a corporation and to expand its operations to loan money to American institutions in order that they may finance exportations.

Mr. VANDENBERG. Mr. President-

Mr. BARKLEY. I have only 15 minutes, and I do not wish to take any time on the bill at this moment; and if the Senator will permit, I will ask him to wait until I have con-

cluded my general observations.

So far as the defaulted debts in the United States, to which the Senator from Ohio refers, neither have they any connection with the operations of the Export-Import Bank. All these debts represented by bonds bought by American citizens were brought about through high-pressure methods of American bond and stock dealers. Our hearings back in 1932 before the Banking and Currency Committee show that many of these obligations were sold by American bankers and American bond and stock agents with the encouragement and almost with the connivance of the Government of the United States, in some cases, under another administration.

Now we are asked, because of those conditions, to deny to American industries an opportunity to sell their products and employ American labor. There is no connection what-

ever between the two situations.

What sort of loans have we been making? I have here a table furnished by the Export-Import Bank, giving the names of those who have acquired and who have received these loans. Here is one to Alexander Sprunt & Son, of Houston, Tex., for the purpose of exporting cotton to Czechoslovakia. That was a loan made to an American corporation to enable it to export American cotton.

Here is one to George H. McFadden & Bro., of New York. Loans were made to other companies, as follows: Williamson Cotton Co., of Dallas, Tex.; Bartz & Co., of Dallas, Tex.; American Cotton Cooperative Association, of New Orleans.

These loans amounted to \$1,600,000, every dollar of which

has been repaid.

A loan to Crespi & Co., of Dallas, Tex. A loan to Cook & Co., of Memphis, Tenn. A loan to Hannay-O'Donnell, of Dallas, Tex.

Another loan to George H. McFadden & Bro., of New York. A loan to S. B. Smith & Co., of Mayfield, Ky., in order to export tobacco to Spain. That was a loan of \$672,000, all of which has been repaid except \$46,000; and the unpaid balance is secured by the deposit of foreign currencies in the United States. Without that loan not an ounce or a pound of that tobacco could have been sold. Spain was formerly a very large customer for American tobacco. Time came when there was no purchase at all by Spain of American tobacco. Through this loan the exportation and sale of tobacco was facilitated without loss to the American Gov-

I have here a list of loans to other companies: Byington Co., of New York. Fisk Tire Export Co., Chicopee Falls, Mass. J. & H. Goodwin, Ltd., New York. H. S. Henry & Son, New York. A. G. Khouri & Co., Inc., New York. G. Lindner & Co., of New York. National Paper & Type Co., New York. Parker Pen Co., of Janesville, Wis. R. K. O. Export Corporation, New York. Raleigh Smokeless Fuel Co., Beckley, W. Va. H. W. St. John & Co., of New York. United American Bosch Corporation, of Springfield, Mass. Well Machinery & Supply Co., Inc., of Fort Worth, Tex. Duplex Printing Press Co., Battle Creek, Mich. Cameron Can Machinery Co., Chicago, Ill.

American Car & Foundry Co., in order to facilitate exports of freight cars.

American Locomotive Sales Corporation, in order to facilitate the exportation of American locomotives. The Brazilian Oiticica, Inc., of New York. While it has a

Brazilian name, it is a New York corporation.

Centennial Cotton Gin Corporation, of Columbus, Ga.

Baldwin Locomotive Works, Philadelphia. American Locomotive Sales Corporation, New York.

Whitin Machine Works, of Whitinsville, Mass.

Bessa-Jones, Inc., of New York.

So, I might call attention to a long list of American corporations to which the Export-Import Bank has made loans. The list is too long for me to give it all in 15 minutes. So, there is today, Mr. President, according to the testimony of Mr. Pierson and according to the testimony of Mr. Jesse Jones, a demand for the increase in the capital stock of the Export-Import Bank. Mr. Jones testified that many of these loans were sound, but they were of a sort that a private banker would not be justified in taking the risk and making the loans, and if they had not been made these exports would not have been facilitated.

It may be said that the Government should not take a risk which a private banker is unwilling to take. However, if we should adopt that policy we should curtail and terminate the activities of the Government in making loans to farmers, to home owners, to industry, and to many other activities. If it had not been for the unwillingness or inability of private lending agencies to make these loans the Reconstruction Finance Corporation would not have been necessary at the outset. Neither would the Farm Credit Administration, the Home Owners' Loan Corporation, the Federal Housing Administration, the United States Housing Authority, or the Export-Import Bank itself. If it had not been for the fact that private credit was unable to perform the duties necessary in carrying out exports of American products, these other agencies would not have been necessary. If we do not want to sell anything to any foreign country we ought to abolish the Export-Import Bank altogether.

A small loan was made to Haiti, in which little country we have had some relationships in the past; and an American corporation was created to make a loan for the benefit of

China, most of which has not even been used.

Mr. WAGNER. All that has been used has been repaid. Mr. BARKLEY. The Senator from New York reminds me that all that has been used has been repaid. The Export-Import Bank during its existence has made loans to American corporations. It has made loans to the Amtorg Corporation of New York in order to enable it to sell goods to Russia. Whatever may be said about Russia from a political standpoint, she has not defaulted in 20 years on a single obligation to anybody in the United States, and is now current with all her obligations. If it had not been for the loan we could not have exported cotton, farm machinery, and railway equipment to the people of Russia.

Mr. Jones says he needs this additional capital. In a conversation with me yesterday he reiterated the need for additional capital for the Export-Import Bank; Mr. Pierson, the president of the Export-Import Bank, has said

the same thing.

These loans have turned out to be sound. The Export-Import Bank has made a profit of nearly \$2,000,000 for the benefit of the United States. I think we can rely upon those in charge of the Export-Import Bank not to abuse the additional capital. The addition of only \$25,000,000 to the \$100,000,000 is an insignificant amount. The fact that \$125,000,000 may have been all Mr. Jones asked for last March is no evidence that that is all he needs in August or

September, or for the rest of the year.

I hope the Senator's amendment will be defeated. I do not wish to take any additional time. I think we all understand the operations of the Export-Import Bank. We know its history. We know the kind of loans it has been making. We know the kind it will continue to make; and we know that the more we can sell to the nations of the world of our products which are unsalable at home, the more men can be employed and the more profits can be made for American industry. Certainly the Senate of the United States does not desire to strike down the opportunity for expanding our markets in foreign countries.

Mr. TYDINGS. Mr. President, the Senator from Kentucky is, of course, correct when he says, that in effect these loans are made by the Export-Import Bank to American businessmen, because American businessmen hold the trade acceptances of foreign concerns. They cannot discount them in any of the other banks, so they take them to the Export-Import Bank, through which the Federal Government lends the money. However, in effect, the security upon which the loan is made is the obligation of the foreign concern, and not of an American concern.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. TYDINGS. I yield. Mr. BARKLEY. I am sure the Senator will agree not only that that statement is true with respect to the Export-Import Bank, but that the same practice is indulged in all over the world with respect to loans made by private lending agencies. They take the acceptances and securities of foreign corporations.

Mr. TYDINGS. The Senator is correct. However, the loan is made, of course, upon the securities of foreign

corporations.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. TYDINGS. I have only 15 minutes. If the Senator will wait until I finish, I shall be glad to yield to him. I do not wish to be discourteous, but I cannot very well yield and have much time left.

Mr. President, some years ago I had a very industrious man working in my office who happened to be a former

secretary for Samuel Gompers, president of the American Federation of Labor. We became interested in the question of foreign loans, and at my request Mr. Oyster wrote to every financial, bonding, and stock house in America, and ascertained from them the foreign obligations which had been floated in this country—obligations of governments or subdivisions of governments, or of corporations. He compiled a very interesting record, which took him about 6 months to put together, and which at that time I put into the Congressional Record. I think it is apropos here, although several years have passed since the record was made. The figures are still very interesting.

At that time, about 1930, the total indebtedness in post-war loans owed to the United States or to the people of America who held Government bonds was \$26,371,848,233. Of this amount \$8,212,398,000 had been publicly offered by foreign governments, or subdivisions thereof, and sold in the United States. Three billion ninety-one million nine hundred and ninety-five thousand dollars had been publicly offered by foreign corporations and sold in the United States. These figures are exclusive of the war debts. Foreign governments and foreign corporations together borrowed from our people-not from our Government, but from our people-\$11,304,393,000.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. PEPPER. During what period?

Mr. TYDINGS. This was from 1914 to the end of 1927, inclusive. It has nothing to do with the war debts. These were loans floated in the United States by foreign governments or subdivisions of foreign governments, and by foreign corporations, and not bought by our Government but by our people.

Mr. PEPPER. Does the Senator have the figures from

the close of the war on down to 1927?

Mr. TYDINGS. I shall put the whole table in the RECORD. I ask unanimous consent that immediately following my remarks there may be printed in the Record a table showing the country, the amount of loans to foreign governments, the amount of loans to foreign corporations, the war debts, and the total indebtedness per capita of the foreign governments to the people of the United States.

The PRESIDENT pro tempore. Without objection, the

table may be printed in the RECORD. (See exhibit A.)

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. In a moment.

I wish also to have printed in the RECORD immediately following my remarks a table showing the loans made in the United States in a single year—1927.

The PRESIDENT pro tempore. Without objection, the

table may be printed in the RECORD.

(See exhibit B.)

Mr. TYDINGS. Mr. President, in the year 1927 foreign governments or subdivisions thereof or foreign corporations borrowed from our people \$1,939,982,000, nearly \$2,000,000,000 in a single year. Strange to say, that very year the same countries spent \$3.973.484,000 on their national defenses. In other words, we let them have more than 50 percent of what their total war budgets cost that year.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. AUSTIN. Does the Senator's tabulation include loans made in 1916 and 1917?

Mr. TYDINGS. The table to which I have just referred is for the year 1927 alone. The first table included all loans from 1914 to 1927. However, the war loans appear in a separate column. They were not the loans which I was discussing at the time, which were private in their nature.

Mr. AUSTIN. Will the Senator yield for another question?

Mr. TYDINGS. I yield.

Mr. AUSTIN. My question referred to the table first introduced—that is, the nonwar loans—and I should like to ask the Senator another question if he will permit.

Mr. TYDINGS. Certainly.

Mr. AUSTIN. Does the Senator know whether or not the table includes a loan negotiated for the Republic of China for the building of national railways, made in 1916 and 1917 by a bank in the United States, and not by the Government of the United States?

Mr. TYDINGS. There is shown in the table a loan of \$10,752,000 to the Government of China. I do not have

the year.

Mr. AUSTIN. Does the Senator know whether or not his list includes other loans negotiated during 1916 and 1917 to the Chinese Republic for the dredging of the Grand Canal through Shantung Province?

Mr. TYDINGS. No; I do not have that figure before me.

It may be accurate. I have not the figure.

Mr. AUSTIN. I ask the Senator whether or not it is possible that other loans of similar character negotiated by American banks to foreign nations are not contained in his table.

Mr. TYDINGS. There is no doubt that there may be loans not incorporated in this table, for the simple reason that at that time no Government agency kept account of foreign loans. But what the Senator from Maryland attempted to do in 5 months of research and study and assembling figures was to get all the loans that he could discover and put them all into one category. This table is the result of facts and figures furnished me by the different bond houses of the United States that were engaged in selling foreign securities. From those figures this table was prepared. I do not mean to contend that there may not be and probably were not other loans, but these are the principal private loans and they amount to eleven-billionthree-hundred- and- four- million- and- some- odd- thousand dollars.

Mr. AUSTIN. Mr. President, will the Senator yield for a further question?

Mr. TYDINGS. Yes. But I can only yield once more.

Mr. AUSTIN. I will not take long. Are those loans which were perfected by the sale of the bonds or were they loans which were merely contracted for?

Mr. TYDINGS. These are loans actually made for the sale of foreign securities, bonds, or obligations to the people of the United States.

Mr. AUSTIN. My question related to contracts negotiated and completed for loans.

Mr. TYDINGS. The figures that I have show how many foreign obligations were publicly sold to private citizens of the United States by foreign governments, subdivisions thereof, and foreign corporations.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. PEPPER. What was the last year given by the Senator in connection with those loans?

Mr. TYDINGS. The figures go up to 1927.

Mr. PEPPER. What I wanted to ask the Senator was, first, how much of that money was spent in the United States during that period of time?

Mr. TYDINGS. No doubt, some of it was.

Mr. PEPPER. The Senator, no doubt, would say that a large proportion of it was?

Mr. TYDINGS. No; I would not say that.

Mr. PEPPER. What could have been the incentive for the United States to be lending money unless some advantage was to be derived from it?

Mr. TYDINGS. Interest and investment purposes. Mr. PEPPER. Those loans were made by Republican administrations, were they not?

Mr. TYDINGS. Most of them were; yes. There is no doubt that a large majority of these foreign loans were made under the administrations that were in power from 1920 up to 1929, which was a period when foreign securities were being floated in this country almost every day. Several of us here questioned whether or not they could be repaid under existing international economy.

Mr. PEPPER. And a great many of them were impliedly, if not expressly, almost recommended by the United States

Government, were they not?

Mr. TYDINGS. I would not want to say that, but certainly there was very little discouragement of the loans at the time.

We are about to walk slowly into another one of these lending programs. I do not doubt that we can lend money to Brazil, England, or to other countries and get some benefit from the loans, but the record shows that in 1929 and onward most of these foreign bonds held by the people of this country were in default as to interest, and there are bond committees all over the country today that are trying to work out some plan of settlement with foreign governments.

I shall support the amendment of the Senator from Ohio because it reduces the amount, and I shall support it because I believe it is a very dangerous policy for this Government to go further down the road of international loans. If private banks want to make them, that is something else, but for the Government to go into the business of making loans to foreign interests-for that is what it amounts to-in view of our past history is, indeed, very short-sighted.

I am not denying that there will be some benefit; in fact, the prosperity from 1920 to 1929 was largely secured through the medium of lending to our foreign customers the money with which they were buying our goods, for in those years our export trade was nearly \$5,000,000,000 a year—the greatest we have ever had—and we were lending our foreign customers the money to pay for it, as the balance of trade was continually in our favor. But I think we will be very wise, even in this emergency, to go slowly in further committing this Government to a policy of international loans. If private industry wants to engage in that business, if private banking wants to engage in it. that is one thing, but to take the money out of the Treasury of the United States for such purposes, in view of our past relationships as a government and our present situation as a nation is to me unthinkable and most inadvisable. The loan authorization ought to be reduced in accordance with the amendment offered by the Senator from Ohio.

EVEIDIT A

	EARIB	II A	STATE OF THE PARTY	THE RESIDENCE OF THE PARTY OF T		
Country		ties publicly offered es, 1914 to 1927, incl		War debt, Nov. 15, 1927	Total indebtedness	Indebted- ness per capita
	Government	Corporate	Total			
Argentina. Armenia. Austria	\$520, 386, 000 71, 611, 000		\$633, 109, 000 88, 287, 000	\$16, 627, 154 34, 159, 107	\$633, 109, 000 16, 627, 154 122, 446, 107	\$63.00 18.00 1.70
Belgium Bolivia Brazil	295, 770, 000 48, 780, 000 301, 634, 000	54, 243, 000	350, 013, 000 54, 480, 000 325, 134, 000	413, 580, 000	763, 593, 000 54, 480, 000 325, 134, 000	97.00 25.00 10.00
Bavaria Bulgaria Chile. China	20, 000, 000 4, 500, 000 180, 563, 000 10, 752, 000	172, 500, 000	20,000,000 4,500,000 353,063,000 10,752,000		20, 000, 000 4, 500, 000 353, 063, 000 10, 752, 000	2, 70 . 90 90, 00 . 0214
Colombia Costa Rica Cuba Czechoslovakia	100, 020, 000 10, 820, 000 79, 000, 000 53, 750, 000		143, 365, 000 10, 820, 000 544, 632, 000 59, 250, 000	179, 071, 023	143, 365, 000 10, 820, 000 544, 632, 000 238, 321, 023	21.60 21.00 130.00 17.50
Denmark	152, 002, 000		161, 136, 000	179,071,020	161, 136, 000	47.10

EXHIBIT A-Continued

Country	Foreign securit State	ies publicly offered i s, 1914 to 1927, inclu	in the United sive	War debt, Nov. 15, 1927	Total	Indebted ness per capita
	Government	Corporate	Total	NOV. 10, 1921	indebtedness	
Dominican Republic	\$25, 000, 000		\$25, 000, 000	\$15, 478, 642	\$25, 000, 000 15, 478, 642	\$28.00 14.00
Finland France Germany	41, 000, 000 1, 050, 873, 000 382, 050, 000	\$112, 300, 000 502, 616, 000	41, 000, 000 1, 163, 173, 000 884, 666, 000	8, 814, 000 4, 025, 000, 000	49, 814, 000 5, 188, 173, 000 884, 666, 000	14. 00 126. 75 14. 20
Australia. Canada Great Britain Irish Free State South Africa.	97, 758, 000 1, 768, 249, 000 1, 456, 287, 000 15, 000, 000	3, 750, 000 945, 964, 000 65, 416, 000 6, 160, 000	101, 508, 000 2, 714, 213, 000 1, 521, 703, 000 15, 000, 000 6, 160, 000	4, 505, 000, 000	101, 508, 000 2, 714, 213, 000 6, 026, 703, 000 15, 000, 000 6, 160, 000	16. 60 285. 50 133. 25 5. 00 . 8214
British Empire	3, 337, 294, 000	1, 021, 290, 000	4, 358, 584, 000	4, 505, 000, 000	8, 863, 584, 000	22, 63
Greece Gustemala Honduras Hunduras Huiti Hungary Italy Japan	16, 000, 000 500, 000 16, 000, 000 36, 750, 000 262, 487, 000 198, 857, 000	600, 000 11, 175, 000 11, 443, 000 9, 000, 000 24, 372, 000 140, 053, 000 109, 790, 000	16, 600, 000 11, 175, 000 11, 943, 000 25, 000, 000 61, 122, 000 402, 540, 000 308, 647, 000	19, 500, 000 	36, 100, 000 11, 175, 000 11, 943, 000 25, 000, 000 63, 074, 635 2, 434, 540, 000 308, 647, 000	6, 00 5, 27 16, 25 12, 25 8, 00 61, 80 3, 55
Latvia Lithuania Luxemburg Mexico Netherlands Dutch East Indies Nicarsgua		7, 500, 000 32, 365, 000 38, 936, 000 3, 175, 000	7, 500, 000 33, 465, 000 140, 061, 000 156, 465, 000	6, 900, 564 6, 162, 590	6, 900, 564 6, 162, 590 7, 500, 000 33, 465, 000 140, 061, 000 156, 465, 000 299, 128	3. 75 3. 05 29. 99 2. 35 19. 00 3. 18 . 47
Norway Palestine Panama Paraguay Peru Poland	172, 727, 000 350, 000 15, 250, 000 93, 250, 000 122, 076, 000	24, 716, 000 2, 272, 000 8, 000, 000 20, 250, 000	197, 443, 000 350, 000 15, 250, 000 2, 272, 000 101, 250, 000 142, 326, 000	198, 595, 528	197, 443, 000 350, 000 15, 250, 000 2, 272, 000 101, 250, 000 340, 921, 528	70. 70 .46 34. 50 2. 66 18. 40 11. 65
Portugal Rumania Russia Saar Salvador Spain	3, 750, 000 3, 500, 000 6, 500, 000 10, 520, 000	1,000,000 1,900,000	3, 750, 000 3, 500, 000 7, 500, 000 12, 420, 000	66, 060, 000 280, 197, 302	69, 810, 560 283, 697, 302 7, 500, 000 12, 420, 000	4.00 1.93 10.00 7.70
Sweden Switzerland	74, 105, 000 132, 000, 000	45, 750, 000 3, 000, 000	119, 855, 000 135, 000, 000		119, 855, 000 135, 000, 000	19. 90 34. 45
Turkey	45, 171, 000 61, 285, 000	51, 539, 000	45, 171, 000 51, 539, 000 61, 285, 000	62, 450, 000	45, 171, 000 51, 539, 000 123, 735, 000	27. 10 17. 18 1. 03
Total	8, 212, 398, 000	3,091,995,000	11, 304, 393, 000	11, 871, 848, 233	1 23, 176, 241, 233 3, 195, 607, 000	
Official figures, not including foreign issues privately taken			14, 500, 000, 000		2 26, 371, 848, 233	
Total			3, 195, 607, 000			

Official sources.

² Unofficial sources.

	Defense ex-	offered in the United States, 1927		
Nation	penditures, 1927	Amount	Percent of defense ex- penditures	
Argentina	\$44, 771, 000 11, 220, 000	\$99, 561, 000 33, 887, 000	222 302	
Belgium	22, 729, 000	14, 130, 000	62	
Bolivia	3, 411, 000	12, 585, 000	369	
Brazil	53, 386, 000	56, 780, 000	106	
Ecuador Bulgaria	1, 933, 000 8, 404, 000			
Chile	13, 706, 000	22, 883, 000	167	
China	297, 703, 000	10, 752, 000	3	
Colombia	7, 125, 000	68, 670, 000	964	
Costa Rica	655, 000	1, 800, 000	280	
Cuba	11, 515, 000	61, 750, 000	537	

Ехнівіт В

Nation	Defense ex- penditures,	offered in the United States, 1927		
Nation	1927	Amount	Percent of defense ex- penditures	
Argentina	\$44,771,000 11,220,000	\$99, 561, 000 33, 887, 000	222 302	
Belgium Bolivia	22, 729, 000 3, 411, 000	14, 130, 000 12, 585, 000	62 369	
Brazil	53, 386, 000	56, 780, 000	106	
Ecuador	1, 933, 000	00, 100, 000	100	
Bulgaria	8, 404, 000		************	
Chile	13, 706, 000	22, 883, 000	167	
China	297, 703, 000	10, 752, 000	3	
Colombia	7, 125, 000	68, 670, 000	964	
Costa Rica	655, 000	1, 800, 000	280	
Cuba	11, 515, 000	61, 750, 000	537	
Czechoslovakia	56, 973, 000	1, 500, 000	3	
Denmark	15, 738, 000	28, 046, 000	178	
Dominican Republic	1, 473, 000	5, 000, 000	341	
Estonia	4, 994, 000			
Finland	14, 467, 000			
France	269, 463, 000 127, 581, 000	50, 000, 000 222, 692, 000	18 175	
Germany	121, 581, 000	222, 092, 000	175	
British Empire:		The state of the state of		
(a) Australia	177, 752, 000	101, 508, 000	57	
(b) Canada	13, 086, 000	319, 765, 000	2,444	
(c) Great Britain	567, 427, 000	5, 747, 000	1	
(d) India	215, 999, 000			
(e) Irish Free State(f) New Zealand	11, 669, 000			
	4, 656, 000 4, 490, 000			
(g) South Africa	4, 400, 000	A		
	995, 079, 000			
Greece	25, 646, 000	2, 000, 000	7	
Guatemala	1, 358, 000	3, 150, 000	232	
Honduras	928, 000			
Haiti	1, 299, 000			

EXHIBIT B—Continued				
Nation Management	Defense expenditures,	Foreign securities publicly offered in the United States, 1927		
		Amount	Percent of defense ex- penditures	
Hungary Italy Japan Latvia Lithuania Luxemburg Mexico	\$19, 835, 000 218, 816, 000 208, 245, 000 8, 927, 000 3, 989, 000 195, 000 38, 476, 000	\$26, 122, 000 120, 400, 000 308, 647, 000	132 55 150	
Netherlands Dutch East Indies Nicaragua	23, 651, 000 44, 595, 000 219, 000	20, 716, 000 156, 465, 000	87 351	
Norway Palestine	11, 129, 000 1, 625, 000	29, 466, 000	265	
Panama Paraguay	1, 068, 000	1, 500, 000		
Peru Poland Portugal Rumanta Russia	7, 222, 000 74, 857, 000 25, 916, 000 44, 199, 000 347, 580, 000	60, 000, 000 47, 000, 000	831 63	
Saar Salvador Spain Sweden Switzerland Turkey Uruguay	1, 656, 000 85, 194, 000 37, 017, 000 16, 374, 000 29, 910, 000 7, 134, 000	3, 150, 000	190	
Venezuela	3, 043, 000 41, 346, 000 679, 709, 000	10, 275, 000 34, 035, 000	337 85	
Total	3, 973, 484, 000	1, 939, 982, 000 679, 709, 000		
Grand total		2, 619, 691, 000		

Mr. VANDENBERG. Mr. President, I should like to ask the able Senator from Kentucky a question in my time. He presented an estimate indicating that the Export-Import Bank had made a profit of some \$2,000,000. Will he indicate to me the period covered by that operation?

Mr. BARKLEY. I will have to consult the hearings; I cannot give the date from memory. I will do so later and will

inform the Senator.

Mr. VANDENBERG. I think the question is rather important, because I strongly suspect that the profit to which the Senator refers was made during the time when the Export-Import Bank was confining itself almost exclusively to loans to exporters and importers and not loans to governments.

Mr. BARKLEY. I will state to the Senator in that connection that there has been no loss up to this time on any loan of the Export-Import Bank to any foreign government, but the number of such loans is so infinitesimal that it can hardly be considered in this whole picture. There was a loan made to Haiti, all of which was to be spent in this country; there was a loan to an American corporation for the benefit of China, which has been repaid; there was a loan to a concern with respect to some exportations into Brazil to enable Brazil to help carry on some internal improvements involving American trade; but the comparative amount and number of loans of that character is so insignificant that it is unfair to pick them out and try to make a "sore thumb" out of them.

Mr. VANDENBERG. The Senator is simply emphasizing the precise point I want to submit. The loans to governments heretofore have been infinitesimal. Therefore the losses have been infinitesimal. That is the precise point I am making, but from now on the purpose is different.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. VANDENBERG. Yes.

Mr. BARKLEY. There is nothing in the hearings, nothing in the program that indicates that it will be carried on in any different way from that which has characterized it heretofore. The mere fact that the President in his letter to Senator Byrnes suggested direct loans to foreign governmnts has no relationship whatever to this proposal.

Mr. VANDENBERG. That is what I want to talk about, Mr. President, because I think it definitely and specifically has a relationship. If there is anybody in Washington who has a right to know definitely how much money the Export-Import Bank can use safely and expeditiously in connection with the promotion of foreign trade it is Jesse Jones.

Mr. Jones not only testified earlier in the year that a \$125,000,000 maximum was all that he could possibly use but he was content to accept the \$100,000,000 at that time for the purpose of making the kind of loans which were

then contemplated by the Export-Import Bank.

The Senator from Kentucky has referred to his personal conversations with Mr. Jones. I do not know whether or not I am at liberty to refer to my personal conversations with him, but I had considerable to do in the initial conversation with Mr. Jones in fixing the limit at \$100,000,000, and I know that at that time it was believed to be the completely adequate maximum for the direct promotion of American exports. Now the situation seems to have suddenly changed.

Mr. BARKLEY. Will the Senator yield for a moment further?

Mr. VANDENBERG. Yes.

Mr. BARKLEY. The net profit for the fiscal year 1939 of the Export-Import Bank was \$1,744,630.

Mr. VANDENBERG. I thank the Senator. That was while we were still dealing substantially with loans to exporters and importers, that is when the Senator from Kentucky says loans to foreign governments were an infinitesimal part of the operation, and because they were an infinitesimal part of the operation, the Export-Import Bank operated at a profit; but when such loans cease to be an infinitesimal part then the Export-Import Bank is not only not going to operate at a profit but at a distinct and specific loss, as we know from all American experience on all external loans of this nature. The Senator from Kentucky said that at the time Mr. Jones made his estimate of \$100,000,000 last February or March there was no special effort being made to promote American export trade.

Mr. President, ever since it started, this administration has been making a special effort to encourage export trade. Of course, there was a special emphasis at that time, as much as there is now, and there is just one thing that has happened to change the prospectus of the Export-Import Bank, and that one thing was disclosed by the President's letter to the Senator from South Carolina [Mr. Byrnes] when he said he wanted \$500,000,000. For what purpose? For the extension of short-and-long-term loans to foreign governments.

Since the letter was written, and without waiting for any increased authorization from the Congress, the Export-Import Bank has gradually begun to make foreign loans to instrumentalities of foreign governments, precisely in line with the theory and purpose of the President's letter. Therefore, I submit that we are driven to the inevitable conclusion that the purpose of the increase is to deal with the instrumentalities of foreign governments, and that is the reason the money is required, rather than for the direct promotion of foreign trade. On that basis we are not entitled to proceed with one single, additional dollar of United States commitments. We know what the experience has been. The Senator from Ohio has presented it in unanswerable form.

If we are to continue to encourage export trade, which is a totally different thing, it can be done with the \$125,000,000 provided by the amendment offered by the Senator from Ohio. The encouragement of export trade can be accomplished with maximum advantage and maximum utility upon the basis of the testimony of Mr. Jesse Jones himself. For that reason I submit that the amendment of the Senator from Ohio should be adopted.

Mr. DANAHER. Mr. President, in connection with the observations of the Senator from Michigan, I should like to read into the RECORD a few questions and anwers involving this very point. Senator Townsend asked Mr. Jones:

How much money have you now in the R. F. C. that you could loan?

Mr. Jones. For all purposes? Senator Townsend. Ye Mr. Jones. About \$1,400,000,000.

Mr. WAGNER. Will the Senator state the page from which he is reading?

Mr. DANAHER. Page 219. Mr. President, at the top of page 220 the Senator from Delaware [Mr. Townsend] asked this question:

In your judgment, you have sufficient money to take care of any applications that you have?

Mr. JONES. Correct.

Now, skipping a few questions, I find this:

Senator Tart. Secretary Morgenthau said he expected they would spend \$770,000,000 in the next few months, and you have \$1,250,000,000 available. Senator Barkley. How close have you ever come to having your

loans absorb your entire capital?

Mr. Jones. Not very close.

Senator Barkley. Is the present condition an average condition, or above or below?

Mr. Jones. I do not think we have ever been without at least a billion dollars of available credit.
Senator Byrnes. Why haven't you?

Mr. Jones. Because you have given us a pretty liberal allowance. Senator Byrnes. Is it necessary or not? Senator Townsend. You took care of all the applications that

you thought were good, didn't you?

Now, Mr. President, referring again to a statement by Mr. Jones, which is found at the top of page 221:

Mr. Jones. I think we could carry a substantial amount of the equirements under this bill, under the present borrowing authority of the R. F. C.

Mr. Jones. I expect we could carry \$770,000,000 in the next 12 months-certainly until you come back.

Mr. Jones. Yes; and you propose to give us \$2,570,000,000 more in this bill. We can do some of this work under our present

borrowing power, if the Congress should decide that they would authorize the projects but not authorize this much of increased borrowing power.

Mr. President, every question and every answer developed clearly that this program could fit within the already existing powers of the Reconstruction Finance Corporation. With reference to the Commodity Credit Corporation, at this minute it has the power to handle all the cotton loans to which the Senator has referred.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.
Mr. BARKLEY. I understand there is no increase in the borrowing power or authority of the Reconstruction Finance Corporation by reason of the increase in the stock of the Export-Import Bank from \$100,000,000 to \$200,000,000. That is simply absorbed out of the authority they already have; so that there is no increase whatever in this bill of the borrowing authority of the Reconstruction Finance Corporation due to the Export-Import Bank. There was a reduction by that amount, \$100,000,000, in the borrowing power, for general purposes, of the R. F. C.

Mr. DANAHER. However, Mr. President, there are at present over 46 millions of dollars of Export-Import Bank funds uncommitted, and if the amendment offered by the Senator from Ohio shall be adopted and we add \$25,000,000 to that amount, we will have nearly doubled the available

resources of the Export-Import Bank.

Mr. BARKLEY. Will the Senator yield there? Mr. DANAHER. I yield.

Mr. BARKLEY. We increased the capital to \$100,000,000 only last March, and since that time they have been able to make commitments of practically \$95,000,000, about \$50,000,-000 of which has been repaid; so that within the very short period of 3 or 4 months the Reconstruction Finance Corporation or the Export-Import Bank absorbed practically the entire capital stock by making commitments.

Mr. VANDENBERG. Mr. President, will the Senator yield

at that point?

Mr. DANAHER. I yield to the Senator from Michigan.

Mr. VANDENBERG. It made the increase chiefly by making commitments to foreign governments and instrumentalities of foreign governments.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DANAHER. I yield. Mr. WAGNER. I wish to refer to the testimony of Mr. Jones, at page 260 of the hearings, in answer to the statement made by the Senator that some \$46,000,000 are now available and have not been committed.

The Senator from Alabama [Mr. BANKHEAD] asked:

Then you have only forty-six millions of available resources? This is committed.

Mr. Jones. We have nothing that is not committed.

So, Mr. President, all of the money now available for lending purposes, under the control of the Export-Import Bank, is committed. Therefore, unless additional funds are provided, the Export-Import Bank will have absolutely no money with which to continue loaning, until some of the loans which have been made are repaid.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. TAFT. As I explained, of the total outstanding loans of \$53,000,000, twenty millions are not of foreign loans at all. The R. F. C. can take them over tomorrow. That makes \$33,000,000 of foreign loans really outstanding. commitments are commitments to foreign governments in nearly every case.

Mr. WAGNER. The Senator does not mean to say that the commitments are foreign commitments in nearly every

case?

Mr. TAFT. The large amounts are for foreign governments. Nineteen million dollars has been loaned to Brazil. in cash, since March. The commitments to Nicaragua and commitments to Brazil and, in fact, practically all of the large items, except the International Telephone & Telegraph loan, are commitments or loans to foreign governments.

Mr. WAGNER. Mr. President, will the Senator yield at that point, so that the statement may be accurate in the RECORD?

Mr. DANAHER. I yield.

Mr. WAGNER. Strictly speaking, the loan to Brazil was not made to the Brazilian Government. It was made to a bank, 50 percent of which is owned by the Brazilian Government and 50 percent of which is privately owned, and the entire loan was made to pay for products purchased in this country.

Mr. DANAHER. Mr. President, has the Senator concluded?

Mr. WAGNER. Yes.

Mr. DANAHER. Of course, drawing that neat distinction between loans to foreign governments and loans to agencies either partially or wholly owned by foreign governments is the basis upon which it is said there is no loan to a foreign government, as in the case of Mexico. In that instance Mr. Jones testified that the loan was for the purpose of purchase of locomotives for the Mexican National Railways. Of course, that was not a loan to Mexico in the sense used by the Senator from New York; it was a loan made to an organization in Mexico.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DANAHER. Certainly.

Mr. WAGNER. The loan was for commodities purchased from American citizens, and every dollar of that loan has been paid.

Mr. DANAHER. I question the accuracy of that last statement. I think the Senator means it is not in default.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. Referring to the \$25,000,000 credit given by the Export-Import Bank to cover products exported to China, that money was loaned to the Universal Trading Corporation, of New York.

Mr. DANAHER. Yes.

Mr. BARKLEY. It was not all taken. My recollection may be faulty, but I think about \$17,000,000 was taken. The loaning of that money to the Universal Trading Corporation for the exportation of goods to China benefited a total of 30 or 40 corporations, the names of which are set out in the report of the Export-Import Bank. Without that loan, those corporations could not have been able to make the exports. Among this list of 30 or 40 corporations we find the names of the Chrysler Corporation, General Motors Corporation, United States Rubber Export Co., Goodyear Tire & Rubber Export Co., Paul E. Sammann & Co., International General Electric Co., Dodge & Seymour, Ltd., General Motors Overseas Operations, Iron City Tool Works. Two pages are filled with the names of the corporations which were enabled to do business and to sell materials to China because the Universal Trading Corporation was able to borrow money, all of which has now been repaid. It is not fair to hold that out as an example of bad business.

Mr. DANAHER. Mr. President, I must observe to the Senator from Kentucky that I made no reference whatever to the loan to the Universal Trading Corporation, nor did I make any reference to China. My point was simply to bring out, as Mr. Jones himself did, the available capital and the basis upon which that capital could be used.

I now yield to the Senator from Ohio.

Mr. TAFT. With regard to the statement that the loan has been paid back, the total shows there is now outstanding \$8.680,000, and that there is committed but not yet advanced \$15,840,000. So, far from being paid back, it has not even been loaned.

Mr. BARKLEY. The payments are current, and are being kept up as they fall due.

Mr. TAFT. Of course, I have no doubt: and to the extent that they finance export credits, I see no objection. That is part of the purposes of the Export-Import Bank. However, the general term was a 5-year loan, and that makes it a foreign-government loan.

Mr. WAGNER. I wish to make a correction with reference to the statement regarding the loan to the railway company, which I understand is controlled by the Mexican Government. With reference to the repayment of that loan, I understand that there were two loans made. One was for the sale of locomotives by the American Locomotive Sales Corporation, amounting to \$602,000. That has been completely repaid. The other loan, made to the Mexican Railway Co., was for the purchase of equipment from the American Car & Foundry Co. Of that loan, which was in the amount of \$225,000, \$69,000 has been repaid and \$156,000 is due, but the payments are current. In other words, it is repaid so far as the loan is due.

Mr. DANAHER. Mr. President, that coincides with what I stated in that particular. I thank the Senator from New York.

I may say, in conclusion, that the entire program just goes to illustrate the absurdity of the whole set-up, when we now are faced with the proposal to pay an export bounty of a cent and a half a pound on cotton. Curiously enough, we are going to finance the exportation of that cotton by loans from the Export-Import Bank, and we are going to pay some-body to take cotton to Japan, which is the chief user of American cotton at this time, for use in a war over there. What an anomaly!

Mr. BANKHEAD. Mr. President, I did not hear all of the remarks of the Senator from Connecticut, but I judge from what I did hear him say that he contends that the Export-Import Bank has been making liberal use of its credit for exporting cotton. The fact is that since the organization of the Export-Import Bank they have aided in the export of cotton only to the extent of 106,000 bales.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. DANAHER. Is the Senator quite certain of that? Mr. BANKHEAD. We had before the Committee on Banking and Currency at least a detailed statement of the disbursements of the Export-Import Bank, and I had the figures compiled. I did not do it myself. The figures presented to me show that the amount used for aiding in the export of cotton was only 7 percent of the total amount disbursed by the Export-Import Bank.

Mr. DANAHER. I certainly thank the Senator from Alabama, and I hope that the Senator from Kentucky has heard

every word he said.

Mr. BORAH. Mr. President, as to the business wisdom of lending money for the carrying on of export-import trade, I do not propose to speak. It may be wise and it may not be. Later perhaps we will come to a conclusion on it when we have had more experience. I have always had grave doubts about the ultimate success of the plan.

I wish to say a word about loans to governments. It will be recalled that when the message came in from the President it was proposed that a \$500,000,000 authorization be made for the purpose of lending money to foreign governments. At that time some debate took place in regard to the matter on the floor of the Senate, and objection was raised to the proposal. I specifically and earnestly objected to loans to governments.

I do not think it is at all improper for me to make the statement I am about to make. While it refers to a private discussion, in a sense, it was a discussion by an officer having charge of this matter, not in any sense regarded as private so far as the conversation was concerned. He was giving me information with regard to the business which he was conducting and upon which I was seeking information to enable me to vote intelligently. I do not think Mr. Jones regarded it as private.

Mr. Jesse Jones came to the office and stated his position with reference to lending money to foreign governments, and in the conversation he made it clear to me that he was as much opposed to lending money to foreign governments as I was, and that if the matter were under his control he would confine it entirely to the lending of money as they had been lending it, for export and import business.

Upon that basis we discussed the question of reducing the \$500,000,000 proposed to \$100,000,000, and as to whether or not that would be satisfactory to those of us who had raised a serious question as to the \$500,000,000 and as Government loans. The question was raised as to whether under \$100,000,000 additional appropriation it would be practical to make loans to foreign governments, if the amount would be sufficient to enable this Government to make such loans. He was of the opinion that the appropriation could only be successfully utilized along the lines on which the loans had been made heretofore. He made it definitely clear that in his opinion no money should be loaned to governments or for governmental purposes, but for trade purposes only.

Mr. President, I am very much opposed to lending money to foreign governments, but I am quite clear that if it is left under the control of Mr. Jones to direct, the loans will not be made to foreign governments. If I thought that were not true, I certainly would feel that there had been a misunderstanding upon my part in regard to the matter.

When we come to lending money to governments, other questions enter about which Congress ought at all times to take particular notice at the time a loan is made. If a loan is to be made to a foreign government, there are many things which enter into the question which ought to be considered, aside from the mere question of putting out so much money. There may be involvements. If I am not very badly misled, within a very short time some facts will be presented to us which will show how unwise it is to lend money to foreign governments without a full knowledge on the part of the Congress and without full authority and an understanding of the terms upon which the loan is to be made.

I therefore rise to say that the policy of lending money to foreign governments, except through specific action, and that action made known to the Congress and the Congress permitted to act upon it, in my judgment is a dangerous policy. In fact, stating a general principle, we ought not to loan to governments at all.

It is claimed by some—and they may be better informed than I—that this money will be loaned to foreign governments, or that some of it will be so loaned. I myself do not find in the record evidence of that fact. But if there is such evidence, I should like to have it pointed out, because it will control my vote.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TAFT. The last loans that have been made, on June 9, 1939, were to the Banko de la Republica, Oriental de Uraguay. That is a bank the entire stock of which is owned by the Uraguayan Government. That, of course, is not technically a loan to a foreign government, but in effect it is, because the bank is merely an agency of the foreign government. The loan before that was on January 12, 1939, of \$5,000,000 to the Portugese railways. I understand that the Portugese railways are 100 percent owned by the Portugese Government. Since Mr. Jones was here in February \$19,200,000 have been loaned to the Bank of Brazil, which is 50 percent owned by the Brazilian Government. Therefore, unless Mr. Jones is making a distinction between agencies of foreign governments and foreign governments, I cannot understand what he is saying, because half of the outstanding loans of the Export-Import Bank today are loans of the character to which I have referred.

Mr. BORAH. Mr. President, I did not have before me the details of the loans to which the Senator refers, nor did Mr. Jones refer to the details of the loans.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. In a moment. I am permitted to say that my understanding was that loans to a government, as a government, for the purpose of performing governmental duties, in the discharge of governmental obligations, are distinctly contrary to Mr. Jones' theory of lending this money.

Mr. TAFT. It is entirely true that these loans are all made for the purchase of American materials, so far as I know, with a single exception, that exception being 25 percent of

the loan to Haiti. I think the loan is made to a corporation, which takes the notes of the Haitian Government, and the Export-Import Bank have acquired those notes without recourse. So in that case about 25 percent is being spentnot for the purchase of American goods. In general, it is correct that all this money is being spent for exports from this country.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. BARKLEY. I was going to say that even the loan with reference to the Portuguese Railways was for the purpose of enabling them to purchase certain railway equipment in the United States.

Let us take our dealings with Russia. Of course, it may be that there are some Americans who think we should not sell anything to Russia or have any dealings with Russia, but still we do have such dealings. They have a corporation, the Amtorg Co., which is a trading corporation in this country, through which we have been able to sell. That corporation is controlled by the Russian Government, I think. Its policy certainly is. We have sold vast amounts of machinery, we have sold cotton, we have sold many things, and through that corporation we have been able to export them. There has not been a single instance in 20 years when they have defaulted on any payment.

Mr. BORAH. The Russian Government is about the only European Government which seems to be paying its debts.

Mr. BARKLEY. There are one or two little exceptions, like Finland.

Mr. BORAH. Yes; Finland.

Mr. BARKLEY. It is the outstanding European Government that has kept up its record of paying its debts. Such a loan might be said to be an indirect loan to the Russian Government. It is not. It is the type of loan which over 20 years has turned out to be sound. If we are to be denied the opportunity of making that kind of loan, of course we are going to cripple our trade.

Mr. CONNALLY. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. CONNALLY. I had a question in mind which has been already somewhat developed. Is it not true that the primary purpose of the whole organization of the Export-Import Bank is to facilitate exports and imports? The fact that, incidental to that, a foreign government might have an interest in some institution, is beside the point, because we are not making a governmental loan at all in the strict sense of that term. We are making a loan to aid exports or to facilitate imports, and the fact that the Government. in the case of these corporations mentioned by the Senator from Ohio [Mr. TAFT], had an incidental financial interest, does not bring the loans within the category of the loans to which the Senator from Idaho is objecting.

Mr. BORAH. Mr. President, I have no doubt that Mr. Jones had in mind that kind of a loan. I do not think Mr. Jones would have stated to me that he was loaning for governmental purposes, on behalf of the Government, if he had not so understood it. Whether it is to be confined to that course of conduct is a very important question. But I was specific and asked him the question whether \$100,000,000 would permit the carrying on of the course of conduct which had been carried on, or would it also permit the loaning to governments, because I was desirous only of limiting the loans to loans to governments. That was as far as I cared to go at that time, whatever might be my judgment in the future as to loaning for business purposes.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TAFT. One thing that shows the character of these Government loans was that the Finance Minister of Brazil came here and made a Brazilian Government loan. It was the dictator of Nicaragua who came here and made a Nicaraguan Government loan. It was the head of the Paraguayan Government who came here and made a loan for the Paraguayan Government. Now, the theory that these are not

Government loans is contrary to the real facts of the case. The truth of the situation is that these governments have come in here and asked for money; and every dictator in South America is planning to come here to the United States to pick up the millions that are lying around loose in Washington.

Mr. BORAH. There is no doubt about that. They are all waiting for loans, if we are to lend money to governments and for governmental purposes. The Senator is entirely correct about that. It is an unsound policy, an unwise policy, and we ought not to pursue it. But when they struck out the \$400,000,000 it was my opinion that they had limited it to such figures as to necessitate the bank to confine itself to loans which were not Government loans. That, together with the language of the bill and the views of the administrator, seems to me to protect the thing I

Mr. WAGNER. Mr. President, I do not want unduly to delay a vote on this question. There are just one or two matters which were developed before the committee to which I should like to refer. The Export-Import Bank was not created to make loans to foreign governments for governmental purpose. The purpose of the Export-Import Bank was to help our citizens and our manufacturers and our domestic producers to export their commodities, to facilitate the sale of their commodities in other countries, and to aid them in financing those transactions. So far as the transactions of the Export-Import Bank are concerned up to date that purpose has been carefully adhered to, because except the 25 percent referred to by the Senator from Ohio in regard to the Haitian loan, every loan represents a sale of our products to nationals of a foreign country. I think, in this connection, it should be pointed out that we are only doing in an extremely modest way what other countries are doing on a very much larger scale.

Mr. President, I ask for the special attention of the senior Senator from Oklahoma [Mr. Thomas]. The other day he proposed to offer an amendment, and in connection therewith he introduced an article appearing in the New York Times in which it was stated that England had proposed to aid its producers and manufacturers to the extent,

I think, of-

Mr. THOMAS of Oklahoma. Six hundred and nine million dollars.

Mr. WAGNER. Six hundred and nine million dollarsto aid English producers and manufacturers in financing their exports to other countries.

I read the other day that England had given a loan to Poland which Poland was going to use to stimulate its exports, that is, to help finance its exporters' sales in other countries. Of course, the loans of the Export-Import Bank are made for sales primarily to the South American countries, and there is quite a contest going on to win the markets of South America. England, Germany, and other European nations have adopted the barter policy.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. CONNALLY. In connection with the Senator's statement that it is intended primarily for South America, I may suggest that the cotton-producing States are interested in the Export-Import Bank increase of capital inasmuch as exporters of cotton expect to do considerable exporting business, and they need these credits to carry on the export business. For instance, the foreign cotton buyer can secure temporary credit and not be obliged to pay cash for the cotton, but so soon as he sells it he meets his bill. So the cotton trade is greatly interested in the proposed increase in the capital of the Export-Import Bank. The sales to which I have referred relate more particularly to Europe than to South America.

Mr. WAGNER. Yes; that is true. I did not intend to imply that loans are made only for exports to South America, but many of the loans have been made with respect to sales

to countries to the south of us.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. WAGNER. I yield.

Mr. BARKLEY. To corroborate what the Senator from Texas has stated——

Mr. CONNALLY. I thank the Senator from Kentucky.

Mr. BARKLEY. I am always glad to corroborate what the Senator says and I am even more glad to have him corroborate what I say. My attention has been called to the fact that negotiations have been undertaken looking to the possibility of the sale of 1,000,000 bales of cotton in Europe that would have to be financed through the Export-Import Bank. Certainly to take off the market of the United States a million bales of cotton would be a great boon to the cotton producers of the United States.

Mr. TAFT. I mentioned that in my main talk. The United States Government has a considerable amount invested in cotton, and the Commodity Credit Corporation has entire authority to sell that cotton abroad and take the goods of foreigners in payment for the cotton. I do not think the Government needs the Export-Import Bank for that purpose in any respect whatever.

Mr. CONNALLY. While I am sure the Senator from Ohio is an outstanding authority on cotton, the cotton exporters do not agree with him.

Mr. BARKLEY and Mr. TAFT rose.

The PRESIDING OFFICER. Does the Senator yield, and, if so, to whom?

Mr. WAGNER. While Senators have not been willing to yield to me, I shall yield; first to the Senator from Kentucky.

Mr. BARKLEY. In that connection, let me say that the Commodity Credit Corporation can sell cotton that it is now holding, on which the Government has a lien, only with the consent of the owner, and it cannot sell it for less than the loan, with the interest and storage upon it, whereas there might be a great deal of free cotton in this country which may be sold through the Export-Import Bank.

Mr. CONNALLY. Of course. The new cotton crop is moving in my State. The exporters have personally taken the matter up with me and urged the increase in the capital of the Export-Import Bank in order to facilitate their exports of cotton, of the new free crop. It is to the interest of those who raise cotton to keep the new cotton out of the loan and sell it if they can.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BORAH. I should like to ask the Senator from New York and the Senator from Kentucky a question in connection with this matter. Was it not understood at the time the \$500,000,000 was changed to \$100,000,000 that there were to be no loans to governments for governmental purposes?

Mr. WAGNER. Exactly, and I am one of those who was opposed to the \$500,000,000 extension of authorization to the Export-Import Bank. There have not been any loans made to foreign governments for governmental purposes. The discussion has proceeded on a theory which I think has confused the issue. One would think that the Export-Import Bank was created simply as a bank to finance foreign governments in their governmental transactions. Nothing of the kind was contemplated. It is a very modest contribution toward aiding our manufacturers and producers to sell their commodities abroad, and that is all.

Mr. BORAH. I think we got over the line in China pretty badly. But the question is whether or not under this new bill it was to be understood that there were to be no loans to governments henceforth for governmental purposes, to be used by governments for governmental purposes.

Mr. WAGNER. That is certainly the purpose of those who are advocating this proposed legislation, if I may say so.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. WAGNER. I yield.

Mr. LUCAS. Is it not a fact that Jesse Jones in testifying before the Committee on Banking and Currency upon that very question stated that, in the event a loan to a foreign government was contemplated, he thought it would be necessary to bring the question before the Congress and obtain the consent of Congress before the loan was consummated?

Mr. WAGNER. Yes; certainly. He asserted, as I recall, that he had no authority to make any such loan, and, of course, he would not do so in any event without a previous authorization from the Congress of the United States. The Senator is absolutely correct about that.

I asked Mr. Jones when he was before our committee whether any of the sales which were financed in part by the Export-Import Bank could have been made in other countries without such aid and he said emphatically "No." Because of the chaotic condition in other countries the banks themselves are not prepared to take the risk alone, although they do share in some of these risks.

Mr. BARKLEY. I wanted to suggest to the Senator from New York, in his time, as I have no time of my own, and to the Senator from Idaho, that in order to clear up this matter so there may be no misunderstanding with respect to the object of these loans, I am prepared to offer an amendment of this nature.

Provided, That no loan shall be made hereunder for any purpose other than increasing exports from the United States.

Mr. CONNALLY. The Senator should not leave out imports.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TAFT. It does not seem to me that the amendment would change the situation.

Mr. WAGNER. Will the Senator discuss that amendment a little later on?

Mr. BARKLEY. Mr. President, it would be impossible to write anything that would satisfy the Senator from Ohio.

Mr. WAGNER. There has been much discussion about loans to foreign governments. Strictly speaking, loans have not been made to foreign governments, for the Export-Import Bank and the applicant, the exporter, conduct the transactions through the existing bank in the foreign country. If sales are to be made, the financial transactions must be handled through the foreign bank. In both the instances of Poland and Brazil, only 50 percent of the stock of the bank in either of those countries is controlled by the government. The other 50 percent is controlled by private investors.

So, strictly speaking, even in those instances about which so much has been said today, the loans are not made to the foreign government. The government may have a 50-percent interest in the bank, and may pledge its credit to that extent for the repayment of the loan, but it enters the picture only because the bank offers the only financial institution available for carrying out the financial transactions connected with the sales. I wish to emphasize that in the case of every loan made payments are absolutely current. The Senator from Kentucky read from the Record that up to date a profit has been made. No loan has been made with respect to which the Export-Import Bank directors have any doubt as to repayment. Every loan made has either been repaid or is current.

A few minutes ago when I asked the Senator from Maryland [Mr. Tydings] to yield to me he declined to yield, but later weakened. The Senator said that in every instance the Export-Import Bank pledged its credit for the entire loan. As a matter of fact, there are any number of cases in which, when the firm is strong enough financially to do so, it participates in the loan. In other words, if the sale is for \$1,000,000 worth of products to a particular customer, the concern itself will carry 50 percent of the credit and the bank will carry the other 50 percent. In about 50 percent of the loans made by the Export-Import Bank the loans are made with recourse to the exporter. So the bank has recourse both to the purchaser in the foreign country and to the applicant or the exporter in this country.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. La Follette in the chair).

Does the Senator from New York yield to the Senator from
Maryland?

Mr. WAGNER. I yield.

Mr. TYDINGS. I was dealing with only that part of the loan which the Export-Import Bank handled, whether it was 10 percent, 50 percent, or 100 percent. To that extent, if the endorsers do not make the paper good, the bank's assets are liable for the repayment of the loan.

Mr. WAGNER. In many instances the loans are held with

recourse to the applicant for the loan.

Mr. TYDINGS. I say, if the endorser does not make the loan good, if he does not repay the bank for the money advanced, and the bank cannot collect it, the bank stands a loss.

Mr. WAGNER. The Senator means if there is also a default by the purchaser in the foreign country.

Mr. TYDINGS. Yes.

Mr. WAGNER. Of course; but there is recourse to both. Experience has shown that there has been no loss, and that all payments are current.

The PRESIDING OFFICER. The time of the Senator

from New York on the amendment has expired.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. JOHNSON of California. Mr. President, when I was a young man I occasionally visited certain individuals in the country of whom I was very fond. At certain times of the day the cook would come out from the cook house and beat a great gong, the sound of which would carry far, and yell at

the top of his voice, "Come and get it!"

We have done just that thing in the matter of South American loans in the present instance. We have said to South America "Come and get it"; and every broken-down dictator in that territory is on the way to Washington in the hope that he may fill his coffers with good American dollars. Oh, it may be pretended that we do not lend the money to him. However, in one way or another he gets it; and when he gets it he keeps it; and we have seen the last of that sum of money. We have instances before us of loans which have been made to various countries to the south of us, and they are all of that kind. I will not except a single one of them. Brazil hopes to have more battleships built in our yards. It will be said that thereby employment would be given to many persons; but we would pay the bill. Ultimately all the people would be taxed for all these loans, because none of them would be repaid, and nobody expects that they would be repaid.

I have before me a report of the Commission which exists today for the purpose of dealing with South American loans. That report shows loans of approximately one and threequarter billion dollars due to our people. Our people paid the sums that were necessary in the days when those loans were made. They paid them out of their hard-earned cash. Today we are initiating the same thing in a round-about

Mr. President, I am not indicting Jesse Jones in the slightest degree, and I yield to no man in my regard for him. I recognize that if it were possible he would so administer the law as to comply with the technical letter as well as with the spirit of the law, and he would not make loans to foreign governments. However, the fact is that the loans which have thus far been made are loans to governments; a loan was made to a bank in Brazil, half of which is owned by the Government itself; all of that which was loaned in Nicaragua was loaned to the Government of Nicaragua, because that Government consists of one man alone. All that was loaned to Paraguay or Uruguay-I have forgotten which—was given to the one who is in charge of everything

I believe a loan is contemplated to Bolivia, where a distinguished gentleman named German Busch is at present administering every law upon the statute books of that country. He, in accordance with the time-honored custom of the governments of that particular region, declared in one fell swoop that no parliament should exist in the future. Then, not to be outdone, he decreed that there should be no political parties in the state. Then, to be on an equality, as he thought, with those who govern abroad, he said that he would permit no question of human rights to be determined otherwise than by himself.

Doubtless that government will be on its knees asking us for some particular loan, and perhaps will be accorded it. But whether accorded it or not, this method of lending the money of the people of the United States helter-skelter and pell-mell is one against which I protest, and protest as

strongly as a man can protest.

Just think of it. Today we have so little thought of the Government of this country that \$100,000,000 or \$125,000,000 does not appeal to us. We think it is a matter upon which we should not waste a moment's time, and that the question should be determined forthwith, without regard to its merits. Dealing with a subject such as that, we let it go by; but some time in the future there comes a day of reckoning, when those who work for a living or those who have a little must pay every dollar that we fritter away in this mad fashion. We ought not to do it; and it ought not to be done at all by a free body like this, at this or at any other time.

I have no doubt Mr. Jones will do what is right in regard to these loans. But Mr. Jones is not the controlling spirit of our Government. Mr. Jones is not the one who determines our foreign policies. We have heard enough misrepresentation about our foreign policies in the past month. Mr. Jones is not the one who decides what ultimately shall be done; and when the decision is made Mr. Jones will stand aside and do as the particular controlling voice in the Government shall determine.

It is up to the Senate. I do not care a rap. I shall vote against the bill, so I do not care whether the Senate gives \$25,000,000 or \$100,000,000 to Mr. Jones to play with as he sees fit. I do not care, except so far as the morals of the situation are concerned, and so far as justice to the American people is concerned. The Senate may do as it wishes with this amount. It may do as it desires in putting further taxes upon the American people. It is true the sum involved is small; but when taken in the aggregate with all the sums presented, it is \$1,900,000,000. It is up to the Senate. I shall be forced to acquiesce in what the Senate does, but I shall vote against the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. BARKLEY. Mr. President, I move as a substitute for the amendment offered by the Senator from Ohio, to strike out "\$125,000,000" and to insert in lieu thereof "\$175,000,000". with a proviso at the end of the section.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT] will be stated for the information of the Senate.

The Legislative Clerk. On page 18, line 15, it is proposed to strike out "\$125,000,000" and insert "\$175,000,000: Provided, That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: And provided further, That all funds made available under this section shall be expended in the United States."

Mr. GEORGE rose.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Ohio [Mr. TAFT].

The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I do not wish to be heard since the Senator from Kentucky has offered this amendment, but I had risen to say that it ought to be entirely clear that our cloth is being cut to fit a foreign pattern; that we are not making our foreign policies; that we are in this bill, without this amendment certainly, permitting corporations that have been created by the Congress to shape our foreign policy to meet the necessities or the wishes of other countries.

I realize, Mr. President, that I am making a very grave statement, but the truthfulness of the statement I am making will be borne out and verified by time. We have witnessed a complete change of policy by this Government on the question of tariffs. There were those of us who stood for a liberal trade policy with all the world, not with imaginary friends or imaginary foes. We stood for a policy that would break down quotas, embargoes, restrictions, and prohibitive tariffs. But all that has changed. The department of the Government that in December 1938 was vigorously opposed to subsidies upon exports of our raw materials is now vocal and pleading for subsidies upon such materials.

Why? Everybody knows that \$100,000,000 is adequate as a capital for the Export-Import Bank to encourage any legitimate efforts to expand legitimate foreign trade. We have changed the whole program; we have changed the whole policy. Are we changing it for America? If so, all good and well; but let us stand up here and say so. Are we changing it to suit the necessities of somebody else, of some other nation? If so, let us say so. I have the profoundest respect for any man who says that he wants to change our policies, that he wants to go back on everything for which we have stood for the sake of aiding a particular nation, A or B, because he is against C and D; but let him stand up and say so.

What is the necessity for more than \$100,000,000 or \$125,-000,000 for the Export-Import Bank? Is there any necessity for an increase so far as we are concerned? Would it promote foreign trade and commerce? Can there be any promotion of foreign trade and commerce in the vacillating, changing, day-by-day program? Can there be any promotion of foreign commerce if the State Department today is against subsidies and is against barters and is for free and liberal programs of international commerce and trade, and tomorrow is in favor of barters and of subsidies and an

illiberal program?

Mr. President, I have no sympathy whatever with any totalitarian state on the face of the earth, but I have an attachment and love for my country, and I raise the question now, Are we trying to shape our foreign policies to fit the needs and necessities and security of the American people or are we trying to serve the ends of others as we fancy them as being our ends and our interests? No nation ever made a greater mistake; no nation could make a more fatal blunder. Our duty and our responsibility are to our own people. We can never serve it unless we have an eye single to our own interests. I want foreign trade, I want foreign commerce, but I want it on a basis that will last. I do not want it on a basis of favoritism; I do not want it on a basis of subsidy.

Time after time Mr. Jones himself has committed himself to the proposition that \$125,000,000 was adequate; but now we must make additional loans; we must have additional authority. This amendment is relatively insignificant, but what is profoundly significant is whether we are making our foreign policy or whether we are cutting the cloth to suit the

pattern of some other nation.

I raise this question, and I raise it deliberately. Mark my words, Mr. President, in a comparatively short time it will appear that we are not making our foreign policy according to the demands, the necessities, and wishes and the interest of America, but we are looking elsewhere. I never made a more serious declaration in the Senate, and perhaps I never shall, but to me it is all too clear that what I am now saying is the truth. If we want to promote exports, all right; but why abandon our whole tariff policy? Why abandon our whole program under the reciprocal-tariff agreements if they were Why destroy the very objective of the whole pro-Whom do we want to favor? Whom do we imagine are our friends or whom do we fancy are our foes? It seems to me that President Washington was right when he said that a nation could be enslaved by an undue attachment to a foreign power as well as by undue animosity toward a foreign

Mr. President, gratitude is all too rare among men who daily pass each other upon terms of equality on the streets of the village or the city. In international matters it were better to make our own policy. This is not by any means a disconnected event. We changed our policies in the face of declarations that we were opposed to barters, but we have become a bartering nation. In face of a solemn declaration that we were opposed to subsidies we have become a subsidizing nation. In the face of our own statutes providing that we were against dumping we have become a dumping nation. That will not preserve our foreign trade, Mr. President. I want our actions to be on a basis that will enable us to hold foreign trade and foreign commerce on the merits of our products and on the policies that we adopt for the protection of our own people.

Mr. President, regardless of what may be said to the contrary, I know that there is no possible reason for more than \$125,000,000 for the Export-Import Bank if it is the intention to use it merely to promote commerce between this country and foreign nations. If we want to make foreign loans, let us say so, and let each loan stand on its

own merits.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. GEORGE. I yield.

Mr. WAGNER. Mr. Jones testified before the committee that if he is to continue aiding our exporters to sell their products abroad, he would have to secure an increase because all of the money now authorized has been committed. He suggested \$100,000,000. The moneys which he is authorized to use for loans have been committed. So if it is desired to continue the activity of helping to secure foreign markets, which the Senator favors, Mr. Jones would have to have an additional sum of money.

Mr. REED. Mr. President, may I inquire whether this is a private conversation or is it intended for the ears of Senators? I should be very happy if the distinguished Senator from New York would utter his words loud enough so that some of us who are intensely interested in the subject may hear them.

Mr. WAGNER. I beg the Senator's pardon; I thought I had spoken loud enough.

Mr. GEORGE. May I answer? Mr. WAGNER. Yes.

Mr. GEORGE. Mr. President, I do not understand that all of the funds appropriated for the capital of the Export-Import Bank have been used. Some \$53,000,000 have been used. The fund is a revolving fund.

I am as strongly in favor of increasing our exports as is anyone else. I am willing to increase them by any legitimate means. I want to increase them, Mr. President; but I have a right to ask, and I will ask, why there is to be a change in our entire domestic program, if we are looking to our own country.

I have seen the program changed. I cannot understand it. I have only a limited knowledge and a limited capacity to understand, but I have seen our entire tariff program changed. I have seen the entire program changed so far as our exports and imports are concerned. I have seen the whole philosophy of it changed.

The PRESIDING OFFICER. The time of the Senator from Georgia on the substitute amendment has expired.

Mr. GEORGE. Mr. President, I leave the question now. I had intended to raise it and have done so.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Ohio [Mr. TAFT].

Mr. VANDENBERG. Mr. President, I wish to speak briefly on the substitute amendment submitted by the able majority leader. He is obviously making a good-faith effort to try to assure the expenditure of these funds upon American-made commodities. But that does not at all meet the issue that has been raised. Suppose every penny of the loan of May 17, 1939, to the Banco Nationale de Nicaragua-which is entirely and exclusively a governmental instrumentality-is spent for American products; what of it as respects the fundamental issue that is raised here? We must look to the maker of the note for our money.

The maker of the note is a foreign government or its instrumentality; and so long as the maker of the note is a foreign government or its instrumentality, it makes no difference whatever how we protect the expenditure to make sure that every nickle of it is spent in the United States. We have not avoided the fundamental challenge that we must not go into the business of making loans to foreign governments and foreign instrumentalities, because that way lies the root of trouble and difficulty; that way lies the root of default and repudiation; that way lies the experience we have had with loans to foreign governments and to their instrumentalities. Five billion dollars was loaned abroad in the 1920's-for what purpose? For the purpose of buying American commodities. Every penny of it might have been committed by the amendment submitted by the able Senator from Kentucky; every penny of it might have been committed by law to expenditure in the United States. What of it? That does not alter the fact that all the \$5,000,000,000 is in substantial default. That does not alter the fact that our experience with loans to foreign governments and foreign instrumentalities is utterly bad.

Mr. President, I submit that the amendment in the nature of a substitute offered by the Senator from Kentucky, despite his earnest effort to meet a portion of the criticism that is leveled at this Export-Import Bank increase, does not remotely touch the point. The point is, as Mr. Jones said-and he should know better than any other man in Washington-that within the last 4 months \$125,000,000, which is the sum provided by the amendment submitted by the Senator from Ohio, was all that he could use wisely and to advantage in the direct encouragement of export trade. The only thing that has happened in between to change the policy and purpose of our external loans is the letter of the President of the United States in which he said that he wanted to make loans to foreign governments. It is loans to foreign governments and to the instrumentalities of foreign governments that have chiefly been made since that letter was written.

Mr. President, I submit that the case stands precisely as it did before the Senator from Kentucky offered his proposed substitute. The substitute should be rejected, and the amendment of the Senator from Ohio should be adopted.

Mr. BARKLEY. I dislike very much to have to keep occupying the floor, but I cannot let the statements of the Senator from Michigan go without reply. I thank him for his concession that I am making an obvious effort.

Mr. VANDENBERG. That is an obvious concession.

Mr. BARKLEY. But no matter how earnest or honest my effort, obviously I cannot satisfy the Senator from Michigan. Mr. VANDENBERG. Not when it comes to making foreign

loans.

Mr. BARKLEY. Let us concede that in writing the letter to the Senator from South Carolina the President had in his mind the making of foreign loans for the purpose of facilitating American trade. There is nothing in the bill that is based upon the President's letter, insofar as that part of it was concerned. There is nothing in the proposal which changes a particle the law now in existence with respect to the Export-Import Bank. In order to satisfy those who are suspicious or fearful that some loan might be made for some other purpose except to facilitate American trade, I have offered this proviso, that no loan shall be made under this section except for the purpose of facilitating American trade by way of increasing American exports, and that every dime of the money shall be expended in the United States. Under that proviso even the little 20 percent the Republic of Haiti would use in order to employ her own labor and not have to import it from the United States would be covered. That was a concession brought about by the peculiar relationships which have existed between the United States and Haiti, with which we are all familiar.

Under the substitute not a dime of this money can be advanced for any other purpose except to promote American trade. There is not a nickel of it that can be advanced which foreign governments could employ in their own countries to expand factories or do anything else with except buy American products. That is all, and that is all we are interested in.

I do not know whether the \$175,000,000 which I have provided, which represents a \$25,000,000 reduction, will be sufficient or not; but if it is not, I suppose we can get along until Congress meets again. But from the 1st of last April to the 1st day of August they have used up the \$100,000,000 we gave them in March; that is, the amount has been committed; it has not all been used. There is now outstanding about \$55,000,000 in loans, and the rest of it has been committed. If the rest of it has been committed, the Export-Import Bank can make no further loans and can provide for the facilitation of no further American exports until it is determined whether those commitments will actually be used or the entire amount, or a considerable portion of it, or enough of it, is repaid to enable the Export-Import Bank to engage in further export or import transactions. I think this is a fair effort to meet the situation, to allay any fears on the part of anyone, and I hope the substitute will be agreed to.

Reference has been made to the Johnson Act. Of course, that act applies to all foreign governments and the agencies of such governments which are in default to the United States Government. It does not apply to countries which are in default simply to private citizens of the United States. It applies to those governments which are in default to the Government of the United States as such, to which the United States has made loans; and if there is any such South American or Central American country, it would apply just as effectively as if it were a European country. I urge the adoption of the substitute.

Mr. NORRIS. Mr. President, I want to understand the parliamentary situation. The Senator from Ohio, as I understand, has offered an amendment to cut the amount of \$200,000,000 down to \$125,000,000. That is all his amendment does. It seems we are talking about a substitute. I desire to know whether the amendment offered by the Senator from Kentucky can be in any way a substitute for the amendment of the Senator from Ohio?

The PRESIDING OFFICER. The Chair holds that the amendment is in the nature of a substitute, since it changes the amount of the appropriation, and adds a proviso.

Mr. NORRIS. I should like to have the substitute read.
The PRESIDING OFFICER. The amendment in the nature of a substitute will be reported again for the information of the Senate.

The Legislative Clerk. Mr. Barkley proposes an amendment in the nature of a substitute for the amendment offered by Mr. Taft, on page 1, line 2, of the amendment offered by Mr. Taft to strike out the numerals "\$125,000,000" and insert "\$175,000,000: Provided, That no loans shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: Provided further, That all funds made available under this section shall be expended in the United States."

Mr. TAFT. Mr. President, I am glad to note from the substitute amendment of the Senator from Kentucky that the figure \$200,000,000 at least is not a sacrosanct figure. He is willing to concede from that figure.

The significance of the \$125,000,000 is that that is the figure Mr. Jones said was all that he would ever need in order to carry on the kind of activities the Export-Import Bank had been carrying on prior to that time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. For a moment.

Mr. BARKLEY. The Senator knows that Mr. Jones said that in March, and only a week or 10 days ago before our committee he urged the increase in the capital to the amount carried in the bill. So that Mr. Jones, who has had the experience of administering the law, in view of his success up to now, believes that the additional amount is necessary.

Mr. TAFT. Because since that time the Export-Import Bank has engaged in a policy of making loans to foreign governments. The only reason why he has used up this money is that he has done that. He has loaned \$19,200,000 to the Bank of Brazil. It was done by agreement with the Bank of Brazil, a very considerable agreement, by the way, which was not presented to the Senate to ratify, but involved other matters beside the \$19,000,000. He has since that time

made a commitment of two and a half million to Nicaragua, two and a half million to Paraguay, five million to the Portuguese railways, four million to Uraguay. As long as he confined himself to the regular business, \$125,000,000 was plenty, and he said so, but now they have branched out into loans which, it cannot be questioned, are foreign government loans.

Mr. BARKLEY. The loans so far as the Portuguese rail-

ways are concerned were made to the following American companies: American Locomotive Sales, International General Electric, E. G. Budd Manufacturing Co., Baldwin Loco-

motive Works.

Mr. TAFT. Those are the applicants.

Mr. BARKLEY. They are the people who got the money. Mr. TAFT. What the Government gets finally is a note of the Portuguese railways, which runs for 5 years, and is payable in semiannual installments.

Mr. BARKLEY. It gets the obligation of these American companies, which is backed up by those notes, but the loan is made to the American companies, with their obligation.

Mr. TAFT. I did not ask in every case whether the notes were taken without recourse or not. In many cases I know they were taken without recourse. Frankly, I do not know about that in the particular case to which the Senator has referred.

If we adopt the amendment after this debate, it amounts to saying, "We approve of the policy of lending money to foreign governments and foreign instrumentalities, providing they use the money to buy goods in the United States." That is the condition we put on the war loans, that is the condition, practically, we included in many cases, at least, on the loans made after the war. That is not the debate, that is not a concession in argument made in the debate before the Senate. I think it is perfectly proper to lend the money to encourage sales to foreign governments; I am quite willing to think that even without any provision of this kind Mr. Jones would never make another loan like the loan to Haiti, which was conditioned on the money coming 100 percent back to the United States. The very point of the argument is that we want to finance loans for the export of products, but not to finance any that are on an unsound basis, a basis which will not contribute to friendship, which will rather hurt our future international standing than help it, which will build up an export-import business which will collapse as soon as it becomes apparent, as it has always become apparent in the past, that the foreign governments do not pay their loans because they do not have to, and we do not make them. At that time we will find a collapse in these industries, which will have an adverse effect again on employment in this country.

So that it seems to me no concession is really made by the substitute, and I would request that the substitute be voted down, and the amendment itself be adopted.

Mr. KING. Mr. President, in my own time I should like to ask the Senator a question.

Mr. TAFT. Certainly.

Mr. KING. Does not the Senator believe that if we embark upon a program of lending to governments, we will of necessity have repercussions which will be unfavorable? If we lend to government A, government B will immediately assert that we are favoring government A, and it will perhaps arouse antagonism against America and American producers. Does not the Senator believe that if we are to embark upon the policy of lending to governments. Congress itself should be called upon to speak with respect to the government or governments which shall become obligated to us, and we become their beneficiaries?

Mr. TAFT. Yes. I think any loan to a government should be made by treaty, unless there is some great emergency, or we are in the midst of a great war.

Mr. KING. Of course, if we were in the midst of war. and one of our associates in the war, as in the time of the World War, wanted a loan, we would be perfectly justified. if it contributed to the ultimate success of the venture, in making very large loans, as we did during the World War, to aid in the cause. But I am opposed to the lending of money to any country except under such circumstances as those indicated, as in the case of war, where our associates might appeal for credit, and I might be in favor of extending credit. But I would be very much opposed to authorizing Mr. Jones-an able man, of course-to lend to any government he pleases.

Mr. ADAMS. Mr. President, I really desire to ask the Senator from Kentucky, in my time, to give me a bit of information, though probably I should know the answer. The first matter is, I am interested in the mechanics of the financial operations of the Export-Import Bank. I find in the list of credit extensions that the applicant carries 331/3 or 50 percent of the loan. Take the American Locomotive Co., or the Fairbanks-Morse Co. Does the Export-Import Bank make a direct loan to these corporations of a certain amount of money, to be expended by them in their export business and in the preparation of materials for manufacture or for export?

Mr. BARKLEY. I probably can answer that by reading from the circular giving the general policy of the Export-Import Bank, which was issued in June of last year:

The bank is interested primarily in assisting nationals of this country in the development of sound foreign trade, and not in propositions involving the outright purchase of foreign securities or blocking balances having no relation to actual current commercial transactions.

(1) In cases where American exporters desire to bid on foreign business the bank will study such proposals with a view to making commitments in advance of the submission of such bid.

It says further on:

Any exporter or importer may make application for credit by writing directly to Export-Import Bank of Washington, Washington, D. C., or through a commercial bank.

The loans to which the Senator refers are made directly to the domestic corporation.

Mr. ADAMS. Is it a loan upon which the domestic corporation has a liability to the Export-Import Bank? For instance, I see the Fairbanks-Morse Co. listed. Does the Export-Import Bank lend them a certain sum which that company owes to the Export-Import Bank regardless of the outcome of the foreign venture?

Mr. BARKLEY. The Export-Import Bank really does a general banking business, as a matter of fact. Sometimes the local domestic corporation assumes 25, sometimes 50, sometimes 100 percent of the entire loan. In some cases I think the Export-Import Bank has permitted the domestic corporation to assume a portion of the loan, and to rely upon the security they take for the repayment of the loan.

Mr. ADAMS. But, assuming that the foreign purchaser does not pay an obligation, can the Export-Import Bank col-

lect from the American exporter?

Mr. BARKLEY. Not in every case, because in some cases, where it extends credit, say, up to 50 or 75 percent to the American corporation, it may rely upon the assets or the security taken by the domestic corporation from the foreign corporation, which may be put up as a part of the security, and to that extent the domestic corporation may be released beyond the actual percentage of its direct obligation.

Mr. ADAMS. Then do I understand that the Export-Import Bank guarantees to the exporter one-third or one-

half of all the collections?

Mr. BARKLEY. I suppose one might put that interpretation on it to the extent that it does not obligate the domestic corporation to pay the entire amount out of whatever assets it has.

Mr. ADAMS. I notice in the list great corporations, such as General Motors, Firestone Tire & Rubber Co., the Ford Co.-corporations which are amply able to finance themselves. I am merely trying to understand clearly the mechanics of the thing.

Mr. BARKLEY. As in the case of any bank which discounts paper, some of it is without recourse; and, of course, in such a case the Senator is familiar with what that amounts to in the way of a guaranty, or a transfer, or assignment, or endorsement. In some cases it may operate to release the American company of part of its obligation or the entire amount.

Mr. ADAMS. As I recollect, Mr. Jones said that the R. F. C. has an available lending capacity at this time of roughly \$1,400,000,000.

Mr. BARKLEY. No; not at all. The Senator is confusing the general authority of the R. F. C. to make loans with the Export-Import Bank.

Mr. ADAMS. No; I am not confusing it. The R. F. C. has an aggregate unused lending capacity of \$1,350,000,000.

Mr. BARKLEY. Yes; for all purposes,
Mr. ADAMS. For all purposes. Now my question is, If
this authority of the Reconstruction Finance Corporation is
not a power, for instance, to make a loan to Fairbanks,
Morse & Co. to enable them to conduct export business?

Mr. BARKLEY. I presume, so far as agricultural commodities are concerned, the R. F. C. might make loans under a previous statute, but it did not have the authority to do it in the way in which it was desirable to do it. Otherwise, the Export-Import Bank would not have been necessary. It was found that it would be more businesslike to create this bank to do business as an ordinary bank in carrying out the purposes of facilitating foreign trade.

Mr. ADAMS. Let us say, for instance, that the capital or loaning capacity of the Export-Import Bank was fixed at \$175,000,000 or \$125,000,000, or \$100,000,000, and an emergency arose, and that amount was not quite adequate for the immediate problem, the purpose of my inquiry was to find out whether or not the R. F. C. was in a position to step in and meet the emergency.

Mr. BARKLEY. It might in isolated cases, but it could not in a general way to the same degree as is authorized under the Export-Import Bank.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. VANDENBERG. I should like to go back to the Senator's original question, because I think it is important. I do not see how there can be any doubt about the mechanics. The Senator referred to the Portuguese loan of \$5,000,000. Let us see what happens on the face of the record. The applicant is the American Locomotive Sales Corporation, of New York, the International General Electric Co., of New York, the E. G. Budd Manufacturing Co., of Philadelphia, and the Baldwin Locomotive Works, of Philadelphia. Without any doubt, these four American corporations are going to get the benefit of this loan, and that is the point covered by the pending substitute. But this equipment is to be furnished to the Portuguese Railways, which is exclusively an instrumentality to the Government of Portugal, and the applicants, being these four American corporations, carry 25 percent of the loan. Who possibly could carry the other 75 percent in final responsibility except the Portuguese Railways, which in turn is the Portuguese Government? So it is not a final 75-percent reliance upon the Portuguese Government, on the face of the record?

Mr. ADAMS. May I in a measure answer that by asking a question of the Senator from Kentucky? The Federal agency, the Export-Import Bank, in a sense guarantees the American Locomotive Co. on its sales of locomotives to some foreign corporations of some kind. As I understand, it means, if the locomotives are not paid for, and there is a 50-percent participation, that the Export-Import Bank stands 50 percent of the loss.

Mr. BARKLEY. It is a possibility; but that method is adopted by all banking institutions in the matter of foreign trade.

Mr. ADAMS. Oh, no.

Mr. BARKLEY. They do it in part by acceptances, by discounts, and by endorsements—

Mr. ADAMS. No, no. There is no bank in the world that ever, for ordinary interest rate, accepted the responsibility of taking half of the loss and none of the profit. That is not done. What we are trying to do is to stimulate foreign trade by the acceptance and the assumption, as I understand, of part of a loss that may come. My question is this: If we are protecting the American Locomotive Co., or the General Motors Co., as to one-third, or one-half, or some other fraction of their losses, is the United States as a whole furthering

its commercial enterprises by imposing the loss upon the Federal Government rather than by allowing the individual corporation to carry it? That is, the net result, so far as national assets are concerned, is the same unless business is stimulated in such a way as to do the country some good.

Mr. BARKLEY. Of course, none of the money leaves the country. It is used for the general purpose of carrying out the contract, and it remains here until the obligation is discharged. Of course, it is possible, I suppose, to imagine some exceptional case where the Export-Import Bank would take a risk by limiting the obligation of the operating corporation in the United States to 50 or 75 percent. It may take a theoretical risk in depending upon the security of a foreign corporation to repay. But that is the sort of transaction which frequently occurs in international trade in all sorts of banks. Up to date there have been no losses due to such risk. On the contrary, as I have already stated, the Export-Import Bank has made a profit. It did make a profit in the fiscal year ending on the 1st of this last June of \$1,700,000. So there may be a theoretical risk, but no actual risk.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. ADAMS. Certainly.

Mr. BORAH. The difference between these two amendments, so far as dollars is concerned, is \$50,000,000. What is the difference between them so far as using that money

for governmental purposes is concerned?

Mr. ADAMS. As I understood the Senator from Kentucky, it was in putting into words limitations which we all understood were actually in the incorporation of the organization. That is, none of us contemplated in the creation of the Export-Import Bank that it would make foreign loans. Now the Senator from Kentucky is putting into the measure a definite provision that the Export-Import Bank shall comply with our understanding when the bank was created. I was hopeful the Senator from Ohio would accept a proviso—

Mr. TAFT. There is nothing in the substitute whatever that even mentions foreign governments or in any way prohibits the sale to foreign governments. The Senator understands that. Of course, if the Senator would add an additional proviso that there should be no such loans to foreign governments, then it would be entirely acceptable to me. Incidentally, I would be quite willing, so far as my amendment is concerned, to add the Senator's proviso to the \$125,000,000 proposed by my amendment.

Mr. ADAMS. I think the proviso offered by the Senator from Kentucky would constitute an improvement, if it were added to the amendment of the Senator from Ohio as it stands, and I have no doubt the Senator from Kentucky would be glad to have that done in order to make the provision clear.

Mr. TAFT. I would like to perfect my amendment by adding to it the proviso offered by the Senator from Kentucky. I do not think it means very much, but so far as it goes, it goes very much in the right direction.

The PRESIDING OFFICER (Mr. La Follette in the chair). The Senator has the right to modify his amend-

ment until the time it is voted on.

Mr. BARKLEY. The question involved in the definition is one that undoubtedly causes difficulty. It might be provided that no loan shall be made for governmental purposes, but what is a governmental purpose depends entirely on the laws of the government of the country where the exports are to go. Of course all of this is always under the control of the Export-Import Bank. It can turn down all applications if it so wishes.

The PRESIDING OFFICER. The time of the Senator from Colorado [Mr. ADAMS] on the amendment has expired.

The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. Barkley] for the amendment of the Senator from Ohio [Mr. Taff] as modified.

Mr. BARKLEY. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

King La Follette Lee Adams Davis Russell Downey Schwartz Schwellenbach Austin Bailey Bankhead Frazier George Lodge Sheppard Lucas Shipstead Gerry Gibson Gillette Barkley Lundeen McCarran Slattery Smathers Bilbo Bone Borah McKellar Smith Guffey Maloney Stewart Bridges Brown Gurney Mead Taft Miller Thomas, Okla. Thomas, Utah Hale Harrison Minton Bulow Murray Burke Hatch Townsend Truman Neely Norris Hayden Byrd Herring **Tydings** Nye O'Mahoney Vandenberg Capper Chavez Clark, Idaho Clark, Mo. Holman Van Nuvs Wagner Walsh Holt Pepper Pittman Hughes Connally Johnson, Calif. Johnson, Colo. Radcliffe Wheeler White

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT], as modified.

Mr. BARKLEY and Mr. TAFT asked for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, may the amendment of the Senator from Kentucky be read, as well as my amendment.

The PRESIDING OFFICER. The amendments will be read for the third time for the information of the Senate.

The LEGISLATIVE CLERK. The amendment of the Senator from Ohio proposes, on page 18, line 15, to strike out \$200,000,000" and insert: "\$125,000,000: Provided, That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: Provided further, That all funds made available under this section shall be expended in the United States."

The amendment offered by the Senator from Kentucky in the nature of a substitute for the amendment offered by the Senator from Ohio, as modified, proposes, on page 18, line 15, to strike out "\$125,000,000" and insert: "\$175,000,-000: Provided, That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: Provided further, That all funds made available under this section shall be expended in the United States.'

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT], as modified.

Mr. CLARK of Missouri. Mr. President, I should like to ask the Senator from Kentucky whether or not in his contemplation the substitute amendment proposed by him would permit the use of Government credit-for it is essentially Government credit—for the exportation of arms, munitions, and implements of war?

Mr. BARKLEY. Subject to the law regulating the exportation of arms, munitions, and implements of war, and subject to the law governing the Export-Import Bank, if any such commodities could be squeezed in between those two provisions of law, it might be possible.

Mr. CLARK of Missouri. Mr. President, I do not desire to detain the Senate. The yeas and nays have already been ordered. I merely desire to say that I do not intend to vote for any sort of appropriation or the extension of any sort of Government credit for the purpose of using the credit of the United States to finance and facilitate armament programs in foreign nations.

Mr. BARKLEY and Mr. NORRIS addressed the Chair. The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. CLARK of Missouri. I yield to the Senator from Kentucky. I shall be glad to yield to the Senator from Nebraska in just a moment.

Mr. BARKLEY. I should like to answer the suggestion of the Senator from Missouri by saying that no such loan has been made by the Export-Import Bank, and no such loan is contemplated, even if it were possible.

Mr. CLARK of Missouri. Would the Senator be willing to include a provision to prohibit such loans?

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. PITTMAN. Why not make the provision broader and say we shall not ship out of the United States arms, munitions, or implements of war to any country, any time, anywhere?

Mr. CLARK of Missouri. That would be agreeable to me.

Mr. PITTMAN. That question is now before us.

Mr. CLARK of Missouri. The Senator does not intimidate me at all with that proposal.

Mr. BARKLEY. Mr. President, I do not think there is any necessity to provide for any such contingency in this bill. We have had before us the question of the exportation of arms and munitions. We have passed laws on the subject. The proposal involves the whole question of neutrality; and I do not think that question ought to be injected into this legislation.

Mr. CLARK of Missouri. I simply injected it, Mr. President, because it will determine how I shall individually cast my vote. I had hoped to be able to vote for the Senator's substitute.

Mr. BARKLEY. As between the amendment offered by the Senator from Ohio and my substitute there is no difference on that subject.

Mr. CLARK of Missouri. I understand.

Mr. BARKLEY. There would be no advantage one way or the other.

Mr. CLARK of Missouri. There would be an advantage of \$50,000,000.

Mr. BARKLEY. If that would be an advantage. Mr. NORRIS. Mr. President—

Mr. CLARK of Missouri. I agreed to yield to the Senator from Nebraska.

Mr. NORRIS. I think the suggestion I wanted to make to the Senator from Missouri has already been covered by the Senator from Kentucky. Referring to the question the Senator from Missouri raised, there is absolutely no difference between the amendment of the Senator from Kentucky and the amendment offered by the Senator from Ohio.

Mr. CLARK of Missouri. There is \$50,000,000 difference. Mr. NORRIS. As I see it-and I do not believe there can be any dispute about it-there is only one difference between the two propositions now, and that is one provides

for \$175,000,000, the other provides for \$125,000,000. Mr. CLARK of Missouri. I will say to the Senator from Nebraska that, if the question is presented, assuming that this money were to be used for armament purposes for other nations, the difference between whether we spent \$125,000,000 to arm foreign nations or \$175,000,000 would be a very material consideration.

Mr. BARKLEY. Mr. President, nobody in this entire discussion or in the hearings or in the activities of the Export-Import Bank, to which this portion of the bill is limited. and to which the amendment is limited, has ever thought of the exportation of arms and munitions. Nothing of that kind has ever been done, and I am satisfied that it will not be done. If the Senator were to insist that, under no circumstance, should the United States provide or assist in any way in the exportation of arms to any country, it might even involve the question of what assistance we would render to South and Central American nations under the Monroe Doctrine in the event it should become necessary for them to obtain such articles for their own protection and defense.

Mr. TYDINGS. Mr. President-Mr. CLARK of Missouri. I yield.

Mr. TYDINGS. I think the Senator from Nebraska has just stated what is the fundamental difference between the two amendments, and I agree with what he said; and I should like to ask, in the time of the Senator from Missouri-

Mr. CLARK of Missouri. I yield the floor.

Mr. TYDINGS. I do not want the floor, as my time has expired. So I should like to ask the Senator from Missouri a question in his own time.

Mr. CLARK of Missouri. Very well.

Mr. TYDINGS. I ask whether or not the Senator from Kentucky would consent to voting upon his proposal as two different matters, one relating to the money appropriated, and the other the wording, because I am afraid we will become confused about having the wording of the proposal of the Senator from Kentucky without the money.

Mr. NORRIS. The wording is just the same in both

amendments.

Mr. BARKLEY. I will say to the Senator that the substitute amendment which I had offered is the substitute which was read and the Senator from Ohio accepted the latter part of my substitute as the language of his amendment.

Mr. TYDINGS. I have accomplished my purpose, in suggesting that I wanted to prove, that the only real difference was the amount of money, so that Senators would not feel that they would lose the wording of the amendment of the Senator from Ohio.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment proposed by the Senator from Ohio [Mr. TAFT], as modified. On that question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I do not know how he would vote; but I transfer that pair to the junior Senator from New Jersey [Mr. BARBOUR], and will vote. I vote "nay."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate be-

cause of a death in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. Green] are absent on impor-

tant public business.

The Senator from North Carolina [Mr. BALLEY], the Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], and the Senator from Nevada [Mr. McCarran] are detained in Government departments.

Mr. GUFFEY (when his name was called). I have a pair with the Senator from New Hampshire [Mr. Tobey]. I transfer that pair to the Senator from Louisiana [Mr. Over-TON] and will vote. I vote "yea." I am not advised how either Senator would vote if present and voting.

The roll call was concluded.

Mr. HARRISON. I have a general pair with the senior Senator from Oregon [Mr. McNary] and therefore withhold my vote.

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo] is paired with the Senator from Virginia [Mr. Glass]. If the Senator from Mississippi were present. and voting, he would vote "nay."

Mr. HAYDEN. I announce that my colleague [Mr. Ash-URST] is detained from the Senate because of illness in his

Mr. AUSTIN. I announce the general pair of the Senator from Wisconsin [Mr. Wiley] with the Senator from Rhode Island [Mr. GREEN].

The Senator from New Hampshire [Mr. Tobey] would vote "nay" if present.

The result was announced—yeas 44, nays 35, as follows:

	1	LINO 11	
Andrews Bankhead Barkley Borah Brown Byrnes Chavez Clark, Idaho Connally Downey Ellender	Gillette Guffey Hatch Hayden Herring Hill Hughes La Follette Lee Lucas McKellar	Maloney Mead Miller Minton Murray Neely O'Mahoney Pepper Pittman Radeliffe Russell	Schwartz Schwellenbach Sheppard Slattery Smathers Stewart Thomas, Okla, Truman Wagner Wheeler
	N	TAYS—35	
Adams Austin Bridges Bulow Burke Byrd Capper Clark, Mo. Danaher	Davis Frazier George Gerry Gibson Gurney Hale Holman Holt	Johnson, Calif. Johnson, Colo. King Lodge Lundeen Norris Nye Reed Shipstead	Smith Taft Townsend Tydings Vandenberg Van Nuys Walsh White
	NOT	VOTING-17	The state of the s
Ashurst Bailey Barbour Bilbo Bone	Caraway Donahey Glass Green Harrison	Logan McCarran McNary Overton Reynolds	Tobey Wiley

So Mr. Barkley's amendment in the nature of a substitute for the amendment of Mr. TAFT, as modified, was agreed to. OBTAINING OF STRATEGIC ISLANDS FOR DEFENSE OF PANAMA CANAL

Mr. LUNDEEN. Mr. President, for some time I have advocated the taking over of strategic and important bases for the protection of the Panama Canal, both on the Atlantic and the Pacific coasts. I have no desire to make any extensive remarks at this time, due to the limitation of debate on the bill, but I ask unanimous consent to have printed in the RECORD certain resolutions and letters bearing upon these proposed bases both on the Atlantic and Pacific coasts.

I further ask to have an article dealing with the subject printed in the RECORD. It is entitled "Canal Authorities Apprehensive of Pacific Attack," written by Alice Rogers Hager, and published in the Washington (D. C.) Evening Star of July 31. The article is dated Panama City, C. Z., July 31, and indicates that the Canal authorities favor my resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matters referred to are as follows:

[S. J. Res. 119, 76th Cong., 1st sess.]

Joint resolution providing for negotiations by the President with a view to the acquisition, by purchase, of Greenland

Whereas the United States would be able to make more adequate provision for its national defense if it were in possession of Greenland; and

Whereas possession of Greenland by a power hostile to the United States would constitute a distinct threat to the United States, and particularly to the populous area along the northeast seaboard of the United States; and

Whereas valuable trade could be developed between the United States and Greenland if it were a possession of the United States:

Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Government of His Majesty, the King of Denmark and Iceland, for the acquisition by the United States of Greenland. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of His Majesty, the King of Denmark and Iceland, providing for the purchase by the United States of Greenland. States of Greenland.

[S. J. Res. 120, 76th Cong., 1st sess.]

Joint resolution providing for negotiations by the President with a view to the acquisition by purchase of the colony of Curação and Netherlands Guiana

Whereas adequate provision for the protection of the Panama Canal is an indispensable feature of our national-defense policy;

Whereas possession of the colony of Curação and Netherlands Guiana by the United States would enable it to provide more adequately for such protection; and Whereas the colony of Curação and Netherlands Guiana export products in which the United States is deficient and import prod-ucts of which a surplus is produced in the United States: There-fore he it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropri-

ate, with the Government of Her Majesty, the Queen of the Netherlands, for the acquisition by the United States of the colony of Curação and Netherlands Guiana. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of the Netherlands, providing for the purchase by the United States of the colony of Curação and Netherlands Guiana.

[S. J. Res. 170, 76th Cong., 1st Sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of

Whereas Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands are of strategic importance and vital for the defense of the Panama

Whereas such islands are owned by the Republic of Mexico:

Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Mexico with a view to acquiring by purchase or otherwise Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands from the Republic of Mexico.

[S. J. Res. 171, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Ecuador

Whereas Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands are of strategic importance and vital for the defense of the Panama Canal; and Wheres such islands are owned by the Republic of Ecuador: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Ecuador with a view to acquiring by purchase Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands from the Republic of Ecuador.

[S. J. Res. 172, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring Malpelo Island and Gorgona from the Republic of Colombia

Whereas Malpelo Island and Gorgona are of strategic importance and vital for the defense of the Panama Canal; and Whereas such islands are owned by the Republic of Colombia:

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Columbia with a view to acquiring by purchase Malpelo Island and Gorgona from the Republic of Colombia.

[S. J. Res. 173, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Panama

Whereas Isla Coiba, Jicaron, and the Perlas Islands are of strategic importance and vital for the defense of the Panama Canal; and Whereas such islands are owned by the Republic of Panama: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Panama with a view to acquiring by purchase Isla Coiba, Jicaron, and the Perlas Islands from the Republic of Panama.

[S. J. Res. 174, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica

Whereas Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) are of strategic importance and vital for the defense of the Panama Canal; and Whereas such islands are owned by the Republic of Costa Rica: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Costa Rica with a view to acquiring by purchase Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica.

VETERANS OF FOREIGN WARS OF THE UNITED STATES, Washington, D. C., July 31, 1939.

Hon. Ernest Lundeen,

Senate Office Building, Washington, D. C.

Dear Senator Lundeen: I note that you have proposed, in five joint resolutions introduced in the Senate, legislation authorizing the President to negotiate for the purchase of a number of islands and other territory which you feel should be under our defense

control as a matter of national safety. I feel that this is one of the best and most constructive ideas yet advanced for our national defense scheme, and I sincerely believe that the Veterans of Foreign Wars will want to support you in this legislation.

Mr. Millard W. Rice, our national legislative representative, and I have discussed the question and plan to present resolutions supporting your proposals at the Fortieth Annual Encampment of the Veterans of Foreign Wars which will take place at Boston during the latter part of August. I shall appreciate it if you will send me copies of your resolutions for use in presenting the matter to our encampment. We now have no mandate on this particular angle of national defense. angle of national defense.

Thank you very much for your courtesy.

Very sincerely yours,

VICTOR E. DEVEREAUX, Director.

NATIONAL ASSOCIATION FOR THE CALLING OF A UNITED STATES CONSTITUTIONAL CONGRESS, New York, July 20, 1939.

Hon. ERNEST LUNDEEN.

United States Senator,

United States Senate, Washington, D. C.

MY DEAR SENATOR LUNDEEN: Please accept sincere compliments and respects, and permit request for two copies of the bill which the United Press recently indicated as having been introduced in the Senate by your worthy and esteemed self, apropos of the desirability of the transfer to the United States by foreign countries of their territories and other lands in the Western Hemis-

Your kindness will be cordially appreciated. Assurances of kind regards and good wishes are herewith transmitted.

Very respectfully,

R. MOULTON PETTEY.

DEAR SENATOR LUNDEEN: I have read with great enthusiasm an article in the Journal-American stating that you are proposing a resolution that the United States obtain all the islands in the Caribbean Sea either by direct purchase or obtain them in lieu of our war debts.

I am definitely in favor of such a proposal, and I know that many of my friends are also. We have talked about this same thing many times. It seems that quite a few people cannot realize the predicament we would be put to if the Panama Canal was sabotaged. I am in favor of two strong fleets, one for the Atlantic and one for the Pacific. I am also in favor of buying the

was sabotaged. I am in favor of two strong fleets, one for the Atlantic and one for the Pacific. I am also in favor of buying the Galapagos and the Dutch property and to negotiate for the exchange of British and French property for the war debts.

I suppose many a Senator or Representative will fall for the usual wily British actions such as that talked about recently where they want a substantial reduction and then to amortize the balance. Later they will repudiate that balance and ask for another reduction. Only God knows how long that will continue. Recent events concerning British recognitions of various concessions including the recognition of Japanese belligerent rights in China show that Britain would double-cross us if the going would be too tough for them, and they would readily leave us holding the bag. The visit of the King and Queen was the highest of British propaganda, and I am sure that you and other Senators didn't fall for it.

I will gladly do anything to help these proposals go through and if you need any petitions I will gladly canvass my friends to get them. I am thinking as every American should, and I am neither a Communist, Fascist, or any other "ist" just because I believe we should have that land for safety sake. I believe we should also try to get the Bermudas even though they do not fall in the Caribbean.

I am not much of a letter writer, but I do believe in putting my antimate of the surface of the safety sake.

I am not much of a letter writer, but I do believe in putting my sentiments on paper for such a worthy cause, and while you are in the Senate I pray that you will not give up the fight to get these proposals to a head. I'll be rooting for you, and as stated above please do not hesitate to write if you need any petitions. And don't forget to vote two ships for the other's one.

E. LISY, 308 Harding Avenue, Clifton, N. J.

Los Angeles, Calif., June 18, 1939.

Hon. ERNEST LUNDEEN

Senator, United States Senate, Washington, D. C.
Honorable Sir: I was pleased indeed to read the Associated Press
report of your interest in the purchase of Bermuda by the United

States.

Several years ago I had a conversation with an officer of a foreign country, and his statements at that time led me to believe that sometime his country would seize Jamaica, Bermuda, and Nassau. I trust that you will introduce a bill in Congress at an early date for the purpose of creating a committee that start at once the negotiations for the purchase of the above islands. The island of Jamaica would make the best naval base as well as base for military planes that is possible to find. I took that matter or point up with Rear Admiral Hepburn. He agreed with me as to the military value of this island. He doubted that England would apply the debt or consider the debt in the purchase.

England is seeking the help of the United States, and there is no better time than now to get action. Every one of the above islands

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could be made to pay commercially, and for military purpose there

is no question as to value.

Until the United States owns the above islands there will always be danger of them falling into the hands of some enemy of this country. To be brief, I trust that you get a bill before this Congress for their purchase. Every real American will stand up and

cheer for you.

I will be pleased to give you any information that I can as to these islands as I have been on all of them. Will be glad to hear

from you. Very truly,

A. LINCOLN CHASE.

BROOKLYN, N. Y., July 24, 1939.

Senator Lundeen,

United States Senate, Washington, D. C.

Dear Mr. Lundeen: I read in this evening's New York Journal American your proposal for the acquisition of all foreign-owned islands and other lands in the Atlantic and Pacific in South and Central America. I agree with you and I am sure that a hundred million other Americans do. I agree, too, that the acquisition should be speeded up so as to make way to add all this land to our chain of national defense of the United States as well as being closer to guard over the South and Central America governments. closer to guard over the South and Central America governments and the defense of the Panama.

With the present method of aggression which does not declare but just breaks in by carefully carried out secret plans as can be seen all over the world. Therefore we need plenty of outposts in our Western Hemisphere to prepare. It will be the places that are unguarded that will be attacked and least expected of attack. Not to say the commercial value of these islands for air service and

I say, act now. Sincerely yours,

JOHN J. McKEOGH.

P.S.—We will probably never be paid. These lands would be part payment. Let the French and English pay the Dutch for Dutch Guiana. It shouldn't cost us anything except our debt.

[From the Washington Evening Star of July 31, 1939] CANAL AUTHORITIES APPREHENSIVE OF PACIFIC ATTACK—GALAPAGOS, COCOS ISLANDS BELIEVED ESSENTIAL FOR DEFENSE

(By Alice Rogers Hager)

PANAMA CITY, C. Z., July 31.—Grave concern as to the safety of the Panama Canal, from the Pacific side, in the event of any general war in which the United States would be involved is being expressed here as a result of lack of support in Washington for the Lundeen bill to lease the Galapagos and Cocos Islands, off the Panamanian

The consensus here in the Canal Zone paints a graphic and startling picture of the sudden damage to the locks and canal power-control points that could be achieved in the event of a surprise attack from the west, with the consequent severing of this

American lifeline.
"The dawn attack" has become an obsession down here. east Nature has provided the long chain of islands of the West Indian group and preparations are now being made to fortify enough bases there to make it virtually impossible for an enemy fleet or its planes to attack the Canal. But nothing stands between Asia and the Pacific end of the Canal and the entire west coast of North and South America except Hawaii, and Hawaii could be isolated or simply neglected by an enemy fleet steaming along the Equator.

COULD STRIKE SUDDENLY

In an ocean the size of the Pacific such a fleet could move secretly

In an ocean the size of the Pacific such a fleet could move secretly toward Panama, bring its aircraft carriers and supporting ships within the short distance of 500 miles under cover of darkness, and, at the proper moment, launch its planes with their deadly burdens so that they would be in striking position over the Canal at dawn before the American forces had any warning of their approach.

To offset this danger, bills have been introduced in Congress that would authorize the leasing of bases on the only land in the entire Pacific adjacent to the Canal, and also at appropriate points within a 1,000-mile range to the north and south in Central and South America. This would give a protecting range of 1,000 miles in all three directions, with intersecting patrol areas that would automatically prevent any surprise attacks. The ideal locations for such land bases would be along the coasts of the countries to the north and south of the Canal at the correct distances, and for seaplane bases and radio stations in the Galapagos and and for seaplane bases and radio stations in the Galapagos and Cocos groups.

With the present feeling of cordial cooperation between the Central and South American nations and the United States, ob-servers here say that the institution of such bases would be

servers here say that the institution of such bases would be welcomed by the governments in question as an additional protection to themselves. It is felt by those in authority in the Canal Zone that outlying bases in the Pacific, similar to those in the Atlantic, are absolutely necessary to the Canal's safety.

Lack of support for the plan is thought here to be due to a misconception. In following out its good-neighbor policy, the administration is believed to feel that any move to attempt to fortify territory adjacent to the Canal, even on a purely lease basis, would be offensive to members of the Lima conference. The policy itself and the general moves to make it effective are applauded locally, but, in this instance, it is generally disagreed with.

As against this Washington view, there is cited here the recent close fraternization between the heads of countries close to the Canal and the United States Army officers stationed here. Gen. David Stone, commanding general of the Canal Department, in particular, is credited with having done an extraordinarily fine job in promoting better understanding. He has been repeatedly invited to come to Central American capitals as an honored guest by their presidents, and has in return entertained their high officers in Panama.

NO FEAR OF LAND ATTACKS

The announcement by Colombia a few days ago that she would prevent by force of arms, if necessary, any attack on the Canal through her territory, and the subsequent practical application of action in requiring Scadta, the German-owned airline, to reorganize, with Colombians at its head, are attributed to an interchange of visits between the two armies.

In comparison to the real worry that it was generally known the Army felt concerning the proximity of German flying so near the Canal, General Stone told this writer that now there is nothing to be feared from land attacks. "The neighboring countries," he said, "are as one in their friendliness and concern for the safety of what they realize to be their own lifeline as well as ours. They know how great their own danger would be if the Canal were to be seized by any enemy from either the east or the west. And they also realize that the aim of the United States is not war, but the protection of a peaceful artery of world trade.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 188. An act to provide for the administration of the United States courts, and for other purposes; and

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT-CONFERENCE REPORT

Mr. NEELY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 281) to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment That the Senate recede from its disagreement to the amendment of the House of Representatives and agree to an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert: "That section 3 of the Act of May 29, 1930, as amended, is amended by striking out all of that portion thereof beginning with paragraph (g) and continuing to the end of the section and inserting in lieu thereof the following:

"'(g) This Act shall not apply to such employees of the Lighthouse Service as come within the provisions of section 6 of the Act of June 20, 1918, entitled "An Act to authorize aids to navigation and for other works in the Lighthouse Service, and for other pur-

and for other works in the Lighthouse Service, and for other purposes", nor to members of the police and fire departments of the municipal government of the District of Columbia, nor to such employees or groups of employees as may have been before the effective date of this Act excluded by Executive orders from the benefits of the Act of May 22, 1920, and amendments thereof.

"'(h) The provisions of this Act may be extended by Executive order, upon recommendation of the Civil Service Commission, to apply to any employee or group of employees in the civil service of the United States not included at the time of its passage. The President shall have power, in his discretion, to exclude from the operation of this Act any employee or group of employees in the civil service whose tenure of office or employment is intermittent or of uncertain duration.

"'(i) Any officer or employee to whom the Act of July 13, 1937

"'(i) Any officer or employee to whom the Act of July 13, 1937 (Public, Numbered 206, Seventy-fifth Congress, first session), applies who has failed to exercise the option provided thereby to come within the terms of the Retirement Act of May 29, 1930, as amended, may exercise such option within six months from the effective date

"Sec. 2. Strike out all of section 4 of the Act of May 29, 1930, as amended, and insert in lieu thereof the following, so that this section

shall read:

"'(a) The annuity of an employee retired under the provisions of the preceding sections of this Act shall be a life annuity, terminable upon the death of the annuitant and shall be composed of (1) a sum equal to \$30 for each year of service not exceeding thirty: Provided, That such portion of the annuity shall not exceed three-fourths of the average annual besic selects are compensation received by That such portion of the annuity shall not exceed three-fourths of the average annual basic salary, pay, or compensation received by the employee during any five consecutive years of allowable service at the option of the employee; nor shall such portion be less than an amount equal to the employee's purchasable annuity as provided in (2) hereof; and (2) the amount of annuity purchasable with the sum to the credit of the employee's individual account as provided in section 12 (a) hereof, together with interest at 4 per centum per annum compounded on June 30 of each year, according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries.

from time to time be set forth in tables of annuity values by the Board of Actuaries.

"'(b) The total annuity paid shall in no case be less than an amount equal to the average annual basic salary, pay, or compensation, not to exceed \$1,600 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of service, not exceeding thirty years, and divided by forty.

"'(c) Any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned.

no unexpended part of the principal upon the annuitant's death shall be returned.

"'(d) Any employee retiring under the provisions of section 1 of this Act may at the time of his retirement elect to receive in lieu of the life annuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary, duly designated in writing and filed with the Civil Service Commission at the time of his retirement, during the life of such beneficiary (a) equal to or (b) 50 per centum of such reduced annuity and upon the death of such surviving beneficiary all payments shall cease and no further annuity shall be due or payable. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forfeiture provided by this section: *Provided*, That no election in lieu of the life annuity provided herein shall become effective in case an employee dies within thirty days after the effective date of retirement, and in the event of such death within this period, such death shall be considered as a death in active service.

"'(e) For the purpose of this Act all periods of service shall be computed in accordance with section 5 hereof, and the annuity shall

computed in accordance with section 5 hereof, and the annuty shan be fixed at the nearest multiple of twelve.

"'(f) The term "basic salary, pay, or compensation," wherever used in this Act, shall be so construed as to exclude from the operation of the Act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation."

"Sec. 3. Section 6 of the Act of May 29, 1930, as amended, is

hereby amended as follows:

hereby amended as follows:

"'(a) At the end of the first paragraph add the following: "The time limitation for execution of claims for retirement under the terms of this section may be waived by the Civil Service Commission in cases of employees who at the date of separation from service or within six months thereafter, are adjudged mentally incompetent, but the application in such cases must be filled with the Civil Service Commission within one year from the date of restoration of any such person to competency or the appointment of a fiduciary whichever is the earlier. In the case of any such person heretofore separated from service application may be filed within one year after the effective date of this Act."

"(b) The second paragraph of section 6 of such Act of May 29.

"'(b) The second paragraph of section 6 of such Act of May 29, 1930, as amended, is amended by striking out the words "ninety days from the date of the medical examination showing such re-

days from the date of the medical examination showing such re-covery" and inserting in lieu thereof the following: "one year from the date of the medical examination showing such recovery"." "Sec. 4. The following paragraph shall be inserted after the first paragraph of section 10 of the Act of May 29, 1930, as amended: "'Any employee may at his option and under such regulations as may be prescribed by the Civil Service Commission deposit addi-tional sums in multiples of \$25 but not to exceed 10 per centum per annum of his annual basic salary, pay, or compensation, for service

rendered since August 1, 1920, which amount together with interest thereon at 3 per centum per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission with the approval of the Board of Actuaries, in addition to the annuity provided by this Act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries based on an interest rate of 4 per centum. In the event of death or separation from the service of such employee before becoming eligible for retirement on annuity, the total amount so deposited with interest at 3 per centum per annum compounded on June 30 of each year shall be refunded in accordance with the provisions of section 12 of this Act.'

"Sec. 5. This Act shall take effect January 1, 1940."
And the House agree to the same.

And the House agree to the same.

M. M. NEELY. W. J. Bulow,
Lynn J. Frazier,
Managers on the part of the Senate.
ROBERT RAMSPECK, JENNINGS RANDOLPH. EDITH NOURSE ROGERS Managers on the part of the House.

The report was agreed to.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. BROWN. Mr. President, I have an amendment on the desk which I should like to have stated.

The PRESIDING OFFICER. The amendment will be stated by the clerk for the information of the Senate.

The CHIEF CLERK. On page 17, line 25, before the period, it is proposed to insert a colon and the following:

Provided, That such loan shall be made on an amortization basis by means of fixed annual or semiannual installments, or, if such basis be deemed unsuited to the loan, on some other basis, which shall require payment of a substantial portion of the principal and the entire accrued interest each year during the life of the loan; except that the agency may, if it deems it advisable, waive the requirement for principal payment during the construction period of the protect. of the project.

Mr. BARKLEY. Mr. President, I will say to the Senator from Michigan that I have no objection to that amendment. It carries out the real purpose by making provision for annual payments in an amount sufficient to amortize the loan during the period. I have no objection.

Mr. BROWN. Mr. President, if there is no objection to the amendment, I do not desire to be heard on it; but if there is

any objection, I will be very glad to explain it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. Brown].

The amendment was agreed to.

Mr. PEPPER. Mr. President, I have an amendment at the desk which I should like to have read.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 17, after the word "Act", it is proposed to insert a comma and the following: "and except that loans from such sum shall be made available to corporations and other organizations, organized and operated exclusively for charitable, scientific, educational, or hospital purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, to the same extent and upon the same terms and conditions that such loans are made available to municipalities and other public bodies."

Mr. PEPPER. Mr. President, I will state that the purpose of this amendment is to make it possible for educational institutions which are nonprofit corporations, which are dedicated entirely to educational purposes, and which provide no profit to any shareholder or interested individual or corporation, to make loans from the P. W. A.

fund that is provided by this bill.

I have in mind a specific case that makes me interested in it personally, that of the University of Miami, in Miami, Fla. That institution is supported to the extent of 15 percent of its revenue from public taxation, and the remainder of its revenue is derived from donations by interested persons and from the revenues that come into the school from its student body.

Heretofore that institution, however worthy its need or however sound its credit may have been, has not been eligible to get the benefit of P. W. A. loans, and for the obvious reason that 45 percent of the money was being given to the institution and naturally the Federal Government did not want to establish the precedent of making a donation to any applicant which was not a public borrower.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. PEPPER. May I finish the sentence, and then I shall be glad to yield.

Mr. President, under this bill there is no money being given away. This is entirely money that is loaned. I see no reason, therefore, why such an institution might not be eligible for a loan; yet, under the language of this P. W. A. amendment, it is provided that only those can make loans under this section who could have made loans under the P. W. A. Since there is a difference in the character of the old P. W. A. loans and these loans, I thought that the Congress would be willing to make a difference in eligibility.

Mr. BARKLEY. Mr. President— Mr. PEPPER. I am glad to yield.

Mr. BARKLEY. The bill, as written, provides for the Public Works Administration "\$350,000,000 for loans for projects of the character heretofore authorized to be financed by loan or grant, or both, by the Federal Emergency Admintration of Public Works under title II of the National Industrial Recovery Act."

Under title II of that act, provision is made for any projects of the character heretofore constructed or carried on either by public authority or public aid, to serve the interests of the general public. In subsection (a) of section 201 of the Emergency Relief Appropriation Act, as amended, in paragraph 3 it is provided that such subsection shall, for such purpose, be held to include loans for the construction or completion of hospitals, the construction of which is partly financed from public funds.

So it seems to me that the Senator's proposition is already covered in the pending act, by reference to the provisions in the National Industrial Recovery Act of 1933. If the Senator's amendment covers any other such projects, I doubt very seriously whether the pending act ought to be expanded to that extent.

Mr. PEPPER. Mr. President, I know that heretofore the institution to which I have referred has been forbidden to make any loans, on the ground that only a small part of its revenue was derived from public taxation.

Mr. BARKLEY. They were denied grants, but they were permitted to make loans. They probably did not accept the loan because they were denied, under the law, the right to obtain grants.

Mr. PEPPER. If that is the interpretation the majority leader places upon this, very well.

Mr. BARKLEY. The amendment would just be repeating what is already in the law.

Mr. PEPPER. Mr. President, if you will allow me, I shall discuss two or three other subjects.

The PRESIDENT pro tempore. Does the Senator withdraw the motion?

Mr. PEPPER. Yes; I withdraw it. Mr. President, may I send to the desk another amendment.

The PRESIDENT pro tempore. Very well.

The CHIEF CLERK. It is proposed to add at the proper place the following:

Sec. —. Section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by inserting after the first sentence thereof the following new sentence: "The Corporation is further authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to port districts to aid in refunding or refinancing indebtedness heretofore or hereafter incurred in connection with the improvement or maintenance of a port or harbor."

Mr. PEPPER. Mr. President, that amendment is for the purpose of making it possible for loans to be made by the Reconstruction Finance Corporation to port districts. I am satisfied that under existing law such authority does not now exist. I am sure Senators know there are in this country a good many port districts which have been established by local interests and that later, perhaps, the port development has been taken over by the Federal Government and has been maintained by the Federal Government; but, despite the fact that the Federal Government took over the port district and maintained it, a large obligation was left upon the local interests. In Fort Pierce, Fla., we have a very glaring example of such a situation. The people were anxious to establish a harbor to serve not only the East Coast but the whole central section of Florida. The port authority, consisting of only about 1,100 people, undertook the task of creating a port district, and spent two or three million dollars in the construction of a deep-water development. Subsequent to that time, the Federal Government took over the port, and the Federal Government has been maintaining it. The port authority has been in very serious need of some refinancing ability.

All this amendment would do would be to make it possible for the port district to apply to the Reconstruction Finance Corporation and to submit its case, and, if it showed a good case, to make a loan or to be eligible to receive a loan.

I see no objection that anyone can have to including this applicant in the list of those eligible for Reconstruction Finance Corporation loans.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BYRD. I think the Reconstruction Finance Corporation already has that authority.

Mr. BARKLEY. Mr. President, the Reconstruction Finance Corporation has the authority, and even the P. W. A. has the authority, to make loans to port districts for construction of any improvements they may wish to make, but they have no authority to make loans to refinance old debts that have not been paid.

With all due respect to my friend the Senator from Florida, I do not think that either the Reconstruction Finance Corporation or the P. W. A. should be given authority in this bill, which is designed to bring about the employment of unemployed in this country, to go down into the Treasury of the United States to refund existing local debts. We have never authorized any agency to do that, with respect to any city, county, or State. The whole theory of this legislation, P. W. A. or W. P. A., and of all these activities, has been to give employment to idle men during this emergency.

Mr. President, we do not give employment to idle men by paying off an old city debt or an old port debt or any old debt that has been incurred by a local subdivision or by a State. It seems to me that if we start along such lines we shall be going beyond the purposes of this bill and beyond sound finance.

Mr. PEPPER. Mr. President, I wish to say to the Senator from Kentucky that I propose to offer as an additional amendment the one involving the question whether or not the Reconstruction Finance Corporation shall have authority to refinance the outstanding indebtedness of political subdivisions. In a moment I shall discuss that subject in its larger view.

I was not altogether clear in my statement, or the Senator from Virginia [Mr. Byrd] would have understood that I referred to the refinancing of the outstanding indebtedness of port districts, and not new construction.

Mr. President, I should like to ask if the Senator from Virginia thinks the Reconstruction Finance Corporation would have that authority?

Mr. BYRD. Mr. President, the Reconstruction Finance Corporation has authority to buy the obligations of any State, county, or city, on a self-liquidating basis; but that is under the authority of section 5 (b)—what is known as the Glass amendment; and that applies only to the construction of a project.

I read from a letter I received from the R. F. C .:

Answering your question No. 4:

The Reconstruction Finance Corporation's unusued authority to issue additional obligations can provide funds, when the condi-tions of the Reconstruction Finance Corporation Act are complied with, for non-Federal public works of a self-liquidating

Mr. PEPPER. But, Mr. President, I call the attention of the Senator from Kentucky to the following facts.

Mr. BYRD. It says they do not have to be new projects;

it may be any obligations.

Mr. PEPPER. For the benefit of the Senator from Kentucky, I call attention to the language to which the Senator from Virginia has referred. The Senator construes a letter which was written to him by the R. F. C., and which appears on page 10040 of the RECORD, in the following language:

Answering your question No. 4:

The Reconstruction Finance Corporation's unused authority to issue additional obligations can provide funds, when the conditions of the Reconstruction Finance Corporation Act are complied with, for non-Federal public works of a self-liquidating nature

Of course, as I think the Senator will agree, this is not a self-liquidating project, because it has already been constructed, and the Army has taken it over and is operating it. But the district still has the burden of the outstanding obligation, so it would be the obligation of the district that the taker of the securities would be getting.

Mr. BARKLEY. I am sure the paragraph referred to relates to section 5 (d) of the Reconstruction Finance Corpo-

ration Act, which provides:

SEC. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, with public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal, State, or municipal law.

So that it is limited to loans to aid in the financing of projects; and I do not believe that the repayment of outstanding existing debts, either of a State, city, county, or other political subdivision, or of any other public body, was contemplated by Congress when it enacted the statute, because that would not be a project.

Mr. PEPPER. I arrived at the same decision at which the leader arrives, and I rather wish that he and I were wrong and the Senator from Virginia were correct; but I was not clear, and for that reason I wanted the Senate to give con-

sideration to the amendment.

In answer to the statement made by the Senator from Kentucky, I call attention now to a political subdivision which has an outstanding indebtedness that is more than it can pay. There is just one of two things that district can do: It can either go into bankruptcy, which is possible, I think, under the existing Municipal Bankruptcy Act, or its taxpayers can continue to struggle under a burden of tax which they are not able to bear without impeding the development of the community.

Mr. BONE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BONE. I assume this would be a refunding operation.

Mr. PEPPER. That is all.

Mr. BONE. In other words, the district would issue new

bonds and, from the proceeds, take up the old?

Mr. PEPPER. Exactly. This is the way it works out in practice. Under the existing municipal bankruptcy law it is possible, in the case of a political subdivision—and I hope that when we pass an amendment now on the Senate Calendar it will be possible in the case of some additional political subdivisions, for example, a county-if it does have a burden of debt which it cannot reasonably pay, for 51 percent of its outstanding creditors to come into court and file a plan of composition. Then the Federal court will have jurisdiction of the application. The Federal court may then entertain a proposed plan of composition, which, of course, always contemplates a reduction of the outstanding indebted-

ness of the political subdivision. After full examination of that plan of composition, if 66% percent of the affected bondholders or creditors approve of the plan of composition, and the Federal court finds it is a fair plan of composition, the Federal court has authority to put the plan of composition into effect.

In that way it is possible for political subdivisions to discharge outstanding indebtedness that is more than they can reasonably and practically pay. Yet the whole matter is handled in a court of competent jurisdiction, and 51 percent of the creditors are required to make application before the court will have jurisdiction, and 66% percent are required to give their approval before the court can act.

The PRESIDENT pro tempore. The time of the Senator

on the amendment has expired.

Mr. PEPPER. Mr. President, I hope it will be agreeable to allow these people to at least apply to the R. F. C.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER].

The amendment was rejected.

Mr. PEPPER. Mr. President, I have another amendment to offer, which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the end of the bill the following new section:

SEC. -. The first sentence of section 5d of the Reconstruction Finance Corporation Act, as amended, is further amended by inserting after the words "to aid in financing projects authorized under Federal, State, or municipal law", a comma and the following: "or to aid in refunding or refinancing indebtedness heretofore or hereafter incurred.'

Mr. PEPPER. Mr. President, this amendment, if agreed to, would make possible the refinancing of the outstanding indebtedness of political subdivisions. The amendment is broad enough to include any kind of special tax, school or road district, also to include a county obligation or a municipal obligation.

A few minutes ago the Senator from Kentucky pointed out that the authority to make these loans under the R. F. C. would not aid in the construction of projects. I differ with the Senator from Kentucky, because I know from personal experience in my State that there are a great many municipalities in this country which have reached the limit of their capacity to put up their part of the payment for a W. P. A. project. I know that there are cities in my State which are already pledging their delinquent-tax certificates in order to get the money to put up their share of W. P. A. projects in that State. In one of the cities that is in that situation financially there are over 5,000 unemployed people within its limits trying to get jobs. I went with the mayor of that city to the R. F. C., and the mayor of the city begged, almost on bended knees, for the privilege of borrowing enough money on their delinquent-tax certificates to get some money with which to meet the cost of the W. P. A. projects.

If we can reduce the amount of the outstanding indebtedness of a municipality or of a county, if they get themselves in better condition financially than they otherwise would have been, they then would be in position to contribute to the construction of W. P. A. projects, and in that very direct way to aid in the construction of projects which would give jobs to unemployed in this country.

Mr. KING. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KING. Does the amendment which the Senator offers bail out a number of persons who are not claiming the benefit of the bankruptcy measure which we have had before the committee and which is now on the calendar? Is not the Senator trying to take advantage of cities-

Mr. PEPPER. Not necessarily, Mr. President.

Mr. KING. And have the funds provided for in this bill utilized to pay the indebtedness of some of the bankrupt cities in the Senator's State?

Mr. PEPPER. No. Let me tell how this would work out. In my State the Everglades Drainage District embraces

about 12 or 14 different counties. It has an outstanding indebtedness of something like twelve or fourteen million dollars. It cannot possibly pay that debt. No private lender is going to lend money to that district, no bank can afford to lend money to it. But the R. F. C. has said to the district, since they are eligible by specific provision of law to apply to the R. F. C., "We will lend you as much as 40 cents on the dollar of your outstanding indebtedness." That does not contemplate municipal bankruptcy, or anything else of the kind.

If the creditors of that district will be agreeable to take 40 cents on the dollar, then the creditors get their money, the district gets out from under a debt which it could not possibly pay otherwise, the taxpayers get out from under a burden that is more than they can bear, and the district progresses, making new improvements, spending money, giving jobs. That is an instance of the beneficent exercise of the power of the R. F. C., and I see no reason why a political subdivision cannot at least apply to the R. F. C. and have its case judged and the facts and circumstances all considered, just as drainage districts can apply. I know that the R. F. C. has saved my State from bankruptcy by making it possible for drainage districts to apply to the R. F. C. and get help from it.

Mr. KING. I am sure it has not saved it from bankruptcy. because representations were made before the Committee on the Judiciary a short time ago. There were very large sums of which the taxpayers were seeking to escape the payment. and we were considering a bill to enable them to take ad-

vantage of the Bankruptcy Act.

Mr. PEPPER. The plan of composition authorized under the Bankruptcy Act contemplates that the creditors will be paid off. If the court says that a plan of composition is fair, if 66% percent of the creditors of the political subdivision agree to it, in the presence of the court, and the district wants to apply to the R. F. C. to get the cash to pay off its outstanding obligations and put money into the hands of the creditors and get the district in a better financial condition, who is hurt?

Mr. KING. The Senator, then, desires to extend the power which the R. F. C. now has?

Mr. PEPPER. Yes.

Mr. KING. As I understood the Senator, application had been made to the R. F. C., and the R. F. C. was willing to extend credit to the extent of 40 percent.

Mr. PEPPER. I was using that as an analogy. Under the existing law drainage districts can apply to the R. F. C., and I was using it as an illustration of the beneficence of the law we passed 2 or 3 years ago. I am asking now that other political subdivisions may have the same privilege drainage districts have to file applications with the R. F. C.

Mr. KING. Mr. President, without desiring to take the Senator's time. I will say that I think the views expressed by our leader with respect to not extending the authority of these organizations should be adhered to, and I shall vote against the present suggestion or any other suggestion to expand and increase this authority. I shall follow our

Mr. PEPPER. I do not see how the amendment will do any harm. It seems to me it is one of the most beneficent things we can do, because, after all, we are trying to help the people of the country. If we can do something which will help the taxpayers of a given city or county, without the Government losing anything, why should any objection be made? So I hope the amendment will be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Florida [Mr.

PEPPER].

The amendment was rejected.

Mr. PEPPER. I offer another amendment which I ask to

The PRESIDENT pro tempore. The amendment will be

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

Sec. —. Section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by inserting after the first sentence

thereof the following new sentence: "The Corporation is further authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to public-school districts or other public bodies authorized to incur indebtedness for public-school purposes, to aid in refunding or refinancing indebtedness heretofore or hereafter incurred for public-school purposes."

Mr. PEPPER. Mr. President, Senator Robinson and I, before his lamentable death, were the joint authors of an amendment which proposed exactly what is proposed by this amendment, that is to say, to vest in the R. F. C. the power and authority to receive applications from public-school political subdivisions for the purpose of refinancing their outstanding indebtednesses or obligations. If Senators are not willing to extend these powers to all political subdivisions, it seems to me they would be willing to extend them to political subdivisions which are responsible for the publicschool systems of this country. I know there is not a Senator in this Chamber in whose State there is not some public-school district which is laboring under a burden of outstanding indebtedness issued for some worthy purpose in connection with education, which it cannot properly pay, and every one of those districts is looking for some method of relief so that it can reduce the obligation of the taxpayer, the burden of the taxpayer's debt, and at the same time put itself in such a fiscal condition as to render better school service to the people of the community and section.

So I cannot see why anyone should object to giving to school districts the same privileges that already have been given to drainage districts. Are school districts and public education less deserving of consideration than drainage districts or drainage objectives? These privileges were extended to drainage districts, 3 or 4 years ago, and all over the country drainage districts have obtained the benefit of the R. F. C. help and assistance. Now I propose that public-school political subdivisions shall have authority to come before the R. F. C. and explain their situation, and offer it good security in order that they may be able to borrow enough money so as to make it possible for them to refund or refinance their outstanding public obligations. So while the Senator may oppose extension of the R. F. C. authority in the other cases I have enumerated, I hope he will not oppose it in the case of the school districts, which, as we know, all over the country are laboring under burdens of debt which in many cases are more than they can properly bear.

I wish the Senator from Kentucky would give his attention to that matter.

Mr. BARKLEY. Mr. President, the Senator is now seeking to have the Federal Government bail out school districts which have gone into debt heretofore.

Mr. PEPPER. That is the purpose of the Senator from

Florida, but is it not a worthy purpose?

Mr. BARKLEY. It may be a worthy purpose, but the theory of the pending legislation is to provide jobs and we do not give anyone a job by simply paying an old school debt which was entered into before the P. W. A., or the W. P. A., or C. C. C., or "I. P. Q." [laughter] were ever formed.

Mr. PEPPER. Mr. President, if it would reduce the outstanding indebtedness of school districts and reduce the burdens of the taxpayers, I ask whether that would not provide substantial help?

Mr. BARKLEY. Oh, it would help the taxpayer, but it would not give a human being a job, which is the objective of the proposed legislation.

Mr. PEPPER. If my proposal makes for better financial conditions, would it not help the people in the school

Mr. BARKLEY. Yes; but the help is so indirect. help would be by way of payment of old debts which have been made 10 or 15 years ago. The purpose would not be to start a project or to relieve unemployment. The possibility that the payment of an old debt like that may indirectly give some men jobs is very remote.

Mr. PEPPER. Is the Senator aware of the fact that the R. F. C. has made loans to drainage districts to refinance

their outstanding obligations?

Mr. BARKLEY. Yes. That was for the purpose of making them able to reclaim lands which they are not able to sell, so that farmers can continue to own and use the property in the interest of agriculture and the development of land. In those cases debts are owed by individual farmers to drainage districts. The Senator's proposal is entirely different. I would not vote for any amendment which would authorize the R. F. C. to loan money to a State, or county, or city, or political subdivision to pay old debts which were created prior to the establishment of the R. F. C.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida

IMr. PEPPER 1.

Mr. PEPPER. I ask for a yea-and-nay vote on the amendment.

The yeas and nays were not ordered.

The amendment was rejected.

INVESTIGATION OF NEGOTIATIONS BY AMERICAN CITIZENS WITH MEXICAN GOVERNMENT CONCERNING OIL SALES

Mr. NEELY. Mr. President, I present a resolution and request that it be read for the information of the Senate. The PRESIDENT pro tempore. The resolution will be

The Chief Clerk read the resolution (S. Res. 174), as follows:

Wheeras various editorials and news articles have been published in the daily press from time to time concerning the activities of certain American citizens with the Mexican Government in connection with the sale, barter, or exchange of Mexican

ment in connection with the saie, barter, or exchange of Mexican oil; and
Whereas, due to the expropriation of certain American-owned oil properties by the Mexican Government, such activities of American citizens are of vital importance to the American public and to the Government of the United States; and
Whereas it has been intimated that such activities might be construed to be a violation of the Criminal Code: Therefore be it Resolved, That a special committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of any and all negotiations carried on by citizens of the United States with the Mexican Government, or any official thereof, in connection with the sale, barter, or exchange of oil produced on American-owned property expropriated by the Mexican Government, with a view to determining whether such editorials, news articles, or other statements made in connection with such negotiations are true and whether any criminal statute has been violated. The committee shall report to the Senate as soon as practicable after the commencement of the next regular session of the Seventy-sixth Congress the results of its investigation, together with its recommendations, if any, for necessary legislation.

gress the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-sixth Congress, to employ clerical and other assistance, to require by subpena, or otherwise, the attendance of such witnesses and the production of such correspondence, books, papers, and documents; to make such investigations, to administer such oaths, to take such testimony, and to incur such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of

Mr. NEELY. Mr. President, in behalf of prompt action I request that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BRIDGES. Mr. President, I did not understand to which committee the Senator requested the resolution to be

Mr. NEELY. To the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The resolution deals with a substantive matter, and should be first referred to a committee having charge of substantive matters of that nature. It should be referred to such a committee.

Mr. NEELY. Mr. President, in response to the observation of the Chair, I request that the resolution be appro-

priately referred.

The PRESIDENT pro tempore. It would ordinarily go to the Foreign Relations Committee first, and then to the Committee to Audit and Control the Contingent Expenses of the Senate, and, without objection, it is so referred.

Mr. GUFFEY. Mr. President. I sincerely hope when the resolution submitted by the Senator from West Virginia comes to a vote it will be adopted. I assure my colleagues in the Senate that I have nothing to conceal, and I want the fullest and most complete investigation it is possible to make in connection with this matter.

THE SITUATION IN THE FAR EAST

Mr. SCHWELLENBACH. Mr. President, I ask the majority leader whether or not it is expected that the Senate will be in session on Wednesday?

Mr. BARKLEY. Yes; so far as I now know the Senate will be in session on Wednesday. A considerable amount of business has piled up on us during the consideration of the pending bill; and at this time I cannot foresee a recess over Wednesday

Mr. SCHWELLENBACH. In view of the statement of the Senator from Kentucky, I wish to give notice at this time that when the Senate convenes on Wednesday, or as soon thereafter as I may be able to obtain the floor, I shall discuss the far-eastern situation, and will appreciate the opportunity of obtaining the floor at that time.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures; and for other purposes.

Mr. BARKLEY. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

Sec. 21. The third proviso of the third sentence of the third paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended, is hereby further amended by striking out "\$350,-000,000" and inserting in lieu thereof "\$500,000,000."

Mr. BARKLEY. Mr. President, I wish to explain the amendment. It has no relation to the pending bill. It amends the Reconstruction Finance Corporation Act, which provides a limitation of \$350,000,000 for making loans to railroads for all purposes.

The Reconstruction Finance Corporation has left only \$80,000,000 of the \$350,000,000. The amendment is offered after conferring with Mr. Jones and others connected with the Reconstruction Finance Corporation, the lending agency of which he was the head until recently. I am advised that this extra authorization is needed. It does not increase the total authorization of loans made by the Reconstruction Finance Corporation. It does not increase the borrowing power of the Reconstruction Finance Corporation in any respect. It merely authorizes it to use another \$150,000,000 in addition to the \$350,000,000 which it now has the authority to loan to railroads for general purposes.

I have consulted the Senator from Montana [Mr. Wheeler]. who offered the motion the other day to strike out the provision for railway loans on equipment; and he has no objection to the increase of this amount. I have also conferred with the chairman of the committee, with the Senator from Ohio [Mr. TAFT], and also with the Senator from Vermont [Mr. Austin], and others who I thought might be interested.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. What is the present limit on the authority of the Reconstruction Finance Corporation in making loans to

Mr. BARKLEY. Three hundred and fifty million dollars.

Mr. BYRD. I have before me a list which has just been received from the Reconstruction Finance Corporation showing that loans to the extent of \$763,000,000 have been made to the railroads; and out of the \$763,000,000, \$215,000,000 has been repaid.

Mr. BARKLEY. I will say to the Senator that some of those loans were made before Congress inserted the limitation of \$350,000,000 now carried in the law.

Mr. BYRD. What is the total? This report from the Reconstruction Finance Corporation is dated July 15, 1939. Mr. BARKLEY. I have not seen the report. I will say that out of the \$350,000,000 limitation which Congress inserted in the law after loans had been made to the railroads under the general authority the Reconstruction Finance Corporation has loaned all except \$80,000,000. It has a backlog of only \$80,000,000 left for loans under this limitation.

Mr. BYRD. Am I to understand from the Senator that the amendment has no effect upon the action of the Senate in connection with the amendment offered by the Senator

from Montana [Mr. WHEELER]?

Mr. BARKLEY. None whatever. The amendment only amends the original Reconstruction Finance Corporation Act by lifting the ceiling for railroad loans within its general authority and within its borrowing and lending power.

Mr. TRUMAN. Mr. President, the Senator from Ken-

tucky is correct.

The PRESIDING OFFICER (Mr. La Follette in the chair). The question is on agreeing to the amendment offered by the

Senator from Kentucky [Mr. BARKLEY].

Mr. TAFT. Mr. President, the proviso nows reads that the total amount of loans and commitments to railroads, receivers, and trustees, and for purchases and guaranties of obligations of railroads under this paragraph, as amended, shall not exceed at any one time \$350,000,000, in addition to the loans and commitments made prior to the date of the enactment of the act. That is the provision which is to be raised to \$500,000,000.

Mr. BARKLEY. That is correct.

Mr. TAFT. Under that provision the Reconstruction Finance Corporation may loan not only on equipment trust certificates but on the general bonds of railroads.

Mr. BARKLEY. It may make the same type of loans it

is now making, and has made.

Mr. TAFT. Mr. President, it seems to me that apart from the question of method, not only does the amendment propose to increase the amount of loans which may be made to railroads on equipment trust certificates, the other method of approaching which was voted down, but also the Reconstruction Finance Corporation may make loans to railroads which are not even as good as equipment trust loans, in greater amount.

Mr. BARKLEY. The mere fact that the section authorizing new loans and leasing arrangements under the machinery proposed to be set up was stricken out had no effect whatever upon the authority of the Reconstruction Finance Corporation to make the kind of loans it has been making. The argument was made in behalf of the elimination of that provision of the bill that the Reconstruction Finance Corporation could now make such loans; that it could borrow the money and make the loans just as it has been doing, and that the proposed section was unnecessary. All the amendment does it to raise the amount, within the total limitation which the Reconstruction Finance Corporation can use for the making of the same sort of loans hereafter.

Mr. TAFT. Raising the \$350,000,000 does not in any way raise the total borrowing power of the Reconstruction Finance Corporation?

Mr. BARKLEY. It does not. It has no effect on it whatever.

Mr KING. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KING. I ask the Senator from Kentucky whether or not the vote of the Senate the other day was an expression adverse to giving the Reconstruction Finance Corporation the right to extend further credit?

Mr. BARKLEY. No. I will say to the Senator from Utah that the main objection to the provision of the bill the other day, as urged by the Senator from Montana and other Senators, was that it might put the Reconstruction Finance Corporation into the equipment business. Those who objected to that section of the bill thought it might authorize the Reconstruction Finance Corporation to go out and buy old equipment, referred to as junk, and to make leases, which it does not have the power to do today;

and the argument was made that under the present law the Reconstruction Finance Corporation has the authority to make all the loans necessary for equipment, provided the money is available.

This amendment merely gives the Reconstruction Finance Corporation an additional sum to make the same sort of loans it has been making; and there is nothing inconsistent between that principle and the position taken by the Senate in striking out the provision for leases, purchases, and so forth.

Mr. KING. One further question: Did the information which the Senator has received confirm the view that the Government is justified in making additional loans by reason of the precarious condition of the railroads, in view of the possibility that the Government might not be paid back the loans which were advanced?

Mr. BARKLEY. I will say to the Senator that so far as I am personally concerned the information I have received through the channels of the Reconstruction Finance Corporation convinces me that the additional authority would be properly exercised and would not involve the Government in any dangerous extension of its loans to railroads.

Mr. KING. I regret very much that it is felt necessary to increase the authority; and I shall vote against the

amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I send to the desk another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert a new section, to read as follows:

SEC. —. (a) Section 5 (d) of the Reconstruction Finance Corporation Act, as amended, is hereby further amended by deleting the words "June 30, 1939," from the second paragraph thereof wherever they appear and substituting therefor the words "June 30, 1941."

(b) Section 3 of the act approved January 31, 1935 (49 Stat., ch. 2, pp. 1-2), is hereby amended by deleting from the first sentence thereof "January 31, 1945," and substituting therefor the words "January 31, 1935."

Mr. BARKLEY. Mr. President, there are two amendments in one. When the Glass-Steagall Act was passed authorizing more liberal loans to small business there was some uncertainty, and there is now some uncertainty, as to whether it was possible to continue to make such loans beyond June 30, 1939. The Reconstruction Finance Corporation has assumed that it could do so, but in order to clear up the uncertainty the amendment merely provides for June 30, 1941, instead of June 30, 1939.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. Is the Senator speaking of the Reconstruction Finance Corporation authority?

Mr. BARKLEY. I am speaking of the Reconstruction

Finance Corporation authority.

As to the other amendment, under the law as it now is maturities for loans of the Reconstruction Finance Corporation may not extend beyond June 30, 1945. In view of the existing situation it is felt that the time ought to be extended 10 years, to June 30, 1955, so that it may make loans with maturities up to that time.

Those two amendments are amendments of the existing Reconstruction Finance Corporation Act and do not in any way affect the bill or the amendments thereto.

Mr. BYRD. The Senator does not wish the Reconstruction Finance Corporation to expire on July 1, 1941?

Mr. BARKLEY. That is correct.

Mr. BYRD. The Senator proposes to extend-

Mr. BARKLEY. But that does not affect the length of the maturities. Even under the present law the Reconstruction Finance Corporation may make loans up to 1945. However, in view of the provisions in the bill providing for the furnishing of funds to R. E. A. and to the P. W. A., and the additional funds which may be available to railroads, it is felt that the maturity date ought to be extended so that the Reconstruction Finance Corporation will not have to engage altogether in short-term loans.

Mr. KING. Mr. President, in the light of the confused conditions economically as well as industrially and politically. it seems to me it is unwise to grant the extension called for by the amendment. If in the next 2 or 3 years, and before the termination of the life of the Reconstruction Finance Corporation, the situation becomes so imperative as to call for an extension of the maturity period, application may be made to Congress, and I am sure Congress will take the necessary steps. As I said, it seems to me that in view of the confused economic and political situation today in our own country as well as throughout the world we ought not to make commitments so far in the future. I am very much opposed to the amendment.

Mr. BARKLEY. I will say to the Senator that under the present limitations, even if the Reconstruction Finance Corporation made loans to railroads for equipment and took equipment bonds and trusts, it could make such loans for only 6 years, whereas the whole discussion the other day with respect to this matter was to the effect that it ought to be permitted to make loans over the period which might comprehend the life of the equipment itself; so the Government would not lose anything. This other extension is necessary in order that the R. F. C. may provide for longer loans under the authority of the act under which it is now operating and under the authority which it will have under the pending

Mr. KING. I still adhere to the view which I have expressed. The arguments made a few days ago, when the railroad-equipment amendment was before the Senate, would not be applicable.

Mr. BARKLEY. If the Senator will yield, I will say that before the report was made on this bill the committee adopted these two amendments. The R. F. C. also had one or two others about which there was some confusion, and, in order to straighten out all of them, I withdrew the entire list of amendments; but these two amendments now pending were adopted unanimously by the committee while it had the bill under consideration.

Mr. KING. That merely indicates that the committee is not infallible. I think it made a mistake, and I think it would make a mistake if we reaffirmed the position which the committee then took.

Mr. TAFT. Mr. President, the amendments were not given very serious thought in the committee; they were presented at the very last moment on the last day. But I wish to ask the Senator from Kentucky, the author of the amendment, why the R. F. C. came to the Congress and had several provisions extended earlier in the session. I do not understand why they did not ask at that time to have this provision about loaning to municipalities extended that is now sought to be extended. Is there any reason why? Did they intend heretofore to give up that power and allow it to expire?

Mr. BARKLEY. That situation was somewhat analogous to the one in the first part of the amendment. They thought they were asking and obtaining the extensions referred to, but since the expiration of the fiscal year on June 30, 1939, there has arisen a doubt as to whether the act which Congress passed did actually extend the time.

This is simply to clear up that uncertainty and provide what they thought they were getting when these amendments were offered.

Mr. TAFT. I see no reason why they should not have applied for it before. They probably could have gotten it earlier in the session.

Mr. BARKLEY. That they did not do so is no reason why the amendment should be rejected now.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Kentucky [Mr. BARKLEY 1.

The amendment was agreed to.

Mr. BONE. Mr. President, I have tendered an amendment, which is on the clerk's desk, dealing with the matter of veterans' preferences. I should like to have it read from the desk.

The PRESIDENT pro tempore. The amendment will be stated

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. . That section 16 (b) of Public Resolution No. 24, approved June 30, 1939, be amended by inserting after the words "excepting veterans," the following words: "the wives of unemployed veterans, and the widows of veterans."

Mr. BONE. Mr. President, this amendment has to do with the relief act passed heretofore during the session. It deals with the necessity for removing from employment on works projects various kinds and certain types of relief workers. There is an exception in the case of veterans. This amendment is intended to extend that exception to wives of unemployed veterans who may be unemployed and to the widows of veterans. It does not affect the act but is an attempt to extend to widows of veterans who may be in that category, or the wives of unemployed veterans, the preference we have given to veterans themselves. I think it is a logical amendment, because if a veteran himself is entitled to a preference and is sick, is flat on his back and not able to work and is otherwise qualified, there is no reason why his wife should not enjoy that preference which is intended to affect the veteran's family. If we give the veteran a preference, obviously if he is unemployed, broke, and hungry his wife, if she is able to work, might well enjoy that preference and be the beneficiary of the advantages that we have given to the war veteran.

I submitted this amendment to a number of Senators, including the senior Senator from Connecticut [Mr. Ma-LONEY], the junior Senator from Connecticut [Mr. DANAHER]. and the Senator from South Dakota, who expressed some interest in it. I think it can be adopted without doing violence to anything we have done before.

Mr. MALONEY rose.

Mr. BONE. Mr. President, I will say to the Senator from Connecticut I have offered and had read and am asking for a vote on an amendment dealing with the exemptions to veterans which I showed to the Senator 2 or 3 days ago.

Mr. MALONEY. Mr. President, will the Senator vield to me?

Mr. BONE. I have concluded.

Mr. MALONEY. Mr. President, I am very hopeful the Senate will adopt this amendment. I think it would be a great shame to permit an exemption to veterans and then deny the same exemption to the widows of veterans. There are not many of them, and the need is certainly much greater in the case of a widow. I hope there will be no objection to the amendment. It is a very worthy and important amendment.

Mr. BONE. I will say to the Senate that probably merely a handful of people, comparatively, are involved in this amendment, but it has seemed to me the part of justice. and I think the suggestion ought to meet the approval of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. Bone].

The amendment was agreed to. Mr. DANAHER. Mr. President, I have an amendment, which I submit and ask the Chair to cause to be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 17, it is proposed to insert the following proviso:

Provided, That no loan shall be made in excess of \$10,000,000 for any such project.

Mr. DANAHER. Mr. President, this particular amendment applies to the P. W. A. situation. It would impose a limitation upon the amount of the taxpayers' contingent liability which could be allocated to a given project. Since there are a good many projects of the character heretofore authorized to be financed by loans or grants or both, as described in section 4, subsection 2, on page 4, it seems to me that there should be some limitation on the extent of the authorization which we are turning over to a bureau. Because of its desirability the amendment, which was discussed, by the way in the committee, with the assurance at that time that further thought and consideration would be given to the matter, I feel that this is the proper time to take it up. It is self-evident in its purpose and aims, and requires no further explanation. I hope the amendment will prevail, and I hope the Senator from Kentucky will give us assurance that it will be adopted.

Mr. BARKLEY. Mr. President, I do not see any need for fixing a limitation on the amount that may be loaned for any project. I do not know whether there would be any projects involving \$10,000,000, but assuming that the city of Chicago might want to borrow money to help construct a subway-a project which, I understand, they are considering—the adoption of the amendment might make it impossible for the city of Chicago to proceed in that way.

It might also be that the city of New York, for instance, in order to perfect its street and highway systems, might want to build a bridge across the Hudson River or the East River or somewhere else, and the adoption of the amendment might make it impossible for that kind of a transaction to be financed.

I do not know whether or not any \$10,000,000 project will be approved, but certainly if a municipality is in a position to make such an improvement as I have described, and desires to make application for it on its merit, it seems to me it should have the right to do so, without being prevented by inserting such a limitation as now proposed.

I am not interested in any such project; my State is not interested, and will not be, and probably most of the other States of the Union are not interested; but there are communities that may be able to finance, in whole or in part, a project that might reach this limitation. If so, I do not see why the P. W. A. authorities should be handicapped in making loans of that character.

I am not speaking for any of these communities, but certainly the authority heretofore granted the P. W. A. has never been abused, and, under this smaller available expenditure for loans only, no grants being involved, certainly we cannot expect that it will be abused in the future.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield. Mr. DANAHER. I concede the accuracy of the Senator's statement, for, so far as I know, there has never previously been any abuse by P. W. A., but we have a brand new Administrator and will not be operating on a 45-percent equity which the State or municipality itself puts up. Quite to the contrary, there will be a 100-percent loan, and the net result will be that someone in an office in Washington, if he chooses, may allocate the whole hundred million dollars, or the whole \$350,000,000, to one project.

Mr. BARKLEY. Oh, no.

Mr. DANAHER. I know it is absurd; I know it is ridiculous to think of it.

Mr. BARKLEY. I was going to say that.

Mr. DANAHER. There is no reason in the world, though, why the Administrator could not allocate \$50,000,000 of the people's money if there were no restriction on its use.

Mr. BARKLEY. Of course, the Senator knows, as he said. that that sort of payment would be ridiculous; he beat me to it in saying so, but, nevertheless, that does not justify us in assuming, now that we are only making loans and no grants, now that we have only \$350,000,000 available for loans instead of \$1,400,000,000, or \$800,000,000, as has been carried in previous appropriations, the Administrator is going to run wild and make loans of ten or fifteen or twenty million dollars or of the entire \$350,000,000. These will be the same type of loans that have been made up to now. If the city of Chicago or the city of New York or some other city desired to make a loan to enable it to improve its subway-transportation facili-

ties. I do not see why it should not have the right to make application and let the Administrator determine whether it would be wise.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WAGNER. As a matter of fact, there have been some very worth-while projects which cost more than \$10,000,000 upon which applications for loans were granted. The Tri-Borough Bridge is one; the midtown tunnel is another; the bridge in California which has become such a notable improvement is another. There have been many very desirable projects which, in fact, have been so good that the R. F. C. no longer holds the loan, but it has been sold to

Mr. BARKLEY. It made the loan, took the obligations, the work was done, and the obligations were sold to the

Mr. WAGNER. The obligations were sold to the public, and in the meantime men were employed and material was purchased in different sections of the country which benefited business tremendously.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WAGNER. I am not the one to yield, as I have not the floor.

Mr. BARKLEY. I yield.

Mr. DANAHER. The distinguished Senators who have been occupying the floor have been entertaining me with such a number of instances that I should like to ask if it is not true that there have been a 45-percent grant and a 55-percent equity held by the borrowing agencies in each of those instances.

Mr. WAGNER. I know that the California loan was a straight loan. If the Senator from Kentucky will permit me, I shall inform the Senator from Connecticut that loans have been made up to \$400,000,000, as to many of which, such as the California project, which, I think, was a \$60,000,-000 loan, the bonds have been sold to the public. The loans originally made by the Federal agency were so successful that only forty millions of bonds remained with the R. F. C. The remainder, \$350,000,000 worth, have been sold to the public and gladly purchased, at a premium, too, to the Reconstruction Finance Corporation.

However, Mr. President, if I may conclude, I should like to state that under this amendment, several of those projects could not, without Government aid, have been started, and under this amendment Government aid could not have been

Mr. DANAHER. Mr. President, the situation previously obtaining under the law is not the situation here. Under this set-up we are going to authorize the Reconstruction Finance Corporation to transfer to this Corporation or to the P. W. A., upon the direction of the President, the amount of money to be allocated. There is the situation which confronts us. It seems to me the Congress should have something to say about the limitation of the amount of contingent liability that the Government is undertaking.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Connecticut [Mr.

DANAHER].

The amendment was rejected.

Mr. PEPPER. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Subparagraph (a) of section 25 of the Emergency Relief Appropriation Act of 1939 is hereby repealed.

Mr. PEPPER. Mr. President, the purpose of this amendment is to remove one of the greatest injustices that I think was ever perpetrated by this body. That was the addition, in conference, of the provision prohibiting the Federal theater projects as part of the Works Progress Administration program. What this amendment proposes is to make the Federal theatrical projects as eligible for funds from the W. P. A. as any other projects. This amendment does not give the Federal theater projects a preferred place, and neither does it put them in a position of ineligibility for any W. P. A. funds. Before any W. P. A. funds could be used for the theaters they would have to be sponsored locally, and 25 percent of the State funds, of course, as the bill now provides, would have to be made available to the W. P. A. In other words, it would not be possible for the W. P. A. to sponsor its own theater projects or to proceed on its own initiative with the theater projects, as was possible before the present provision was enacted.

Mr. President, I realize that the Senator from West Virginia [Mr. Holf] and others had some criticism which they conscientiously urged, believing certain things to be unwholesome and not in the public interest, in connection with the theater projects of the W. P. A. I think I am prepared to say to the Senator from West Virginia and a few others interested in the subject that if the Federal theaters are permitted to operate in the future, as the music projects and the arts projects and the other projects of that character are permitted to operate, with local sponsorship, with the local people putting up the same proportion of the theater projects' costs as for the music projects' costs, and the like, there will be a different management of the theater projects in the future. In other words, I know that that splendid lady, Mrs. Flanagan, who has heretofore headed the theater projects, believes so conscientiously in the projects and in the merits of the program to be willing to sacrifice her personal desire to be associated with it, and even the personal remuneration that she has derived from it, and will completely detach herself from it, in order that the program, which has done so much good in this country, may have an opportunity to operate in the future.

Mr. President, I have here a statement made in 1937 by Lt. Eugene M. McGilicuddy, of the juvenile aid bureau of the crime prevention bureau of the New York City Police Department. He said:

I have found that crime prevention and art are very closely related. For proper guidance and education, we have sent many thousands of our children to see Works Progress Administration Federal Theater productions. We feel it has done a lot for them. Taking a child once to a real theater play did more good for him than taking him 100 times to the movies. Movies do not stimulate the child's imagination in the way your productions do. It is my opinion that 75 percent of the 15,000 children a week handled by us did not know that such a thing as the real theater existed.

* * Many delinquents or potential delinquents can be reached through athletics. But some children cannot be reached through these sports. It is the theater or the parks which have an appeal for that type of child. Thanks to the W. P. A. art program, the opportunity to indulge his creative instincts has been afforded this class of child. Without the aid of the W. P. A. and its arts program the Police Athletic League could not function. We haven't the funds.

In addition to that, I should like to read a list of the sponsoring organizations of the various theater projects over the country—263 social clubs and organizations, 264 welfare and civic organizations, 271 educational organizations, 95 religious organizations, 21 organizations from business and industry, 16 mass organizations, 66 trade-unions, 82 professional unions, 17 costumers' unions, 29 fraternal organizations, and 15 political organizations.

Mr. President, the Federal theater has not only produced the greatest number of religious plays ever presented by any producing group in the country, but it has also undertaken a wide variety of original research productions in the field of religious drama.

The productions have included such distinguished presentations as the American premiere of Eliot's Murder in the Cathedral, in New York; Sierra's Holy Night, in Chicago; Hauftman's Bethlehem, in Maine; Lavery's Monsignor's Hour, in New Orleans; Obey's Noah, in Los Angeles and Seattle; Bach's Within These Walls, in Chicago and New Orleans; O'Neill's Days Without End, in Denver; Lavery's First Legion, in San Francisco, as well as the annual cycles of Christmas miracle and morality plays which have been performed from coast to coast, on the steps of churches,

libraries, public buildings, and even from the platforms of trucks, which have taken the Christmas story from one block to another in much the same fashion the strolling players of old went from place to place.

Particularly significant of the work of the Federal theater in religious drama is the unsolicited comment of the Catholic Herald of London, which declared in a recent review of the theater's record:

In such a plan as the American one seems to lie a real national theater serving both a living culture and a living people, representing no one group and no one class either artistically or politically—a people's theater in fact.

I should like to have permission to read into the RECORD a list of the authors whose plays have been performed, and while there were a few plays that were referred to by the able Senator from West Virginia, I will say that some of the plays which were criticized as objectionable were given before the program came under national supervision and control. But in the list of plays given will be found some of the best dramas available in the world of culture today. The question of whether they were given creditably or not by the performers is attested by the attendance that was enjoyed wherever the performances were given.

Do the Members of the Senate realize that the real story of the plays produced by Federal theater has not been told them? Do they realize that Federal theater has produced an extensive religious cycle of early nativity and miracle plays; that it has produced a great classical series, including plays by Euripides, Plautus, Marlowe, Shakespeare, Beaumont and Fletcher, Lope de Vega, Moliere, Sherica, Goldsmith, Schiller, Labiche, Ibsen, Wilde, Tolstoy, Chekov, Dion Boucicault, Shaw, and O'Neill?

Does the Senate realize that the majority of plays by Federal theater are those of accredited and successful dramatists? Since one of the Senators on this floor dragged up and ridiculed a dozen plays out of the entire 1,200—plays done on small projects, before there was national control of the projects—I insist on writing into the Record at least a partial list of American dramatists who have been proud to have their plays done by Federal theater.

This list includes George Abbot, George Ade, Zoe Akins, Maxwell Anderson, Anthony Armstrong, Frank Bacon, Fred Ballard, Philip Barry, Emjo Basshe, Lewis Beach, David Belasco, Michael Blankfort, Guy Bolton, Ann Preston Bridges, George H. Broadhurst, Porter Emerson Brown, Charlotte Chorpenning, George M. Cohan, Octavus Roy Cohen, E. P. Conkle, Marc Connelly, Barry Conners, Frank Craven, Rachel Crothers, Owen Davis, Paul Lawrence Dunbar, Philip Dunning, Frank B. Elser, John Emerson, Edna Ferber, Clyde Fitch, Martin Flavin, Rose Franken, Zona Gale, Virgil Geddes, William Gillette, Susan Glaspell, Montague Glass, James Gleason, Michael Gold, Paul Green, Harry Wagstaff Gribble, James Hagan, Theresa Helburn, Lillian Hellman, James A. Herne, Avery Hopwood, Sidney Howard, Hatcher Hughes, Talbot Jennings, Larry E. Johnson, George Kaufman, Patrick Kearney, George Kelly, Charles Rann Kennedy, Sidney Kingsley, Charles Klein, Alfred Kreymberg, Lawrence Langner, Ring Lardner, Emmet Lavery, John Howard Lawson, Sinclair Lewis, Anita Loos, Constance D'Arcy Mackaye, Elizabeth McFadden, Albert Maltz, Max Marcin, Don Marquis, Alan Landon Martin, Margaret Mayo, Edna St. Vincent Millay, John Moffet, James Montgomery, Christopher Morley, Kenyon Nicholson, J. C. Nugent, Clifford Odets, Eugene O'Neill, Paul Osborne, John Howard Payne, Paul Peters, Channing Pollock, Robert H. Powell, William W. Pratt, Samson Raphaelson, Daniel Reed, Mark Reed, Elmer Rice, Lynn Riggs, Mary Roberts Rinehart, George Scarborough, Edgar Selwyn, Irwin Shaw, Robert Sherwood, George Sklar, Winchell Smith, Samuel and Bella Spewack, Wilbur Daniel Steele, James A. Sterne, Donald Ogden Stewart, Austin Strong, Barry and Leona Stavis, Booth Tarkington, Sophia Treadwell, Bayard Veiller, Lula Vollmer, James Warwick, John Wesley, Percival Wilde, Thornton Wilder.

This list should be sufficient to indicate the wide diversity and high standards of subject matter of the plays produced.

In the New York theater project, which was referred to, there were four plays about to be given when the Federal theater project was forced to close down. These plays were chosen by the school boards of over 100 high schools in the United States and were booked continuously through next year. These plays consisted of the Taming of the Shrew, The Rivals, R. U. R., and Cyrano de Bergerac.

Mr. President, I might go on and give references to statements showing the recognition which has been given to the merit and the virtue of the Federal theater program. There is no possibility of longer being any Communists, if there ever were, in the Federal theater program, because we have an airtight provision in the law that every person who receives benefits from the W. P. A. must take an oath that he supports and adheres to and believes in the institutions which are characteristic of America. I submit that if the lady who has headed this program, Miss Flanagan, has been in the past an impediment to the preservation of that great work, she has already offered to get out voluntarily and completely dissociate herself from that program, and let it be reorganized and revised in such a way that it will be absolutely above question by the most critical and exacting Member of the Congress.

Why can we prefer orchestras and let them be sponsored locally and receive W. P. A. contributions, and yet not sponsor the theater? Why can we let people locally sponsor an arts program, and yet not let people locally sponsor a theater program? Does the American Congress propose to castigate, as the only unworthy class of American artists, the people who are dedicated to the theater?

I see sitting before me the able Senators from Alabama and South Carolina, who I happen to know have illustrious nieces who are pursuing careers on the stage. Are they to be punished because there might heretofore have been someone in the program who was not satisfactory according to someone's critical judgment? Are all the others of the 7,000 performers to be criticized as unworthy to the traditions of America, and is it to be said that they cannot under any local sponsorship or in any possible case enjoy with any aid whatsoever from the Federal Government work of the kind they have chosen as their life's vocation?

Let us not condemn a class wrongfully. If a barrel has some rotten apples in it, get the rotten apples out of the barrel. If there is a rotten apple on top of the barrel, get it I say that Miss Flanagan has done a wonderful job as supervisor of this theatrical program. I cannot agree with the very able Senator from West Virginia in his criticism; but I do not criticize him for making the criticism. He has a perfect right to have that view about the matter. Other Members of Congress have the same right. But because this lady might happen to be objectionable, are 7,000 who have no other work to do to be deprived of getting a W. P. A. job if the project is sponsored by local communities, the way the music and arts programs are sponsored? I say it is unworthy to catisgate as noble a class as there is in the country as unworthy of their Government's consideration, and I know that on reflection, and upon assurance that there will be given a new attitude and a new point of view, new scrutiny, if I may say so, to this program, the Senate will be fair enough to submit this amendment back to the conference and let the House say again, in view of these assurances, whether they would not be willing to let the communities of America sponsor theater projects the way they can sponsor other projects which may be made a part of the Works Projects Administration program.

Mr. BARKLEY. Mr. President, I wish to make a statement with reference to the amendment. I appreciate the interest of the Senator from Florida in the theater situation. I admire his tenacity and ability in presenting it, or in presenting anything else he espouses. But this is the situation. If we are trying to put onto this bill a correction of everything someone thinks has been a mistake in legislation enacted heretofore, we not only will not recognize the bill

when it is passed, but we will not get any legislation of any sort, even on the subject about which we are legislating.

The Senate adopted an amendment continuing the theater project, and I voted for it when it was before us in connection with the relief bill. It went to conference, the House would not accept it, and I know of no reason why it should be thought the House has changed its mind and would accept it on this bill, when it would not on the other. The conference report was presented, and the Senate agreed to the conference report with the amendment stricken out.

We had before us a few days ago the prevailing-wage provision, and because the Senate did not desire to incorporate it in the pending bill, because it would complicate the situation, and perhaps we would get neither the prevailing wage nor the measure now pending, that amendment was defeated.

The amendment the Senator has offered can be offered in connection with any other legislation, as well as in connection with the pending legislation, and I hope the Senator from Florida, with all his enthusiasm, and ability, and determination, and stick-to-it-iveness on any proposition, will not urge the amendment on this bill.

I sympathize with the situation which confronts the actors and artists of the country, and I voted for the provision when it was before us on a previous occasion, and I do not wish to foreclose myself as to how I would vote in the future; but I am sympathetic. I regret that it was eliminated; but it was eliminated by the action of the Congress, and I do not believe a measure like that now pending should be used as a kind of omnibus vehicle upon which to attach other things which have been rejected heretofore. For that reason I hope the amendment will not be agreed to.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. PEPPER. Under the rules would it be possible, or would the Senator think it inappropriate, if this amendment were withdrawn now, that it might be offered upon the deficiency bill when it comes along? It is directly related to providing jobs.

Mr. BARKLEY. It depends. It would probably be subject to a point of order, and the Senator of course could move that the rule be suspended, and if he could obtain a two-thirds vote to suspend the rule, if the point of order were made, he could make it in order on the bill. My recollection is that when the matter was up before it was adopted by an overwhelming vote.

Mr. PEPPER. Our leader has been very magnanimous about this matter, and while, of course, I do not want to bind the Senator, if I may deduce from his favorable attitude that he would not be one of the most belligerent opponents of the amendment if it is presented in connection with another measure, I will gladly acquiesce in his suggestion that the amendment be withdrawn.

The PRESIDING OFFICER (Mr. Lee in the chair). The amendment is withdrawn.

Mr. BURKE. Mr. President, I offer an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The Legislative Clerk. It is proposed to strike out lines 16 to 25, inclusive, on page 13, and to insert "shall become available for such purposes as and when appropriated by Congress"; and on page 18, at the end of line 9, to strike out the period and insert a comma and the words, "and the specific sums named in the act respectively for the various agencies administering the act, but no money shall be expended hereunder without appropriation by Congress."

Mr. BURKE. Mr. President, I shall explain in a very few words the purpose of the amendment.

When money is received in the United States Treasury, coming from whatever source or raised in whatever manner it may be, that money shall not find its way out of the United States Treasury until Congress has made the necessary appropriation to take it out.

We have before us a bill to provide, we are told, a sound method of financing. We are all familiar with the method that is proposed. The corporation specified in the bill is authorized to issue bonds, to sell them to the public, and to deposit all of the proceeds in the Treasury of the United States, just as any money raised by taxation or any other money finds its way into the Treasury.

This measure then provides a different method for getting the money out of the Treasury. Through all our history the appropriation bodies of the House and the Senate have had to act before a single dollar could be taken out of the Treasury, and action has had to be concurred in by a majority of both houses of Congress.

That has been the American way of getting money out of the Treasury. But we have here proposed a new method.

The Treasurer of the United States is hereby authorized and directed to receive such moneys and hold the same * * * and * * * upon the direction of the President, shall order to such special disbursing accounts with said Treasurer as the Secretary of the Treasury shall designate.

The purpose of the amendment, as I have explained, is to provide that when this money gets into the Treasury it can be taken out only in the normal American way, and that is accomplished by the two parts of the amendment offered. First, on page 13, section 11 now reads:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose of carrying out their respective functions under this act and such funds shall remain available for such purposes until expended.

All the remainder of that section is eliminated, so that if the amendment shall be adopted, the section will read:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose of carrying out their respective functions under this act, and such funds shall become available for such purposes as and when appropriated by Congress.

Then, proceeding to the other part of the amendment, on page 18, line 9, section 19 now reads:

There is hereby authorized to be appropriated from time to time such sums as may be necessary for administrative expenses in carrying out the provisions of this act.

I insert this provision:

And the specific sums named in the act respectively for the various agencies administering the act, but no money shall be expended hereunder without appropriation by Congress.

I do not wish to enlarge upon this point, but, with the provision covered by the two parts of the amendment inserted in the bill, I believe it would be possible for many who must otherwise oppose the measure to give their support to it. I earnestly urge the serious consideration of the amendment.

Mr. BARKLEY. Mr. President, I have no doubt that any Member of the Senate who is opposed to the bill could with great consistency support it if the amendment of the Senator from Nebraska should be adopted, because we might as well strike out all after the enacting clause as to adopt the Senator's amendment.

What does the amendment provide? In the bill as it was first presented to the committee there was a provision for the use of a revolving fund. It was proposed that when loans made by various organizations, such as the Rural Electrification Administration, the Farm Security Administration, the Public Works Administration, were repaid, they shall be placed in a revolving fund. The committee refused to include that provision. So an amendment was adopted which stated:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose—

And so onuntil expended.

In other words, there is \$350,000,000 available for P. W. A. They may use that until it is absorbed, but after it is repaid they cannot use another dollar of it to make new loans. It goes back into the Treasury. The Rural Electrification Administration was authorized to lend \$500,000,000 to farm cooperatives to establish rural-electrification facilities, and it is available until expended. That is not money which is

going out of the Treasury. It is money that has been obtained by the Reconstruction Finance Corporation through the sale of bonds to the public. The same thing is true with respect to the Farm Security Administration, the R. E. A., and the P. W. A.

Let us suppose that projects are approved under the Public Works Program amounting to \$200,000,000. The Reconstruction Finance Corporation sells bonds to obtain that \$200,000,000 to turn over to the P. W. A. to make these loans. Under the amendment offered by the Senator from Nebraska not a project could be begun until Congress next year some time, after we come back in January, appropriates the money for that specific purpose. The Senator from Nebraska is an intelligent and able man, and he understands all the implications of his amendment.

If the Farm Security Administration desired to lend \$100,000,000, or \$50,000,000, or any part of the \$600,000,000 for farm tenancy or for rural rehabilitation, it could go to the Reconstruction Finance Corporation, with the approval of the President, and say, "We have applications for loans amounting to \$100,000,000. We may have some more later, but we have applications for \$100,000,000 now." The R. F. C. could sell its bonds to enable these new loans to be made, if the amendment of the Senator from Nebraska were not adopted. But under the amendment of the Senator from Nebraska they could not lend a dime. The entire R. E. A. program would be stopped until Congress came back here and made an appropriation, not out of money put into the Treasury by taxes, but out of money obtained by the R. F. C. through sale of bonds to the public. Not a single cooperative in the United States could get a dollar until then.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I have only 5 minutes. I hope the Senator will not ask me to yield. If I have any time when I get through, I shall be glad to yield.

The same situation applies to the Public Works Administration. They may have enough projects already approved to absorb all the \$350,000,000. The R. F. C. may sell bonds in order to obtain the money for the benefit of the Public Works Administration. Under the Senator's amendment, however, not a project could go forward until Congress should meet again and appropriate money for each individual project. If Senators want to destroy the effect of the bill, let them vote for the amendment of the Senator from Nebraska. If Senators are opposed to the bill, let them vote against it on the roll call when it is put on its final passage, but do not kill it in an indirect way by adopting this amendment, because that is what they would do.

On page 18 of the bill we provide that the administrative expenses, as is the case now as to all these agencies, shall under the authorization be appropriated by Congress. But in order that the Senator from Nebraska might make sure that his amendment would destroy the effect of the bill, he has gone over to the last page, where we provide for the appropriation of administration expenses, and added language which would make it impossible not only for the administrative expenses to be paid under the language of the bill, but for any of these agencies to spend a dollar on any specific project unless that project were brought here on the floor, threshed out in Congress, approved, and the appropriation made, not out of funds raised by taxation and put into the Treasury, but through the sale of bonds made under the jurisdiction of the Reconstruction Finance Corporation.

Mr. President, the amendment should not be adopted, and I hope it will be defeated.

Mr. GERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators
answered to their names:

Adams	Bridges	Clark, Mo.	Gibson
Andrews	Brown	Connally	Gillette
Austin	Bulow	Danaher	Guffey
Bailey	Burke	Davis	Gurney
Bankhead	Byrd	Downey	Hale
Barkley	Byrnes	Ellender	Harrison
Bilbo	Capper	Frazier	Hatch
Bone	Chavez	George	Hayden
Borah	Clark, Idaho	Gerry	Herring
			The second second

McCarran McKellar Pittman Radcliffe Taft Thomas, Okla. Thomas, Utah Holman Reed Russell Holt Maloney Mead Hughes Johnson, Calif. Johnson, Colo. Miller Minton Schwartz Truman Tydings Vandenberg Schwellenbach King Murray Sheppard La Follette Shipstead Slattery Van Nuys Norris Wagner Lodge Nye O'Mahoney Smathers Smith Walsh Lucas Lundeen Stewart White Pepper

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

The question is on the amendment of the Senator from Nebraska [Mr. Burke].

Mr. TAFT obtained the floor.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. I yield. Mr. BYRD. In a colloquy several days ago in respect to the amendment offered by the Senator from-

Mr. TAFT. I thought the Senator wished to ask a ques-I yield for a question.

Mr. BYRD. I just want to insert a matter into the RECORD, if the Senator will yield for a moment.

Mr. TAFT. I do not want to yield the floor, and I can speak only once on this matter. I regret I cannot yield to the Senator without yielding the floor.

Mr. BYRD. Very well.

Mr. TAFT. Mr. President, it seems to me the interpretation put on the amendment by the Senator from Kentucky is hardly justified. As I would read the amendment of the Senator from Nebraska-and if I am mistaken I wish he would correct me-it simply means that there must be an appropriation act to cover the appropriations for the year 1940. The R. E. A., for instance, always has had \$40,000,000 appropriated per year, and the amendment provides that we must appropriate again each year for the R. E. A. the sum which the Appropriations Committee finds to be necessary for that particular year. It does not have to cover each separate project, does it?

Mr. BURKE. No. The provision follows the customary practice followed since the Nation was established, that before money can be taken out of the Treasury and spent there must be an appropriation. Never has it been required that an act of Congress shall go into minute detail, but merely that the department, or the corporation, in this case, must represent to Congress what funds it wants out of the money raised by the new method of issuing bonds guaranteed by the Government. It must represent to Congress what money it wants for R. E. A., for the Farm Security Administration, or anything else; and the appropriations committees consider the matter and act upon it.

There is nothing new in the amendment. It merely restores what has always been the accepted financial policy of the Government.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield. Mr. BARKLEY. In other words, before any money can be taken out of the Treasury there must be an appropriation. Mr. BURKE. Yes.

Mr. TAFT. I assume such an appropriation could be put in the urgent deficiency bill before this bill passes.

Mr. BARKLEY. It would have to be pretty urgent to get in the one that is expected to pass before we adjourn.

Mr. TAFT. As I understand, it is urgent. The bill has been pushed as hard as it could be pushed.

Mr. President, it seems to me the amendment meets the really fundamental objection to the bill. It proceeds to prevent the bypassing of the Appropriations Committee. After all it seems to me that the main purpose of what is left in the bill—the R. E. A. and the Farm Security Administration-is to avoid coming back to Congress for 3 or 4 or 5 or 6 years, because according to the estimates the \$500,000,000 appropriated to the R. E. A. will require from 8 to 10 years to spend; and during that time the agency is entirely relieved from the compelling force of coming to Congress every year and showing what money it needs for the next year. It seems to me the amendment fully meets the requirements.

Incidentally, I suggested in my opening speech the other night that I doubt very much whether the procedure proposed is at all constitutional. Certainly it is not in accord with the spirit of the Constitution.

The Constitution says that:

No money shall be drawn from the Treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. TAFT. I yield.

Mr. BARKLEY. This money is not drawn from the Treasury.

Mr. TAFT. The other day the Senator made the same statement; and he cited the case of United States v. Johnston (124 U.S. 236), which I have read with interest, and which seems to me to prove nothing of the kind. It was a case relating back to the Civil War, when, in the midst of a war emergency, some man went out and bought cotton for the Government, or took over confiscated cotton. Anyone who reads the case will find a distinction about a special disbursing account; but so far as any discussion of the constitutional question is concerned, he will not find it.

Incidentally, there is a more recent case, the case of Haskins Brothers v. Morgenthau (85 Fed., 2d), pertaining to the processing taxes on oil, under the act providing that certain taxes on coconut oil shall be placed in a separate fund, earmarked as such by section 6021/2 of the Revenue Act of 1934, for the benefit of, and to be paid over to, the Philippine Islands. The petition asked that that section be declared unconstitutional and that the fund on hand for payment to the Philippines be held in trust for the claimant and others similarly situated. Regarding this alleged special fund in the Treasury for the Philippine Islands, the court said:

We hold these general principles to be axiomatic: (3) First, that an act of Congress was necessary for the withdrawal of money from the Public Treasury.

(5) Third, that the Secretary of the Treasury and the Treasurer are officers of the United States holding offices established by law; that their duties are to receive and preserve the public money and not to disburse it except conformably to law; that as officers of the United States they have no right or estate in the public money or any other money in the Treasury, whether earmarked as a special fund or as part of the general fund of the United States; that they are in effect mandatories of a limited and defined

The brief of Mr. Justice Reed, who was then Solicitor General, said:

It is true that the Treasury has credited these taxes to the account of a special fund, by reason of the congressional appropriation to the Philippines, but a large part of the money in the Treasury is similarly allocated. It has never been supposed that the money for that reason ceased to be that of the United States or that the United States no longer had an interest in its disposition.

It seems to me that case certainly supersedes the case cited by the Senator from Kentucky.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. Does not the Senator recognize that the courts have drawn a distinct difference between a deposit of money with the Treasurer of the United States and a deposit in the Treasury of the United States?

Mr. TAFT. I think the case I have just read absolutely destroys that difference. It goes back to the point that, after all, in substance these are public moneys.

Mr. BARKLEY. They are not public moneys.

Mr. TAFT. They are borrowed on the credit of the United States.

Mr. BARKLEY. They do not belong to the United States. Mr. TAFT. Not a cent could be obtained without obligating the United States.

Mr. BARKLEY. The moneys do not belong to the United States. Not a dollar of them is available for the expenses of the Government. They are moneys raised from the public by the sale of bonds, and merely deposited in order that they may be used for the purpose for which the bonds are issued.

Mr. TAFT. The Senator certainly is drawing a fine distinction. These are public moneys. They are being used for public purposes. Take for instance the R. E. A. We have been appropriating for the R. E. A. for a number of years.

Mr. BARKLEY. Yes.

Mr. TAFT. We recognize its public purpose.

Mr. BARKLEY. That money came out of the Treasury. This money is not to come out of the Treasury. We have even covered back into the Treasury \$40,000,000 which we appropriated for next year for the R. E. A.

Mr. TAFT. This money will be in the Treasury down on Pennsylvania Avenue, just where any other public money is. Mr. CONNALLY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. The Senators are not deporting themselves according to the rules of the Senate, which require that a Senator obtain consent to interrupt another Senator.

Mr. BARKLEY. Mr. President, the Senator yielded to me. Mr. CONNALLY. But the Senator from Kentucky did not yield to him when the Senator from Ohio was coming at him. Mr. BARKLEY. I did not have the floor when he was

coming at me.

Mr. CONNALLY. Mr. President. I am not inclined to take

Mr. BARKLEY. I hope I shall never be forced to yield when the Senator from Ohio comes at me.

Mr. CONNALLY. Mr. President, I invoke the rule. In addition to the dignity of the Senate being involved, the Senator from Wisconsin [Mr. La Follette] and myself occupy positions of danger. [Laughter.]

Mr. BARKLEY. Mr. President, the Senator yielded to me. Mr. TAFT. I did not object to the Senator speaking.

Mr. BARKLEY. I did not think I was compelled to ask the Senator to yield every time I asked him a question, so long as he was yielding. So far as any danger to the Senator from Texas and the Senator from Wisconsin is concerned because of the fact that the Senator from Ohio was coming at me, I think that danger can be excluded.

Mr. REED. Mr. President, may I ask a question of the

Senator from Kentucky?

Mr. TAFT. Mr. President, I am about to resume in my

own time. I do not have very much.

Mr. REED. I merely wanted to ask the Senator from Kentucky, whether or not he thinks, if there were any real danger the Senator from Texas would stay where he is.

Mr. BARKLEY. I do not know how the Senator from Texas would demean himself, but I am sure under the same circumstances the Senator from Kansas would not remain.

Mr. AUSTIN. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Ohio [Mr. TAFT] has the floor.

Mr. TAFT. Mr. President, the appropriation system is a fundamental feature of the American constitutional system and of our whole financial system. I wish to read from Story on the Constitution:

In arbitrary governments the prince levies what money he pleases from his subjects, disposes of it as he thinks proper, and is beyond responsibility or reproof. It is wise to interpose in a republic every restraint by which the public treasures, the common fund of all, should be applied with unshrinking honesty to such objects as legitimately belong to the common defense and the general welfare. Congress is made the guardian of this treasure and to make their responsibility complete and perfect, a regular account of the receipts and expenditures is required to be published, that the people may know what money is expended, for what purposes, and by what authority.

It seems to me that in this case we are simply abandoning our constitutional duty to sit down each year and consider how much money a particular department needs and how much money it can use in the next 12 months, which money ought to be included in the expenditures of the Government. The effect of the bill would be to take the R. E. A. expenditures and the Farm Security expenditures out of the regular Budget of the Government and present a pretended reduction of governmental expenses.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. I yield. Mr. BYRD. I should like to have the Senator refer to section 12 and give me his opinion as to whether or not any losses which may be sustained by the corporations will be required to be paid to the corporations by the Secretary of the Treasury without coming to the Appropriations Committee. The point is that not only will the original expenditures be controlled by the corporation or commission, but any losses which occur will be automatically paid by the Secretary of the Treasury.

Mr. TAFT. My interpretation of section 12 is that it is only an authorization for appropriation. I do not know whether or not the author of the bill agrees with me. but

that was rather the conclusion of the committee.

Mr. BARKLEY. Mr. President, I do agree; and to confirm the statement, I will say that we authorize in the bill an appropriation sufficient to pay any losses up to 1941. Beyond that the bill operates as an authorization under which Congress may from year to year after that, if necessary, appropriate money to take care of such losses. The losses would not be automatically paid out of the Treasury. but under an appropriation.

Mr. BYRD. Referring to line 19 on page 14, the provision with respect to losses is that the Secretary of the Treasury, on behalf of the United States, shall pay to the Corporation a sum equal to such losses. Then the authorization is made

Mr. TAFT. Mr. President, I am not thoroughly familiar with appropriation practice, but I was advised by someone who seemed to know that that provision is only an authorization. Of course, on page 17, the administrative expenses of the departments, administrations, and agencies of the Government for the year 1940 entirely bypass the Appropriations Committee. All the administrative expenses are to be paid out of borrowed money the first year. After that we are to be permitted to appropriate and decide what such expenses shall be. The bill attempts to say that money may be borrowed in New York by the Reconstruction Finance Corporation and paid over to the agencies to be used by them for administrative expenses without any further appropriation by Congress, because, while section 12 may or may not be an authorization for appropriation, certainly section 16 provides that no appropriation shall be required.

Mr. President, I believe very strongly that the essential fault of the whole lending program is that it is a fraudulent program, a concealing of expenditures, and the beginning of the creation of a double budget; and that if we wish to adhere to established practice we should return to the method of appropriating funds and adopt the amendment of the Senator

from Nebraska [Mr. BURKE].

The PRESIDING OFFICER (Mr. Lee in the chair). The time of the Senator from Ohio on the amendment has expired. The question is on the amendment of the Senator from Nebraska [Mr. Burke].

Mr. BURKE. I ask for the yeas and nays.

The yeas and nays were ordered and the Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I am paired with the junior Senator from Kentucky [Mr. Logan]. I transfer that pair to the junior Senator from New Jersey [Mr. Barbour] and vote. I vote "yea."

Mr. GUFFEY (when his name was called). On this vote I have a pair with the junior Senator from New Hampshire [Mr. Tobey]. I transfer that pair to the Senator from Louisiana [Mr. Overton] and vote. I vote "nay." I am not advised how either Senator would vote if present and voting.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arizona [Mr. ASHURST] is absent because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Iowa [Mr. GILLETTE], the Senator from Nevada [Mr. McCarran], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Indiana [Mr. VAN NUYS] are detained in various Government departments.

Mr. HARRISON. Making the same announcement as before, I withhold my vote.

Mr. AUSTIN. I desire to announce the following general

The Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN].

The Senator from Oregon [Mr. McNary] is necessarily absent. His general pair with the Senator from Mississippi [Mr. HARRISON] has been stated by that Senator.

The Senator from New Hampshire [Mr. Tobey] would vote "yea" if present.

The result was announced—yeas 31, nays 47, as follows: YEAS-31

Austin Bailey Danaher Davis Holman Shipstead Holt Smith Johnson, Calif. Bridges Frazier Taft Bulow George King Townsend Burke Gerry Gibson Lodge Tydings Miller Vandenberg Byrd Nye White Capper Gurney Clark, Mo. Hale Reed NAYS-47 McKellar Maloney Adams Ellender Schwellenbach Sheppard Guffey Andrews Bankhead Hatch Mead Slattery Minton Smathers Barkley Hayden Bilbo Herring Murray Stewart Hill Neely Norris Thomas, Okla. Thomas, Utah Bone Hughes Borah Johnson, Colo. La Follette Truman Wagner Walsh Pepper Pittman Byrnes Chavez Clark, Idaho Lee Radcliffe

NOT VOTING-18 Gillette McCarran Ashurst Glass

Lucas

Lundeen

Connally

McNary O'Mahoney Caraway Green Donahey Harrison Overton Downey Logan

So Mr. Burke's amendment was rejected.

Mr. MEAD. I offer an amendment, which I send to the desk and ask that it may be read by the clerk.

Schwartz

Wheeler

Tobey Van Nuys

Wiley

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The LEGISLATIVE CLERK. It is proposed to insert as a new section at the end of the bill the following:

DIRECT LOANS BY FEDERAL RESERVE BANKS TO BUSINESS ENTERPRISES That section 13b of the Federal Reserve Act, as amended, is

amended to read as follows:

"Sec. 13b. (a) In exceptional circumstances, when it appears to the satisfaction of a Federal Reserve bank that a business enterprise located in its district is unable to obtain requisite financial assistance on a reasonable basis from the usual sources, the Federal Reserve bank, pursuant to authority granted by the Board of Governors of the Federal Reserve System, may make loans to, purchase obligations of, such business, or may make commitments with respect thereto, on a reasonable and sound basis.

"(b) Each Federal Reserve bank shall also have power to dis-

count for, or purchase from, any bank, trust company, mortgage company, credit corporation for industry, or other financing institution operating in its district, obligations of any business prise; to make loans or advances direct to any such financing institution on the security of such obligations; and to make commitments with regard to such discount or purchase of obligations mitments with regard to such discount or purchase of obligations or with respect to such loans or advances on the security thereof, including commitments made in advance of the actual undertaking of such obligations. Each such financing institution shall obligate itself to the satisfaction of the Federal Reserve bank for at least 10 percent of any loss which may be sustained by such bank upon any of the obligations acquired from such financing institution, the existence and amount of any such loss to be determined in accordance with regulations of the Board of Governors of the Federal Reserve System: Provided, That in lieu of such obligation against loss any such financing institution may advance at least 10 percent of such advance of credit without obligating at least 10 percent of such advance of credit without obligating

itself to the Federal Reserve bank against loss on the amount advanced by the Federal Reserve bank: *Provided, however*, That such advances by the financing institution and the Federal Reserve bank shall be considered as one advance, and repayment shall be made pro rata under such regulations as the Board of Governors of the Federal Reserve System may prescribe.

"(c) The aggregate amount of loans, advances, and commitments of the Federal Reserve banks outstanding under this section at any one time, plus the amount of purchases and discounts under this section held at the same time, shall not exceed the amounts paid to the Federal Reserve banks by the Secretary of the Treasury under subsection (d) of this section, except that when the amounts so paid by the Secretary of the Treasury are, in the judgment of the Board of Governors of the Treasury are, in the judgment of the Board of Governors of the Federal Reserve System, inadequate for operations under this section, the Federal Reserve banks, with the approval of the said Board, may continue operations under this section through the utilization of their other funds until the amount of such other funds so utilized equals the amounts received by them from the Secretary of the Treasury. All operations of the Federal Reserve banks under this section shall be subject to such regulations as the Board of Governors of the Federal Reserve System may prescribe

may prescribe.

"(d) In order to enable the Federal Reserve banks to make the loans, discounts, advances, purchases, and commitments provided for in this section, the Secretary of the Treasury is authorized and directed to pay to each Federal Reserve bank not to exceed such portion of the sum of \$139,299,557 as may be represented by the amount paid by each Federal Reserve bank for stock of the Federal Deposit Insurance Corporation, and not already paid to a Federal Reserve bank under the provisions of this section, upon request by each Federal Reserve bank and upon execution of its agreement (to be endorsed on the certificate of such stock) to hold such stock unencumbered and to pay to the United States all dividends, all payments on liquidation, and all other proceeds of such stock, for which dividends, payments, and proceeds the United States hall be secured by such stock itself, up to the total amount paid to each Federal Reserve bank by the Secretary of the Treasury under this section. Payments heretofore made by the Secretary of the Treasury to any Federal Reserve bank under the provisions of this section shall be subject only to the terms of the section as now amended. The Board of Governors of the Federal Reserve System shall have authority to reallocate among the Federal Reserve banks the funds received from the Secretary of the Treasury as said Board may find necessary in order to meet existing needs. Whenever the Board of Governors of the Federal Reserve System shall be said to the secretary of the Treasury as said Board may find necessary in order to meet existing needs. serve banks the funds received from the Secretary of the Treasury as said Board may find necessary in order to meet existing needs. Whenever the Board of Governors of the Federal Reserve System shall conclude, either as a result of a decrease in the volume of operations or otherwise, that the amounts paid to the Federal Reserve banks by the Secretary of the Treasury under this section are no longer needed for operations under this section, the total amount received from the Secretary of the Treasury under this section, after making adequate provisions for losses incurred in the use of such amount and after adding any net income derived from the use of such amount, shall be paid to and neutred in the use of such amount and after adding any net income derived from the use of such amount, shall be paid to and become the property of the United States, such payments to be made as orderly liquidation of assets acquired through the use of such amount, in the judgment of the said Board, will permit. All amounts required to be expended by the Secretary of the Treasury in order to carry out the provisions of this section shall be paid out of the miscellaneous receipts of the Treasury created by the increment, resulting from the reduction of the weight of by the increment resulting from the reduction of the weight of the gold dollar under the President's proclamation of January 31, 1934; and there is hereby appropriated, out of such receipts, such sum as shall be required for such purpose."

Mr. MEAD. Mr. President, in 1934, when the question of the capital and credit needs of industry was being emphasized in the Congress, the Chairman of the Federal Reserve Board at that time, Chairman Black, recommended that there be set up intermediate credit corporations in order to take care of this growing need. At that time, and when the matter came before the Committee on Banking and Currency for consideration, the senior Senator from Virginia [Mr. Glass] presented an amendment which is virtually the amendment which I have sent to the desk, with a number of changes which I suggested today, in order that loans might be extended particularly to small enterprises.

The original amendment presented by the Senator from Virginia is changed in the main by striking from that amendment the following language—and this language is the heart and center of the amendment I have sent to the desk. This is the language that is stricken from existing law:

For the purpose of providing it-

Meaning industry-

with working capital, but no obligation shall be acquired or com-mitment made hereunder with a maturity exceeding 5 years.

Mr. President, the amendment which I have offered, of course, contains other new verbiage; but the language which

I have just quoted is, as I have said, language containing the major features of the amendment. It strikes out language which restricted and limited the Federal Reserve Board in granting loans to industry so that those loans could be only for working-capital purposes. It limited the life of those loans to a period of 5 years.

My amendment is the result of the hearing now being conducted in connection with the bill which I have introduced, to provide a new system of loans for small enterprise. This amendment has the approval of the Chairman of the Federal Reserve Board and of a number of Board members; but it must not be construed as the so-called Mead bill, which the Banking and Currency Committee is still considering. The hearings on that bill have not been concluded, and I should not care to ask the Senate to consider an amendment which would embrace the philosophy of the bill, until such time as the hearings shall have been concluded.

However, Mr. President, in view of the fact that the Chairman of the Federal Reserve Board and other members of the Board appeared before the committee and explained to the committee their opinion as to the necessity for loans of this character, and, in view of the fact that this amendment is but a slight modification of the amendment presented and written into the law in 1934 by the senior Senator from Virginia, I believe that it is proper and appropriate and germane at this time and for that reason I have sent it to the desk for consideration.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MEAD. I shall be glad to yield for a question.

Mr. VANDENBERG. There seems to be some relationship between the Senator's amendment and the stabilization fund, in the final paragraph. Will the Senator explain that?

Mr. MEAD. I shall be glad to do so. In that connection there is no difference between existing law and my amendment, insofar as finding a source for the funds is concerned.

In initiating the Federal Deposit Insurance Corporation, the Federal Reserve banks were called upon to make a contribution toward its capital structure. That amount approximated \$139,000,000. The Treasury of the United States was authorized to pay that amount back to the Federal Reserve banks from the profits resulting from devaluation of the gold dollar. That is existing law. I am making no changes in that. I am merely allowing the Federal Reserve System to utilize that \$139,000,000 owing to them and now allotted to them by the Treasury of the United States.

Mr. VANDENBERG. What would it be used for otherwise?

Mr. MEAD. I presume it would be used for the ordinary conduct of the Federal Reserve System or returned to the member banks that made the original contribution to the initiation of the Federal Deposit Insurance Corporation.

Mr. VANDENBERG. Does the Senator say that the Federal Reserve Board approves of this arrangement?

Mr. MEAD. I have here the statement of the Chairman of the Federal Reserve Board, and I shall be glad to put it in the Record.

Mr. VANDENBERG. Does his statement cover the particular subject about which I am inquiring?

Mr. MEAD. I am quite sure he does cover that, but I will be sure to cover it before I conclude.

In explanation of this amendment, Mr. President, let me say that it amends section 13 (b) of the Federal Reserve Act, which now authorizes Federal Reserve banks to make loans direct to established commercial and industrial enterprises, for working-capital purposes only, and for periods up to 5 years. It also authorizes the Federal Reserve banks to grant commitments to or participate with financing institutions with respect to any such loans. The limitations now contained in the act, with respect to supplying working capital to established businesses and with respect to maturities, with the limitation to 5 years, make it impossible for the Federal Reserve banks to grant credit to many worthy enterprises, particularly where additional funds are needed for the expansion or the improvement of enterprise.

My proposed amendment would eliminate these limiting provisions and would permit the Federal Reserve banks to extend credit to any business enterprise without restriction as to purpose and without restriction as to the period of time.

Under the present law the Secretary of the Treasury is authorized to pay to the Federal Reserve banks up to \$139,-000,000 out of the increment resulting from the reduction of the weight of the gold dollar, for the purpose of enabling the Federal Reserve banks to make industrial loans. This is the amount paid by the Federal Reserve banks for stock in the Federal Deposit Insurance Corporation.

I would merely permit them to use their own money. The Secretary of the Treasury has already paid to the Federal Reserve banks approximately \$27,000,000 of this sum. The law requires the Federal Reserve banks to pay the Government 2 percent, if earned, on the amount received from the Secretary of the Treasury for this purpose. My proposed amendment would direct the Secretary of the Treasury to pay to the Federal Reserve banks, upon request, such portion of the sum of \$139,000,000 as has not already been paid to the Federal Reserve banks; and my amendment would also eliminate the provision for the payment by the Federal Reserve banks of the 2 percent, and it would authorize the Board of Governors to make such reallocation among the Federal Reserve banks of funds received from the Secretary as it finds necessary to meet existing needs in granting these loans to enterprise.

My amendment also provides that whenever the Board of Governors of the Federal Reserve System shall conclude that the amounts paid to the Federal Reserve banks by the Secretary of the Treasury are no longer needed for operations under section 13 (b), then the amount received from the Secretary of the Treasury, plus income and less such expenses and losses, will be paid back to and become once again the property of the United States.

Mr. President, this amendment merely broadens existing law. It does not appropriate an additional dollar. The amendment would give opportunity to Congress to study the needs of small enterprise and to become acquainted with the volume of capital needed in this country by small enterprise. We have nothing to lose; we have everything to gain. The record of the operation since 1934 of the so-called Glass amendment is one that recommends itself to the broadening influences of the amendment which I have offered.

From June 19, 1934, the date when the Federal Reserve banks were authorized to make working-capital loans to business enterprise, up to May 1939, the Federal Reserve banks passed on 9,291 applications, and took commitments to make advances amounting in all to \$395,000,000.

Of the total number of applications over a thousand, amounting to \$195,000,000, had to be rejected because the funds were not to be used for working-capital purposes. They will be taken care of under the amendment which I have sent to the desk. Between 350 and 400 applications amounting to \$15,000,000 had to be rejected because the applicants were not established in industrial or commercial enterprises.

In the case of the establishment of an enterprise in the vicinity of the anthracite mining field, where, up until the present, it has been necessary for them to secure their equipment in Germany, and where we know an enterprise will have every reason to be successful, loans could be made for the initiation of this needed new enterprise.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. MEAD. Mr. President, I desire to speak on the bill. Other rejections numbered about 5,100, and amounted to approximately \$155,000,000. The reasons for these rejections were unsatisfactory management, unsatisfactory financial condition, and unsatisfactory business prospects. Under my amendment they will be rejected in the future. Under my amendment only sound loans will be made, and under my amendment only good, solid, substantial industries will be encouraged.

Mr. President, what about the earnings under the operation of this amendment? What possibilities of profit or loss are there under the operation of the amendment I have at the desk insofar as the administration of the new measure is concerned? From the record we learn that to the end of 1938 the net earnings on industrial advances, before making provision for losses, amounted to \$2,800,000. Determined losses charged off aggregate but \$160,000, and reserves set aside to take care of estimated losses amount to \$1,865,000. This leaves net earnings of about \$770,000 for the period from June 19, 1934, to December 31, 1938.

At the present time the Federal Reserve banks hold, in addition to the \$2,500,000 of advances which are past due 3 months or more, \$1,300,000 of miscellaneous assets they have acquired in connection with the liquidation of defaulted obligations.

From the earning record, therefore, from the profits at hand, the liberalization of existing law without the authorization of an additional appropriation will, in my judgment, meet a very real need, and it will enable the subcommittee recently authorized by the Committee on Banking and Currency, and given an appropriation to make a study of capital needs, an opportunity to say just what these needs are, and to observe in application, in the processes of administration, the authorization contained in this amendment. It will, in my judgment, serve a useful and a fruitful purpose. It will help the Senate of the United States to determine whether or not permanent law on the subject should be enacted, and just what the provisions of that permanent policy should be.

Mr. President, of the total amount of advances and commitments made by the Federal Reserve banks, only \$38,-000,0000 were advanced by the Federal Reserve banks direct to borrowers. Seventy-one million dollars represents advances made through local banks or commitments to local banks. That shows a cooperative attitude on the part of the local banks in making loans to business enterprises covered by Federal Reserve banks' commitments. Also the fact that the servicing of loans was rendered to a large extent by local banks accounts for the small amount of losses suffered by the Federal Reserve banks to date.

The amendments to section 13 of the Federal Reserve Act which I suggest propose only a slight broadening of the Federal Reserve bank authority, so that the Reserve banks will not be limited, if my amendment shall be adopted, by the restrictions imposed under existing law. These restrictions, I repeat, are that loans be only for working-capital purposes, that only established industrial businesses shall be considered eligible borrowers, and that the maximum maturities cannot exceed 5 years.

Mr. President, I should like now to read the observations made by the Chairman of the Federal Reserve System in recommending this legislation. Appearing before the Banking and Currency Committee only recently, he made the following statement:

As I see it there is a definite gap in our financial mechanism in respect to facilities it offers for meeting two classes of need, one the short and intermediate credit needs of small business, whose paper in present circumstances is at the borderline of bankable assets, and second, long-term credit and capital needs of small and medium-sized existing or prospective enterprises.

Mr. Eccles then proceeded to say in the same testimony, in citing the experience of Federal Reserve banks, under section 13 (b):

I believe that the authority which has been given to the Federal Reserve banks in this respect has not been sufficiently comprehensive. Many loans which might otherwise have been made have had to be declined because of restrictions in the law, such as the requirement that industrial loans be made only for working-capital purposes and to only established businesses, and for periods of not more than 5 years. The Federal Reserve banks have been crippled in the loans they might have wished to approve because of the restricted authority now granted under section 13 (b).

Mr. Eccles in the same testimony declared:

Abolish the present lending powers if you do not expand those powers.

He continued:

If, after consideration, Congress should feel that it does not desire to enact a proposal of this kind—

He was speaking then about my bill, and his proposal to set up a new corporation:

If, after consideration, Congress should feel that it does not desire to enact a proposal of this kind, then it would be my recommendation that section 13 (b) of the Federal Reserve Act be repealed, because it does not operate satisfactorily in meeting the situation.

Mr. VANDENBERG. Mr. President, if the Senator will yield there, is that the statement of the Governor of the Federal Reserve System upon which the Senator relies when he says that Mr. Eccles recommends this specific amendment?

Mr. MEAD. I go beyond that, and say that I had the collaboration of the chairman and other executives of the Federal Reserve System in drafting the proposal.

Mr. President, as a result of this chaotic condition we find all over the world, we find it necessary in the United States to organize and create new industries. All over the land new industries, with very full measure of success, are looking for working capital. These new industries grow out of the turmoil of political conditions abroad. Yet we are unable to finance those industries.

I believe that America would be successful, that we would write a new pioneering chapter in American history, if we could make loans to enterprise or to industry not yet created which we have every reason to believe will be successful.

I have here a letter I received only recently from the comptroller of my State pointing out the great need of character loans to industry. He proceeds to say:

It was a character loan to the Vanderbilts that created the Staten Island Ferry and eventually the New York Central Railroad. It was a character loan of \$28,000 to Mr. Ford that created jobs for nearly 100,000 men. It was a character loan to Mr. Singer that created that great industry, with its 1,700 agencies.

He proceeds to say that not only the development of our financial industry, not only the development of our commercial industry, but the necessary development of our governmental machine has impeded the progress of negotiating loans to enterprise, has in some instances actually stopped loans from going to enterprise. As a result of the situation in the financial world and the situation in the commercial world, with monopoly growing as the result of the very necessary situation here in the governmental world, with all of its various organizations having direct connection with our banks, it seems to me we have left small enterprise out in the cold, and that we should do something to remedy that deplorable situation.

Mr. President, little industries, small businesses in America cannot today negotiate intermediate or long-term loans. They are working on their reserve capital. They are neglecting their equipment. Their plants are in decay, all because they are pouring their every dollar into what might be called current needs. They have gone so far, Mr. President, that they are being financed by materialmen, by the wholesalers, by those with whom they must of necessity do business. That limits and restricts their scope, and that indicates that unless something is done to provide a remedy in this deplorable situation which has existed since 1920—unless something is done, the end of small business in America is not far off. The menace of growing monopoly, the menace of the chain store, the menace of big business dominating every section of the United States impedes the progress of small industry in its desire to secure adequate capital in order that it might carry on and compete.

So, Mr. President, this minor amendment which I offer, limited and restricted in its scope as it is, authorizing no new appropriation, will, I trust, be included in the lending bill.

I hope that in the next session of Congress we shall not only consider matters of minor importance, such as those dealt with in my amendment, but that we shall give consideration to the establishment of a sound, comprehensive policy of government which will encourage small enterprise and write a new chapter in the building up and development of industrial America again.

Mr. ADAMS. Mr. President, the Senator from New York had before the Banking and Currency Committee a bill which we referred to as the Mead bill, which is not this measure. It was a bill authorizing the Reconstruction Finance Corporation to make loans. His amendment is quite a different measure. It seems to me that this matter should not be crowded upon the present session. It should not be made a part of the bill without hearing and without study. It goes into the fundamentals of the Federal Reserve System. The Federal Reserve System was established for the purpose of stabilizing the banking system of the United States, for making the resources of the banks available to industry, and to commerce, and to agriculture. The bill is limited in a measure, yes; but it is limited not to the use of Government funds. It proposes to make use of the funds not of the Federal Reserve Board but of the Federal Reserve banks. The Senator from New York says it is approved by the Chairman of the Federal Reserve Board. It is not, so far as I know. And the Senator is very careful not to say that it has the approval of the Federal Reserve Board.

Every dollar that the Federal Reserve banks have, every dollar that is to be loaned under the provisions of this bill, is private money. Not one dollar of public money does the bill provide to be loaned. It provides that the loans shall be made from the funds of the Federal Reserve banks, of the 12 Federal Reserve banks, whose capital was contributed by the member banks, National and State.

Congress exercised one simple act of liberality when it took \$139,000,000 of the surplus of the Federal Reserve banks as a portion of the fund created to guarantee deposits, but as the banks, which were the owners of the Federal Reserve System, were benefited by it, there was good reason for that action. However, there was some criticism because of the fact that banks which were not members of the Federal Reserve System received some benefit from it. But this \$139,000,000 belonged to the Federal Reserve banks, which, in turn, belonged to their member banks. It is now to be used to make loans direct to industry.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. MEAD. In existing law Senators will find that the Federal Reserve banks have the use of \$139,299,000, which represents the amount paid by the Federal Reserve banks to buy stock in the Federal Deposit Insurance Corporation. They use that money now under the amendment written into the law by the senior Senator from Virginia.

Mr. ADAMS. I think I know what the senior Senator

from Virginia thinks about it, too.

Mr. MEAD. I do not know anything about that. But I am not providing any use for the funds. The Federal Reserve banks have that money right now. I am simply broadening the purpose-

Mr. ADAMS. Yes; the Senator is broadening the purpose.

Mr. MEAD. But not providing any new money. Mr. ADAMS. That is not all. The Senator provides that at any time loans are liquidated, the money, instead of going back to the Federal Reserve banks, where it belongs, shall go to the Treasury of the United States and become Government property. It is a confiscatory proposition, in that \$139,000,000 which belongs to the Federal Reserve banks, and which in turn belongs to the member banks, as well as every dollar of the Federal Reserve banks' capital. was contributed by private banks. The Government has taken over their surplus earnings. No one complains of that. Now it is proposed to take over the money which the Federal Reserve banks turned in to the Federal Deposit Insurance Corporation fund in the event the loans are repaid. And it means to go on and make unduly liberalized

Mr. President, regardless of the merits of the Senator's proposal, I believe that a measure which deals with the essential functions of the Federal Reserve banks established as they are to stabilize the banking system of the United States, should not, without consideration by the Senate Committee on Banking and Currency, and without full consideration by this body, be attached to the lending

Mr. BYRD. Mr. President, when the senior Senator from Delaware [Mr. Townsend] offered an amendment to the bill to prohibit the purchase of foreign silver, some question arose on the floor of the Senate as to the exact attitude of my colleague, the senior Senator from Virginia [Mr. Glass], who is chairman of the subcommittee considering that matter. I ask that the clerk read in their order three telegrams which I have received from the senior Senator from Virginia on this subject.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read the telegrams, as follows:

LYNCHBURG, VA., July 29, 1939.

Senator HARRY F. BYRD. Senate Office Building:

I assume you know that I am utterly opposed to the purchase of foreign silver and so stated in the Banking and Currency Committee repeatedly. Should there be a vote on the question I would like you to have me a live pair.

LYNCHBURG, VA., July 29, 1939.

Hon. HARRY F. BYRD,

Senate Office Building:

Touching the foreign silver purchase proposition, I may state that Secretary Hull, the day before I was compelled to leave Washington, telephoned me to disregard his request for delay CARTER GLASS.

LYNCHBURG, VA., July 30, 1939.

Hon. HARRY F. BYRD, Senate Office Building, Washington, D. C .:

Please add this to my other telegrams should occasion offer. Please have it understood that I always have been and am now opposed to the purchase of foreign silver and desire to be recorded in favor of the immediate repeal of the law authorizing such

Mr. BYRNES. Mr. President, I desire to express the hope that amendments of this importance should not be attached to the bill when the Senate has had no opportunity to give to them the careful consideration they deserve. The Federal Reserve banks are authorized to make loans. loaned, as I recall, about \$60,000,000. Some of those loans are in default. Certainly the Committee on Banking and Currency has not had an opportunity to determine whether the money of the Federal Reserve banks should ever be loaned under the terms set forth in the bill.

Mr. VANDENBERG. Mr. President-

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Michigan?

Mr. BYRNES. I yield.

Mr. VANDENBERG. Mr. President, since this subject arose I have been trying to get in touch with Mr. Eccles on the telephone to discuss the matter with him. I have not been able to do so. It certainly is not fair to ask me to vote a thing of this sort into the bill when I cannot exchange a word with the governmental authorities who deal with the subject.

Mr. BYRNES. Mr. President, I distinctly regret that the Senator from New York [Mr. MEAD] feels that he should offer the amendment at this time. It may be that upon investigation opportunity would be given the committee to have hearings, and some plan might be worked out. But certainly in the absence of any information as to the effect of the amendment it would be extremely unwise to adopt the amendment after consideration under circumstances necessarily incident to the closing of the session.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. BYRNES. I yield.

Mr. BARKLEY. I entirely concur in the views expressed by the Senator from South Carolina and the Senator from Colorado. The proposed amendment makes a fundamental change in the operation of the Federal Reserve banks and the Federal Reserve System. Certainly no such change ought to be made without committee consideration. We do not know whether or not it ought to be made at all, but no committee has given any consideration to this subject.

Mr. President, we all appreciate the sincerity and earnestness with which the Senator from New York [Mr. MEAD] is seeking to make a little easier credit for small business. However, the proposed amendment makes a fundamental change in the Federal Reserve System. It has not had consideration by the Committee on Banking and Currency. We do not know what might develop in the way of information as to its operation. In view of the importance of it, I wonder whether my good friend from New York will not withdraw his amendment so that the committee at some early date-probably early in the next session-may give consideration to the matter and determine whether or not it will take action upon it.

Mr. BYRNES. Mr. President, I join in the request of the Senator from Kentucky. I desire to know the view of the Federal Deposit Insurance Corporation. Insurance of deposits has given confidence to the depositors of the Nation. I do not know what effect the amendment would have. I think we ought to have an opportunity to invite Mr. Crowley to appear before the committee. It may be that after he has had an opportunity to study the bill he will not be opposed to it. I think the Senator from New York should give the committee an opportunity to consider a measure of such great importance.

Mr. MEAD. Mr. President, I recognize the propriety of offering amendments germane to the underlying purposes for which the bill is drafted. I agree with the contention that my amendment has not yet received committee consideration. Of course, the Senator knows that for 2 or 3 years I have been pressing for the enactment of legislation which would make loans more readily available to small enterprises.

Mr. BYRNES. I know that.

Mr. MEAD. However, I appreciate the fact that my amendment might retard the progress of the pending legislation. I know that the Committee on Banking and Currency, of which the senior Senator from my State [Mr. Wagner] is the chairman, intends to pursue an intensive study of this subject after the adjournment of Congress.

With that in mind, and because it seems to be the sense of Senators on both sides of the aisle, I am perfectly willing to withdraw the amendment and have it referred as a separate subject to the Committee on Banking and Currency for study during the period when Congress will not be in session.

I wish to say to the Senator from Colorado that my amendment makes no change in the use of the money, because Federal Reserve banks are now using the money for the same purpose, and they are forced to pay the Treasury 2 percent on the use of their own money. That fact occurred to me to be inconsistent; so my amendment would repeal that clause requiring the Federal Reserve banks to pay the Treasury 2 percent on money which, as the Senator stated, is their own money.

So, Mr. President, I withdraw the amendment at this time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MEAD. Mr. President, I have another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. It is proposed that section 5 (d) of the Reconstruction Finance Corporation Act, approved January 22, 1932, as amended, be amended to read as follows:

Sec. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor, the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal. State, or municipal law, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Corporation is authorized to bid for such

securities. The Corporation is further authorized and empowered to purchase the securities and obligations of and to make, or to guarantee or insure, loans to any business enterprise when capital or credit, at reasonable rates for the character of loan applied for, is not otherwise readily available: Provided, That all such purchases of securities and obligations and all such extensions of loans and credits whether made, guaranteed, or insured, shall be under conditions which afford good and reasonable of their retirement or repayment; may be made or effected either directly or in cooperation with banks or other lending institutions directly or in cooperation with banks or other lending institutions through agreements to participate or to guarantee or insure, or by the purchase of participations or otherwise, shall be made only when the business enterprise, upon the completion of such financing, is solvent and reasonably likely to continue as a going concern: *Provided further*. That in carrying out the provisions of this section the Corporation may purchase securities and obligations and may make loans, with such maturities as the Corporation may determine polytimeterming and their provisions of law. determine, notwithstanding any other provision of law.

"The powers granted to the Corporation by this section shall terminate on June 30, 1941, or on such earlier date as the President shall determine; but no provision of law terminating any of the functions of the Corporation shall be construed (1) to prohibit disbursement of funds on purchases of securities and obliga-tions, on loans, or on commitments or agreements to make such purchases or loans, made under this section prior to the close of business on June 30, 1941, or such earlier date, or (2) to affect the validity or performance of any agreement to participate in any purchase or loan authorized by this section.

"Nothing in this section shall be construed to authorize the Corporation (1) to purchase, or to make any commitment or agreement to purchase, any securities or obligations of any railroad engaged in interstate commerce, the obligations of which may be purchased or guaranteed by the Corporation under section 5 of this act only with the approval of the Interstate Commerce Commission, or (2) to make any loan, or any commitment or agreement to make a loan, to any such railroad or to any receiver or trustee thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York. Mr. MEAD. Mr. President, I shall ask the Senate to determine by vote whether or not this amendment is to be approved. I make that statement because this is a subject which has been considered by the Banking and Currency Committee.

We are all familiar with the observations which have been made by the Chairman of the Reconstruction Finance Corporation Board; and the amendment, in the estimation of some of its critics, makes no change so far as existing law is concerned but merely writes in bolder detail the fact that the Reconstruction Finance Corporation shall have authority to guarantee or insure loans through banks, lending agencies, and so forth.

Mr. President, the amendment amends the Reconstruction Finance Corporation Act purposely to establish the principle of guaranteeing and insuring loans. That principle has been contained in the legislation which I have fostered for the past two or three sessions of Congress. That principle is contained in bills presented by other Members of this body, including the Senator from Florida [Mr. Pepper] and the Senator from Kentucky [Mr. Logan], as well as by Members of the House of Representatives. The principle for which they have been striving-the principle of which I seek ultimate approval by the Congress-would make readily available to small enterprises all the credit and capital needs in the proper operation of their business. Of course, all the funds would be guaranteed. All the applications would be sound before they received approval.

Mr. President, much has been said about the attitude of the Chairman of the Federal Reserve Board with regard to this amendment. The amendment is not the so-called Mead bill. It is a minor amendment to existing law. As I have just stated, and now repeat, it is an amendment which would make it possible for the Reconstruction Finance Corporation to establish a system of insured loans; and if the critics of the amendment believe that the Reconstruction Finance Corporation now has the authority to do just that, I hope I shall have their approval. My amendment would be only supplementary. It might be superfluous. Nevertheless, it would be a mandate from Congress to set up a system of insured loans. It might lead to the ultimate adoption of a comprehensive plan which would serve small industry as the F. H. A. serves the construction industry today.

Mr. President, what has been said by the former Chairman of the Federal Reserve Board with regard to this legislation?

I have here a statement by the Honorable Jesse Jones, Federal Works Administrator, after a White House conference held July 19, 1939, which is as follows:

The President today discussed with Senator Wagner, Senator Mead, Jesse Jones, Federal Loan Administrator, and Emil Schram, R. F. C. Chairman, the need and desirability for long-term credit.

All agreed that no effort should be spared to meet legitimate need

of small business for working capital and for credit for moderniza-

tion of plant and equipment.

The President expressed the hope that the R. F. C., under existing law, would continue its efforts to put into effect substantially the substance of the Mead bill, which has for its purpose the insuring of bank loans to small business.

of bank loans to small business.

It was agreed that the R. F. C.'s program of lending, in cooperation with banks—where the R. F. C. usually guarantees the banks against loss on the major part of the loan—is equivalent to the insuring that part of the loan; but that direct authority to insure loans through a new act of Congress would stimulate applications and probably encourage banks to make a greater effort at lending, particularly for modernization and plant improvement, and for longer terms than has heretofore been the practice.

The President suggested that it was important that an educational campaign be conducted to bring home to banks, insurance companies, finance companies, and other lending institutions what the R. F. C. will do in the way of insuring and guaranteeing current and long-term loans to business and to bring home to businessmen, regardless of the size of their business, what their local banks and lending institutions can do to meet their credit needs.

lending institutions can do to meet their credit needs.

That is what Mr. Jones said at the White House conference; that was what was contained in his news release.

Mr. President, the present chief executive officer of the R. F. C. is Mr. Schram, and at that conference he made a statement, which was given to the press and published widely throughout the country. The released account of the White House conference is as follows:

CONFERENCE REGARDING THE MEAD BILL FOR THE INSURANCE OF BANK LOANS TO SMALL BUSINESS

The President discussed with Senator Wagner, Senator Mead, and Mr. Emil Schram, of the Reconstruction Finance Corporation,

and Mr. Emil Schram, of the Reconstruction Finance Corporation, the need and desirability of insuring intermediate and long-term bank loans to small business along the lines suggested in Senator Mean's bill, upon which hearings have been held before the Senate Banking and Currency Committee.

Those present agreed that no effort should be spared to meet the legitimate needs of small business for working capital and for the modernization of plant and equipment.

The President expressed the hope that the R. F. C. under existing law might take steps to put into effect the substance of the Mead scheme for the insurance of bank loans to small business. Mr. Schram agreed that this should be possible with the aid of a few clarifying amendments to section 5d of the R. F. C. Act, which both Senator Wagner and Senator Mean thought could be enacted at this session without much controversy. be enacted at this session without much controversy.

That is what is contained in the amendment which I have sent to the desk.

The President suggested that it was important that an aggressive campaign be conducted not only to bring home to banks, insurance companies, finance companies, and other lending institutions what the R. F. C. will do in the way of insuring intermediate and long-term loans to small business, but to bring home to small-business men what their local banks and lending institutions can do to meet

their intermediate and long-term-capital requirements.

The President also expressed the hope that the Senate Banking and Currency Committee, or a subcommittee thereof, during the recess might study the adequacy of the intermediate and long-term-credit facilities available to small business and the need of any further legislation to accomplish the purposes of the Mead bill.

Mr. Schram was widely publicized in connection with that conference and in relation to the statement. I have here from the Buffalo Evening News, which carries the picture of Mr. Schram, a long article in connection with the interview at the White House, and some information with regard to his ideas concerning the operation of the R. F. C .:

Discussing R. F. C. lending activities, of which he has had charge for the past year, Mr. Schram said he thought that the amendments of Senator James M. Mead (Democrat), of Buffalo, to the lending bill, providing for R. F. C. insurance of small-business loans "will he helpful."

MERIT IN MEAD BILL

"We will continue," he said, "to make loans on as liberal a basis as possible. There is merit to the Mead legislation. I do not want people to think there isn't, and take it lightly. Psychologically, it will have an extremely beneficial effect, in my opinion."

In 1935, I believe it was, or perhaps it was in 1937, when the President issued restrictions preventing the R. F. C.

from making loans of this character or any character, there was a lull in the expansion of our economy and shortly thereafter the President issued an Executive order authorizing the R. F. C. again to make loans to business enterprise. During the interim there was introduced what became known as the Glass-Steagall bill, which was an amendment to the then existing R. F. C. Act. The Chairman of the Federal Reserve System made the statement that they already had the authority which was contained in that new proposal, but, nevertheless, even though he repeated the statement that he had the authority, the Congress enacted the Glass-Steagall amendment authorizing the R. F. C. to initiate loans to enterprise, and, under the impetus resulting from the enactment of that bill, the R. F. C. made a mighty contribution to the expansion and enhancement of the Nation's developing economy.

So I believe, Mr. President, along with Mr. Schram and along with Mr. Jones, that the adoption of the amendment which I have offered will do much good, will improve the credit situation for small business, and I hope, in view of the fact that hearings have been held on this subject and that the statement of the head of the R. F. C. and the former head of the R. F. C. are known to all the Members of this body, that the amendment will be adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. MEAD1.

The amendment was rejected.

Mr. ADAMS. Mr. President, the senior Senator from Montana on Saturday offered an amendment which was adopted striking out section 7 of the bill, the section dealing with loans for the purpose of purchasing railroad equipment. The legislative drafting service has called his attention—he is absent and so I am offering the amendment-to several amendments which are necessary to avoid any conflict by reason of the adoption of that amendment. I now offer the amendments

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 4, after the comma, insert "and"; and in line 5 strike out "and the Corporation."

On page 4, strike out lines 18 to 23, both inclusive.

On page 11, at the end of line 7, insert "and"; and in lines and 9 strike out "and the Corporation."

On page 15, at the end of line 8, insert "and"; and in lines 9 and 10 strike out "and the Corporation."

The PRESIDING OFFICER. Without objection the amendments are agreed to.

Mr. KING. Mr. President, will the Senator make an ex-

planation of the amendments?

Mr. BARKLEY. The amendments are made necessary because the Senate struck out the section relating to loans for railroad equipment.

Mr. KING. The amendments, then, affect the provision relating to loans for railroad equipment?

Mr. ADAMS. Yes. The amendment of the Senator from Montana struck out section 7 of the bill. There were certain other textual matters in the bill which referred to the section which was stricken out and the amendments are to that part of the text which refers to section 7, which is no longer in the bill.

Mr. KING. The amendments do not cover any other provisions of the bill?

Mr. ADAMS. No.

The PRESIDING OFFICER. The amendments have been agreed to.

Mr. BYRD. Mr. President, I ask the clerk to report an amendment which I offer, and which is on the desk, with respect to making the bonds issued under this bill taxable.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The Legislative Clerk. On page 2, between lines 22 and 23, it is proposed to insert the following:

(c) Such notes, debentures, bonds, or other obligations issued to carry out the provisions of this act shall be subject both as to

principal and interest to all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, to the same extent as any notes, debentures, bonds, or other obligations which are not tax-exempt are subject to such

Mr. BYRD. Mr. President, it is not my purpose at this late hour to indulge in a lengthy discussion of this most important amendment. Under the provisions of this bill these bonds, if and when issued, will be exempt from normal Federal taxation and exempt from local and State taxation.

The purpose of this amendment is to do the very thing the President of the United States said should be done with respect to securities that have heretofore been issued and are

tax-exempt.

I call the attention of the Senate to the fact that under the memorandum submitted by the Committee on Banking and Currency it is estimated that the interest rates on the loans which are to be made will be as follows: On a 40-year loan approximately 21/4 percent; on a 30-year loan approximately 21/8 percent; on a 20-year loan 13/4 percent; on a 10-year loan approximately 1 percent.

It is proposed under this legislation that the loaning capacity of the Federal Government, using the tax-free power of the Federal Government to issue these obligations, shall be passed on to those to whom the money will be

loaned.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CONNALLY. Without expressing any individual opinion, I think it would be a very useful experiment if the Congress would adopt the amendment of the Senator from Virginia so that we could see the market result as between bonds that carry a tax and those that are tax free.

Mr. BYRD. I appreciate the Senator's statement, and I

hope that he will vote for the amendment.

Mr. CONNALLY. That would be the only ground on which I would ever vote for it, namely, purely as an ex-

Mr. BYRD. I am glad to get the vote of the Senator from Texas on any ground whatever, just so he votes for the amendment.

The Senator from Michigan [Mr. Brown], the Senator from Virginia, and other Senators have been members of the special committee investigating the question of taxing securities that are now tax-free. It was shown by this investigation that making these securities taxable would only increase the interest rate from 10 to 20 percent. That was the evidence before the committee; so that if this amendment should be adopted, the increase in the interest rate would not be consequential. Let us not forget that these loans are in a different category from other loans that are made for the expenses of the Federal Government, because it is proposed, as I have said, to use the taxing power and the value of the property of the people of the United States to borrow this money and pass it on to those who will make the

On June 24, 1939, Mr. Turner Catledge, one of the most trustworthy correspondents here in Washington, reported in the New York Times regarding the President's press conference with reference to the loan program in this language:

The President discussed the proposal in some detail at his press conference this morning. He expressed the hope then that the securities floated by the various Federal agencies to make up the loan fund would not bear tax-exempt features. He reiterated his previous recommendation that income from all future issues of public bonds bear their share of taxes.

Then, Mr. President, to corroborate that statement contained in the New York Times, I find in an article written by Mr. Felix Cotten, in the Washington Post, the following

The President said at a morning press conference that he hoped securities issued by lending agencies to finance the new program would not be tax-exempt.

Mr. President, some question was raised by the distinguished Senator from Kentucky whether the President was correctly quoted. I have in my hand a verbatim transcript of what the President said at that conference. At his press conference on June 23, 1939, the President was asked if the securities to be issued by the Government under the proposed spending-lending program would be tax-exempt, and to this question he replied:

Oh, I hope not. I don't know what the law on it is. we will get the Congress to make it clear that there will not be any more anywhere.

So, Mr. President, I think the time has come to stop issuing tax-exempt securities. We have the recommendation of the President. Legislation is now pending before the Congress of the United States providing for the taxation of all future issues of bonds attempted to be made tax exempt, and let us not forget that the bonds issued under the terms of the legislation now proposed may extend for 30 years, and will be tax exempt throughout their life.

Mr. President, I ask for the yeas and nays on the amend-

ment.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, it is very gratifying to me to find that the Senator from Virginia is able to quote the President of the United States, when the Senator can construe in support of his position some statement the President has made.

Mr. BYRD. Does the Senator from Kentucky deny that the President of the United States made that statement?

Mr. BARKLEY. I said the other day that I was not present at the conference and I did not know whether or not he was correctly quoted, but that even if he were correctly quoted, I did not change my position with respect to the particular bonds.

Mr. BYRD. That is not the question I asked the Senator. I asked whether he denied that the President of the United States made the statement that these securities should not be tax-exempt.

Mr. BARKLEY. I neither deny nor affirm. I do not know whether he said it or not.

Mr. BURKE. Will the Senator yield, Mr. President?

Mr. BARKLEY. I yield.

Mr. BURKE. Assuming that the President did make the statement, is the Senator from Kentucky able to construe it in any other way than as the Senator from Virginia has construed it?

Mr. BARKLEY. I am not so certain that when the President made that statement-if he made it exactly in the language quoted-he meant to have it apply to all future bond issues, and that all should be dealt with on the same basis.

Mr. President, I think we ought not to deal piecemeal with bond issues, insofar as their taxability is concerned. In other words, I think that when we deal with that subject we should deal with all bonds on the same basis. I realize that there is very keen interest in the question of removing the tax-exempt privilege from bonds issued by the United States. Of course the income from these bonds and all other Government bonds is now taxable so far as surtaxes are concerned. The bonds to be issued will be in the same class with all other Government bonds.

Mr. BYRD. Mr. President, I think the Senator should make himself clear that these bonds will be exempt from all normal Federal taxes and all State and local taxes.

Mr. BARKLEY. When I said they were subject to surtaxes, of course that statement carried with it the assumption that the bonds would be exempt from the normal tax. We all understand that to be true.

Mr. President, as I was about to say, the question of taxexempt securities is one concerning which there is very keen debate throughout the country and in Congress. There is a division of opinion as to whether, without a constitutional amendment, Congress has the power to tax securities, outside of those of the Federal Government. I believe the distinguished Senator from Idaho thinks that while by statute we may tax our own Federal obligations, without a constitutional amendment, on the other hand we cannot tax obligations of States, counties, and municipalities without a constitutional amendment. If my understanding is incorrect, he may correct it.

Mr. President, this discussion brings up the subject of what we should do and what we can do with respect to the taxation of our own obligations. I am of the opinion that, if we ever make the obligations of the Federal Government taxable by States or localities, we should not do so until their obligations are mutually taxable by the Federal Government. We can tax all our own if we wish; but when we deal with Government bonds and undertake to lift from them the exemption which they now enjoy, I think we should deal with the subject comprehensively and should treat all bonds alike and put them on the same basis.

Mr. BYRD. Mr. President, will the Senator yield once more?

Mr. BARKLEY. I yield.

Mr. BYRD. Up to this time such bonds as those proposed have been regarded as an indirect debt of the Corporation, as obligations of the Corporation, and not of the Government.

Mr. BARKLEY. They are still enjoying the same taxexempt privilege that is enjoyed by Government obligations—Liberty bonds and other bonds.

There has been an investigation under the chairmanship of the distinguished Senator from Michigan [Mr. Brown], who has done a very comprehensive, thorough, and capable job up to now, in the investigation and in the partial report which he has made to the Committee on Banking and Currency. All the R. F. C. obligations now outstanding enjoy this tax-exempt privilege, whether or not they were made for the purpose of obtaining money to loan railroads; and a few days ago an argument was made against the section of the bill pertaining to loans to railroads, and it was stated that the bonds issued to obtain money to lend to the railroads would be tax-exempt. Such bonds are already tax-exempt, so far as that is concerned. However, the section providing for loans to railroads has been stricken from the bill.

Obligations which were sold by the Reconstruction Finance Corporation for the purpose of obtaining money to lend to municipalities and States prior to the establishment of the Public Works Administration carry the same sort of tax-exempt privilege, except as to surtaxes. Obligations issued by the Reconstruction Finance Corporation to obtain money to lend to business and industry in this country carry the same sort of tax-exempt privilege, except as to surtaxes.

Mr. President, here is a bill for the purpose of providing money by the same process—the issuance of bonds by the Reconstruction Finance Corporation-for States, counties, and municipalities, to enable them to carry out projects heretofore carried out under the P. W. A. In the same way this bill is intended to provide money for rural electrification, and in the same way it is intended to provide money for farm security. The only bonds now provided for under this bill are those to provide funds to take care of farm tenants and farmers who desire to rehabilitate themselves, and farmers who desire to put in electrical apparatus and appliances in order that they may enjoy the modern blessings of electricity. There is also provided \$350,000,000 to be advanced to the P. W. A. for the purpose of carrying on projects similar to those which have heretofore been under consideration.

Mr. President, it seems to me that it would be a strange thing for the Senate of the United States to say that the bonds which are to be issued in order to provide funds to enable the farmers to electrify their farms or to enable tenants to buy farms and become landowners or to enable those who are now landowners to protect their homes and themselves, are to be issued under a restriction depriving them of the privileges which other Government bonds enjoy. I may be inclined, and I think I am inclined, to favor the elimination of the tax-exempt privilege from all Federal obligations. I should certainly be in favor of such a procedure if it were mutual, so that we might tax obligations of all other subdivisions of our Government.

However, Mr. President, I am not willing to put into this bill a provision requiring the taxation of these bonds—bonds which are to be for the benefit of American agriculture, in the way of rural electrification and in the way of farm tenancy and rehabilitation—when all other bonds issued for all other purposes, including those issued for the benefit of business, industry, banks, and railroads, still enjoy the taxexempt privilege.

For that reason, and because the whole matter is under discussion and consideration by the Committee on Finance, concerning which a final determination has not yet been reached, I hope that we will not now undertake to deal in this measure with the question of tax exemption, so as to put the bonds to be issued under the proposed law on a more disadvantageous basis than those already issued by the Reconstruction Finance Corporation and other governmental agencies, and by the Government itself.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BURKE. I think there is a great deal of merit in the position of the Senator from Kentucky; these matters should be considered together. But is there not also necessity for giving consideration to the fact that there is a determined drive which may result in early adoption of the general proposal suggested by the Senator from Kentucky, and would it not now be unfortunate, on the eve of the possibility of such a happening, to issue a very large amount of bonds, such as would be issued under the pending measure, even after the paring that has been done in the Senate, and have something like a billion and a half dollars of bonds issued tomorrow, or the next day, or very soon, totally taxexempt, except for surtaxes, since in the very near future Congress might get around to adopting a general provision. and there would be no means at that time of reaching out and taxing this very large issue of bonds at all? It seems to me that is something which should be given consideration.

Mr. BARKLEY. Mr. President, I do not think the Senator's fears are justified. Of course, no one can tell when Congress will deal with this problem. It may deal with it at the next session. It has been under discussion for years, but we have not yet reached the point where we can deal with it scientifically, to the last ditch, so to speak, because the committee which has been considering the matter has not yet made its final report.

What I am contending for is that when we deal with these Government obligations we ought to deal with them all alike, and not make flesh of one and fowl of another. Certainly we should not put at a disadvantage the facilities we are providing now, largely for agriculture. The Senator from New York facetiously remarked to me the other day that this is largely a farm bill.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WALSH. Has any estimate been made as to about what increase in the interest rates would be occasioned by classifying bonds of this kind, heretofore tax-exempt, as taxable?

Mr. BARKLEY. The Senator from Michigan has some figures on that, and I will ask him to respond to the question

Mr. BROWN. Mr. President, the testimony of the Treasury experts, and of the experts produced by the Association of States Attorneys General, boiled down to about this statement, that an increase in the interest rate of somewhere between 10 and 20 percent would be occasioned by subjecting these bonds to all Federal and State taxation.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. In just a moment. I wish to say, in addition to that, in the same connection, that the bill eliminates all grants. We are eliminating the question of grants altogether. We are not proposing to give anything to anyone. We are proposing to lend. But as a substitute for grants we are proposing a low rate of interest, which will be sufficiently attractive as to enable the corporation to take advantage of these provisions and borrow the money.

If we are to wipe out that advantage by subjecting the bonds to taxes of all kinds, we might as well have continued to make grants, instead of providing this rather Austin Bailey

Borah

Bridges

Brown

Bulow

Burke

Byrd

cheaper way of enabling them to borrow money for the same purposes. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, in the first place, the bill authorizes bonds of a longer term, I think, than any existing Federal legislation, so that if the bonds are made taxexempt, will they not be out for a longer time?

Mr. BARKLEY. These are indirect obligations, and I suppose the Senator is not treating them differently from the direct obligations of the Federal Government, some of which are long-term, certainly for longer terms, when first issued, than the bonds to be issued.

Mr. TAFT. It seems to me 30 years is the longest term in any outstanding Federal bonds, and this authorizes bonds maturing in 40 years.

Mr. BARKLEY. The R. F. C. is issuing bonds for only 30 years. The obligation of those who borrow under the Rural Electrification Administration, the individual organizations among farmers, are for 40 years, but the R. F. C. is authorized to issue its bonds for 30 years for all these purposes. That means they would have to refund and reissue the bonds at the end of 30 years in order to carry out the remaining 10-year program under which the Farm Security and Rural Electrification Administrations have been able to borrow money for 40 years. So that, so far as the R. F. C. is concerned, the limit is 30 years, and that is not as long as was provided in some of the direct obligations of the Government at the time they were issued. Of course, a good deal of time has elapsed, and it may be that a good many of them may not have a maturity beyond 30 years. But I do not think that affects the real principle involved in the amendment.

Mr. TAFT. Does not the Senator believe that bonds of this sort would usually be held by the banks; and that to a bank in many cases the taxability makes no difference whatever? To most banks of the United States today the taxability of a bond makes no difference.

Mr. BARKLEY. That raises the question whether the taxability of the bonds affects or does not affect the rate of interest. I think it is fairly well settled that it does.

Mr. TAFT. If they are sold to individuals it does. If they are sold to banks, it affects the rate of interest very little, because most banks are not making any income any way. They have so many Government bonds which are nontaxable, and they will not pay a tax on a small additional income of this kind. Their holdings of these bonds would be very small compared with their total holdings.

Mr. BARKLEY. If the amendment is agreed to I am sure that every farmer who borrows any money under the bill, whether for farm tenancy, for rehabilitation, or for rural electrification, will pay more interest than he would if the amendment were not in the measure.

Mr. TAFT. I do not think he would have to, but if he did, I do not think it would be over one-tenth of 1 percent, and I think the value of the protection afforded for many years to come would more than balance that one-tenth of 1 percent on this particular issue of bonds.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia [Mr. Byrd]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I transfer that pair to the junior Senator from New Jersey [Mr. Barbour] and vote. I vote "yea."

Mr. GUFFEY (when his name was called). I have a pair with the junior Senator from New Hampshire [Mr. Tobey]. I transfer that pair to the senior Senator from Louisiana [Mr. Overton] and vote. I vote "nay." I am not advised how either of these Senators would vote if present and voting.

Mr. HARRISON (when his name was called). Making the same announcement as before with regard to my gen-

eral pair with the Senator from Oregon [Mr. McNary], I withhold my vote.

The roll call was concluded.

Mr. AUSTIN. I announce the general pair of the Senator from Wisconsin [Mr. Wiley] with the Senator from Rhode Island [Mr. Green].

The Senator from New Hampshire [Mr. Tobey] would vote "yea" if present.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arizona [Mr. ASHURST] is absent because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. Green] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Arkansas [Mrs. Caraway] has a pair with the Senator from Wisconsin [Mr. La Follette]. I am advised that if present and voting, the Senator from Wisconsin would vote "yea." I am not advised how the Senator from Arkansas would vote.

The result was announced—yeas 44, nays 37, as follows:

Danaher Holt Davis Johnson, Calif. Russell Shipstead Downey Johnson, Colo. Frazier King Smith Gerry Lee Lodge Stewart Gibson Taft Gillette McCarran McKellar Townsend Vandenberg Gurney Maloney Hale Van Nuys Walsh Hatch Miller

Capper Clark, Mo. Holman Nye White NAYS-37 Murray Andrews George Smathers Bankhead Guffey Neely Norris Thomas, Okla. Barkley Hayden Thomas, Utah Bilbo Herring O'Mahoney Hill Pepper Bone Tydings Hughes Radeliffe

Byrnes Wagner Schwartz Chavez Lucas Wheeler Clark, Idaho Lundeen Schwellenbach Sheppard Connally Ellender Minton Slattery NOT VOTING-15 Ashurst Glass Logan McNary Revnolds

Barbour Green McNary Tobey
Caraway Harrison Overton Wiley
Donahey La Follette Pittman

So Mr. Byrd's amendment was agreed to.

Mr. TOWNSEND. Mr. President, I was prepared to send to the desk a new amendment to the bill under discussion. The amendment related to foreign silver. However, I am informed that several of my friends feel that an agreement has been made not to vote again on the subject of my amendment during the discussion of the pending bill. Therefore I am not offering the amendment.

Mr. President, over the week end important and previously undisclosed information has come to my attention relating to the position of the State Department. The junior Senator from Virginia [Mr. Byrd] has inserted in the Record three telegrams from the chairman of the subcommittee [Mr. Glass] whose hearings on my bill, S. 785, were discussed on the Senate floor last Friday. These telegrams not only disclose the attitude of the senior Senator from Virginia, but also disclose that Secretary of State Hull no longer requests delay on consideration of my proposal involving discontinuance of the purchase of foreign silver by the Government. These are most important developments affecting the silver policy.

This disclosure is so significant because, as I stated in the Senate Friday, it was only the belief that the Secretary of State opposed discontinuance of foreign-silver buying which prevented the subcommittee from making the favorable report on my bill which, on July 7, it had convened fully pre-

pared to do. Although the chairman of the subcommittee is not able to be present today, other members of the subcommittee are here to correct me if I misstate the matter when I demonstrate in a moment that a large majority of the subcommittee favored ending the purchase of foreign silver.

Ten Senators, or one-tenth of the Senate, comprise the subcommittee referred to. Of these 10, only 3 last Friday voted against my amendment to end the purchase of foreign silver. Six favored my amendment. That shows how the committee stood. Thus, the committee was 2 to 1 in favor of my amendment. And this was not a partisan position. Only 2 of the 10 members are Republicans.

Not one of the three members of the subcommittee who voted against my amendment last Friday had attended a single one of the hearings on silver, as the record of attendance printed in the hearings proves. I do not criticize those three Senators. But if those three Senators had attended the silver hearings, I have no doubt at all that the entire subcommittee would have been unanimous in condemning the foreign-silver program. I therefore deeply regret that the full subcommittee could not have attended all of the hearings on silver. But on the record which I send to the desk the subcommittee approval of my position is overwhelming.

I ask consent that there be printed in the RECORD at this point a table relating to the vote of the subcommittee's members on my amendment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Record of attendance of members of Senate subcommittee at hearings on S. 785, April 1939

	Apr. 19	Apr. 20	Apr. 24	Apr. 27
Glass ¹ Barkley	√	√	√	
Byrnes. Bankhead. Adams¹ Brown¹ Smathers²	-	-	-	3
Miller 1 Townsend 1 Taft 1	***	*	*	√

¹Recorded in Congressional Record of July 28, 1939, p. 14426, as favoring the Townsend silver proposal.

Townsend silver proposal.
² Did not vote July 28, 1939, on Townsend amendment.

Source: Hearings, pp. 1, 63, 89, and 127.

Mr. TOWNSEND. Mr. President, on January 17, 1939, I introduced Senate bill 785, calling for an end to all silver buying, domestic as well as foreign; calling for an embargo on silver imports and for the sale of surplus Government silver, and so forth. That bill was referred to the Committee on Banking and Currency.

My amendment, however, was quite a different proposal. It did not touch domestic silver at all. It did not provide for an embargo on imports. It called for no Government sales of silver. It was very simple. Its sole effect was to withdraw the availability of Government resources for the acquisition of any more of the foreign metal, for compelling reasons thoroughly expounded by witnesses during the hearings on my bill, Senate bill 785. Those hearings, incidentally, were immediately available to any member of the Banking and Currency Committee or of the Senate who wished to consult them. In printed form they were sent to each member of the full committee in the middle of June. Altogether, a thousand copies were printed. I have had a copy placed on each Senator's desk today. I defy any intelligent person to study these hearings and not be convinced that the further purchase of foreign silver is utterly indefensible.

The argument that buying foreign silver makes jobs for Americans has no validity. The war debts made jobs for Americans! The loans of the reckless twenties made jobs for Americans! So what? If buying foreign silver at 35 cents an ounce makes jobs for Americans, buying demonetized and useless foreign silver at \$3.50 an ounce would make jobs for 10 times as many Americans! Mr. Marriner S. Eccles stated to the Silver Subcommittee in his excellent testimony against the buying of any more foreign silver—and note that Mr.

Eccles was analyzing this very argument that buying foreign silver makes jobs for Americans (hearings on S. 785, p. 83):

We could take anything that a foreigner might give us that we did not need, for instance, and give him our goods. Now, whether it is silver or some other metal or some other product, we could take it as well as we could take silver, and as a result we would find a foreign market for our goods. Then we could issue money against what we took, whether it happened to be copper or sea shells or what not.

If the purchase of foreign silver is so important in order to furnish jobs for Americans, why has the National Foreign Trade Council in three successive conventions formally passed resolutions opposing it?

The able Senator from North Carolina [Mr. Balley] on June 26 made an able statement on silver and our export trade, and my esteemed colleague from Arizona [Mr. Ashurst] presented an equally effective discussion on the subject the same day.

Some Senators have supposed that because silver had a value abroad in ancient times, it always will have. How much do foreigners esteem silver? Let me read the exact words of Mr. Eccles on this point (hearings on S. 785, p. 81):

Silver is almost useless as an international reserve. * * * Foreign governments and central banks do not want it. * * * the Government [would] suffer heavy losses [if it sold its silver]. * * *

Other experts confirmed Mr. Eccles' testimony on this point (hearings on S. 785, pp. 149 and 8-11).

Mr. Eccles also told your committee:

Silver, of course, is not acceptable by the countries of the world in settlement of international balances (hearings on S. 785, p. 72).

He testified that important silver inflates bank reserves (hearings on S. 785, pp. 72-73, 78). Again I quote:

The tendency is very inflationary.

He added:

To the extent certainly that we buy foreign silver it seems to me to be wholly and totally unnecessary.

Mr. Eccles further testified (hearings on S. 785, p. 82):

We would be no worse off with a foreign loan that does not have to be repaid than by the acquisition of a supply of silver that we cannot sell.

Do not assume that our foreign silver buying is confined to Latin America. Only one-fifth of all the foreign silver we have bought since 1934 has come from Latin America. Most of the imports have come from Asia. Only last week I was reliably informed that 6,000,000 ounces of discarded foreign silver coin were being purchased by the Treasury from a distant nation now at war.

The Commerce Department reports imports of silver during June 1939 from the following non-Latin American sources: Belgium, France, Netherlands, Norway, United Kingdom, Canada, British Malaya, Japan, Philippine Islands, Australia, Yugoslavia, British India, Turkey, Union of South Africa, British South Africa, and others—Commerce Department Release No. 2402 of July 12, 1939.

The silver program has compelled the Treasury, directly or through the open market, to buy silver from foreign belligerents—Chinese silver from Japan, Ethiopian silver from Italy, Spanish silver from Russia, and cast-off bullion and coin from scores of foreign places. As long as the law stands, this compulsion stands. If Germany seizes silver from the church or from minorities tomorrow, the present silver law is there to help the Nazi government.

I say to the Senate that nowhere abroad does the silver standard survive. No Latin American country has the silver standard, and most Latin American countries are not dependent on silver mining. In no country in the world does a government buy silver as we do. We are unique in this request. We are out of step.

We do not need to continue this program in order to trade abroad. We had a very flourishing foreign trade for decades before the purchase of foreign silver was enacted. We traded with Latin America before the silver program ever was dreamt of; and we will trade with Latin America long after the program has become history. Trade is an exchange of useful goods for useful goods. Selling without buying, however, cannot go on indefinitely.

Foreign silver buying, as Mr. Eccles so well put it, is definitely "a one-way street." What I want us to do is to turn around and get clear out of it.

The PRESIDING OFFICER. The time of the Senator from Delaware on the amendment has expired.

Mr. BARKLEY. Mr. President, I have no desire to discuss the matter which has been the subject of the Senator's address. I have a textual amendment growing out of a conversation between the Senator from Georgia [Mr. George] and myself with respect to certain provisions on page 14 of the bill. I send the amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. In section 12, page 14, line 19, after the word "thereon" and the comma, it is proposed to strike out down to and including the word "payment" in line 2 on page 15, and to insert in lieu thereof the following:

An appropriation sufficient to cover such difference is hereby authorized to be made annually commencing with the fiscal year 1941, out of any money in the Treasury not otherwise appropriated; and when any such annual appropriation shall have been made the Secretary of the Treasury shall pay to the Corporation the amount so appropriated.

Mr. BARKLEY. Mr. President, in section 12, page 14, the bill provides:

The Secretary of the Treasury and the Federal Loan Administrator shall cause an examination to be made annually of the status of the program of recoverable expenditures for the financing of which notes, debentures, bonds, or other obligations of the Corporation shall have been issued under this Act. Each such examination shall be made as of the last day of December in each year, beginning with December 31, 1940. The Secretary of the Treasury and the Federal Loan Administrator shall submit a report of each such examination to the President and to the Congress. If any such examination discloses that the probable recovery of the cost of all works, projects, or undertakings carried out under this act, and of all loans made to aid in the financing of the same, together with the cash on hand in the special account or accounts of the Corporation provided for by section 4 of this Act, is less than the principal amount of all notes, debentures, bonds, or other obligations issued pursuant to this act, and interest thereon, the Secretary of the Treasury on behalf of the United States shall pay to the Corporation a sum equal to the amount of such difference.

In the following sentence it authorizes such an appropriation; but the draftsman of the bill evidently got the cart before the horse. The amendment which I have offered provides no change in the annual examinations by the Secretary of the Treasury and the Loan Administrator, but provides that when there is a difference between the value of the assets and the amount loaned, an appropriation shall first be authorized by Congress before the Secretary of the Treasury may pay the Corporation the difference. In that connection, of course, the committees and the Congress itself will have an opportunity to investigate the causes of the difference and the whole situation with respect to it. After Congress has gone into the matter and made an appropriation, only then is the Secretary of the Treasury authorized to pay the difference to the Corporation.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. As I understand the language, "the Secretary of the Treasury, on behalf of the United States, shall pay to the corporation a sum equal to the amount of such difference" is eliminated.

Mr. BARKLEY. It is eliminated; and the language is changed so as to authorize Congress to make an appropriation; and in the event Congress makes the appropriation the Secretary of the Treasury is authorized to make payment.

Mr. BYRD. I am very glad the Senator from Kentucky discovered that error, because I have been calling it to his attention for 3 or 4 days.

Mr. BARKLEY. I appreciate that; and I think the amendment eliminates any difficulty about it. Under the new language the Secretary of the Treasury may make no

payment to the corporation involving any such difference until Congress has authorized it.

Mr. GEORGE. Mr. President, will the Senator yield? Mr. BARKLEY. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I had notified the Senator from Kentucky that I proposed to offer an amendment striking out the language in this section beginning in line 11. The amendment now offered by the Senator from Kentucky satisfactorily meets the suggestion I had in mind.

Mr. BARKLEY. I thank the Senator.

Mr. BYRNES. Mr. President-

Mr. BARKLEY. I yield to the Senator from South Carolina.

Mr. BYRNES. The language in the bill was an authorization and not an appropriation. The Senator agrees to that, does he not?

Mr. BARKLEY. Yes; except that the language was confusing in this respect, that the Secretary of the Treasury was authorized to make payment—

Mr. BYRNES. I suggest to the Senator from Kentucky that that language was taken from the language used in the Commodity Credit Corporation Act.

Mr. BARKLEY. Yes.

Mr. BYRNES. It has been construed to be an authorization and not an appropriation.

Mr. BARKLEY. I think the amendment meets that situation, so that it will be an authorization; and based upon that authorization Congress would have to make the appropriation before the Secretary of the Treasury could make payment.

Mr. KING. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KING. Mr. President, I am very sorry that the purpose which the Senator from Georgia originally had in desiring to strike out all after the word "Congress," in line 11, on page 14, down to and including the word "section" on the next page, has been abandoned, and that he has consented to accept the suggestion which has just been made by the Senator from Kentucky.

The position of the Senator from Kentucky obviously conveys the idea that we are to expect losses and that there is to be a moral obligation upon the part of Congress to meet those losses by making appropriations from the Treasury.

Mr. BARKLEY. I will say to the Senator that there is no difference between the effect of this provision and that which has been carried in all similar laws. Of course, we are all hoping that there may not be a loss, but we all realize that there might be a loss. If the Corporation—by which I mean the Reconstruction Finance Corporation—in providing funds for these activities finds at the end of any year that there has been a loss, it shall report it to the President and to Congress. Congress is then authorized to make an appropriation. It does not have to do so. It can go into all the details of the transaction to determine whether or not there ought to be any payment.

Mr. KING. The Senator is correct in stating that the authorization has been found in some of the acts which have heretofore been enacted. I have recently discovered that the Commodity Credit Corporation invaded the Treasury upon two occasions. The first time, it obtained \$100,000,000 to make up the losses which had been sustained; and since then, as I understand, the losses aggregate a very large sum, larger than the former sum. They will have to be paid out of the Treasury of the United States.

So we are following a precedent which, in my opinion, is a bad one, committing the Government of the United States to the payment of losses in the corporations which we are setting up, and which obviously will incur, as corporations in the past have incurred, very large liabilities. I think we ought to have stricken out the entire provision.

Mr. BARKLEY. I will say to the Senator that the matter to which he refers is one which is now pending before the Appropriations Committee. If it does not provide the appropriation it will never be made.

Mr. KING. There is a moral obligation when we authorize such expenditures and say that Congress is authorized to make appropriations. When that authorization is given and expenditures are incurred and losses are sustained, we feel that there is a moral if not a legal obligation on the part of the Congress to make the appropriation.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

Mr. DAVIS. Mr. President, I have heretofore voted for all reasonable and necessary congressional appropriations to relieve unemployment. I have done so in good faith and with the hope that some measure of protection might be found in this way for the unemployed. It is now evident that the Government spending program of the past 6 years has left unsolved our major problems of agriculture, industry, transportation, and trade. The spending program has been nothing better than a series of temporary expedients, giving brief periods of aid from year to year. While the Government has been spending private enterprise has grown increasingly weak and dependent. The very life of private and business enterprise is being crushed out in this way. Further attempts to restore confidence by governmental spending of additional billions will defeat their desired purpose. They will destroy rather than create confidence. For these reasons I shall vote against the lending and spending bill

Mr. CAPPER. Mr. President, in spite of the fact that the pending lending-spending bill has been considerably modified, and modified in the right direction, by amendments approved by the Senate, I still find myself constrained to vote against the measure.

This lending-spending bill is wrong in principle, unsound in practice, and deceptive in the governmental bookkeeping policy it proposes to put into effect.

In some respects it still is one of the most dangerous measures Congress has been asked to enact into law.

There is no use trying to gloss the situation over by specious arguments. This bill proposes to continue and, to whatever extent the final act authorizes loans, to enlarge the spending program which has been so largely responsible for these 9 years of Federal Government deficits.

The Government is to lend hundreds of millions, reaching into the billions, to governmental agencies, which will relend to corporations and to individuals at home and abroad for the purpose of spending. By providing loans instead of appropriations, an attempt is made to show that these additional billions of dollars will not be added to the public debt.

This feature of the measure, this double-dealing system of entering the amounts on the books, appeals to me as coming close to dishonest bookkeeping, although I believe it will not fool anyone.

Another dangerous feature of the measure, as it came to us originally, was the inclusion of so many possible beneficiaries, evidently with the intention of compelling Members of Congress to support the measure so that each Member's constituents would be assured of getting his share.

I think the Senate is to be congratulated upon the amendments already adopted. The bill to that extent is not so dangerous as it was when introduced. But the measure still is dangerous, unsound, and, I think, misdirected, even for the objectives sought to be attained. I shall vote against it, and I hope that enough other Senators will do so to end this kind of specious spending-lending legislation for good and all.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD a letter just received from S. R. Cellars, of Chetopa, Kans., who runs a harness and hardware business in Chetopa, in which he protests vigorously against the proposal upon which we are about to vote.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHETOPA, KANS., July 28, 1939.

Senator ARTHUR CAPPER, Washington, D. C.

DEAR SIR: When this Congress convened, the papers held out the idea that it was to be an economy Congress: that expenditures were to be curtailed. Instead of that they have gone on spending money like drunken sailors, except that drunken sailors probably

do not spend money they haven't got.

There is no more emergency now than there will be 10 years from now, and no more reason for expenditures to exceed revenues now than there will be at any other time. If this generation cannot pay their own way in the world, what does this administration expect the next generation to do? There is ample money in the banks to finance any enterprise under sound business conditions, and I can see no reason for the Government to continue to operate a loan business. No doubt the administration intends to put this money out where it will do the most good-in the 1940 campaign.

The past 6 years has demonstrated that it is just as foolish for a government to try to spend itself into prosperity as it is for an individual. There is little likelihood of any material improvement in business as long as our enormous indebtedness continues to increase.

Over 60 percent of this town is on relief of some kind. Over 60 percent of this town is on relief of some kind. It is almost impossible to hire a man or woman to do a day's work in this town. They do not need to work; the Government is keeping them. They will not grow gardens or can fruits or vegetables. They do not need to; the Government gives them their groceries. All they have to do is to vote right when an election comes around. We hope that some of the men at Washington may forget their political jobs for a little while and give some consideration to the welfare of the country before all the taxpayers have to go on relief. Sincerely.

S. R. CELLARS.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass?

Mr. AUSTIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. If that Senator were present, he would vote "yea." I transfer that pair to the junior Senator from New Jersey [Mr. BAR-BOUR], who would vote "nay," and I am entitled to vote. I vote "nav."

Mr. GUFFEY (when his name was called). I have a pair with the junior Senator from New Hampshire [Mr. Tobey], which I transfer to the senior Senator from Arkansas [Mrs. CARAWAY], and will vote. I vote "yea."

Mr. HARRISON (when his name was called). Making the same announcement as before as to my pair with the senior Senator from Oregon [Mr. McNary], I withhold my vote.

Mr. KING (when his name was called). I have a pair with the junior Senator from North Carolina [Mr. REYNolds]. Not knowing how he would vote if present, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote "nay." I have been unable to obtain a transfer, so I withhold my vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. Ashurst] is detained from the Senate on account of illness in his family. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Ohio [Mr. Donahey] are unavoidably detained. I am advised that, if present and voting, these Senators would vote "nay."

Adama

The Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Rhode Island [Mr. Green] is paired with the Senator from Wisconsin [Mr. Wiley], who is unavoidably detained. I am advised that, if present and voting, the Senator from Rhode Island and the Senator from Arkansas would vote "yea." I am not advised how the Senator from Wisconsin would vote.

Mr. AUSTIN. I desire to announce that the Senator from Oregon [Mr. McNary] and the Senator from New Hampshire [Mr. Tobey] would, if present, yote "nay."

The result was announced—yeas 52 nays 28, as follows:

YEA	s—	52	
	MEG	Waller	į

Discoll

Adams	Enemaer	MCKenar	Russen
Andrews	Gillette	Maloney	Schwartz
Bankhead	Guffey	Mead	Schwellenbach
Barkley	Hatch	Miller	Sheppard
Bilbo	Hayden	Minton	Slattery
Bone	Herring	Murray	Smathers
Borah	Hill	Neely	Stewart
Brown	Hughes	Norris	Thomas, Okla.
Byrnes	Johnson, Colo.	Nye	Thomas, Utah
Chavez	La Follette	O'Mahoney	Truman
Clark, Idaho	Lce	Pepper	Wagner
Connally	Lundeen	Pittman	Walsh
Downey	McCarran	Radcliffe	Wheeler
	NA	YS-28	
Austin	Danaher	Hale	Smith
Bridges	Davis	Holman	Taft
Bulow	Frazier	Holt	Townsend
Burke	George	Johnson, Calif.	Tydings
Byrd	Gerry	Lodge	Vandenberg
Capper	Gibson	Lucas	Van Nuvs
Clark, Mo.	Gurney	Reed	White
	NOT V	OTING-16	

Ashurst Donahey King Reynolds
Bailey Glass Logan Shipstead
Barbour Green McNary Tobey
Caraway Harrison Overton Wiley

So the bill (S. 2864) was passed.

Filandar

Mr. BARKLEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRNES. I move to lay that motion on the table. The motion to lay on the table was agreed to.

NOTICE OF CALL OF THE CALENDAR

Mr. BARKLEY. Mr. President, for the benefit of Senators I wish to say that tomorrow we will have a call of the calendar for the consideration of unobjected-to bills.

Mr. AUSTIN. Mr. President, does not the Senator wish to consider the possibility of limiting the call to bills which have passed the House of Representatives, with a view to expediting the consideration of some 300 such bills? It would be well, in my opinion, if we should dispose of the House bills on the calendar, and not waste time in calling the Senate bills. I merely suggest that for the consideration of the Senator.

Mr. BARKLEY. I may say to the Senator from Vermont that it may be desirable a little later, before the adjournment, to set aside a call of the calendar for the consideration exclusively of bills which have passed the House, but at this juncture I doubt very much whether it would be advisable to do that. I appreciate the situation to which the Senator has called attention. I think we can attend to that without difficulty.

REGIONAL PLANNING, NORTHERN LAKE STATES (H. DOC. NO. 458)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

Exploitation of our resources has created many problems, but none more pressing than in those areas of the United States where a basic resource has been mismanaged and the principal industry has moved or waned, leaving the working population stranded.

The cut-over region in the northern part of the States of Michigan, Minnesota, and Wisconsin was once the scene of a flourishing lumber industry. Today a large section of the population in that area depends for its very existence on public aids, work relief, and security payments. The large expenditures for these purposes in the area have enabled these people to survive, but could not provide a satisfactory permanent solution to their problem.

Members of Congress representing the region appealed some time ago for aid in developing a program to assist the people in the area to find a way of life that would provide opportunity and reasonable security. The problem is now to make the best use of the natural and human resources of the area.

Over a year ago the National Resources Committee began a study of the region, establishing large local committees in order to insure accurate representation and true understanding of the local point of view. Individual reports were prepared by groups representing the cut-over areas in the three States. From these individual reports a summarized version of what is thought to be a feasible program has been developed. This summary constitutes the most recent in the series of regional reports by the National Resources Committee and is entitled "Regional Planning, Part VIII—the Report of the Northern Lakes States Regional Committee."

I am asking that the National Resources Planning Board keep in touch with the regional committee, which sponsored this report, to assist the regional committee in promoting correlation of activities of Federal, State, and local agencies concerned with bringing about the accomplishments desired. I commend the report to your careful study for whatever action may be appropriate.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 31, 1939.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the following nominations:

Harold Maurice Kennedy, of New York, to be United States attorney for the eastern district of New York, vice Michael F. Walsh, resigned; and

Campbell E. Beaumont, of California, to be United States district judge for the southern district of California, to fill a position created by the act of Congress of May 31, 1938.

Mr. PITTMAN, from the Committee on the Judiciary, reported favorably the nomination of Harry E. Pratt, of Alaska, to be United States district judge, division No. 4, District of Alaska.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of Henry L. Dillingham, of Missouri, to be United States marshal for the western district of Missouri.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Charles Stewart Lynch, of Delaware, to be United States attorney for the district of Delaware.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Herman E. Moore, of Illinois, to be judge of the District Court of the Virgin Islands of the United States, vice William H. Hastie, resigned.

Mr. WHEELER, from the Committee on Interstate Commerce, reported favorably the following nominations:

James Lawrence Fly, of Tennessee, to be a member of the Federal Communications Commission for the unexpired portion of the term of 7 years from July 1, 1935, vice Frank R. McNinch, resigned; and

Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement Board for a term of 5 years from August 29, 1939 (reappointment).

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters

postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

WORK PROJECTS ADMINISTRATION

The legislative clerk read the nomination of Denis W. Delaney, of Massachusetts, to be work-project administrator for Massachusetts.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations

of postmasters.

Mr. McKELLAR. Mr. President, I ask that the nomination of Edward E. Dewey to be postmaster at Decatur, Ark., go over. With that exception, I ask that the remaining nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, with the exception of the nomination noted, the nominations of the postmasters are confirmed en bloc.

That completes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.), the Senate adjourned until tomorrow, Tuesday, August 1, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 31 (legislative day, July 25), 1939

DIPLOMATIC AND FOREIGN SERVICE

James J. Murphy, Jr., of Pennsylvania, to be a Foreign Service officer of class 3, a consul, and a secretary in the Diplomatic Service of the United States of America.

ASSISTANT TO THE ATTORNEY GENERAL

Edward Gearing Kemp, of Michigan, to be the Assistant to the Attorney General, to fill an existing vacancy.

UNITED STATES DISTRICT JUDGE

Hon. J. H. S. Morison, of Alaska, to be United States district judge, division No. 2, District of Alaska. Judge Morison is now serving in this post under an appointment which expired July 26, 1939.

JUDGES OF THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

Hon. Nathan Cayton, of the District of Columbia, to be judge of the municipal court of the District of Columbia. He is now serving in this post under an appointment which expired July 19, 1939.

Hon. Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court of the District of Columbia. Judge Raedy is now serving in this post under an appointment which expired July 19, 1939.

POSTMASTERS

ALABAMA

George W. Floyd to be postmaster at Alabama City, Ala., in place of G. W. Floyd. Incumbent's commission expired May 15, 1939.

Otis B. Hunter to be postmaster at Boaz, Ala., in place of O. B. Hunter. Incumbent's commission expired June 26, 1939

Thomas A. Smith to be postmaster at Cullman, Ala., in place of T. A. Smith. Incumbent's commission expired January 22, 1939.

Ernest W. Thompson to be postmaster at Tuskegee, Ala., in place of E. W. Thompson. Incumbent's commission expired July 30, 1939.

Ethel D. Jolly to be postmaster at Warrior, Ala., in place of R. C. Montgomery, resigned.

ARKANSAS

Max B. Wurz to be postmaster at Bigelow, Ark., in place of M. B. Wurz. Incumbent's commission expired July 1, 1939.

Houston E. Mayhew to be postmaster at Greenbrier, Ark., in place of H. E. Mayhew. Incumbent's commission expired June 12, 1939.

Leila W. Freeman to be postmaster at Tyronza, Ark., in place of C. H. Justus. Incumbent's commission expired June 8, 1938.

Raymond M. Moore to be postmaster at Vilonia, Ark., in place of R. M. Moore. Incumbent's commission expired July 17, 1939.

CONNECTICUT

John W. Morris to be postmaster at Canaan, Conn., in place of J. W. Morris. Incumbent's commission expired June 26, 1939.

William J. Hernberg to be postmaster at Mansfield Depot, Conn., in place of W. J. Hernberg. Incumbent's commission expired March 28, 1939.

Frederick C. Flynn to be postmaster at Thomaston, Conn., in place of F. C. Flynn. Incumbent's commission expired June 26, 1939.

DELAWARE

Harry K. Heite to be postmaster at Dover, Del., in place of H. K. Heite. Incumbent's commission expired July 18, 1939.

FLORIDA

Undine D. Watson to be postmaster at Cedar Keys, Fla., in place of G. T. Lewis, removed.

Robert L. McLester to be postmaster at West Palm Beach, Fla., in place of O. B. Carr. Incumbent's commission expired May 9, 1938.

James M. Boen to be postmaster at Wildwood, Fla., in place of P. H. Smith, resigned.

GEORGIA

John Frank Chappell to be postmaster at Americus, Ga., in place of J. F. Chappell. Incumbent's commission expired March 23, 1939.

John H. Jones to be postmaster at Fort Valley, Ga., in place of E. L. Fagan, resigned.

ILLINOIS

Benjamin H. Gardner to be postmaster at Ava, Ill., in place of B. H. Gardner. Incumbent's commission expired March 18, 1939.

Earl Grimm to be postmaster at Fairview, Ill., in place of Earl Grimm. Incumbent's commission expired May 22, 1938.

Arden O. Murray to be postmaster at Mazon, Ill., in place of J. V. Barr, resigned.

Howard M. Fox to be postmaster at Nashville, Ill., in place of B. B. Holston, deceased.

John L. Anheuser to be postmaster at O'Fallon, Ill., in place of J. L. Anheuser. Incumbent's commission expired July 9, 1939.

Otto F. Young to be postmaster at Stonington, Ill., in place of O. F. Young. Incumbent's commission expired June 26, 1939.

James F. Boyle to be postmaster at Sycamore, Ill., in place of J. F. Boyle. Incumbent's commission expires August 26, 1939.

George H. Widmayer to be postmaster at Virginia, Ill., in place of G. H. Widmayer. Incumbent's commission expired June 26, 1939.

INDIANA

Daniel L. Slaybaugh to be postmaster at Akron, Ind., in place of K. B. Gast, resigned.

Edgar D. Logan to be postmaster at Goshen, Ind., in place of E. D. Logan. Incumbent's commission expired June 18, 1939.

Norma L. A. Koerner to be postmaster at Huntingburg, Ind., in place of N. L. A. Koerner. Incumbent's commission expired July 18, 1939.

Albert Rumbach to be postmaster at Jasper, Ind., in place of Albert Rumbach. Incumbent's commission expired May 15, 1939.

Anthony M. Schuh to be postmaster at Kentland, Ind., in place of A. M. Schuh. Incumbent's commission expires August 27, 1939.

Bayard F. Russell to be postmaster at Laurel, Ind., in place of B. F. Russell. Incumbent's commission expired July 27, 1939.

Lawrence H. Barkley to be postmaster at Moores Hill, Ind., in place of L. H. Barkley. Incumbent's commission expired July 22, 1939.

Firm I. Troup to be postmaster at Nappanee, Ind., in place of F. I. Troup. Incumbent's commission expired May 2, 1939.

Retta M. House to be postmaster at North Salem, Ind., in place of R. M. House. Incumbent's commission expired January 18, 1939.

Jesse M. Trinkle to be postmaster at Paoli, Ind., in place of J. M. Trinkle. Incumbent's commission expired July 27, 1939.

Earl C. McLain to be postmaster at Swayzee, Ind., in place of E. C. McLain. Incumbent's commission expired June 18, 1938.

Iva S. Turmail to be postmaster at Vallonia, Ind., in place of I. S. Turmail. Incumbent's commission expired July 1, 1939.

Louis L. Langdon to be postmaster at Wheatland, Ind., in place of L. L. Langdon, Jr. Incumbent's commission expired February 18, 1939.

IOWA

Eunice Hamilton to be postmaster at Bedford, Iowa, in place of Eunice Hamilton. Incumbent's commission expired June 25, 1939.

Amanda J. Belt to be postmaster at Glenwood, Iowa, in place of A. J. Belt. Incumbent's commission expired February 9, 1939.

Hal W. Campbell to be postmaster at Harlan, Iowa, in place of H. W. Campbell. Incumbent's commission expired January 18, 1939.

William J. Hollander to be postmaster at Sheldon, Iowa, in place of W. J. Hollander. Incumbent's commission expired March 14, 1938.

John F. Zimpfer to be postmaster at Walker, Iowa, in place of J. F. Zimpfer. Incumbent's commission expired January 18, 1939.

Dudley A. Reid to be postmaster at West Des Moines, Iowa, in place of D. A. Reid. Incumbent's commission expired May 17, 1938.

Mary C. Ilgen Fritz to be postmaster at Winterset, Iowa, in place of M. C. Ilgen Fritz. Incumbent's commission expired May 2, 1939.

KANSAS

Norval W. Woodworth to be postmaster at Plains, Kans., in place of N. W. Woodworth. Incumbent's commission expires August 27, 1939.

LOUISIANA

Mrs. Willie B. Killgore to be postmaster at Lisbon, La. Office became Presidential July 1, 1938.

MAINE

Louis A. White to be postmaster at Eastport, Maine, in place of L. A. White. Incumbent's commission expired February 13, 1939.

David F. Kelley to be postmaster at Gardiner, Maine, in place of D. F. Kelley. Incumbent's commission expired January 17, 1939.

Archie R. King to be postmaster at Saco, Maine, in place of A. R. King. Incumbent's commission expired March 27, 1939.

MARYLAND

Irvin R. Rudy to be postmaster at Oakland, Md., in place of F. H. Matthews, resigned.

Nena M. Jamison to be postmaster at Walkersville, Md., in place of N. M. Jamison. Incumbent's commission expired July 19, 1939.

MASSACHUSETTS

Thomas J. Drummey to be postmaster at East Pepperell, Mass., in place of T. J. Drummey. Incumbent's commission expired June 12, 1938.

Armand L. Bengle to be postmaster at Indian Orchard, Mass., in place of A. L. Bengle. Incumbent's commission expired June 6, 1938.

Frank C. Sheridan to be postmaster at Maynard, Mass., in place of F. C. Sheridan. Incumbent's commission expired June 26, 1939.

Lawrence Cotter to be postmaster at North Brookfield, Mass., in place of Lawrence Cotter. Incumbent's commission expired June 14, 1938.

Josephine E. Dempsey to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expired March 7, 1939.

Anna Wohlrab to be postmaster at South Sudbury, Mass., in place of Anna Wohlrab. Incumbent's commission expires August 21, 1939.

James H. Anderson to be postmaster at Ware, Mass., in place of J. H. Anderson. Incumbent's commission expires August 12, 1939.

MICHIGAN

Helen M. Kane to be postmaster at Algonac, Mich., in place of H. M. Kane. Incumbent's commission expired April 26, 1939.

George P. Siagkris to be postmaster at Base Line, Mich., in place of G. P. Siagkris. Incumbent's commission expired April 26, 1939.

Carl V. Moody to be postmaster at Copemish, Mich., in place of C. V. Moody. Incumbent's commission expired May 29, 1939.

Vedah W. Halterman to be postmaster at De Witt, Mich., in place of V. W. Halterman. Incumbent's commission expired May 29, 1939.

Fred W. Schroeder to be postmaster at East Detroit, Mich., in place of F. W. Schroeder. Incumbent's commission expired April 26, 1939.

Joseph F. Roberts to be postmaster at Elkton, Mich., in place of J. F. Roberts. Incumbent's commission expired April 26, 1939.

Norman C. Lee to be postmaster at Farmington, Mich., in place of N. C. Lee. Incumbent's commission expired April 26, 1939.

James L. Heslop to be postmaster at Gladwin, Mich., in place of J. L. Heslop. Incumbent's commission expired April 26, 1939.

Leo G. Burns to be postmaster at Kingston, Mich., in place of L. G. Burns. Incumbent's commission expired April 26, 1939.

Clarence J. Maloney to be postmaster at Mass, Mich., in place of C. J. Maloney. Incumbent's commission expired March 28, 1939.

Edwin Boyle to be postmaster at Milford, Mich., in place of Edwin Boyle. Incumbent's commission expired May 15, 1938.

Frank C. Miller to be postmaster at Stevenville, Mich., in place of F. C. Miller. Incumbent's commission expired June 17, 1939.

MINNESOTA

Marie H. Sands to be postmaster at Alvarado, Minn., in place of M. H. Sands. Incumbent's commission expired March 23, 1939.

Ove H. Voigt to be postmaster at Dent, Minn., in place of O. H. Voigt. Incumbent's commission expired May 29, 1939.

Jacob Ohlsen to be postmaster at Luverne, Minn., in place of Jacob Ohlsen. Incumbent's commission expired March 12, 1939.

MISSISSIPPI

Frederick J. Fugitt to be postmaster at Booneville, Miss., in place of F. J. Fugitt. Incumbent's commission expired June 18, 1939.

Minnie L. Beall to be postmaster at Lexington, Miss., in place of M. L. Beall. Incumbent's commission expired July 26, 1939.

James C. Edwards to be postmaster at Pontotoc, Miss., in place of J. C. Edwards. Incumbent's commission expired July 11, 1939.

MISSOURI

Ethel Rose to be postmaster at Bogard, Mo., in place of S. W. Vaughn. Incumbent's commission expired June 18, 1938.

Howard L. Stephens to be postmaster at Eldon, Mo., in place of H. L. Stephens. Incumbent's commission expired June 5, 1939.

Frank M. Story to be postmaster at Kahoka, Mo., in place of F. M. Story. Incumbent's commission expired June 26, 1939.

William G. Warner to be postmaster at Lamar, Mo., in place of W. G. Warner. Incumbent's commission expired May 9, 1939.

Harvey F. Nalle to be postmaster at Pattonsburg, Mo., in place of Harvey Nalle. Incumbent's commission expires August 21, 1939.

Oliver A. Cook to be postmaster at Portageville, Mo., in place of O. A. Cook. Incumbent's commission expired February 28, 1939.

MONTANA

Shebel Rehal to be postmaster at Chester, Mont., in place of Shebel Rehal. Incumbent's commission expired January 17, 1939.

NEBRASKA

Henry A. Georgi to be postmaster at Dawson, Nebr., in place of H. A. Georgi. Incumbent's commission expired June 28, 1939

NEW HAMPSHIRE

Roland A. Lewin to be postmaster at Hanover, N. H., in place of R. A. Lewin. Incumbent's commission expires August 27, 1939.

Arthur L. Prince to be postmaster at Manchester, N. H., in place of A. L. Prince. Incumbent's commission expires August 15, 1939.

NEW JERSEY

Thomas C. Stewart to be postmaster at Atlantic City, N. J., in place of T. C. Stewart. Incumbent's commission expires August 26, 1939.

Emma E. Hyland to be postmaster at Camden, N. J., in place of E. E. Hyland. Incumbent's commission expires August 16, 1939.

John F. O'Toole to be postmaster at Cliffside Park, N. J., in place of T. V. Chieffo. Incumbent's commission expired May 10, 1936.

Edward J. Shea to be postmaster at Rochelle Park, N. J., in place of E. J. Shea. Incumbent's commission expired February 25, 1939.

Joseph M. Carson to be postmaster at Trenton, N. J., in place of E. J. Jennings. Incumbent's commission expired April 27, 1938.

NEW YORK

Freida L. Brickner to be postmaster at Bolton Landing, N. Y., in place of W. R. Krohn. Incumbent's commission expired June 18, 1938.

John L. Mack to be postmaster at Gasport, N. Y., in place of J. L. Mack. Incumbent's commission expired June 28, 1939.

David J. Fitzgerald, Jr., to be postmaster at Glens Falls, N. Y., in place of D. J. Fitzgerald, Jr. Incumbent's commission expired July 27, 1939.

W. Armand Downes to be postmaster at Hilton, N. Y., in place of W. A. Downes. Incumbent's commission expired January 22, 1939.

Charles A. Denegar to be postmaster at Madalin, N. Y., in place of C. A. Denegar. Incumbent's commission expired May 17, 1939.

Arthur J. Belgard to be postmaster at Ogdensburg, N. Y., in place of A. J. Belgard. Incumbent's commission expired April 6, 1939.

Thomas F. Connolly to be postmaster at Port Chester, N. Y., in place of T. F. Connolly. Incumbent's commission expired May 17, 1939.

James Arthur Egan to be postmaster at Sherrill, N. Y., in place of J. A. Egan. Incumbent's commission expired July 18, 1939.

NORTH CAROLINA

Wade C. Hill to be postmaster at Canton, N. C., in place of W. C. Hill. Incumbent's commission expired January 16, 1939.

Fletcher C. Mann to be postmaster at Pittsboro, N. C., in place of F. C. Mann. Incumbent's commission expired June 5, 1939.

NORTH DAKOTA

Julius C. Pfeifer to be postmaster at Richardton, N. Dak., in place of J. C. Pfeifer. Incumbent's commission expired March 8, 1939.

John A. Corrigan to be postmaster at Stanley, N. Dak., in place of J. A. Corrigan. Incumbent's commission expired May 7, 1938.

Clifton G. Foye to be postmaster at Steele, N. Dak., in place of C. G. Foye. Incumbent's commission expired March 18, 1939.

Howard W. Miller to be postmaster at Werner, N. Dak., in place of Howard Miller. Incumbent's commission expired June 18, 1939.

Bernhard Ottis to be postmaster at Wyndmere, N. Dak., in place of Bernhard Ottis. Incumbent's commission expired February 7, 1939.

OHIO

Ray W. Senn to be postmaster at Attica, Ohio, in place of R. W. Senn. Incumbent's commission expired May 13, 1939. Elmer E. Eller to be postmaster at Cuyahoga Falls, Ohio, in place of E. E. Eller. Incumbent's commission expired February 12, 1939.

OKLAHOMA

Thomas A. Gray to be postmaster at Duncan, Okla., in place of T. A. Gray. Incumbent's commission expires August 13, 1939.

OREGON

Viva R. Todd to be postmaster at Cloverdale, Oreg., in place of Viva Todd. Incumbent's commission expired July 19, 1939.

George E. Travis to be postmaster at St. Benedict, Oreg., in place of G. E. Travis. Incumbent's commission expired May 1, 1939.

Harry M. Stewart to be postmaster at Springfield, Oreg., in place of H. M. Stewart. Incumbent's commission expired January 18, 1939.

PENNSYLVANIA

Robert E. Holland to be postmaster at Kane, Pa., in place of R. E. Holland. Incumbent's commission expired June 6, 1938.

William E. Rutter to be postmaster at Kinzers, Pa., in place of W. E. Rutter. Incumbent's commission expired January 29, 1939.

John K. Newcomer to be postmaster at McClellandtown, Pa., in place of A. E. Cavalcante, removed.

Stanley B. Janowski to be postmaster at Nanticoke, Pa., in place of S. B. Janowski. Incumbent's commission expired April 6, 1939.

Sarah S. Broadbelt to be postmaster at Newtown Square, Pa., in place of H. O. Broadbelt, removed.

Vera C. Remaley to be postmaster at Penn, Pa., in place of V. C. Remaley. Incumbent's commission expired July 27, 1939.

Karl Smith to be postmaster at Sharpsville, Pa., in place of Karl Smith. Incumbent's commission expired February 21, 1939.

Catherine V. Lybarger to be postmaster at Vintondale, Pa., in place of C. V. Lybarger. Incumbent's commission expired July 27, 1939.

George J. Moses to be postmaster at West Chester, Pa., in place of G. J. Moses. Incumbent's commission expired August 22, 1939.

SOUTH DAKOTA

Adolph M. Kaufmann to be postmaster at Colman, S. Dak., in place of A. M. Kaufmann. Incumbent's commission expired May 16, 1938.

TENNESSEE

Miss Willie Ozelle Barnes to be postmaster at Cowan, Tenn., in place of W. O. Barnes. Incumbent's commission expired July 3, 1939

Joseph E. McCracken to be postmaster at Cumberland City, Tenn., in place of J. E. McCracken. Incumbent's commission expired May 29, 1939.

John F. Dunbar to be postmaster at Grand Junction, Tenn., in place of J. F. Dunbar. Incumbent's commission expired June 17, 1939.

Irene Miller to be postmaster at La Follette, Tenn., in place of Irene Miller. Incumbent's commission expired January 24, 1939.

George S. Wilson to be postmaster at McMinnville, Tenn., in place of W. G. McDonough, resigned.

Eugene L. McDade to be postmaster at Mountain City, Tenn., in place of E. L. McDade. Incumbent's commission expired February 9, 1939.

Gaston H. Rhodes to be postmaster at Whiteville, Tenn., in place of G. H. Rhodes. Incumbent's commission expired January 16, 1939.

TEXAS

Richard P. Park to be postmaster at Aransas Pass, Tex., in place of R. P. Park. Incumbent's commission expired January 25, 1939.

George R. Kocurek to be postmaster at Caldwell, Tex., in place of G. R. Kocurek. Incumbent's commission expired March 25, 1939.

Albert P. Hinton to be postmaster at Columbus, Tex., in place of A. P. Hinton. Incumbent's commission expired March 21, 1939.

John H. Jones to be postmaster at Dickinson, Tex., in place of R. C. Owens, removed.

Marvin B. Smith to be postmaster at Farmersville, Tex., in place of M. B. Smith. Incumbent's commission expired July 18, 1939.

Mildred H. Freeman to be postmaster at Freer, Tex., in place of M. H. Freeman. Incumbent's commission expired June 18, 1939.

William C. Allen to be postmaster at Hearne, Tex., in place of W. C. Allen. Incumbent's commission expired May 2, 1939.

DeLouise M. Beall to be postmaster at Jacksonville, Tex., in place of C. F. Adams. Incumbent's commission expired January 8, 1936.

George H. Boynton to be postmaster at Hamilton, Tex., in place of T. M. White, resigned.

Percy L. Walker to be postmaster at Luling, Tex., in place of P. L. Walker. Incumbent's commission expired May 13, 1939.

William H. Wentland to be postmaster at Manor, Tex., in place of W. H. Wentland. Incumbent's commission expired May 13, 1939.

Mary E. Pennington to be postmaster at Matagorda, Tex., in place of C. E. Baker, removed.

Loyal N. Tyer to be postmaster at Mont Belvieu, Tex., in place of L. N. Tyer. Incumbent's commission expired January 25, 1939.

Lemuel O. Robbins to be postmaster at Raymondville, Tex., in place of L. O. Robbins. Incumbent's commission expired June 18, 1939.

Frank Clark to be postmaster at Rockwall, Tex., in place of Frank Clark. Incumbent's commission expired June 18, 1939.

Alejo C. Garcia to be postmaster at San Diego, Tex., in place of A. C. Garcia. Incumbent's commission expired February 12, 1939.

Albert G. Lee to be postmaster at Sweetwater, Tex., in place of T. H. Bowen. Incumbent's commission expired July 18, 1939.

Pearson P. Pollard to be postmaster at Waskom, Tex., in place of P. P. Pollard. Incumbent's commission expired January 25, 1939.

UTAH

Howard Mattsson to be postmaster at Salina, Utah, in place of F. R. Peterson, deceased.

VIRGINIA

Jay C. Litts to be postmaster at Norton, Va., in place of J. C. Litts. Incumbent's commission expired February 18, 1939.

WASHINGTON

Fred E. Booth to be postmaster at Castle Rock, Wash., in place of F. E. Booth. Incumbent's commission expired March 21, 1939.

Clyde F. Shrauger to be postmaster at Mount Vernon, Wash., in place of C. F. Shrauger. Incumbent's commission expires August 27, 1939.

Dorothy H. Lynch to be postmaster at Soap Lake, Wash., in place of D. H. Lynch. Incumbent's commission expired July 27, 1939.

WEST VIRGINIA

Henry S. Lambert to be postmaster at Kenova, W. Va., in place of B. L. Osburn. Incumbent's commission expired June 18, 1938.

WISCONSIN

Joseph Schmidlkofer to be postmaster at Chilton, Wis., in place of Joseph Schmidlkofer. Incumbent's commission expired June 18, 1939.

George E. Shaw to be postmaster at Cornell, Wis., in place of G. A. Harding, resigned.

Herman W. Paff to be postmaster at Elk Mound, Wis., in place of H. W. Paff. Incumbent's commission expired April 28, 1938.

Ira A. Kenyon to be postmaster at Mellen, Wis., in place of I. A. Kenyon. Incumbent's commission expired June 15, 1938.

John P. Snyder to be postmaster at Oconomowoc, Wis., in place of J. P. Snyder. Incumbent's commission expired June 18, 1939.

Herman H. Lins to be postmaster at Spring Green, Wis., in place of H. H. Lins. Incumbent's commission expired June 12, 1938.

Robert L. Graves to be postmaster at Viroqua, Wis., in place of R. L. Graves. Incumbent's commission expired Jan. 18, 1939.

Christian R. Mau to be postmaster at West Salem, Wis., in place of C. R. Mau. Incumbent's commission expired January 18, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31 (legislative day July 25), 1939

WORK PROJECTS ADMINISTRATION

Denis W. Delaney to be work projects administrator for Massachusetts.

POSTMASTERS

CALIFORNIA

Leon L. Allen, Agnew.
Bertha A. Williams, Cloverdale.
Raymond M. Krollpfeiffer, Del Monte.
Neil A. MacMillan, Eureka.
Ralph N. Swanson, Hollydale.
Earl F. Fishel, Lomita.
Julia A. Monahan, Newcastle.
Matie L. McCormick, Ojai.
Carl J. Hase, Ontario.
Austin R. Gallaher, Orange Cove.
John Ransom Casey, Pomona.
Robert E. O'Connell, Jr., Redwood City.
Robert B. Finnegan, Valley Springs.

COLORADO

Rose Richards, Buena Vista.

CONNECTICUT

John A. Jackson, Durham.
Clifford E. Brooks, Moodus.
John A. Leahy, Plainfield.
Willard Gardiner Davis, Pomfret Center.
Patrick T. Malley, Thompsonville.
Paul DeF. Wren, Westbrook.
Edward McElwee, Westport.
Agnes Reilly Collins, Woodmont.

DELAWARE

Harry T. Swain, Georgetown.

FLORIDA

Hal Hoffman, Apalachicola.
George H. Stokes, Callahan.
Reuben G. Bradford, Carrabelle.
Mayo Ferdon, Crestview.
William H. Owens, Goulds.
Fred Ewing, Hialeah.
Bennett L. David, Hollywood.
Fred J. Dion, Key West.
Vivan L. Roberts, Lynn Haven.
Paul G. J. Mayer, New Port Richey.
Abraham C. Fiske, Rockledge.

IDAHO

Guy E. Van Buskirk, Pottlach. LeRoy C. Harris, Wallace.

ILLINOIS

Fred Rohr, Ashkum. James R. Freddy, Atkinson. Clarence O. Dreher, Atlanta. John C. Kepner, Blue Mound. Michael Colgrass, Brookfield. Roy Ansel Brooks, Carthage. Jay R. Cooper, Chapin. Raymond R. Staubus, Cissna Park. Thomas W. Cramer, Clinton. Claude Shaffner, Dallas City Rose E. Gorman, Farmersville. Mervin F. Hinton, Fisher. Henry Swanson, Geneva. Everett L. Cameron, Gillespie. Francis L. Wright, Henry. John Petry, Hoopeston. Curtis E. Roller, Hume. Anthony H. Koselke, Lansing. Wilber J. Strange, Le Roy. Lois M. La Tourette, London Mills. Leroy McNary, Marshall. Clem Wiser, Martinsville. James D. Larry, Sr., Melrose Park. John R. Goodson, Newman. Conrad W. Knuth, Ohio. William E. Hollerich, Spring Valley. James Elmer Davis, Versailles. Arthur E. Swan, Waynesville. Eric Donoven Stover, Western Springs. Robert L. Cooper, Williamsville.

INDIANA

Alpha W. Jackson, Birdseye.
Joseph F. Winkler, Hammond.
Herbert J. Harris, Hillsboro.
Harold A. Rowe, Medaryville.
Louis W. Thomas, Mount Vernon.
Clarence Pook, South Whitley.
George F. Coyle, Tell City.

IOWA

Anna Reardon, Auburn. Herbert F. Starner, Shelby. LXXXIV—664 KANSAS

Richard R. Bourne, Delphos.
David Earl Moore, Dexter.
John O. Derfelt, Galena.
Cornelius Foster, Geneseo.
Elizabeth C. Johnson, Hartford.
Wilbert F. Kunze, Kensington.
Hugh Lee, Louisburg.
Charles L. Krouse, Onaga.
John L. Larson, Randolph.
Henry F. Dodson, South Haven.
Thomas W. Ross, Sterling.
Victor Gibson, Sylvia.
Clayton Wyatt, Valley Falls.
Wilders D. McKimens, Westmoreland.

LOUISIANA

Donald Lavine, Oil City. Thomas L. Hardin, Sicily Island.

MAINE

Lewis W. Haskell, Jr., Auburn.
Harold C. Collins, Bingham.
Ervin O. Hamilton, Chebeague Island.
Ava P. Galusha, Clinton.
Edna G. Chase, Limestone.
Adelbert L. Mains, Mechanic Falls.
Louis N. Redonnett, Mount Vernon.
Velorus T. Shaw, Prouts Neck.
Aubrey Kelley, Solon.

MARYLAND

John B. T. Merrick, Church Hill. George M. Mowell, Glencoe.

MISSISSIPPI

William P. Young, Liberty.

MONTANA

Mary A. Fetterman, Saco. Frank R. Murray, Townsend.

NEBRASKA

Clarke W. Kelley, Beaver City.
John F. McGill, Center.
Gladys G. Rockhold, Comstock.
George J. Scott, Crawford.
John H. Hutchings, Falls City.
James Melvern West, Herman.
Herman Stahly, Milford.
Harold Glenn Butler, Newport.
Thomas Glen Roberts, Sterling.
Charles J. Mullaney, Walthill.
Peter A. Mechan, York.

NEVADA

Delevan F. Defenbaugh, Winnemucca.

NEW JERSEY

Lawrence R. Ress, Chatham.
John S. Hains, Hillsdale.
Martin L. Mulvey, Landing.
August F. Schweers, Little Silver.
Edward J. Turpin, Mays Landing.
Marion M. Klockner, Mercerville.
Frank H. Moran, Middlesex.
Nicholas T. Ballentine, Peapack.

NORTH CAROLINA

John C. Koleman, Carolina Beach.
Lillington Hendrix, Cooleemee.
William C. Stockton, Ellenboro.
William M. Shaw, Fayetteville.
Riddick W. Gatling, Gates.
John R. Teague, Henderson.
Ethel R. Edwards, Pinebluff.
Leslie G. Shell, Roanoke Rapids.
Leonard T. Yaskell, Southport.
George W. Stuart, Troy.

RHODE ISLANI

Joseph E. Murray, Ashaway.

SOUTH CAROLINA

Gordon W. Hungerpiller, Cameron.

VERMONT

Berne B. Titus, Fairlee. George H. St. Pierre, Island Pond.

WISCONSIN

Thomas J. Weiler, Auburndale. Isabelle C. Spang, Franksville. Raymond W. Burt, Goodman. Philip A. Panetti, Hustisford. Erwin A. Kamholz, Luck. John J. Steiner, Mauston. Clarence G. Shultz, Neenah. Mary Hanley, Roberts. Frank L. Daniels, Weyerhauser. Joseph P. Wheir, Wisconsin Rapids.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 31, 1939

The House met at 12 o'clock noon.

The Reverend Bernard Braskamp, D. D., pastor of the Gunton-Temple Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Father, whose guiding intelligence is the supreme need of our minds for the solution of life's problems, we pray that Thou wilt be present and favorable unto Thy servants as they seek Thy will in facing the duties and responsibilities of another day.

Enrich our hearts with those virtues whereby Thou and Thy will art known and may we have within us the testimony that we are numbered among those who do justly, love mercy, and walk humbly with God.

May men and nations be drawn together in one high and holy aspiration to know and to do Thy will more perfectly, for Thy ways are ways of pleasantness and Thy paths are paths of peace.

Hasten that blessed day when we shall be one in spirit with Him, who said, "Thy will be done." To Thy name, through Christ our Lord, shall be all the glory. Amen.

The Journal of the proceedings of Saturday, July 29, 1939, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative Clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1558) entitled "An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes."

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF THE CIVIL SERVICE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I have asked unanimous consent to address the House for the purpose of directing your attention to H. R. 960, a so-called civil-service bill, which has been recommended for passage.

This bill gives the President power to place approximately 300,000 politically appointed Federal employees under civil service. The only requirement is that they take noncompetitive examinations. If they make grades of 70 or more,

they are then entitled to all the rights and privileges granted to civil-service employees who passed a competitive examination. Mind you, if they do not pass the examination with at least a grade of 70, they are not discharged from their jobs but permitted to retain them, except that they do not attain civil-service status. Stenographers, clerks, and other employees who have been working 6 months and receive a grade of 70 in a noncompetitive examination can hold their jobs, even though there are eligible registers for such positions, with thousands of names of persons who made a higher grade in a competitive examination.

It is my contention that the policy is unsound, and this procedure is unfair and unwarranted. I do not contend that all of these 300,000 employees are not qualified for the jobs they are holding. The fact remains that they secured the positions, whether qualified or not, principally because of their political affiliations. Under this measure, you are giving them the same rights, the same privileges, and the same status as those persons who secured their jobs under a competitive civil-service merit system.

The big question involved is whether or not you believe this Government should maintain and improve a competitive civil-service merit system, or whether you think these thousands of employees, who knew when they received their appointments that they were more or less temporary, should, by one stroke of the pen, be given permanent status and position, together with all the advantages provided under our civil-service merit system.

These employees, of course, would be entitled to the benefits of the retirement system. Not only that, but, by making contribution to the Federal Government, they are entitled to these benefits accrued since they were employed.

The sponsors of this bill will tell you that other administrations have blanketed-in employees without competitive civil-service examinations. But let me suggest right here and now that this blanketing-in of 300,000 positions, principally typists, stenographers, clerks, and similar jobs, is unprecedented. It is unwarranted.

I have directed your attention to the unfairness of this bill as it applies to the employee who secured his job under a competitive examination. When you pass this measure you not only blanket-in the present encumbent in his job, and you not only place him on the same status as the fellow who has held his job through the years by reason of a competitive examination, but you give this new man or woman the right to be transferred to some other civil-service position. In the event the employees coming under this bill should lose their jobs because their positions are later eliminated, they would have the same right to seek appointments under the civil-service law as any person who had qualified under a competitive civil-service examination.

Let us review the situation. In March 1933 there were 563,000 Federal employees, outside of the Army, Navy, and Diplomatic Service. Eighty-three percent of them were under civil service. In the last 6 years that number has increased to approximately 900,000. Three hundred thousand, or practically one-third of them, are not under civil service. Almost all of the 300,000 employees secured their jobs by political patronage. After we have built up a big patronage system, we are making the positions permanent under the guise of civil service.

Congress deliberately exempted these jobs from civil-service regulations when it created the many new bureaus and commissions which have come into being during the past 6 years. Today Congress is asked to right about face. After having appointed all these people to these jobs, we say to them that after all, they should have been, and are now, entitled to civil-service status. Then we go further, and exempt them from competitive examinations.

Do you think, as you sit here this afternoon, that because Congress made the mistake of excluding these 300,000 employees from competitive civil-service requirements, and gave them their jobs under political preference, that you should write into law an authorization giving these political appointees a preference against the thousands on the outside

who are entitled to compete for the positions? Do you think it is fair to those persons who have earned their jobs by competitive civil-service examinations that these people should be placed on the same basis and receive the same benefits?

Last week this Congress determined that people holding patronage appointments should not take an active part in the election of persons to political office. Congress banned these 300,000 employees from political activity, and now we give them the blessing of civil-service status for the remainder of their lives. This is manifestly unfair to those now holding jobs under a civil-service merit system. It certainly is unfair to the thousands of persons throughout our country who have a right to compete for Government positions.

In other words, if you believe in a fair competitive system, and if you believe in securing the most competent employee to fill a position, you certainly are not in favor of this bill. If you believe that a man or woman who has fitted himself or herself for any one of these positions is entitled to an even break, you cannot support this measure.

You will be told that competitive examinations would disrupt the service; that the task is too complicated, too much time would be needed, if competitive examinations are required; and that such examinations would be expensive.

There can be no occasion for disruption of the service when positions are filled by persons who have shown themselves, under a competitive test, to be better qualified than those who are holding the positions at this time. The person now employed would compete with those on the outside, and certainly if somebody from the outside shows herself or himself to be more competent, their employment would not interfere with efficient service.

On the contrary, it would promote efficiency. Furthermore, the person now holding the job has the distinct advantage of experience. If he does not prove himself to be better qualified, in view of his experience, than the outsider competing against him—he certainly is not entitled to the job. The man or woman now holding such a job should be willing to take a competitive examination along with the person on the outside. If he or she receives a higher grade, good and well. If not, then his right to that position should be relinquished to the person who shows himself more competent and qualified to fill it.

It has been said that it would be unfortunate for these patronage employees to be turned out of their jobs. That would not be as discouraging as to have thousands of competent persons—who might be better qualified for the places and who are only asking for an even break—to be barred from even having a chance to compete for them.

Certainly it would take some time to put into effect a competitive civil-service system involving so many jobs—but the sponsors of this bill state that it will take 1 to 2 years under the noncompetitive plan. There could be no possible impairment in the Government service, even if an extra year were required to establish a competitive system, provided the personnel is improved and the efficiency of the services increased. There is no reason, in my opinion, why sufficient time should not be taken to conduct competitive examinations. Our first consideration should be given to securing the best type of service. The competitive merit system is the one way to secure it.

What has come over Congress—with this great wave of reformation—especially in the closing days of the session? Why the hurry all at once, after these people have held these jobs from 2 to 4 years?

The proponents of this measure would have you believe that to conduct such competitive examinations would be extremely complicated. The fact remains that most of the employees covered under this bill are stenographers, typists, and people holding various kinds of clerical positions similar to those now held by persons who secured their jobs under a competitive system. As a matter of fact, nearly all the examinations required to fill these positions would be similar to other civil-service examinations which are now being given and for which eligible registers have been established.

A great deal has been said about the expense of giving competitive examinations. They should not be extremely expensive. Civil-service examinations which are expensive are those to fill highly technical positions. There are only a comparatively few of such jobs involved under this measure, as nearly as I can learn. I have tried to obtain accurate information from some of the departments of Government as to the classification of these positions, but they continue to tell me that this information is not available. If it is necessary, in the interests of efficiency of Government, I know that this Congress would be reasonable in its appropriation of additional funds to the Civil Service Commission. If given a little extra time, it should not require a great deal more than is being appropriated at this time.

I realize that a competitive-examination plan would cost a little more money. I do not know how much, but do not believe the additional cost would be great if properly handled. You and I know that the Civil Service Commission is conducting examinations right along for the same kinds of jobs as are involved and included under this bill. Then why is it not possible for the Commission to take these jobs into consideration and go ahead and hold competitive examinations for them? If the Civil Service Commission feels that the incumbent is entitled to some credit for experience in the position, good and well, he can be given a certain credit. But let us give the hundreds of thousands of people who have qualified themselves to hold such positions a chance to compete with the fellow who got his place principally because of his party pull. I just cannot see any objections to that sort of policy.

I just do not believe this House realizes what it is doing if it approves this legislation. It is an important matter. You are going to put it across—largely on political grounds. You have given 300,000 people jobs by political patronage, and you are going to approve a measure which provides that they are now entitled to hold their positions in the same manner as if they had earned them in the first place, and that others shall not have a chance to apply for these positions even though they may be better qualified, more capable, and deserving.

Remember this, too, that this group that you are freezing into civil service will be given a distinct advantage over those who have taken competitive examinations and whose names are now on the eligible lists.

The purpose of this bill is diametrically opposed to the basic principles that are essential to a real merit system. The purpose of the Civil Service Act is to provide open competition for all applicants for Government employment, and provides that they earn a right to these positions by securing grades higher than their competitors. Competitive examinations are democratic in principle and give all qualified applicants a fair chance for Government employment. Furthermore, those who are not qualified can and should be eliminated under a competitive merit system.

This bill is not in the best interests of the principles of a competitive civil-service merit system. It does not promote efficiency in the affairs of Government. It certainly is undemocratic and ought to be defeated. I believe that competitive examinations are efficient and economical in selecting qualified personnel for carrying on the business of our Government. I believe that under our democratic system of government, if we are going to maintain a civil-service merit system, the public is entitled, to the very fullest extent, to the opportunity of competing for Government positions.

We have done so many things in the name of emergency during the past few years. This is one more step under that excuse. I am in favor of a competitive civil-service merit system. I think you are. This measure is lip service—nothing more. [Applause.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, briefly answering the gentleman who has just preceded me, when he states that the bill, H. R. 960, is undemocratic, I want to call the gentleman's attention to the fact that when the Republican Party was in power it was their policy to pass legislation of this kind, and if it is undemocratic, the precedent was established by the Republican Party. I feel that the Republican Party established a very good precedent for the House to follow. Certainly there is nothing undemocratic about it. So far as I am concerned, I think it is a mighty good bill, and I hope it is taken up at this session and passed. [Applause.]

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a speech delivered by myself over the National Broadcasting System.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein an address on Americanism and International Law by Dr. C. D. Judd, head of the department of government, Texas State College for Women, Denton, Tex.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein two radio addresses by the junior Senator from Ohio, Hon. ROBERT A. TAFT.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two editorials appearing in the Cincinnati Enquirer of July 27, 1939.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include an address made Saturday at Sunbury, Pa.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Also, Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a short editorial from the Detroit Free Press.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include a short editorial from the Portland Oregonian.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Also, Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include an article appearing in the Washington Post of yesterday on Britain and Japan.

The SPEAKER. Is there objection?

There was no objection.

PUBLIC UTILITIES

Mr. RICH rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, we heard a few moments ago the gentleman from Mississippi [Mr. Rankin] tell about the great good we would receive if we had a copy of a certain book published with reference to public utilities. If the gentleman from Mississippi is so anxious that we have

that knowledge, it seems to me that he ought to provide each Member of Congress with one of those books. However, I call attention to the fact that if we continue to put the Government in business, as the gentleman from Mississippi evidently desires, we better consider the fact that we have already gone in the red over \$40,000,000,000, twentyone billions of which debt were incurred during this administration because this administration has put the Government in business in every form; and if we continue to put the Government in business, where are we going to get the money to run the Government? It will be ruination to our Nation and ruination to individual people in the country at large, for they will not be able to continue in business under this socialistic form of government. I say get the Government out of business. Mr. Roosevelt recognized Russia and now he is trying to pattern after them. Will it ever stop? Let us hope so.

The SPEAKER. The time of the gentleman from Penn-

sylvania has expired.

JOHN L. LEWIS

Mr. HOFFMAN rose.

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. HOFFMAN. The usual request, to proceed for 1 minute, and to extend and revise my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

RADICAL AND OFTEN-ARRESTED ORGANIZER SENT BY JOHN L. LEWIS TO AID IN STRIKES AGAINST PACKING INDUSTRY

Mr. HOFFMAN. Mr. Speaker, the July 26, 1939, Daily Times of Chicago carries this item:

The C. I. O.'s chief trouble shooter, Powers Hapgood, arrived in Chicago today as John L. Lewis' personal emissary to the C. I. O.'s packing-house union in their threatened strike against Armour & Co.

Hapgood is the man who appeared on the scene shortly before the big strikes in the shoe, automobile, and steel industries. It might be well to know something about this personal representative of Lewis. Let us have Lewis' words for it. At the Indianapolis convention in 1930, of Powers Hapgood and two others, Lewis said that they were—

Fakirs, repudiated leaders, traitors to the unions, opportunists and purveyors of every falsehood, slander, and deception.

Lewis' United Mine Workers Journal of May 1, 1928, made the statement that the leadership of Brophy, Patrick Toohey, and Hapgood and a few others had been—

Doing its dirtiest to capture the United Mine Workers and to transform this splendid union into a Communist organization.

Yet Lewis is sending to represent him in his effort to get a closed shop in the packing industry a man whose activities so often in the past have been followed by violence and bloodshed, a man he not long ago described as a purveyor of every falsehood, slander, and deception.

That is the kind of a man, so described by Lewis himself, that he sent as his personal representative to represent him in the dispute with the packing industry in Chicago.

The local morning papers carry the information that the C. I. O. is trying to enforce a closed shop in the cafeterias maintained in Federal buildings. If Lewis can enforce his demands that to work in a Federal building one must join his union and pay his fee, he is getting too close to Congressmen and Senators for comfort. If patriotism will not move us to curb his activities, perhaps self-preservation will stir us to action. Shall we sit here until he establishes the closed-shop rule over Senators and Congressmen, requires us not only to sign on the dotted line but to kick in whatever fee he may name for the privilege of being elected in our respective districts? Think it over, Members of the House.

EDUCATION

Mr. WHELCHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHELCHEL. Mr. Speaker, it has never been my purpose to unnecessarily bring worries to this Congress that

could be solved otherwise, but the condition of the schools in my own State, Georgia, is such a deplorable one, because of the neglect of those in power to provide the necessary funds, that it brings to my mind the real necessity for legislation by this Congress, and before it adjourns, that will equalize educational opportunities for the Nation as a whole. My information is that in some States there is not sufficient money that can be made available for adequate school facilities; however, in my State, as I have previously said, it is due to the neglect of those who are in power to provide funds, but in either event, it convinces me that the educational problem of our Nation is a most important one and should be given immediate consideration.

From the most authentic information obtainable, there will be dropped from the accredited list 157 Georgia high schools this year due to the fact that they have not operated the required number of days, all of which is brought about by failure to provide funds. There is now due an amount of \$3,911,000 to the teachers of Georgia, which is most shameful, and I repeat that when a State, either by the neglect of those in power, or its own helplessness, fails to provide the necessary funds for operating its schools the full school year, it then becomes a Federal problem, and should be dealt with accordingly. The bill to which I refer is H. R. 3517. There is a companion bill in the Senate on which hearings were held, and it was reported favorably by the Committee on Education. I make no criticism of either the Senate or the House Education Committees as it was not necessary for both to hold hearings and it would be a duplication of expense, and so forth, but I do think that it is high time that this matter should be made a reality. It was of such grave concern to our great President that in the year 1936 he appointed a committee, numbering 21, to study this problem and their recommendation is as embodied in bills now before the respective bodies of this Congress.

On page 3 of H. R. 3517 is the statement of policies which this legislation would, if enacted, put into force, and I quote you as follows: "It is the primary purpose of this act to assist in equalizing educational opportunities, among and within the States, insofar as the grants-in-aid to the States herein authorized will permit, without Federal control over the educational policies of States and localities. The provisions of this act shall therefore be so construed as to maintain local and State initiative and responsibility in the conduct of education and to reserve explicity to the States and their local subdivisions the administration of schools, including institutions for the preparation of teachers, the control over the processes of education, the control and determination of curricula of the schools, the methods of instruction to be employed by them, the selection of personnel employed by the State and its agencies and local school jurisdictions, and insofar as consistent with the purposes for which funds are made available under this act the determination of the best uses of the funds appropriated under this act."

I, therefore, feel that this Congress should not adjourn without this bill being enacted into law, to correct the inadequacies to which I refer. In my opinion, more is required for the preparation of teachers, both time and money, for the compensation they receive, and the amount of work they are required to do, than any other group of people on earth.

LEAVE OF ABSENCE

Mr. CROSSER. Mr. Speaker, on account of the serious illness in his family, I ask unanimous consent for indefinite leave of absence for my colleague [Mr. Sweeney].

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, in offering an amendment to the Smith bill last Saturday, in my explanation I made the statement that I was of the opinion that the author of the bill was in accord with my amendment. I was somewhat surprised when the vote was taken on this amendment to

find that the author of the bill stood up in opposition to it. In asking for an explanation of his position later on he explained to me that he had forgotten about the discussion I had with the gentleman from Massachusetts [Mr. Casey] and himself on the proposal. It was an innocent misunderstanding on his part, I am sure, because of the tremendous activity of his legislative business and the minor nature of this amendment. However, I wanted to be fair with the Members of the House and to explain that it is not my intention at any time to make a misstatement here or to misinform my colleagues. I hope that this is an explanation for the statement I made at that time, for any Member who may have had any doubt as to the accurracy of my remarks on Saturday.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, the gentleman from Michigan [Mr. Hoffman] is very much interested in the people of Chicago, and I am grateful to him, because I am more interested in them than he could possiby be. But I feel we do not need his aid or assistance. We have a splendid and efficient administration. It is a Democratic administration in the State as well as in the city, and we can handle our affairs without any aid from him.

As to the gentleman from Pennsylvania [Mr. Rich], who is fearful that the Government is encroaching on private business, I want to say that private business has increased under the Democratic administration by 300 percent; that greater profits are being made by industry in 1938 and 1939 than they made in the Republican inflation period of 1928 and 1929

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Later on I will yield.

Mr. RICH. Tell us about the 11,000,000 unemployed.

Mr. SABATH. It is due to the Republican misrule of this Government of ours for 12 long years. If the Republicans would cooperate with us now we would not have any unemployed. The trouble is they are trying to do everything they can to prevent reemployment in order to try and make a campaign issue for next year. They want to keep people suffering, instead of helping us to restore prosperity, in the hopes they can fool the people into voting Republican. [Applause.]

[Here the gavel fell.]

CONSENT CALENDAR

The SPEAKER. Under previous order of the House, the Consent Calendar is in order today. The Clerk will call the first bill on the Consent Calendar.

WAPATO SCHOOL DISTRICT NO. 54, YAKIMA COUNTY, WASH.

The Clerk called the first bill on the Consent Calendar (H. R. 3824) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

QUINAIELT RESERVATION, STATE OF WASHINGTON

The Clerk called the next bill, H. R. 2654, authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington. The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT and Mr. LEAVY asked unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

CONVEYING CERTAIN PROPERTY TO WASHINGTON COUNTY, UTAH The Clerk called the next bill, H. R. 2184, to authorize the Secretary of the Interior to convey certain property to Washington County, Utah, and for other purposes. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is hereby authorized to convey, by quitclaim deed, to Washington County, Utah, or the authorized agents or representatives of said county, certain land and the improvements thereon, said land being described as follows:

SALT LAKE MERIDIAN

A part of lot 1 in block 9, and a part of lot 2 in block 3, of Rock-ville Townsite Survey, described as follows: Beginning at the south-east corner of said lot 2 in block 3, which point is approximately north 639 feet and west 923 feet from the southeast corner of section 1, township 42 south, range 11 west, and running thence north 30 feet, thence west 80 feet, thence south 325 feet, thence east 80 feet, thence north 295 feet to the place of beginning, containing 26,000 square feet, more or less.

The bill was ordered to be engrosseed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING LANDS FROM SIERRA NATIONAL FOREST TO YOSEMITE NATIONAL PARK, CALIF.

The Clerk called the next bill, H. R. 4635, to transfer certain lands from the Sierra National Forest to the Yosemite National Park, in the State of California, and for other

Is there objection to the present consid-The SPEAKER. eration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from California what this bill is intended to do?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RAILROADS IN THE TERRITORY OF ALASKA

The Clerk called the next bill, H. R. 4868, to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING UNITED STATES INDIAN SERVICE OFFICERS TO MAKE ARRESTS

The Clerk called the next bill, H. R. 5409, to authorize certain officers of the United States Indian Service to make arrests in certain cases, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

COLUMBIAN FOUNTAIN IN WASHINGTON, D. C.

The Clerk called the next business, House Joint Resolution 159, authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of approval of this joint resolution for that purpose to erect the Columbian Fountain on resolution for that purpose to erect the Columbian Fountain on an appropriate site on grounds now owned by the United States in the District of Columbia other than those of the Capitol or the Library of Congress. The location of said fountain and the plan for the development of the site shall be submitted to the Commission of Fine Arts and the National Capital Park and Planning Commission for advisory assistance and the construction shall be under the direction of the Director of the National Park Service, Department of the Interior: Provided, That the United States shall be put to no expense in or by the erection of said fountain and that unless funds, which in the estimation of the Secretary of the Interior are sufficient to insure the completion of the fountain,

are certified available, and the erection of this fountain begun within 5 years from and after the passage of this joint resolution, the authorization hereby granted is revoked.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, line 8, after the word "Capitol", strike out "or the Library of Congress" and insert in lieu thereof a comma and the words "the Library of Congress, the Mall, and the Tidal Basin areas."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEXICAN CLAIMS COMMISSION

The Clerk called the next bill, H. R. 1821, to provide for the payment in full of the principal of awards of the Special Mexican Claims Commission.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SAN FRANCISCO BAY EXPOSITION

The Clerk called House Joint Resolution 242, to authorize the appropriation of an additional sum of \$606,650 for Federal participation in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL CLAIMS CONVENTION, UNITED STATES AND MEXICO

The Clerk called the next bill, S. 326, for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

The SPEAKER. Is there objection to the present consideration of the bill.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CLEVELAND NATIONAL FOREST, ORANGE COUNTY, CALIF.

The Clerk called the next bill, H. R. 2728, to add certain lands to the Cleveland National Forest in Orange County. Calif.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object. This bill does not conform to the recommendation of the National Park Service.

WHITMAN, MALHEUR, AND UMATILLA NATIONAL FORESTS

The Clerk called the next bill, H. R. 2418, to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become parts of the Whitman, Malheur, or Umatilla National Forests.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That any lands in private, State, or county ownership within the following described area, which are found by the Secretary of Agriculture to be chiefly valuable for national forest purposes, may be offered in exchange under the provisions of the act approved March 20, 1922, as amended (U.S. C., title 16,

of the act approved March 20, 1922, as amended (U. S. C., title 16, secs. 485, 486), and upon acceptance of title shall become parts of the Whitman, Malheur, or Umatilia National Forests, Oreg., and shall thereafter be subject to the laws, rules, and regulations applicable to national forests.

To the Whitman National Forest: The east half of section 1; the southeast quarter of section 12; the south half and the northeast quarter of section 12; section 13; the east half of section 14; the east half of section 23; sections 24, 25, 26, 35, and 36; township 1 north, range 40 east.

Sections 6, 7, 18, 19, 30, and 31; township 1 north, range 41 east.

The south half of section 12; section 13; the east half of section 14; sections 23, 24, 25, 26, 35, and 36; township 1 south, range 39

east.
Sections 1, 2, 3, 4, and 5; the south half of section 6; sections 7 to 36, inclusive; township 1 south, range 40 east.
Section 1; township 2 south, range 39 east.
Sections 5 and 6; the north half of section 7; sections 8 and 16; the southwest quarter of section 35; township 2 south, range 40 east.
The east half of section 11; the southwest quarter of section 12; sections 13; the east half of section 14; the east half of section 23; sections 24, 25, and 26; the east half of section 27; sections 35 and 36; township 3 south, range 40 east.
The west half of section 30; section 31; the southwest quarter of

The west half of section 30; section 31; the southwest quarter of section 32, township 3 south, range 41 east.

Sections 5, 8, 9, 10, 11, 14, and 23; township 4 south, range 38

Section 1; the east half of section 2; the east half and the north west quarter of section 12; the northeast quarter of section 13; township 4 south, range 40 east.

Sections 5, 6, 7, and 8; the west half of section 9; sections 16 to

Sections 5, 6, 7, and 8; the west half of section 9; sections 16 to 21, inclusive, and 28 to 33, inclusive; the west half of section 34; township 4 south, range 41 east.

Section 36; township 5 south, range 37 east.

Sections 2, 3, 10, 11, 14, 15, 16, 22, 23, 26, and 27; the east half of section 28; the southwest quarter of section 31; sections 33, 34, and 35; township 5 south, range 38 east.

The south half of section 1; the south half of section 2; sections 11, 12, 13, and 14; the east half of section 23; sections 24 and 25; the east half of section 26; township 5 south, range 40 east.

The west half of section 3; sections 4 to 10, inclusive; the southwest quarter of section 14; sections 15 to 36, inclusive; township 5 south, range 41 east.

Section 19; the north half of section 30; township 5 south, range

Section 19; the north half of section 30; township 5 south, range 42 east.

Sections 31 and 32; portions of sections 33, 34, 35, and 36, which lie south of the North Fork John Day River; township 6 south, range 31 east.

Sections 4, 5, 6, 7, 8, 9, 17, 18, 19, 20, 29, 30, 31, and 32; township 6 south, range 33 east.

Sections 1 to 6, inclusive, and 8 to 12, inclusive; township 6 south,

range 41 east.

Section 1; portions of sections 2, 3, 4, 5, and 6, which lie south of North Fork John Day River; sections 7 to 25, inclusive; township

7 south, range 30 east.
Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, and 33; township 7 south, range 38 east.

and 33; township 7 south, range 38 east.

Section 3; township 8 south, range 31 east.

The south half of section 3; section 4; the north half of section 5; sections 9, 10, 11, 14, 15, 16, 21, 22, 23, 26, 27, 28, and 35; township 8 south, range 38 east.

Section 1; township 9 south, range 38 east.

The north half of section 8; township 9 south, range 39 east.

The south half of section 2; the southwest quarter of section 4; the southwest quarter of section 10; the south half of section 23; section 25; township 10 south, range 37 east.

The south half of section 29: the south half of section 30: township 10 south, range 37 east.

The south half of section 29; the south half of section 30; town-ship 10 south, range 38 east.

The east half, the southeast quarter of the northwest quarter and the southwest quarter of section 3; sections 16 and 21; the west half of section 28; section 33; township 10 south, range 39

Sections 31, 32, and 33; township 11 south, range 37 east.

The north half of section 10; the west half of section 11; the north half, the south half of the south half, and the north half of the southeast quarter of section 30; township 11 south, range 39 east.

range 39 east.

Section 1; the south half of section 2; the southwest quarter of section 4; the southeast quarter of section 5; the east half of section 8; sections 9, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36; township 11 south, range 40 east.

The south half of section 2; the south half of section 3; section 7; the west half of section 8; sections 10 to 21, inclusive; the west half of section 22; the north half of section 23; sections 29, 30, 31, and 32; township 11 south, range 41 east.

Sections 1, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, and 24; the north half of section 29; township 12 south, range 32 east.

Sections 1 to 12, inclusive; sections 17, 18, and 19; the north half of section 30; township 12 south, range 33 east.

Sections 7 and 8; the northwest quarter and the south half of section 9; the south half of section 10; the west half of section 15; sections 16, 17, 18, 20, and 21; the west half of section 22; sections 27 and 34; township 12 south, range 34 east.

Section 16; the northeast quarter of section 17; the north half of section 21; sections 22, 26, 27, 34, and 35; township 12 south, range 36 east.

range 36 east.

Sections 5, 6, 7, and 8; township 12 south, range 37 east. The northeast quarter of section 4; township 12 south, range 39 east

Sections 1, 2, 3, 10, and 11; the north half of section 12; the Sections 1, 2, 3, 10, and 11; the north half of section 12; the west half of section 15; the north half of section 19; the north half of section 20; the north half of section 21; the northwest quarter of section 22; township 12 south, range 40 east. Sections 6 and 7; township 12 south, range 41 east. Sections 1 and 2; the north half of section 3; sections 11, 12, and 13; the north half of section 14; the north half of section 24; township 13 south, range 34 east.

The west half of section 19; the northwest quarter of section 30; the west half of section 31; township 13 south, range 35 east

The north half of section 2; sections 3, 10, 15, 16, 22, 27, and 34; township 13 south, range 36 east.

To the Malheur National Forest:

Sections 14, 15, 16, and 23; the west half of section 26; the west half of section 35; township 9 south, range 31 east.

The south half of section 27; sections 31, 32, 33, and 34; township

9 south, range 32 east.

Sections 1 and 2; township 10 south, range 31 east.

The west half of the west half of section 4; section 5; the north half of section 6; township 10 south, range 32 east.

Sections 31 and 32; the south half of section 33; the south half

of section 34; the south half of section 35; township 11 south, range 29 east

The south half of section 10; the north half of section 15; section 16; the east half of section 29; the south half of section 32; township 11 south, range 30 east.
To the Umatilla National Forest:

Sections 13, 14, 15, 16, 21, and 22; the west half of section 28; the west half of section 33; township 1 north, range 38 east.
Sections 2, 3, 8, 9, 10, 11, 15, 16, and 17; township 2 north, range

39 east.

The south half of section 13; sections 23, 24, and 34; township 3

north, range 39 east.

Sections 19, 20, 21, and 22; the northwest quarter of section 29; section 30; township 3 north, range 40 east.

All Willamette base and meridian.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

OCHOCO NATIONAL FOREST, OREG.

The Clerk called the next bill, H. R. 5404, to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any lands in private, State, or county ownership within the following-described area, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the act approved March 20, 1922, as amended (U. S. C., title 16, secs. 485, 486), and upon acceptance of title shall become part of the Ochoco National Forest, Oreg., and shall thereafter be subject to the laws, rules, and regulations applicable to national forests:

Section 36, township 15 south, range 24 east; section 36, township 15 south, range 25 east; section 36, township 20 south, range 24 east; section 36, township 20 south, range 26 east; sections 9, and 13 to 16, inclusive, sections 21 to 27, inclusive, and sections 33 to 36, inclusive, township 21 south, range 25 east; sections 7, 18, and 19, township 21 south, range 26 east; sections 1, 3, 11, and 12, township 22 south, range 24 east; sections 3 to 7, inclusive, township 22 south, range

range 24 east; sections 3 to 7, inclusive, township 22 south, range 25 east; and section 16, township 22 south, range 27 east; all Willamette base and meridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJOR GENERAL WILLIAM JENKINS WORTH MEMORIAL COMMISSION

The Clerk called the next business, House Joint Resolution 283, to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the people of the United States owe a deep debt of gratitude to Maj. Gen. William Jenkins Worth, whose military career meant so much during the Mexican War and the Seminole Indian War, and whose activities in the said Indian war succeeded in opening up such a large tract of land in the South now known as the State of Florida; and

Whereas no adequate memorial exists in the State of Florida;

and Whereas it would seem appropriate and fitting to erect a memorial to said Maj. Gen. William Jenkins Worth in said State on the shores of the lake located therein named after said general and at or near the city of Lake Worth located on the shores of said lake: Therefore be it

Resolved, etc., That there is hereby established a commission, to be known as the Major General William Jenkins Worth Commission and to be composed of six commissioners, two to be appointed by the President of the United States, two Senators to be appointed by the President of the Senate, and two Members of the House of Representatives to be appointed by the Speaker of the House. Such Commission shall consider and formulate plans for designing and constructing a permanent memorial in the city of Lake Worth, Fla., to the said Maj. Gen. William Jenkins Worth.

SEC. 2. Such commission may, in its discretion, accept from any source, public or private, money, obligations, or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in

carrying out the provisions of this joint resolution.

SEC. 3. The commission shall report its recommendations to

Congress as soon as practicable.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Costello: Strike out the preamble.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF CERTAIN KLAMATH INDIAN TRIBAL FUNDS

The Clerk called the next bill, H. R. 2738, providing for the disposition of certain Klamath Indian tribal funds.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I have four amendments to make the amended bill conform to the recommendations of the Department of the Interior and the Bureau of the Budget. As far as I am concerned, if those interested in the bill desire to accept the amendments, I am willing to let the bill pass.

Mr. PIERCE of Oregon. Mr. Speaker, will the gentleman

Mr. COCHRAN. I yield.

Mr. PIERCE of Oregon. We accept the amendments.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to distribute pro rata to all of the enrolled members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians living on the date of the enactment of this act the unexpended balance of the judgment rendered against the United States in the United States Court of Claims in case No. E-346 in favor of said tribes and band of Indians, and appropriated E-346 in favor of said tribes and band of Indians, and appropriated by Public Law No. 723 of the Seventy-fifth Congress, and placed to the credit of said tribes and band of Indians in the Treasury of the United States, together with interest thereon as provided by existing law to the date of the distribution herein provided for: Provided, however, That said moneys shall be deposited to the credit of said enrolled members of said tribes and band in their individual Indian money accounts and disbursed under the regulation governing paymoney accounts and disbursed under the regulation governing payments from said accounts, approved by the Secretary of the Interior, for (1) dental, medical, surgical, and hospital treatment, including nurses' services; (2) education, including tuition, subsistence, and other expenses; (3) support of aged and incapacitated enrolled members of said tribes and band of Indians; (4) industrial and agricultural assistance; (5) purchase of land; and (6) construction, repair, and improvement of homes and buildings.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Interior be, and he is hereby, authorized and directed, from the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians created as the result of the passage of the act of June 25, 1938, and accrued interest thereon, to credit the sum of \$2,000 upon the books of the Office of Indian Affairs, to each person determined by the Secretary of the Interior to be entitled to enrollment upon the annuity roll of said tribes of the Klamath Reservation, Oreg., living upon the date of the enactment of this act. The share of each adult member and not to exceed \$1,500 of the share of any minor shall be available for expenditure, under such rules and regulations as the

Secretary of the Interior may prescribe, for the following purposes: "Purchase of land; improvement of lands acquired or already "Purchase of land; improvement of lands acquired or already held by the Indian; erection and improvement of suitable homes; repayment of any loans received from the United States or from the Klamath tribal funds; purchase of building material, farming equipment, livestock, feed, food, seed, grain, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in farming, livestock, industry, or such other pursuits or vocations, including education, as will enable them to become self-supporting; and health purposes: Provided, however, That the funds of the aged, infirm, decrepit, and incapacitated members, and of minors, may be used for their proper maintenance and support. The remainder of the share of each minor Indian shall be held intact until such Indian reaches his majority, when it, together with interest at the rate of 4 percent per annum, shall be available for expenditure for the purposes specified herein.

As herein used, the term "minor" shall include all members of the tribe less than 21 years of age, except that minors 18 years of age or over and who are married or have families of their own to support, shall be regarded as adults. On the death of any enrolled member, adult, or minor, the sum on deposit to his credit shall be distributed as personal property, and shall be available for expenditure by the distributees only for the purposes herein authorized: *Provided, however*, That of the aforesaid \$2,000 to be prorated to each person, \$100 shall be paid to each member of said tribes as a per capita payment, free from the aforesaid restrictions, under

rules and regulations prescribed by the Secretary of the Interior.
"SEC. 2. That after the segregation provided for in section 1 hereof shall have been made, the remainder of such judgment fund, including interest, shall be available for expenditure subject to the following limitations and conditions:

following limitations and conditions:

"(a) Three hundred thousand dollars shall be transferred to and added to the loan fund authorized by the act of August 28, 1937 (50 Stat. 872). After the fiscal year 1939 no further sums shall be transferred to and added to the loan fund authorized by said act from the unobligated tribal funds on deposit in the Treasury of the United States, and said act is hereby amended accordingly.

"(b) Three hundred and seventy-five thousand dollars for immediate payment in a lump sum of \$1,500 to each adult unallotted Indian found to be entitled to payment in lieu of allotment, as authorized in the act of June 1, 1938 (52 Stat. 605): Provided, That the amount due any minor under the provisions of said act shall be withheld until he becomes an adult, as herein defined, when it shall be paid to him in a lump sum from any unobligated funds, shall be paid to him in a lump sum from any unobligated funds, principal, or interest, on deposit to the credit of the Klamath Tribe, except the capital reserve fund set forth in subsection (c) hereof, and section 2 of said act of June 1, 1938, is hereby amended

hereof, and section 2 of said act of June 1, 1938, is hereby amended accordingly.

"(c) Such moneys as shall remain in the principal fund shall be transferred to and become a part of the capital-reserve fund created by section 1 of the act of August 28, 1937 (50 Stat. 872). No part of said capital-reserve fund shall be expendable by the Secretary of the Interior without specific authorization by Congress. Said capital reserve shall constitute a trust fund, and the whole of said fund shall bear interest at 4 percent per annum. The interest upon such fund shall be available for expenditure only at the request of or with the consent of the tribes and the Secretary of the Interior, for tribal use and benefit including the purchase of land, and said act of August 28, 1937, is hereby amended accordingly. amended accordingly.

amended accordingly.

"SEC. 3. That in no event shall any portion of the said judgment fund become liable, payable, or subject to any debt or debts contracted prior to the passage of this act by any Indian of the Klamath Tribe except debts to the United States or to the tribe, and in no event shall any portion of the Klamath judgment fund or interest thereon be expended to defray the cost of Federal administration."

Mr. COCHRAN. Mr. Speaker, I offer four amendments to the committee amendment, and ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. Cochran: Page 5, line 5, after the word "any", strike out the word "unobligated."

Page 5, lines 6 and 7, strike out the words "except the capital-reserve fund set forth in subsection (c) hereof."

Page 5, beginning in line 12 with the word "no", strike out all down to and including the word "accordingly" in line 21.

Page 6, line 2, after the word "tribe", insert a period and strike out the remaining language of lines 2, 3, and 4.

Mr. COCHRAN. Mr. Speaker, nearly \$5,000,000 is involved in this legislation. The money has been appropriated by the Congress, is in the Treasury, and, as the lawyers who participated have received their fees, amounting to about \$500,000, there is no reason why the Indians should not get their money, provided it is disbursed as recommended by the Secretary of the Interior and the Director of the Budget.

Two weeks or more ago we passed the bill which enabled the Shoshone Tribe to receive the money awarded by the Court of Claims. In that case the amount, using round numbers, was about the same both for the Indians and the attorneys. The same issue is involved in both bills.

Mr. Speaker, I again impress upon Members of the House that this money in both cases was awarded as a result of the Congress amending the original Jurisdictional Act in such a way that the Government had practically no defense. The court in both cases awarded a little less than \$2,000,000 as principal, and the balance was interest dating back over 50 years. As the court also held interest at the rate of 5 percent was to run on the principal until paid, the amount to meet the obligation was carried in the last deficiency bill of the Seventy-fifth Congress. Within 2 months thereafter the attorneys claimed and received over \$400,000 in each case. At the start of the session I placed the exact amounts and the names of the attorneys in the RECORD.

Had the Congress not placed the Government in the position it did by amending the original Jurisdictional Act this legislation would not be here today nor would we have been required to appropriate nearly \$10,000,000 in the last Congress. I have been making the argument for years that to amend the Jurisdictional Acts we simply are paving the way for hands to go into the Treasury, and, at the expense of the taxpayers, pay large sums on these Indian claims, some of them dating back well over 100 years.

In view of the fees in these cases, naturally the attorneys never want to close the cases. Strange as it may seem, it is not the attorneys that prepare the evidence but the Government. Under the procedure, when the General Accounting Office completes its investigation of the records and submits its report to the Department of Justice charged with defending the Government in the suits the attorneys for the claimants are entitled to this evidence. There can be no complaint there, because the Government is the only one that has the evidence. In other words, in some of the suits the attorneys simply go on a fishing expedition, hoping that when the General Accounting Office makes its report they will find that their clients are eligible to recover. The cost of preparing the evidence is borne entirely by the Government. There is one set of cases pending where the report has not been completed which has cost around \$200,000 up to this time, according to officials of the General Accounting Office.

The amendments I suggested today are the ones that the Secretary of the Interior and the Bureau of the Budget insisted should be made to the bill. It is beyond me to understand why neither the House nor Senate committee accepted the amendments, which would have made it unnecessary to prepare and offer them on the floor.

I express the hope that Members of the House will remember these two cases in the future when we are considering resolutions changing the original jurisdictional acts.

The SPEAKER. The question is on the amendments to the committee amendment.

The amendments to the committee amendment were

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCUMULATION OF SICK AND ANNUAL LEAVE OF POSTMASTER POSITIONS

The Clerk called the next bill, H. R. 5784, to provide for the conservation and transfer of accumulated sick leave and vacation time due classified civil-service employees who succeed to the position of postmaster, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

MERITORIOUS MEDAL FOR CIVIL-SERVICE OFFICERS AND EMPLOYEES

The Clerk called the next bill, S. 1582, to authorize the President to bestow a meritorious-service medal upon civilservice officers and employees of the United States, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON

The Clerk called the next bill, H. R. 6167, to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

The Clerk called the next bill, H. R. 7096, to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes."

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. Wolcott]?

There was no objection.

TRIAL OF GOOD BEHAVIOR OF UNITED STATES DISTRICT JUDGES

The Clerk called the next bill, H. R. 5939, to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

MENOMINEE INDIAN DELEGATES

The Clerk called the next bill, H. R. 4831, authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Interior, or such official as may be designated by him, is hereby authorized beginning as of July 1, 1938, and until otherwise directed by Congress, to pay out of any unobligated tribal funds (except the Menominee 5-percent log fund) of the Menominee Indians in the Treasury of the United States the following salaries and expenses:

To the chairman, secretary, and interpreter of the Menominee General Council and members of the Menominee Advisory Council, when engaged on business of the tribe, a salary of not to exceed \$5 per day, and a per diem of not to exceed \$3 per day in lieu of subsistence and all other expenses; to such official delegates of the Menominee Tribe who carry on the business of the tribe at the seat of government a salary of not to exceed \$5 per day and a per diem of \$5 in lieu of subsistence and all other expenses: Provided, That the rate of salary and per diem paid shall be fixed in advance by the Menominee General Council or by the Menominee Advisory Council if authorized by the Menominee General Council: Provided further, That each of the official delegates of the tribe carrying on said business at the seat of government shall also receive ing on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government or, in lieu thereof if travel be by automobile, seat of government or, in lieu thereof if travel be by automobile, 5 cents per mile payable to the delegate furnishing the automobile, provided two or more delegates travel therein, otherwise an amount equivalent to the cost of the usual railroad and sleeping-car transportation: Provided jurther, That the aforesaid salaries and expenses shall not exceed \$6,000 per annum: Provided further, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs.

With the following committee amendments:

Page 2, line 4, strike out "day" and insert "day."
Page 2, line 6, after the word "expenses", insert "while absent from their domicile."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION OF MONUMENT TO THE MEMORY OF FATHER PIERRE GIBAULT

The Clerk called the joint resolution (H. J. Res. 219) to provide for the erection of a monument to the memory of the patriot priest, Father Pierre Gibault.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

POWER PLANT AT PASSAMAQUODDY BAY

The Clerk called the joint resolution (S. J. Res. 57) authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. Wolcott]?

There was no objection.

TERM OF COURT AT KALISPELL, MONT.

The Clerk called the next bill, S. 474, to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That section 92 of the Judicial Code, as amended, is amended to read as follows:

"SEC. 92. The State of Montana shall constitute one judicial district, to be known as the district of Montana. Terms of the district court shall be held at Helena, Butte, Great Falls, Lewistown, Billings, Missoula, Glasgow, Havre, Miles City, Livingston, and Kalispell at such times as may be fixed by rule of such court: Provided, That suitable rooms and accommodations for holding court at Lewistown, Livingston, Havre, and Kalispell are furnished free of all expenses to the United States. Causes civil and criminal. free of all expenses to the United States. Causes, civil and criminal, may be transferred by the court or a judge thereof from any sitting place designated above to any other sitting place thus designated, when the convenience of the parties or the ends of justice would be promoted by the transfer; and any interlocutory order may be made by the court or judge thereof in either place."

With the following committee amendments:

Page 1, line 10, after the word "court", strike out the remainder of line 10, all of line 11, and lines 1 and 2 down to the word "States"

on page 2.

on page 2.

Page 2, line 8, after the word "place", insert a colon and the following: "Provided, That suitable rooms and accommodations for holding court at Lewistown and Havre are furnished without expense to the United States: Provided further, That suitable rooms and accommodations for holding court at Livingston and Kalispell are furnished without expense to the United States until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Livingston and Kalispell, public buildings shall have been erected or other Federal space provided for court purposes in said cities." purposes in said cities."

The committee amendments were agreed to.

The bill was ordered to be read a third time and was read

the third time and passed.

The title was amended so as to read: "An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and subject to the recommendation of the Attorney General of the United States to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont."

A motion to reconsider was laid on the table.

PROTECTION OF WITNESSES BEFORE CONGRESS AND ADMINISTRATIVE AGENCIES

The Clerk called the next bill, H. R. 6832, to provide for the protection of witnesses appearing before any department, independent establishment, or other agency of the United States or the Congress of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. EBERHARTER. Mr. Speaker, reserving the right to object, I would like to have this bill explained, if the author of the bill is present, or by any member of the Committee on the Judiciary.

Mr. CELLER. Mr. Speaker, the Committee on the Judiciary has regarded this bill favorably because witnesses before congressional committees do not have the same protection as witnesses in courts. This bill supplies that lack or deficiency. Also, the attendance of witnesses before the departments is not compellable, and this bill would also remedy that and prevents the intimidation of such witnesses.

Mr. EBERHARTER. There is no clause in this bill which would in any way restrict the rights of any witness appearing before any committee of the Congress or any department?

Mr. CELLER. None whatsoever.

Mr. EBERHARTER. On the gentleman's assurance, I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Criminal Code of the United States

be amended by inserting therein a new section immediately following section 135 (U. S. C., title 18, sec. 241) to be known as section 135 (a) (U. S. C., title 18, sec. 241 (a)) and reading as follows: "SEC. 135. (a) That whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department; independent sets bills the series. pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who corruptly or by threats or force, or by any threatening letter or communication shall influence obstruct or impede or endeavor to influence obstruct or impede or endeavor to influence obstruct or impede or endeavor to influence obstruct or force, or by any threatening letter or communication shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress of the United States shall be fined not more than \$1.000 or imprisoned not more than 1 year, or both." \$1,000 or imprisoned not more than 1 year, or both."

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

LANDS HELD IN TRUST FOR INDIAN USE

The Clerk called the next bill, H. R. 6506, to declare that the United States holds certain lands in trust for Indian use. There being no objection, the Clerk read the bill, as

Be it enacted, etc., That title to the lands and interests in lands, together with the improvements thereon, which have been, or are in process of being acquired by the United States under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and of section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), lying and situated within the States of Florida, Idaho, Michigan, Minnesota, Montana, North Dakota, Oklahoma, Oregon, South Dakota, and Wisconsin, admin-Dakota, Oklahoma, Oregon, South Dakota, and Wisconsin, administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 15, 1938, and such additional lands or interests therein, together with the improvements thereon, lying and situated within the States named herein, as have been or may hereafter be acquired by the United States under the authorities herein cited and as may hereafter be transferred for administrative purposes from the Secretary of Agriculture to the Secretary of the Interior, is hereby declared to be held in trust by the United States of America for the use and benefit of those respective tribes, bands, or groups of Indians for whom the Secretary of the Interior may by proclamation hereafter declare such lands to be available, and the Secretary of the Interior is hereby authorized to proclaim such lands as new Indian reservations or as additions to existing Indian reservations.

With the following committee amendments:

On page 1, line 5, after the word "States", insert the words "for Indian use."

On page 2, line 1, strike the word "Oregon."

On page 2, lines 7 and 8, strike the words "or may hereafter

On page 2, line 8, after the word "States", insert the words "for Indian use."

On page 2, line 9, strike the words "as may hereafter be" and insert in lieu thereof the words "have been."

On page 2, line 18, at the end of the line change the period to a

on page 2, the 18, at the end of the line change the period to a colon and add the following:

Provided, That nothing in this act shall deprive any Indian of any individual right, ownership, right of possession, or contract right that he may have in any land or improvements thereon.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNAUTHORIZED USE OF INSIGNIA OF VETERANS' ORGANIZATIONS

The Clerk called the next bill, H. R. 5982, for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the manufacturing, wearing, purchase or sale, either separately or appended to, or to be appended to, or the reproduction of any article of merchandise manufactured or sold, of the badge, medal, emblem, or other insignia or any colorable imitation thereof, of any veterans' organization incorporated by act of Congress, or the printing, lithographing, engraving, or other like reproduction on any poster, circular, periodical, magazine, newspaper, or other publication, or the circulation or distribution of any such printed matter bearing a reproduction of such badge, medal, emblem, or other insignia or any colorable imitation thereof, of any such veterans' organization, is prohibited except when authorized under such rules and regulations as may be prescribed by such organization so incorporated. Any person who knowingly offends against any provision of this act shall on conviction be punished by a fine not exceeding \$250 or by imprisonment not exceeding 6 months, or by both such fine and imprisonment. imprisonment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF DISPUTES WITH THE UNITED STATES

The Clerk called the next bill, H. R. 6324, to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

Mr. COSTELLO and Mr. WOLCOTT asked unanimous consent that the bill be passed over without prejudice.

There was no objection.

SEQUOIA NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 1790, to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation of Executive order.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

VIRGINIA (MERRIMAC) - MONITOR COMMISSION

The Clerk called the concurrent resolution (H. Con. Res. 32) establishing a commission to be known as the Virginia (Merrimac) - Monitor Commission.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, may I ask the chairman of the Committee on the Library or the author of the bill what the possible cost of this commission will be?

Mr. BLAND. As far as I can see, there will be no cost, as provision is made in the resolution that any assistants, clerks, or others shall be hired, if possible, without cost to the United

Mr. COSTELLO. The proposal is to create a memorial in Virginia to commemorate the battle referred to in the bill.

Mr. BLAND. Yes. This would simply be a commission to consider plans, and so forth, and that would have to be brought before the Congress.

Mr. COSTELLO. In other words, no particular type of memorial is being considered at this time?

Mr. BLAND. None at this time.

Mr. COSTELLO. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a commission to be known as the Virginia (Merrimac)-Monitor Commission (hereinafter referred to as the commission) and to be composed of six commissioners, as follows: Three Senators to be appointed by the President of the Senate and three Members of the House of Representatives to be appointed by the Speaker of the House. The commissioners shall serve without compensation and shall select a chairman from among their number. among their number

among their number.

Sec. 2. That it shall be the duty of the commissioners to consider and report as to the feasibility, practicability, and desirability of creating in Hampton Roads, Va., or on or near the shores thereof, at a site to be selected by the commission, a suitable memorial in commemoration of the battles in Hampton Roads, Va., (1) on March 8, 1862, participated in by the former United States frigate Merrimac, raised after burning, and rechristened the Confederate States incoming and Cumberland, Congress, Minnesota, Roanoke, and St. Lawrence; and (2) on March 9, 1862, the first battle in the history of the world between ironclads; that is, the Confederate ironclad Virginia (Merrimac) and the United States ironclad Monitor. The said commission shall report an estimate of the probable fronciad Virginia (Merrimac) and the United States in North tor. The said commission shall report an estimate of the probable cost of said memorial and give due and proper consideration to such plan or plans as may be submitted to them for said memorial; shall confer with such civic associations and organizations and with such other commissions, Federal, State, or municipal, as may be appointed or created for purposes similar to the purposes of this concurrent resolution; shall take such steps as may be necessary to secure the coordination and correlation of plans prepared by such commissions, organizations, or agencies; shall ascertain and report as to the extent to which such commissions, organizations, or agencies will cooperate in creating said memorial and shall do all such other things as may be necessary to carry into full

do all such other things as may be necessary to carry into full effect the intents and purposes of this concurrent resolution.

SEC. 3. That the commission, after selecting a chairman and vice chairman from among their members, may appoint or employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission: Provided. That said commission are securing that the population of the vided, That said commission can so arrange that no part of the pay or expense of said secretary and other assistants shall be paid by the United States.

SEC. 4. That the said commission be, and the same is hereby, authorized to call upon the Commission of Fine Arts, in Washington, for their assistance and advice in connection with any plan or plans that may be submitted or considered, and the said Commission of Fine Arts is directed to render such assistance and advice as its other duties may permit and as may be within its power. SEC. 5. That the commission shall on or before the 15th day of

April 1940 make a report to Congress for such enabling legislation, if any, as the Congress may desire.

SEC. 6. That the commission hereby created shall expire within

2 years after the adoption of this concurrent resolution. SEC. 7. That this concurrent resolution shall take effect immedi-

The concurrent resolution was agreed to. A motion to reconsider was laid on the table.

BUREAU OF RECLAMATION

The Clerk called the next bill, H. R. 3391, providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, in connection with this bill, I wish to call the attention of the committee to the bill H. R. 6693, No. 389 on the Consent Calendar. There seems to be some discrepancy in these bills. The bill we are considering authorizes payment to employees of the Bureau of Reclamation of 3 cents a mile for mileage traveled in motorcycles and 7 cents a mile for mileage traveled in automobiles. The bill H. R. 6693, No. 389 on the calendar, for civilian employees, authorizes the payment of 2 cents a mile for mileage traveled in motorcycles and 5 cents a mile for mileage traveled in automobiles. I believe that before we pass these bills this discrepancy should be corrected. I have no objection to the bills as long as they are consistent.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield? Mr. WOLCOTT. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. The bill we are now considering is one that passed the House in the last Congress, and also in the preceding Congress, but got to the Senate too late to be passed. The bill affects a few employees of the Bureau of Reclamation who several years ago were authorized to use their cars in the service of the Federal Government and to be reimbursed for such use, as prescribed here. It was later

found that there was no authority in law to cover that service. Legislation was then enacted which is now in effect and covers the present employees. This bill is simply to reimburse those men who expended their money for that purpose for a short period prior to enactment of existing law. When the bill was under consideration last year, the gentleman from New York [Mr. Taber] asked certain questions

Mr. TABER. If the gentleman will yield, how much is allowed per mile by this bill?

Mr. DEMPSEY. I believe 7 cents per mile.

Mr. TABER. I object to the present consideration of the bill, Mr. Speaker; that amount is too much.

THE BENJAMIN HARRISON COMMISSION

The Clerk called the next bill, H. R. 4872, to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I would like to ask the author of this bill a few questions regarding the purpose of the legislation.

It is my understanding that in the Seventy-fourth Congress we passed a general bill giving the Department of the Interior the right to select for preservation various historic monuments in the country. However, the bill we have here not only proposes to acquire and restore the home of President Harrison but also to acquire additional grounds in connection therewith. If that is the purpose of the bill, I want to ask the gentleman who is the author of the measure what he has in mind with respect to the size of the park and the location of it.

Mr. LUDLOW. Mr. Speaker, in reply to the gentleman's question I may state that reference in the report to acquiring the home of President Harrison is an unintentional error. It is an entirely different location. The location proposed is about 10 miles north of the city of Indianapolis, a place that President Harrison frequently visited and one which was a favorite haunt of his, but in no way associated with his home.

President Harrison is one of the few great characters that has never been shown any recognition in any way. This bill does not provide any appropriation for the memorial, but merely a small appropriation for an investigation. Benjamin Harrison was a statesman of sterling character, highly respected and honored by all who knew him, an ornament to the State of Indiana and to the Nation which he served so faithfully and well. This bill would confer deserved recognition that is long overdue.

I have this morning consulted the National Park Service, and Mr. R. F. Lee, the head of their Historic Sites Division, tells me the general authority they have under existing law does not cover a case of this kind, that it goes only to the preservation of existing historic sites and memorials, which is quite a different proposition.

Mr. COSTELLO. Does the gentleman know how large an area they plan to include in this proposed national park?

Mr. LUDLOW. I think that is more or less undetermined. It would not be a very large or expensive proposition, I will say to the gentleman. I hope the gentleman from California will not object.

Mr. COSTELLO. Mr. Speaker, I withdraw my reservation of objection to this bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I would like to know how this memorial committee is going to be appointed. The bill itself does not seem to provide for that.

Mr. LUDLOW. I may say to the gentleman that I do not know definitely about the membership, but whatever is customary in the matter of investigating such matters will be followed. The commission will be appointed by the President, and the expense, I may say, is wholly and satisfactorily limited by the terms of the appropriation itself, the total expense being limited to \$2,500. The President will find plenty of timber from which to make suitable selections for membership on the commission, and I have no doubt the commission will find it possible to perform all of the duties enjoined by the bill without exceeding the appropriation.

Mr. SABATH. Mr. Speaker, reserving the right to objectand I shall not object—I desire to call attention to the fact that we are proposing by this bill to erect a memorial to a President of the United States who, we all know, was a Republican. I remember that for nearly 20 years we have been trying to erect a memorial to Thomas Jefferson, an outstanding American President, and we found objections on the Republican side. I simply want to compliment my colleague, the Democratic Member from Indiana, for introducing this bill, and I hope it will pass and that no Democrat shall object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That there is hereby established a commission, to be known as the Benjamin Harrison Memorial Commission, and to be composed of five commissioners, to be appointed by the President of the United States. Such commission shall consider and formulate plans for establishment of a permanent memorial in the city of Indianapolis to the said Benjamin Harri-son, twenty-third President of the United States.

SEC. 2. Such commission may, in its discretion, accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in carrying out the provisions of this joint resolution.

the provisions of this joint resolution.

Sec. 3. The commission shall report its recommendations to Congress as soon as practicable.

Sec. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$2,500, which shall be available to defray the necessary expenses of the commission for the performance of their duties herein prescribed. Disbursement of the sum herein authorized shall be made on vouchers approved by the chairman of the commission.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYMENT OF ENGINEERS AND ECONOMISTS ON RECLAMATION WORK

The Clerk called the next bill, H. R. 6379, to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1046).

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CENTRAL PACIFIC RAILWAY CO.

The Clerk called the next bill, H. R. 3764, to validate and confirm a certain conveyance heretofore made by Central Pacific Railway Co., and its lessee, Southern Pacific Co., to Consolidated Warehouse Co., involving a portion of the rightof-way acquired by the Central Pacific Railroad Co. of California under the act of Congress approved July 1, 1862 (12 Stat. 489)

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the conveyance heretofore executed by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, as grantors, to Consolidated Warehouse Co., a corporation, as grantee, dated June 16, 1937, and recorded in the office of the county recorder, of Washoe County, Nev., on September 21, 1937, in book No. 112, at page 19, of the official records of said county, involving a parcel of land containing seventy one-thousandths acre, more or less, situated at the foot of Evans Street in Evans Addition in the city of Reno, in the county of Washoe, State of Nevada, described as follows:

Beginning at the southwesterly corner of lot 13, block K, Evans Addition to the city of Reno; thence in a southwesterly direction along the prolongation of the southerly link of block K a distance of 80 feet, said line being parallel to and 100 feet distant northerly from the center line of the original Central Pacific main track; thence, at a right angle, 38 feet in a northwesterly direction; thence, at a right angle, 80 feet in a northeasterly direction Be it enacted, etc., That the conveyance heretofore executed

to the westerly line of lot 13, block K; thence, at a right angle, 38 feet in a southerly direction along the westerly line of lot 13 to the point of beginning; and forming a part of the right-of-way granted to the Central Pacific Railroad Co. of California by an act of Congress approved July 1, 1862 (12 Stat. 489), entitled "An act to aid the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean and to secure to the Government the use of the same for postal, military, and other purposes," and other acts of Congress amendatory thereof or supplementary thereto, is hereby validated and confirmed, to the extent that said conveyance would have been legal and valid if the land involved therein and affected by this act had been held by the corporations making said conveyance under absolute or

by the corporations making said conveyance under absolute or fee-simple title; subject to the conditions hereinafter stated.

SEC. 2. That this validation and confirmation shall not in any instance diminish said right-of-way to a width less than 100 feet on either side of the center of the main track of the railroad as now established and maintained.

SEC. 3. That there shall be reserved to the United States of America all oil, coal, or other minerals in the described parcel, and the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL DISTRICT JUDGE, VIRGIN ISLANDS

The Clerk called the bill (S. 190) to authorize the temporary appointment of a special judge for the district court of the Virgin Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 26 of the Organic Act of the Virgin Islands of the United States (act of June 22, 1936, 49 Stat. 1813; U. S. C., title 48, sec. 1405y) be, and the same is hereby, amended by inserting therein immediately following the first sentence thereof the following sentence: "In case of the absence, disability, or disqualification of such judge, the President is authorized to appoint a special judge to discharge the duties of such judge only until the termination of such absence, disability, or disqualification; and the special judge so appointed shall be authorized and empowered to perform the duties of such office during such periods and shall receive compensation at the same rate, for the period of time actually served, and the same allowances for expenses and transportation, as are paid and allowed the judge of said court." said court.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOSS OF INSURED MAIL MATTER

The Clerk called the bill (S. 185) to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That section 224 of the Criminal Code (35 Stat. 1133; U. S. C., title 18, sec. 354) be, and the same is hereby, amended to read as follows:

"SEC. 224. Whoever shall make, allege, or present, or cause to be made, alleged, or presented, or assist, aid, or abet in making, alleging, or presenting, any claim or application for indemnity for the loss of any registered or insured letter, parcel, package, or other article or matter, or the contents thereof, knowing such claim or application to be false, fictitious, or fraudulent; or whoever for the purpose of obtaining a registrative to the contents thereof. application to be false, fictitious, or fraudulent; or whoever for the purpose of obtaining or aiding to obtain the payment or approval of any such claim or application, shall make or use, or cause to be made or used, any false statement, certificate, affidavit, or deposition; or whoever shall knowingly and willfully misrepresent, or misstate, or, for the purpose aforessid, shall knowingly and willfully conceal any material fact or circumstance in respect of any such claim or application for indemnity, shall be fined not more than \$500 or imprisoned not more than 1 year, or both, except in cases where the amount of such claim or application for indemnity is less than \$100 there may be imposed a fine only."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL AND SUBSISTENCE EXPENSES, DISTRICT JUDGES

The Clerk called the bill (H. R. 7015) to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges.

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That section 259 of the Judicial Code (U. S. C., title 28, sec. 374) is hereby reenacted, the section reading as follows:

"Sec. 259. The circuit justices, the circuit and district judges of the United States, and the judges of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall each be allowed States in Alaska, Hawaii, and Puerto Rico, shall each be allowed and paid his necessary expenses of travel, and his reasonable expenses (not to exceed \$10 per day) actually incurred for maintenance, consequent upon his attending court or transacting other official business in pursuance of law at any place other than his official place of residence, said expenses to be paid by the marshal of the district in which such court is held or official business transacted, upon the written certificate of the justice or judge. The official place of residence of each circuit and district judge, and of each judge of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall be at that place nearest his actual residence at which either a circuit court of appeals or a district residence at which either a circuit court of appeals or a district court is regularly held. Every such judge shall, upon his appointment, and from time to time thereafter whenever he may change his official residence, in writing notify the Department of Justice of his official place of residence."

SEC. 2. This act shall take effect July 1, 1939

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF SURPLUS REAL PROPERTY

The Clerk called the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I would like the author of the bill to give us an explanation of this.

Mr. TOLAN. Mr. Speaker, this bill has for its purpose the demolition of public buildings. The Treasury Department cannot go in now and demolish a building, and there are a lot of these old buildings in the United States which are a detriment to the property. If they were demolished, as is the case in the city of Oakland, the property could be sold. It has the approval of the Department. There is no objection from any source.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That an act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes", approved August 27, 1935 (Public, No. 351, 74th Cong.; 49 Stat. 885; U. S. C., Supp. II, title 40, sec. 304 (a) to (e)). be, and the same is hereby, amended as

At the end of section 1 add to subsection (c) the following: ": Provided, That if no bids, or if bids which are not satisfactory as to price or responsibility of bidder are received as a result of such public advertisement, the Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized to sell such property by negotiation, upon such terms as may be deemed to be to the best interest of the Government, but at a price not less than that bid by the highest responsible bidder."

Sec. 2. At the end of the act add the following sections:
"Sec. 6. There is hereby authorized to be appropriated such

SEC. 2. At the end of the act add the following sections:

"SEC. 6. There is hereby authorized to be appropriated such amount as may be necessary to cover the costs incident to the sale or lease of real property, or demolition of buildings thereon as hereinafter authorized, which have been or may hereafter be declared surplus to the needs of any Federal agency in accordance with the provisions of this act, and the care, maintenance, and protection thereof, including, but not limited to pay of employees, travel of Government employees, broker's fees not in excess of rates paid for similar services in the community where the property is situated, appraisals, photographs, surveys, evidence of title and perfecting of defective titles, advertising, and telephone and telegraph charges: Provided, however, That a Federal agency shall remain responsible for the proper care, maintenance, and protection of the aforesaid property, notwithstanding any declaration that the same is in excess of its needs until such time as custody is assumed by the Federal Works Agency or other disposition is made thereof. Federal Works Agency or other disposition is made thereof.

"SEC. 7. The Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized, upon their determination that such action will be to the best interest of the Government, to demolish any building declared surplus to the needs of the Government in accordance with the provisions of this act: Provided, That before proceeding with the demolition of any building the Commissioner of Public Buildings shall inform the Secretary of the Interior in writing of his intention to demolish it, and shall not proceed with the demolition until he shall have received written notice from the Secretary of the Interior that said building is not an historic building of national significance within the meaning of the act entitled 'An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes', approved August 21, 1935 (Public, No. 292, 74th Cong.; 49 Stat. 666): Provided, however, That if the Secretary of the Interior shall fall to so notify the Commissioner of Public Buildings within 90 days of the receipt of the notice of intention to demolish the Commissioner of Public Buildings may proceed

tion to demoish the Commissioner of Public Buildings may proceed to demolish said building."

Sec. 3. In sections 1 to 4, inclusive, of said act approved August 27, 1935, (a) strike out the words "the Secretary of the Treasury" and insert in lieu thereof the words "the Federal Works Administrator"; (b) strike out the words "the Director of Procurement" and insert in lieu thereof the words "the Commissioner of Public Buildings"; (a) strike out the words "the Procurement Division" and ings"; (c) strike out the words "the Procurement Division" and insert in lieu thereof the words "the Public Buildings Administra-

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OBTAINING MONEY BY FALSE PRETENSES ON THE HIGH SEAS

The Clerk called the bill (S. 1874) to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting after section 288 the following section: "Sec. 288A. Whoever, upon the high seas or on any waters within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State, or within the admiralty and maritime jurisdiction of the United States and out admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State on board any vessel belonging in whole or in part to the United States or any citizen thereof or to any corporation created by or under the laws of the United States, or of any State, Territory, or District thereof, by any fraud, or false pretense whatsoever with intent to defraud, obtains from any person anything of value, or procures the execution and delivery of any instrument of writing or conveyance of real or personal property, or the signature of any person, as maker, endorser, or guarantor, to or upon any bond, bill, receipt, promissory note, draft, or check, or any other evidence of indebtedness, or fraudulently sells, barters, or disposes of any bond, bill, receipt, promissory note, draft, or check, or other evidence of indebtedness, for value, knowing the same to be worthless, or knowing the signature of the maker, endorser, or guarantor thereof to have been obtained by any false pretenses, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both." or imprisoned not more than 5 years, or both."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF REVENUE BONDS, HAWAII

The Clerk called the bill (H. R. 6943) to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2738, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That Act 58 of the Session Laws of Hawaii, 1939, amending section 17 of Act 174 of the Session Laws of Hawaii, 1935, as amended, so as to extend the time within which revenue 1935, as amended, so as to extend the time within which revenue bonds may be issued and delivered under said Act 174, is hereby ratified and confirmed and revenue bonds may be issued under and pursuant to the provisions of said Act 174 of the Session Laws of Hawaii, 1935, as amended, and as further amended by said Act 58, without the approval of the President of the United States and without the incurring of an indebtedness within the meaning of the Hawaiian Organic Act, and said Act 174, as amended, shall constitute full authority for the Issuance of said bonds without reference to and independent of the Hawaiian Organic Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The House bill (H. R. 6943) was laid on the table.

CROP INSURANCE FOR COTTON

The Clerk called the bill (H. R. 6972) to amend the Federal Crop Insurance Act.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. FULMER. Mr. Speaker, I suggest to the gentleman that a similar bill has already passed the Senate. simply extends the insurance program to cotton. The only reason why cotton was not included under the insurance program in 1938 was because the Department did not have the necessary information about cotton that would warrant placing cotton in the program. The crop-insurance bill authorized the Secretary to make an investigation, which he did, and this information has been printed in House Document 277.

The passage of this bill will mean much to the farmers in the South, where they have hailstorms and losses from other natural causes which destroy their crops and make them absolutely dependent on relief and relief work. I hope the gentleman will not object to the bill.

Mr. WOLCOTT. As I interpret this bill, this covers all agricultural crops as well as cotton. I think this altogether too important a bill to be passed by unanimous consent.

We do not have any reason to assume that the contingent liability of the Federal Government will not be increased materially by the adoption of this bill. Of course, we are right up against adjournment, and for that reason we have allowed many of these bills to go through that we might otherwise have objected to. But the gentleman will have to admit that if it does what the bill says it does, it is a very, very important bill, and I do not like the idea of our legislating on an important matter like this by unanimous

Mr. FULMER. May I say to the gentleman it only covers cotton as stated—was left out when the crop-insurance bill passed in 1938, for the reason given. We had extensive hearings before the Committee on Agriculture, which indicates the Crop Insurance Corporation has made a wonderful success with wheat. It is understood by the Department that cotton would work better under the program than wheat. If the gentleman would take the time to investigate the millions we spend in the way of relief when farmers have to give up their farms because of the destruction of their crops and their inability to pay these obligations and taxes, there would be no objection to this bill. When the act is amended it will only cover wheat and cotton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. Wolcott] that the bill be passed over without prejudice?

Mr. FULMER. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6314, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING THE PROVISIONS OF LAW RELATING TO USE OF PRIVATE VEHICLES FOR OFFICIAL TRAVEL

The Clerk called the next bill, H. R. 6693, to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Reserving the right to object, Mr. Speaker, this bill provides for the payment of 5 cents per mile for the use of automobiles. According to my understanding, and I think my information is accurate, the regular allowance in private industry is somewhere around 4 cents per mile. Very seldom is it over that. Anyone who receives that and who operates a Ford or Chevrolet can get by very nicely. Will the gentleman agree to an amendment reducing that 5 cents to 4 cents?

Mr. COCHRAN. This bill was referred to the committee by the Speaker. It is approved by the Treasury, the Bureau of the Budget, and the Comptroller General. As far as I am concerned personally, not speaking for the committee, I am willing to accept it. If the gentleman feels that 4 cents is sufficient, and the House agrees, I accept the decision.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of February 14, 1931 (46 Stat. 1103), as amended by section 9 of the act of March 3, 1933 (47 Stat. 1516; U. S. C., title 5, sec. 73a), entitled "An act to permit payments

1516; U. S. C., title 5, sec. 73a), entitled "An act to permit payments for the operation of motorcycles and automobiles used for necessary travel on official business, on a mileage basis in lieu of actual operating expenses," is further amended to read as follows:

"On and after the effective date of this act, a civilian officer or employee engaged in necessary travel on official business away from his designated post of duty may be paid, in lieu of actual expenses of transportation, under regulations to be prescribed by the President, not to exceed 2 cents per mile for the use of a privately owned motorcycle or 5 cents per mile for the use of a privately owned automobile for such transportation, whenever such mode of travel has been previously authorized and payment on such mileage basis is more economical and advantageous to the United States."

Mr. TABER. Mr. Speaker, I offer an amendment reducing the amount from 5 cents to 4 cents, on the second page. The Clerk read as follows:

Amendment offered by Mr. TABER: Page 2, line 4, strike out the figure "5" and insert in lieu thereof the figure "4."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEVING DISBURSING AND CERTIFYING OFFICERS OF VETERANS' ADMINISTRATION FROM LIABILITY FOR PAYMENT

The Clerk called the next bill, S. 2454, to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That no disbursing officer and no certifying officer of the Veterans' Administration shall be held liable for any amount paid to any person where the recovery of such amount from the payee is waived under existing laws administered by the Veterans' Administration.

erans' Administration.

SEC. 2. This act shall be deemed to be in effect as of June 10,

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OVER LANDS ACQUIRED FROM MEXICO

The Clerk called the next bill, H. R. 6124, giving the consent to Congress to the addition of lands to the State of Texas and ceding jurisdiction to the State of Texas over certain parcels or tracts of land heretofore acquired by the United States of America from the United Mexican States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon the acceptance of this act by the State of Texas all of the parcels or tracts of land lying adjacent to the territory of the State of Texas, which were acquired by the Government of the United States of America by virtue of the convention between the United States of America and the United Mexican States signed February 1, 1933, shall be and become a geographical part of the State of Texas and shall be under the civil and criminal jurisdiction of the said State, without affecting the ownership of the said lands.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

CLASSIFICATION AND GRADING OF FOREIGN-SERVICE PERSONNEL

The Clerk called the next bill, H. R. 7149, to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2788) be substituted for the House

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That paragraph (o) of section 26 of the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, is amended to read as follows:

"(o) For the purposes of this act the period of service shall be computed from the date of original cath of office as diplomatic secretary, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at differentimes as either a diplomatic or consular officer, or while on assignt times as either a diplomatic or consular officer, or while on assignment to the Department of State, or on special duty or service in another department or establishment of the Government, but all another department or establishment of the Government, but all periods of separation from the service and so much of any period of leave of absence without pay as may exceed 6 months shall be excluded: Provided, That service prior to appointment as a Foreign Service officer as a classified or an unclassified employee in the civil service of the United States, or in the service of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices, or the legislative branch of the Government, and also periods of service performed overseas under authority of the United States, and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States may be included in the period of service, in which case the officer shall pay into the Foreign Service retirement and disability fund a special contribution equal to 5 percent of his annual salary for each year of such employment subsequent to July 1, 1924, with interest thereon to date of payment compounded annually at 4 percent and all such officers within the purview of this provision may elect to make such deposits in installments during the continuance of their service in such amounts and under such conditions as may be determined in each instance by the Secretary of State; but in the case of a each instance by the Secretary of State; but in the case of a Foreign Service officer who is eligible for and elects to receive a Foreign Service officer who is eligible for and elects to receive a pension under any law, or retired pay on account of military or naval service, or compensation under the War Risk Insurance Act, the period of his military or naval service upon which such pension, retired pay, or compensation is based shall not be included, but nothing in this act shall be so construed as to affect in any manner his right to a pension, or to retired pay, or to compensation under the War Risk Insurance Act in addition to the annuity herein provided."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill, H. R. 7149, was laid on the table.

SCHOOL USE OF NATIONAL PARKS AND MONUMENTS

The Clerk called the next bill, H. R. 4097, to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments the Secretary of the Interior is hereby authorized, in his discretion, to make available for elementary-school purposes therein, without charge, space in Government-owned buildings, and to permit the use, without charge, of Government-owned transportation facilities, when available, without detriment to the official business of such national parks and national monuments, for conveying such children to and from schools when not conveniently accessible by public transportation. public transportation.

With the following committee amendments:

Amend the title so as to read, "To authorize the use of certain facilities of national parks and national monuments for school purposes."

In lines 7 and 8 strike out the words "for elementary-school pur-

one of the bill.

In line 7 and 8 strike out the words "for elementary-school purposes therein."

In line 9, beginning with the first comma, strike out up to and including the word "available" in line 10, and substitute in lieu thereof "for school purposes therein, when such space may be available for such purposes."

In line 12, substitute a period for the comma and strike out the remainder of the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the use of certain facilities of national parks and national monuments for school purposes."

CUSTER BATTLEFIELD MUSEUM

The Clerk called the next bill, S. 28, to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed (1) to select a site within the Custer Battlefield National Cemetery, Montana; (2) to erect and maintain thereon, as a memorial to Lt. Col. George A. Custer and the officers and soldiers under his command at the Battle of Little Big Horn River, June 25, 1876, a public museum suitable for housing a collection of historical relics; (3) to accept on behalf of the United States for exhibit in such museum the collection of relics now a part of the estate of Mrs. George A. Custer, deceased, the wife of such Lt. Col. George A. Custer; and (4), in his discretion, to accept such other historical relics as he may deem appropriate for exhibit therein.

therein. SEC. 2. SEC. 2. The Secretary of War is authorized and directed, not-withstanding any provision of law to the contrary, to do all things necessary to carry out the provisions of this act, by con-tract or otherwise, with or without advertising, under such con-ditions as he may prescribe, including the engagement by contract of services of such architects, sculptors, artists, or firms and such of services of such architects, sculptors, artists, or firms and such other technical and professional personnel as he may deem necessary, without regard to civil-service requirements and restrictions of law governing the employment and compensation of employees of the United States.

SEC. 3. There is hereby authorized to be appropriated the sum of \$75,000, or so much thereof as may be necessary, to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 18, strike out "\$75,000" and insert in lieu thereof "\$25,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILING OF AFFIDAVITS OF PREJUDICE, DISTRICT COURT, ALASKA

The Clerk called the next bill. S. 1335, relating to the filing of affidavits of prejudice in the District Court for the District of Alaska.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

LIABILITY OF RAILROADS TO THEIR EMPLOYEES

The Clerk called the next bill, H. R. 4988, to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U.S. C., title 45, sec. 51).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, sec. 51), be, and it is hereby, amended to read as follows:

read as follows:

"That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other equipment. In any action brought against any common carrier under or by virtue of any of the provisions of this act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employeent in any case where the negligence of risks of his employment in any case where the negligence of

such common carrier, its officers, agents, or employees, proximately contributed to the injury or death of such employees except those risks incident to the employment."

With the following committee amendment:

Page 2, line 20, after the word "case" insert "where said employee has not had actual notice of any negligently maintained condition or practice."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE NAVY CLUB OF THE UNITED STATES

The Clerk called the next bill, H. R. 5880, to incorporate the Navy Club of the United States of America.

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, will the gentleman from Illinois explain the necessity for a national charter for this organization?

Mr. REED of Illinois. I may say to the gentleman from New York that at the present time several Navy clubs throughout the United States have been in existence for several years. About 2 or 3 years ago they consolidated into a national organization. They had their national convention this year at Marion, Ohio, and they are now asking to be incorporated in the same manner as the American Legion and the Marine Corps, which was incorporated by act of Congress last year.

Mr. WADSWORTH. May I ask the gentleman would it not suffice if they could be incorporated under the laws of the District of Columbia?

Mr. REED of Illinois. I assume it would suffice, but in all of these veteran organizations I think they feel there is a great deal they can accomplish, so far as enlarging their organization is concerned, if they have a national charter.

Mr. WADSWORTH. I shall not object, but let me say, Mr. Speaker, that this practice of granting national charters at the hands of Congress instead of these organizations going to their States or to the District of Columbia, which provide the natural channels for incorporation of mutual-benefit societies, should not be followed.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. REED of Illinois. I yield.

Mr. HEALEY. I may say to the gentleman from New York that last year we authorized the Marine Corps Reserve, made up of men who served in the Marine Corps.

Mr. WADSWORTH. I doubt the wisdom of that.

Mr. HEALEY. I think it has had a very stimulating effect on that organization.

Mr. WADSWORTH. Mr. Speaker, I withdraw my ob-

Mr. VAN ZANDT. Mr. Speaker, reserving the right to object, will the gentleman advise whether or not it is the intention of the committee to grant a national charter to the order of the Purple Heart?

Mr. HEALEY. That has already been done; they have a national charter.

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know the underlying reason for this piece of legislation for this request for a national charter. What is the need for it? Are you going to incorporate everybody?

Mr. REED of Illinois. I may say to the gentleman from Illinois that membership in this organization is limited to men who are now serving in the Navy or who have served in the Navy. Membership in the organization is open to any officer or enlisted man of the United States Navy.

The Committee on the Judiciary has followed its custom in the past to approve a national charter only in those cases where the organizations are national in character and where they assist in the execution of some express or implied powers of the Constitution, or perform governmental functions thereunder.

Mr. SABATH. Is membership in the organization open only to officers of the Navy?

Mr. REED of Illinois. Not at all, it is open to the officer and enlisted personnel of the Navy.

Mr. WALTER. Any man who ever served in the Navy is eligible for membership.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sigfred A. Sandeen, national commandant; Ernest C. Fiedler, national senior executive officer; Thomas D. Hickey, national junior executive officer; Forest F. Bodiker, national paymaster; V. Homer Peabody, national chaplain; Mason C. Martin, national historian; and John F. McCullough, medical doctor, national medical officer, are hereby created a body corporate of the name, "Navy Club of the United States of America"

a body corporate of the name, "Navy Club of the United States of America."

SEC. 2. That the purposes of this corporation shall be (a) to further, encourage, promote, and maintain comradeship among those persons who are or have been in the active service of the United States Navy, the United States Marine Corps, or the United States Coast Guard; (b) to revere, honor, and perpetuate the memory of those persons who have been such members and have departed this life; (c) to promote and encourage further public interest in the United States Navy, the United States Marine Corps, and the United States Coast Guard and the history of said organizations; (d) to uphold the spirit and ideals of the United States Navy, the United States Marine Corps, and the United States Coast Guard; (e) to promote the ideals of American freedom and democracy and to fit its members for the duties of citizenship and to encourage them to serve as ably as citizens as they have served the Nation under arms; and (f) to maintain true allegiance to American institutions.

Sec. 3. That the corporation (a) shall have perpetual succession;

SEC. 3. That the corporation (a) shall have perpetual succession; (b) may charge and collect membership dues and receive contribu-tions of money or property to be devoted to carrying out the purtions of money or property to be devoted to carrying out the purposes of the organization; (c) may sue or be sued; (d) may adopt a corporate seal and alter it at pleasure; (e) may adopt and alter bylaws not inconsistent with the Constitution and laws of the United States or of any State; (f) may establish and maintain offices for the conduct of its business; (g) may appoint or elect officers and agents; (h) may choose a board of trustees, consisting of not more than 15 persons nor less than 5 persons, to conduct the business and exercise the powers of the corporation; (i) may acquire, by purchase, devise, bequest, gift, or otherwise, and hold, encumber, convey, or otherwise dispose of such real and personal property as may be necessary or appropriate for its corporate purposes; and (j) generally may do any and all lawful acts necessary or appropriate to carry out the purposes for which the corporation is created. the corporation is created.

Sec. 4. That the corporation shall, on or before the 1st day of December in each year, transmit to Congress a report of its proceedings and activities for the preceding calendar year, including the full and complete statement of its receipts and expenditures. Such reports shall not be printed as public documents.

That the right to alter, amend, or repeal this act at any

time is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL RECLAMATION PROJECTS

The Clerk called the next bill, H. R. 6372, relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

OSAGE PRODUCTION TAX

The Clerk called the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress. The SPEAKER pro tempore. Is there objection to the

present consideration of the resolution?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Indian Affairs a few questions. Will the gentleman explain the resolution?

Mr. ROGERS of Oklahoma. Mr. Speaker, under present law the Osages, so far as royalties in Oklahoma are concerned, may be charged up to 5 percent on oil that is produced in Osage County. The original bill permitted 3 percent, which was later changed to make it a maximum of 5 percent when there was so much oil produced in Osage County. The tax collected from this oil is paid back to the State of Oklahoma. Under the present arrangement the limit would be 3 percent, of which Osage County gets onethird under the law as it is written now and it would continue to get one-third if this resolution is passed.

Mr. McCORMACK. What is the tax now?

Mr. ROGERS of Oklahoma. It can be up to 5 percent. Mr. McCORMACK. The purpose of this resolution is to make it what?

Mr. ROGERS of Oklahoma. To set it definitely at 3 percent.

Mr. McCORMACK. What tax do they oppose?

Mr. ROGERS of Oklahoma. They oppose anything up to 5 percent.

Mr. McCORMACK. What is being imposed now?

Mr. ROGERS of Oklahoma. Five percent.

Mr. McCORMACK. This has the effect of reducing it 2 percent?

Mr. ROGERS of Oklahoma. That is right; on Indians' royalty.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. TABER]? There was no objection.

LEASING OF UNDEVELOPED COAL AND ASPHALT DEPOSITS OF THE CHOCTAW AND CHICKASAW INDIANS

The Clerk called the next bill, H. R. 7135, to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SABATH. Mr. Speaker, reserving the right to object. this seems to be an important bill. I would like to know a little more about it. It is a far-reaching bill.

Mr. ROGERS of Oklahoma. It simply provides, as the title indicates, authorizing the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma.

Mr. SABATH. We ought to know a little more about it. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]? There was no objection.

COAST GUARD STATION, WRIGHTSVILLE BEACH, N. C.

The Clerk called the next bill, H. R. 5845, to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to establish a Coast Guard station on the shore of North Carolina, at or near Wrightsville Beach, New Hanover County, at such point as the Commandant of the Coast Guard may recommend.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIFEBOAT LAUNCHING DEVICES

The Clerk called the next bill, H. R. 7090, to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the first two sentences appearing in paragraph 1 of section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481), is hereby amended to read as follows:

"Sec. 4489 From streamer navigating the second or says lekely

hereby amended to read as follows:

"Sec. 4488. Every steamer navigating the ocean, or any lake, bay, or sound of the United States, shall be provided with such numbers of lifeboats, floats, rafts, life preservers, line-carrying projectiles, and the means of propelling them, and drags, as will best secure the safety of all persons on board such vessel in case of disaster; and every seagoing vessel carrying passengers, and every such vessel navigating any of the northern or northwestern lakes,

shall have the lifeboats required by law, provided with suitable boat-disengaging apparatus, so arranged as to allow such boats to be safely launched. And the Board of Supervising Inspectors shall fix and determine, by their rules and regulations, the character and arrangement of boat-disengaging apparatus and the character of lifeboats, floats, rafts, life preservers, line-carrying projectiles, and the means of propelling them, and drags that shall be used on such vessels, and also the character and capacity of pumps or other appliances for freeing the steamer from water in case of heavy leakage, the capacity of such pumps or appliances being suited to the navigation in which the steamer is employed."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAND FIRE PUMPS ON VESSELS

The Clerk called the next bill, H. R. 7091, to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464), is hereby amended to read as follows:

sec. 464), is hereby amended to read as follows:

"SEC. 4471. Every steamer permitted by her certificate of inspection to carry as many as 50 passengers, or upward, and every steamer carrying passengers, which also carries cotton, hay, or hemp, shall be provided with a good double-acting steam fre pump, or other equivalent apparatus for throwing water. Such pump or other apparatus for throwing water shall be kept at all times and at all seasons of the year in good order and ready for immediate use, having at least 2 pipes of suitable dimensions, 1 on each side of the vessel, to convey the water to the upper decks, to which pipes there shall be attached, by means of stop-cocks or valves, both between decks and on the upper deck, good and suitable hose of sufficient strength to stand a pressure of not less than 100 pounds to the square inch, long enough to reach to less than 100 pounds to the square inch, long enough to reach to all parts of the vessel and properly provided with nozzles, and kept in good order and ready for immediate service. Each fire pump thus prescribed shall be supplied with water by means of a suitable pipe connected therewith, and passing through the side of the vessel so low as to be at all times under water when she is effect. Every steamer shall also be provided with a numer which afloat. Every steamer shall also be provided with a pump which shall be of sufficient strength and suitably arranged to test the boilers thereof.

"On and after October 1, 1937, every passenger vessel with berthed or stateroom accommodation for 50 or more passengers shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection, of a type prescribed by the Board of Supervising Inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, respirately except cargo holds, such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and, when of fire-resisting construction, toilets, bathrooms, and spaces of similar construction) shall be protected by an automatic sprinkler system: *Provided*, That if after investigation the Bureau of Marine Inspection and Navigation finds in the case of a particular vessel the application of this paragraph is unnecessary properly to protect life on such vessel, an exception may be made. The Bureau of Marine Inspection and Navigation shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provishall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Marine Inspection and Navigation is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems to be fitted. The term 'type' as used in this paragraph shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some certain brand or make."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITATION OF COST OF CONSTRUCTION OF BUILDINGS IN NATIONAL PARKS

The Clerk called the next bill, S. 2624, to amend the act of August 24, 1912 (37 Stat. 460), as amended, with regard to the limitation of cost upon the construction of buildings in national parks.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it seems to me we raised this last year, and if it is going to be the policy to raise every year the authorization for the cost of these buildings, we will get into difficulty. I think we should give a little more consideration to it, and I therefore ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. Wolcott]? There was no objection.

MINNESOTA CHIPPEWA DELEGATES

The Clerk called the next bill, H. R. 6054, authorizing the Secretary of the Interior to pay salaries and expenses of tribal officials of the Minnesota Chippewa Tribe.

The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, or such Be it enacted, etc., That the Secretary of the Interior, or such official of the Department of the Interior as may be designated by him, is hereby authorized beginning July 1, 1939, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Minnesota Chippewa Tribe in the Treasury of the United States arising under the act of January 14, 1889, or any other act, salaries and per diem in lieu of subsistence and expenses of tribal officials, as may be authorized pursuant to article XIV, section 1, of the constitution of the Minnesota Chippewa Tribe, approved July 24, 1936: Provided, That the salaries and other allowances aforesaid shall not exceed \$5,000 per annum: And provided further, That the visit of any official delegation to Washington, D. C., shall be authorized in advance by the Commissioner of Indian Affairs and shall not extend beyond 30 days, except with his written approval. approval.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITION OF USE OF UNIFORMS OR ARMS BY CERTAIN ORGANI-ZATIONS

The Clerk called the next bill, H. R. 7193, prohibiting the use of military uniforms or arms by certain organizations.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. VAN ZANDT. Mr. Speaker, reserving the right to object, may I ask, Does this affect veterans' organizations? Mr. HEALEY. Absolutely not.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person to wear a military uniform prescribed for or prescribed by or which is worn by members of any committee, association, or organization the purpose or intent of which committee, association, or organization is to establish a system of government not authorized by the Constitution or to bear arms in the course of its activities. Any person who violates any provision of this act shall, upon conviction, be punished by a fine of not more than \$1,000, or imprisonment for not more than I year or by both such fine and imprisonment. more than I year, or by both such fine and imprisonment.

Amend the title so as to read: "A bill prohibiting the use of uniforms or arms by certain organizations."

With the following committee amendments:

Page 1, line 3, after the word "a", strike out the word "military."
Page 1, line 8, after the word "Constitution", insert "of the United

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill prohibiting the use of uniforms or arms by certain organizations."

PUBLIC LANDS IN THE STATE OF NEVADA

The Clerk called the next bill, H. R. 6692, authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site, and other public purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the

bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey? There was no objection.

VICKSBURG NATIONAL MILITARY PARK, MISS.

The Clerk called the next bill, H. R. 2315, to provide for the addition of certain lands to the Vicksburg National Military Park, in the State of Mississippi, and for other purposes.

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion and upon submission of evidence of title satisfactory to him, to acquire on behalf of the United States by donation or purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, an area of approximately 8 acres adjoining the Clay Street entrance on the west side of the Vicksburg National

Military Park, Miss.

SEC. 2. Lands acquired pursuant to section 1 hereof shall be added to and become a part of the Vicksburg National Military Park upon acquisition thereof and shall be subject to all laws and regulations applicable thereto.

SEC. 3. There is authorized to be appropriated the sum of \$25,000, or so much thereof as may be necessary, to carry out the provisions

With the following committee amendment:

Page 2, line 6, strike out "\$25,000" and insert "\$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONNEVILLE PROJECT

The Clerk called the next bill, S. 2634, to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby reserved to the United States for the Bonneville project a right-of-way in the nature of an easement not to exceed 300 feet in width across allotted and tribal lands on the Yakima Indian Reservation, in the State of Washington, for the construction, operation, and maintenance of electric transmission lines, with the right of ingress and egress, and such additional area as may be necessary for a substation.

Sec. 2. This reservation is subject to the consent of the individual allottees and the tribal council, to the approval of a map

vidual allottees and the tribal council, to the approval of a map of definite location by the Secretary of the Interior, and to the payment of such compensation as he may determine. Should payment of such compensation as he may determine. Should any allottee refuse to give his consent, condemnation under the provisions of the act of August 1, 1888 (25 Stat. 357), is hereby authorized. The right is reserved to the Indians to cultivate or otherwise utilize the right-of-way in such manner as will not be inconsistent with the use thereof for transmission-line

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISHERY EDUCATIONAL SERVICE

The Clerk called the next bill, H. R. 4985, to provide for a Fishery Educational Service in the Bureau of Fisheries. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to establish in the Bureau of Fisheries a Fishery Educational Service for the purpose of (a) providing instruction for members of the fishery industry in methods of preserving the catch; (b) providing fish-cookery demonstrations for home-economics teachers, and for clubs, schools, and similar institutions; (c) sponsoring fishery studies by graduate students at colleges, universities, and other educational institutions; (d) making radio broadcasts and preparing booklets, displays, and other types of visual educational material; (e) providing educational help to fishermen who desire to form cooperative producing and marketing associations; and (f) providing other facilities which promote the welfare of those engaged in the fisheries and fishery industry.

SEC. 2. There is hereby appropriated, out of any money in the Treasury, not otherwise appropriated, for the fiscal year ending June 30, 1940, the sum of \$150,000, to carry out the provisions

of this act.

With the following committee amendments:

Page 1, line 3, strike out the words "the Secretary of Commerce" and insert in lieu thereof the following: "for a period of 5 years next succeeding the approval of this act the Secretary of the

Page 2, line 1, before the letter "e" in parentheses, insert the word "and", and page 2, line 3, strike out the semicolon following the word "associations", insert a period in lieu thereof, and strike out the remainder of section 1.

Page 2, line 6 to line 9, both inclusive, strike out all of section 2 and insert in lieu thereof the following:

"SEC 2. There is hereby authorized to be appropriated, out of any

money in the Treasury not otherwise appropriated, but of any money not to exceed \$75,000 annually as may be necessary to carry out the provisions of this act."

Page 2, following line 9, insert a new section to be known as Sec. 3, reading as follows:

"Sec. 3. For the purpose of carrying out the provisions of this act the Secretary of the Interior may cooperate with any department or agency of the Federal Government, State, county, municipality, public or private agency, organization, institution, or person; may accept donations of funds, or other aid; and may make such expenditures in the District of Columbia and elsewhere as may be necessary for the purposes of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIUSLAW NATIONAL FOREST, OREG.

The Clerk called the next bill, H. R. 884, to add certain lands to the Siuslaw National Forest in the State of Oregon. There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of forest management and municipal watershed protection, the following-described lands are hereby added and made a part of the Siuslaw National Forest in the State of Oregon and shall hereafter be administered subject to all the laws and regulations governing the national forests: All of township 12 south, range 7 west; all of township 12 south, range 8 west; section 19, sections 29 to 32, inclusive, and sections 34 to 36, inclusive, in township 12 south, range 9 west; south half section 10, south half section 13, sections 14 and 15, sections 22 to 27, inclusive, and sections 34 to 36, inclusive, in township 12 south, range 10 west; sections 2 to 11, inclusive, sections 15 to 21, inclusive, and sections 30 and 31 in township 13 south, range 7 west; all of township 13 south, range 8 west; sections 1 to 5, inclusive, east half section 8, sections 9 and 10, north half section 11, sections 12 and 13, north half section 15, sections 16, 17, and 20, north half section 21 and sections 24 and 36 in township 13 south, range 9 west, all Willamette base and meridian: Provided, That this action shall, as to all lands which are at this date legally appropriated under the public-land laws or reserved for any purpose, be subject to and shall not interfere with or defeat legal rights under such appropriation, or prevent the use for such public purposes of lands so reserved so long as such appropriation is legally maintained or such reservation remains in force: Provided further, That this action shall, as to the lands which have been revested in the United States under the act of Congress approved June 9, 1916, not interfere with the recognized rights of the counties in which the said lands are under the act of Congress approved June 9, 1916, not interfere with the recognized rights of the counties in which the said lands are

the recognized rights of the counties in which the said lands are located.

SEC. 2. That when the Secretary of Agriculture finds that merchantable timber may be cut without detriment to the purity or depletion of the water supply from such of the above-described lands, title to which has been revested in the United States under the act of Congress approved June 9, 1916 (39 Stat. 218), said Secretary is hereby authorized to dispose of such merchantable timber on such lands in accordance with the rules and regulations of the Secretary of Agriculture for the national forests and the entire proceeds of any such sale shall be deposited in the United States Treasury in a special fund designated "The Oregon and California Land Grant Fund," referred to in section 10 of the said act of June 9, 1916, and be disposed of in the manner designated by said act of June 9, 1916, or acts amendatory thereto.

With the following committee amendments:

Page 1, line 4, after the word "lands", insert a comma and the words "excepting such subdivisions as were revested in the ownership of the United States by the act approved June 9, 1916 (39 Stat. 218), or now are parts of the unappropriated public domain,". Page 1, line 6, after the word "Oregon", insert a comma and the words "subject to valid existing rights,".

Page 1, line 6, after the word "and", insert the following words "all of the added lands owned by the United States."

Page 2, line 10, substitute a period for the colon and strike out all the succeeding language in the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARIZONA STATE ELKS ASSOCIATION HOSPITAL

The Clerk called the next bill, S. 5, to grant certain lands to the Arizona State Elks Association Hospital.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GEYER of California. Reserving the right to object, Mr. Speaker, I should like to have an explanation of this bill.

Mr. MURDOCK of Arizona. This bill pertains to a strip of land on the northern border of the city of Tucson, where there was an inaccurate survey. They want to set the line over about 200 feet on one side. This land is to be used as the site of a hospital by a charitable and benevolent society, for health purposes.

Mr. GEYER of California. It is just correcting a mistake in the survey?

Mr. MURDOCK of Arizona. It means that. It conveys certain land which is not otherwise used by Uncle Sam. The space was used as a rifle range at one time, but it is no longer valuable to the Federal Government. It will be put to a better use by a great fraternal order, the Elks, who recognize the value of healing sunshine and air in this sun parlor of the Nation.

The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Executive Order No. 2295 and dated January 1, 1916, as modified by the Executive Order No. 6971 and dated February 19, 1935, is hereby further modified by the elimination from the provisions of said Executive order as modified of a certain tract of land particularly described as follows, to wit: The north 200 feet northwest quarter northwest quarter section 10 township 14 south, range 13 east, Gila and Salt River base and meridian; in all, an area approximately 200 feet wide by approximately 1,315.28 feet long.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to issue patent covering the lands described in section 1 hereof to the Arizona State Elks Association Hospital.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Clerk called the next bill, H. R. 6831, to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes.

There being no objection, the Clerk read the bill, as

follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, pursuant to the provisions of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437), as amended, and notwithstanding any limitations contained therein with respect to the leasing of public mineral lands to municipalities, to lease to the metropolitan water district of secretives. Southern California public lands containing deposits of sodium for the extraction therefrom of sodium chloride for water-condi-tioning purposes. Such lands may be acquired by the said district tioning purposes. Such lands may be acquired by the said district either through the filing and issuance of prospecting permits or leases or through the assignment to it by qualified holders of such

permits or leases.

SEC. 2. The leases authorized by section 1 shall be granted upon the condition that if such lands or deposits are used for purposes other than as authorized by this act, or upon the exhaustion of the deposits of sodium chloride in such lands, the permits or leases may be canceled by the Secretary of the Interior.

With the following committee amendment:

Page 2, line 4, strike out "Such" and insert "the use of such."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRAND CANYON NATIONAL MONUMENT

The Clerk called the next bill, S. 6, to return a portion of the Grand Canyon National Monument to the public domain. There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the boundaries of that portion of the Grand Canyon National Monument established pursuant to the proclamation of the President dated December 22, 1932, lying north of the Colorado River in Arizona are hereby revised so as to include within said national monument the tract of land in the State of Arizona particularly described as follows, to wit: Gila and Sait River base and meridian.

Beginning at a point on the north bank of the Colorado River due south of the quarter section corner of sections 9 and 10, township 32 north, range 8 west; thence due north to the quarter section corner of sections 9 and 10, and 4, to the eighth standard parallel north; thence west along said standard parallel to the standard corner of sections 33 and 34, township 33 north, range 8 west; thence northerly along the line between sections 27, 28, 33, and 34; thence westerly along the line between sections 28 and 33, 29 and 32, to its intersection with the hydrographic divide between Toroweap Valley on the east and an unnamed valley on the west; thence northerly along said hydrographic divide to its intersection with the township line

between townships 33 and 34 north, range 8 west; thence east along the township line between townships 33 and 34 north, range 8 west, to the corner of townships 33 and 34 north, ranges 7 and 8 west; thence east on the south boundary of township 34 north, range 7 west, and the south boundary of township 34 north, range 6 west, to the southwest corner of unsurveyed section 32 of said township and range thence north on the line between unsurveyed township and range thence north on the line between unsurveyed sections 31 and 32 to the northwest corner of section 32; thence east on the line between unsurveyed sections 29 and 32, 28 and 33, 27 and 34, 26 and 35, to the southwest corner of section 25 of said township and range; thence north on the line between unsurveyed sections 26 and 25, 23 and 24, to the northwest corner of section 24; thence east along the line between unsurveyed sections 13 and 24, township 34 north, range 6 west, and continuing east along the line between unsurveyed sections 18 and 19, 17 and 20, 16 and 21, 15 and 22, 14 and 23, to the southwest corner of 20, 16 and 21, 15 and 22, 14 and 23, to the southwest corner of section 13, township 34 north, range 5 west; thence north along the line between unsurveyed sections 14 and 13, 11 and 12, 1 and 2, to the northwest corner of section 14 and 13, 11 and 12, 1 and 2, to the northwest corner of section 1, township 34 north, range 5 west; thence east along the line between unsurveyed townships 34 and 35 north, ranges 5, 4, and 3 west, to the western boundary of the Grand Canyon National Park; thence southerly and westerly along the north bank of the Colorado River to the point of beginning

beginning.

SEC. 2. That portion of the Grand Canyon National Monument lying north of the Colorado River in Arizona and not included in the lands described in section 1 of this act is hereby returned to and made a part of the public domain, subject to existing with-drawals and reservations, and to valid private rights therein, for administration under the act approved June 28, 1934 (48 Stat. 1269), as amended and supplemented by the act of June 26, 1936

(49 Stat. 842).

Mr. MURDOCK of Arizona. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Murdock of Arizona: On page 3, line 21, after "Stat.", insert "Ch."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF PARKER, ARIZ.

The Clerk called the next bill, S. 432, to provide for the public auction of certain town lots within the city of Parker,

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell at public auction or after publicly advertising for bids, to the highest and best bidder, any unsold lots in the townsite of Parker, Ariz.: Provided, That the said Secretary may, in his discretion, reject any or all bids so received: And provided further, That no sale shall be made pursuant to the provisions of this act without first obtaining the written consent of the Tribal Council of the Colorado River Indian Tribes of the Colorado River Reservation.

SEC. 2. That any vacant unsold lots within the townsite of Parker, Ariz., may be leased by the Tribal Council of the Colorado River Indian Tribes, with the approval of the Secretary of the Interior and upon such terms and conditions as he may prescribe, for a term of not exceeding 25 years. Such leases may provide for re-

newal for an additional term of not exceeding 25 years.

SEC. 3. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry

out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOREHEAD CITY TARGET RANGE, N. C.

The Clerk called the next bill, S. 1156, to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes.

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to make transfers to the jurisdiction and control of the

Secretary of the Treasury of such portions of the property at present included within the military reservation known as the Morehead City Target Range, N. C., and upon such conditions, as may be mutually agreed upon by the Secretary of War and the Secretary of the Treasury. The Secretary of the Treasury is hereby authorized to construct within the limits of the property so transferred. from such funds as may be now or may hereafter become available, such improvements or buildings, appurtenances, and approaches thereto as he may deem adequate and suitable for the use of said property as a target range by the United States Coast Guard, and for use in carrying out any other functions or duties of the Treasury Department: Provided, That upon cessation of such use the premises or any part thereof so transferred shall revert to the jurisdiction of the War Department.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION WORK FOR THE ARMY

The Clerk called the next bill, S. 2562, to facilitate certain construction work for the Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That to enable the Secretary of War to accomplish without delay or excessive cost those public-works projects for which appropriations are available or may become available, to be located outside the continental limits of the United States, he is hereby authorized to enter into contracts upon a cost-plus-a-fixed-fee basis after such negotiations as he may authorize and approve and without advertising for proposals with reference thereto. Approval by the President shall be necessary to the validity of any contract entered into under authority of this section. The fixed fee to be paid the contractor as a result of any contract entered into under authority of this section shall be determined at or before the time such contract is made, and shall be set forth in such contract. Such fee shall not exceed 10 prepart of the estimated cost. the time such contract is made, and shall be set forth in such contract. Such fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of War. Changes in the amount of the fee shall be made only upon material changes in the scope of the work concerned as determined by the Secretary of War, whose determination shall be conclusive.

(b) Negotiations under this section shall be between the Secretary of War, or a duly authorized representative, and three or more reputable and qualified contracting individuals, firms, or corporations regularly engaged in work of comparable magnitude and class

tions regularly engaged in work of comparable magnitude and class to that contemplated by the negotiations, as determined by the Sec-retary of War, and contracts may be made with any such individual, firm, or corporation, or with any two or more of them jointly, upon such terms and conditions as the Secretary of War may determine to be fair and equitable and in the interests of the national defense. For each contract entered into under authority of this section the Secretary of War may detail an Army officer to duty, without additional compensation, as an executive representative of the contracting officer. The contract shall provide that the officer so detailed shall have the right to attend any meetings of the board of directors shall have the right to attend any meetings of the board of directors or other executive or administrative board or committee of any corporation, partnership, firm, or syndicate which is or may become a party thereto, for the purpose of submitting propositions, propounding questions, and receiving information relative to any matter within the purview of the contract with the intent and for the purpose of safeguarding the interests of the United States, coordinating efforts, and promoting mutually beneficial relationships, and making decisions within the scope of his delegated authority and not in conflict with any provision of the contract.

(c) In any project the contract for which is negotiated under

authority and not in conflict with any provision of the contract.

(c) In any project the contract for which is negotiated under authority of this section, the Secretary of War may waive the requirement of a performance and a payment bond and may accept materials required for any such project at such place or places as he may deem necessary to minimize insurance costs.

(d) The Secretary of War shall report annually to the Congress all contracts entered into under authority of this section, including the names of the contractors and copies of the contracts concerned, together with the amounts thereof.

together with the amounts thereof.

SEC. 2. Whenever deemed by him to be advantageous to the national defense, and providing that in the opinion of the Secretary of War the existing facilities of the War Department are inadequate, the Secretary of War is hereby authorized to employ, by contract or otherwise, outside architectural or engineering corporations, or otherwise, outside architectural or engineering corporations, firms, or individuals for the production and delivery of the designs, plans, drawings, and specifications required for the accomplishment of any public works or utilities project of the War Department without reference to the Classification Act of 1923 (42 Stat. 1483), as amended (5 U. S. C., ch. 13), or to section 3709 of the Revised Statutes of the United States (41 U. S. C. 5). In no case shall the fee paid for any service authorized by this section exceed 6 percent of the estimated cost, as determined by the Secretary of War, of the project to which such fee is applicable.

With the following committee amendment:

Page 1, line 6, after the word "located", strike out the remainder of line 6 and insert "in Alaska and the Panama Canal Zone."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOR THE RELIEF OF THE STATE OF OHIO

The Clerk called the next bill, H. R. 5118, for the relief of the State of Ohio.

Mr. SABATH. Mr. Speaker, reserving the right to object, would like to know from the gentleman from Ohio what relief is contemplated or asked for in this measure.

Mr. JENKINS of Ohio. If the gentleman will permit I would prefer that the acting chairman of the Committee on the Judiciary make the explanation.

Mr. CELLER. Mr. Speaker, I may say to the gentleman that the Judiciary Committee considered very carefully this application which, I understand, has the support of the entire Ohio delegation, both Democrats and Republicans, as well as the two Senators from that State.

It would appear that there were differences of opinion as to computation and distribution of socal-security funds for the State of Ohio for the month of October last. Those differences have now been reconciled and the Social Security Board is satisfied that the conditions that existed during the month of October no longer exist. The Board withheld the funds for October, but have resumed monthly payments thereafter. Thus the Board indicated satisfaction with the changed conditions in Ohio.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield? Mr. CELLER. I yield.

Mr. DOUGHTON. The gentleman understands that the Social Security Board is very much opposed to this legis-

Mr. CELLER. I will come to that. The Chairman of the Social Security Board has objected and he appeared before the Judiciary Committee. The members of the Judiciary Committee unanimously felt that Mr. Altmeyer was assuming an attitude in this matter which was somewhat unjust. He said that according to the wording of the statute, particularly section 4, he may not have the power to pay this money to the State of Ohio, and therefore he said that the State of Ohio should go into court and test out the question. It would be highly unjust to place that burden upon the State of Ohio and make it go through the Federal courts and up to the Supreme Court before it could get this money which we, the members of the Judiciary Committee, feel is rightly due the State of Ohio. Ohio was compelled, in order to take care of its poor and indigent and aged during that month to go out and borrow one-million-three-hundredand-some-odd-thousand dollars from the bankers in Ohio and they were compelled to issue their bonds. Ohio is entitled to this money. Why blame the innocent people of Ohio for some derelictions of one official-in this case the Governor. The money has been deposited in the United States Treasury, it is there to the credit of the State of Ohio, and there seems no good reason why Mr. Altmeyer should take the attitude he has assumed and compel Ohio to go into the courts to get this money. I have great respect for Mr. Altmeyer and his colleagues. They have done and are doing excellent work. But in this instance they are wronging a great State. The unanimous verdict of the House Judiciary Committee and the entire Ohio delegation in House and Senate that this bill pass should have considerable weight in the House.

Mr. DOUGHTON. Did not the Chairman of the Social Security Board propose to submit the legal aspects of this matter to the Attorney General and the Ohio authorities declined to do that?

Mr. CELLER. I asked Mr. Altmeyer, if the Attorney General would decide in favor of the State of Ohio, would he agree to that decision and doubt was expressed. I am of the personal opinion that the withholding of this money is highly unfair. There is no defense, and I say that as an attorney, and that will be borne out by the members of the Judiciary Committee. I say that Mr. Altmeyer and the Social Security Board have no defense whatever against this claim by the State of Ohio. It would be ill-advised to compel any State in Ohio's position to be compelled to go into court for redress. We expressly provided that the Security Board could punish a State for its failure to comply. The Board can refuse to certify payments by the Treasury to a State until that State repents and changes its method and practices interdicted by the Board. Ohio did rectify its procedure. Why has not the Board, therefore, the right and duty under section 4 of the act to certify payment?

Mr. HARTER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. HARTER of Ohio. Did not this matter arise because of differences of opinion between the State officials and the Federal Social Security Board with reference to the administration of the old-age pension act in Ohio?

Mr. CELLER. That is correct.

Mr. HARTER of Ohio. Is it not a matter of strict justice and right and equity that the State of Ohio is entitled to the relief granted in this bill?

Mr. CELLER. That is the unanimous opinion of the

Committee on the Judiciary.

The SPEAKER pro tempore. Is there objection?

Mr. SABATH. Mr. Speaker, reserving the right to object, I desire to get some information. Is not this on all fours with the Illinois situation?

Mr. JENKINS of Ohio. Oklahoma.

Mr. SABATH. Illinois; whereby because of the passing of a law in the State of Illinois, the State was not allowed for 2 months any appropriation or allocation for the old-age pension and other laws.

Mr. CELLER. An analogous situation arose concerning Oklahoma. That State admitted its wrong, changed its

methods, and the Board made payment.

Furthermore, be it remembered there is no claim by the Board of any fraud or defalcation. The equities are with the sovereign State of Ohio.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired. Is there objection?

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection? There was no objection.

CIVIL GOVERNMENT, VIRGIN ISLANDS

The Clerk called the bill (S. 2784) to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States, approved June 22, 1936."

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States," approved June 22, 1936, be, and the same is hereby. States," approved June 22, 1936, be, and the same is hereby, amended to read as follows:

amended to read as follows:

"SEC. 4. (a) All property which may have been acquired by the United States from Denmark in the Virgin Islands under the convention entered into August 4, 1916, not reserved by the United States for public purposes prior to June 22, 1937, is hereby placed under the control of the government of the Virgin Islands.

"(b) Except as otherwise expressly provided, all laws of the United States for the protection and improvement of the navigable waters of the United States shall apply to the Virgin Islands.

"(c) No Federal laws levying tonnage duties, light money, or entrance and clearance fees shall apply to the Virgin Islands.

"(d) The Legislative Assembly of the Virgin Islands shall have power to enact navigation, boat inspection, and safety laws of local

of The Legislative Assembly of the Virgin Islands shain have power to enact navigation, boat inspection, and safety laws of local application; but the President shall have power to make applicable to the Virgin Islands such of the navigation, vessel inspection, and coastwise laws of the United States as he may find and declare to be necessary in the public interest, and, to the extent that the laws on made applicable conflict with any laws of local application enceted by the legislative accomply, save have several by the local. acted by the legislative assembly, such laws enacted by the legislative assembly shall have no force and effect.

"(e) Nothing in this act shall be construed to affect or impair

in any manner the terms and conditions of any authorizations, permits, or other powers heretofore lawfully granted or exercised in or in respect of the Virgin Islands by any authorized officer or

agent of the United States.

'(f) The Secretary of the Interior shall be authorized to lease or "(1) The Secretary of the Interior shall be authorized to lease or to sell upon such terms as he may deem advantageous to the Government of the United States any property of the United States under his administrative supervision in the Virgin Islands not needed for public purposes."

The bill was order to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Clerk called the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The SPEAKER pro tempore. Is there objection? Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection? There was no objection.

PROCUREMENT OF AIRCRAFT FOR NATIONAL DEFENSE

The Clerk called the bill (H. R. 7267) to facilitate the procurement of aircraft for the national defense.

The SPEAKER pro tempore. Is there objection?

Mr. CLASON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. HARTER of Ohio. Mr. Speaker, will the gentleman reserve his request?

Mr. CLASON. Yes.

Mr. HARTER of Ohio. Mr. Speaker, this bill is of great importance to the national defense at this time. It permits multiple awards in the purchase of additional aircraft for the Army and Navy. It is a temporary measure and will. expire, under the terms of the bill, June 30, 1941. If we are to complete a program of airplane purchasing during the period fixed by the Congress, this legislation, in the opinion of the Army Air Corps, is most important.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. HARTER of Ohio. Yes.

Mr. TABER. Is it not a fact that this permits the letting

of contracts to the highest bidder?

Mr. HARTER of Ohio. No. It allows awards to be split between the three lowest bidders, or two of them, if in the judgment of the Secretary of War it is in the interest of the national defense to do so. It is designed to prevent the overloading of a plant or plants, thus permitting the procurement of the authorized planes by June 30, 1941. It does not in any way set aside the present system of procuring aircraft by competitive bidding. Under the terms of the bill the Secretary of War must make a report to Congress following each award made pursuant to the provisions of this bill showing that it is in the interest of the national defense to make such an award.

Mr. CLASON. Mr. Speaker, it is my understanding that for every contract or every set of bids sent out there have not been less than 14 bidders. Each bid provides for penalties. So far as both Major General Arnold and Assistant Secretary of War Johnson are concerned, it was testified that there was no penalty being inflicted upon any company for failure to produce aircraft and the only penalties in connection with present contracts are minor in nature. There is nothing to indicate that these lowest bidders will not be able to produce the aircraft in accordance with the terms of their contracts. I think this is too important a subject to be dealt with in this way and that the bill ought to go over.

Mr. HARTER of Ohio. Of course, the gentleman is mis-

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts that the bill go over without prejudice?

There was no objection.

RETIREMENT FOR DISABLED JUDGES

The Clerk called the next bill, S. 1282, to extend the privilege of retirement for disability to judges appointed to hold office during good behavior.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE BARGES "PRARI" AND "PALPA"

The Clerk called the next bill, H. R. 6664, to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the barges Prari and Palpa, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coastwise trade and to transport merchandise between points

in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws; said barges and the merchandise transported by them shall not be subject to the provisions of section 27 of the act of June 5, 1920, as amended (46 U. S. C., sec. 883).

With the following committee amendment:

Beginning on page 1, line 3, strike out all after the enacting clause and insert: "That notwithstanding the provisions of section 27 of the act of June 5, 1920, as amended (U. S. C., 1934 ed., Supp. IV, title 46, sec. 883), the barges *Prari* and *Palpa*, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coestwise trade and to transport merchandise between points. the coastwise trade and to transport merchandise between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERFECTING CONSOLIDATION OF LIGHTHOUSE SERVICE WITH THE COAST GUARD

The Clerk called the next bill, H. R. 7288, to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard, of certain officers, and employees of the Lighthouse Service, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to commission, by and with the advice and consent of the Senate, in the line of the Coast Guard in grades appropriate to their qualifications, experience, and lengths of service, as determined by the Secretary of the Treasury (hereinafter referred to as the "Secretary"), such personnel of the Lighthouse Service as, on June 30, 1939, were serving in professional and scientific grades 1 to 8, inclusive, of the classified civil service, and who, on that date, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608), as amended and symplemented (II S. C. title 33, sec. 763): 608), as amended and supplemented (U. S. C., title 33, sec. 763): Provided, That no person shall be commissioned under the provisions of this section who does not possess such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

fessional, and physical qualifications as may be prescribed by the Secretary.

Sec. 2. Any officer commissioned pursuant to section 1 of this act shall be an extra number in his grade and in the grades to which he may be promoted. He shall take precedence (1) with other officers commissioned in his grade pursuant to section 1 of this act as the Secretary may determine, and (2) with other line officers in his grade in accordance with the respective dates of their commissions in such grade. He shall be eligible for promotion, if otherwise qualified, at such time as the officer in a regular number in line of promotion next above him on the seniority list becomes eligible for promotion; or if there be no such officer in his grade, he shall be eligible for promotion, if otherwise qualified, when a vacancy occurs in the next higher grade: Provided, That an officer commissioned pursuant to section 1 of this act shall be assigned to duty for which he is specially qualified, and professional examinations for promotion given to such officer shall embrace only subjects which pertain to the duty to which he is assigned.

SEC. 3. Each vacancy (1) hereafter occurring in the extra numbers of officers commissioned pursuant to section 1 of this act; (2) existing on the date of the enactment of this act in positions in the Lighthouse Service classified in professional and scientific grades 1 to 8, inclusive, of the classified civil service; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 1 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

Sec. 4. (a) The President is hereby authorized to commission, by and with the advice and consent of the Senate, as chief warrant

SEC. 4. (a) The President is hereby authorized to commission, by and with the advice and consent of the Senate, as chief warrant officers of the Coast Guard as the needs of the service may require, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918, as amended and supplemented, and who possess such mental, moral, professional, and physical qualifications as may be pre-scribed by the Secretary.

(b) Under such regulations as he may prescribe the Secretary is hereby authorized to appoint or cause to be enlisted, in the Coast Guard, in warrant grades or enlisted ratings appropriate to their qualifications, experience, and length of service, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918, as amended and

supplemented.

(c) Chief warrant officers and warrant officers commissioned or appointed under the provisions of this section shall take precedence among themselves as the Secretary may determine, and with other chief warrant and warrant officers in accordance with the dates of their respective commissions or warrants in such grades. SEC. 5. Vacancies created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 4 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission, appointment, or enlistment thereunder may or may not be filled, in the discretion of the Secretary, in accordance with the existing needs of the service. If such vacancy be filled it shall be filled by commission, appointment, or enlistment in an appropriate chief warrant or warrant grade or rating, as the case may be. the case may be.

SEC. 6. In computing length of service, for the purpose of retirement in the Coast Guard, of any person commissioned, appointed, or enlisted under the provisions of this act, there shall be included all service computable for retirement under the provisions of section 6 of the act of June 20, 1918, as amended and supplementations.

mented.

SEC. 7. No person commissioned, appointed, or enlisted in the Coast Guard pursuant to this act shall suffer any reduction in the Coast Guard pursuant to this act shall suffer any reduction in the total of the annual compensation and allowances which he was receiving on the date of his commission, appointment, or enlistment. Upon his retirement from active duty in the Coast Guard, the retired pay of any person so commissioned, appointed, or enlisted, shall not be less than an annuity computed in accordance with the provisions of section 6 of the act of June 20, 1918, as amended and supplemented, substituting, however, for purposes of such computation, the annual compensation which he was receiving on the date of his commission, appointment, or enlistment in the Coast Guard for the average annual pay received by him for the Coast Guard for the average annual pay received by him for the last 5 years of service.

the last 5 years of service.

Sec. 8. All persons commissioned, appointed, or enlisted in the Coast Guard pursuant to this act, shall be subject to all laws and regulations for the government of the Coast Guard, and nothing contained in this act shall be construed to prevent the application to any of such persons of laws and regulations concerning the military discipline of commissioned and warrant officers and enlisted men of the Coast Guard.

Sec. 9. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

of this act are hereby repealed.

With the following committee amendments:

Page 1, line 9, after the word "in", strike out the remainder of line 9 and all of the first line on page 2 and insert "grades 1 to 8, inclusive, of the professional and scientific service as defined in the Classification Act of 1923, as amended (U. S. C., 1934 ed., Supp. IV, title 5, sec. 673)."

Page 3, line 9, after the word "Service", strike out the remainder of line 9 and all of line 10 and the words "classified civil service" in line 11 and insert "formerly held by personnel described in section 1 of this act;"

Page 5, line 2, after the word "filled", strike out the remainder of line 2 and all of lines 3 and 4 and insert "from among the chief warrant, warrant, or enlisted personnel of the Coast Guard."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACTS BETWEEN ATLANTIC COAST STATES FOR REGULATION OF FISHING

The Clerk called the next business, House Joint Resolution 302, to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. BLAND. Mr. Speaker, reserving the right to object, I want to say that practically all the commissioners along the Atlantic coast and the territory affected are urging that this bill be passed. There is no objection, because the States are simply permitted to enter into their compacts, and the Congress then ratifies them.

Mr. WOLCOTT. I would prefer that the bill be introduced after the compacts have been tentatively agreed upon,

so that we may ratify the compacts then.

Mr. BLAND. I have no objection to its going over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONVEYANCE OF CERTAIN LAND TO NEVADA

The Clerk called the next bill, S. 2, authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, this is the same bill that I objected to on Calendar No. 410. In the report I have, the Secretary of the Interior recommends against the bill. Will the gentleman explain this?

Mr. SCRUGHAM. Mr. Speaker, this area is absolutely unnecessary as an adjunct of Federal withdrawal to protect the Boulder Dam reservoir. It is valuable for State-park purposes. At no time in history do I recall a case where the request of a State for cession of an area of desert land of this kind for recreational purposes, has ever been refused. There seems to be some misunderstanding in regard to the bill. It was claimed that part of the area might be used for gambling, and that there might be created unsanitary places on the ground that would contaminate water in the Boulder Dam Reservoir. To meet these objections, there is included in the bill the following language:

In the bill the following language:

In the event the State shall fail to devote such lands to the purposes of a State public park and recreational site within 5 years after the date of enactment of this act, or fail to maintain such land as a public park and recreational site for any period of 5 consecutive years subsequent to its devotion to such use, or devote such lands or any part thereof to other than public use, or shall fail within a reasonable time to authorize and put in effect and practice within said area any laws, rules, and regulations that are put in effect and practice by the Department of the Interior within the Boulder Canyon Reclamation Area relative to gambling, the sale of intoxicating liquors, water pollution, or sanitation, such land and all improvements thereon shall revert to the United States; and in such event the Secretary of the Interior is hereby authorized and empowed to declare such a forfeiture of the grant, and to assume jurisdiction of such land for forfeiture of the grant, and to assume jurisdiction of such land for national recreational area or national-monument purposes under the act of June 8, 1906.

I am sure that this language amply protects the situation. I sincerely trust that the gentleman will not enter further objection to the passage of the measure by the House. It creates a needed adjunct to the State-park system and will be developed without cost to the Federal Government. It is especially needed as a recreational area for the people of the town of Las Vegas.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SHIPOWNERS' LIABILITY CONVENTION, 1936

The Clerk called the next bill, H. R. 6881, to implement the provisions of the Shipowners' Liability (sick and injured seamen) Convention, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where used in this act—

(a) The term "convention" shall mean Shipowners' Liability (sick and injured seamen) Convention, 1936 (International Labor Organization Draft Convention No. 55, "Concerning the liability of the shipowner in case of sickness, injury, or death of seamen"), as ratified by the President on August 15, 1938, with understandings appended, and effective October 29, 1939.

(b) The term "coastwise fishing boat" means any vessel of less than 20 net tons documented under the laws of the United States ordinarily engaged in the American fishery payigating on the

States ordinarily engaged in the American fishery navigating on the

(c) The term "shipowner" as used herein shall be deemed to include the actual owner of the vessel and any charterer of

include the actual owner of the vessel and any charterer of such vessel.

SEC. 2. The convention and this act shall apply to all persons employed on board any vessel, however propelled, ordinarily navigating on the high seas, which is registered, enrolled, and licensed, or licensed under the laws of the United States, whether permanently, temporarily, or provisionally, including yachts enrolled and licensed, or licensed, with the exception of—

(a) Persons employed on board—

(1) Vessels of public authorities, when such vessels are not engaged in trade;
(2) all coastwise fishing boats:

(2) all coastwise fishing boats;(3) all boats of less than 25 gross tons;

wooden ships of primitive build, such as dhows and junks;

(5) ships of war:

(b) Persons employed on board by employer other than ship-

owner;
(c) Persons employed solely in ports in repairing, cleaning, load-

(d) Members of the shipowner's family;
(e) Pilots who are not required by law to enter into articles of agreement with the master and who are not members of the crew.

SEC. 3. No provisions of the convention or of this act shall apply to any vessel, however propelled, navigating on the Great Lakes.

SEC. 4. In accordance with the provisions of the sections 2 and 3 of article 2 of the convention, the shipowner is hereby excepted from the terms of the convention, except the terms of articles 6, 7, and 8 thereof, with respect to liability for—

(a) Injury incurred otherwise than in the service of the ship;

(b) Injury or sickness due to the willful act or misbehavior of the

sick, injured, or deceased person;
(c) Sickness or infirmity intentionally concealed when the en-

gagement is entered into.

SEC. 5. Where the sickness or injury results in incapacity for work the shipowner shall be liable—

(a) To pay full wages as long as the sick or injured person remains on board;

(b) If the sick or injured person has dependents, to pay his wages in full from the time when he is landed until he has been cured or the sickness or incapacity has been declared of a permanent char-

SEC. 6. The shipowner or his representative shall take measures for safeguarding property left on board by sick or injured persons to whom the convention applies and shall comply with such regula-tions as the Secretary of Commerce shall prescribe to give effect to tions as the Secretary of Commerce shall prescribe to give effect to this section. Whenever any master or shipowner fails to take measures for safeguarding such property or fails to comply with such regulations of the Secretary of Commerce, he shall be liable in such manner and for such penalties as are provided with respect to safeguarding the property of deceased seamen in the act of March 3, 1911 (ch. 231, 36 Stat. 1167; U. S. C., title 46, sec. 623).

SEC. 7. The provisions of section 1 of the act of July 12, 1917, as amended (U. S. C., 1934 ed., title 28, sec. 837), are hereby extended and made applicable for the purposes of suit under the convention of this act.

convention of this act

SEC. 8. In accordance with the provisions of article 10 of the convention, the shipowner is hereby exempted from the liability to which he is subjected by articles 4, 6, and 7 of the convention insofar as such liability is assumed by the United States through any executive department, independent establishment, or other recovery these of The provisions of this corticle. agency thereof. The provisions of this act shall apply jointly and severally to any shipowner as defined in section 1 (c) hereof.

SEC. 9. The Secretary of Labor, with the cooperation of the Secre-

tary of State, the Secretary of Commerce, the United States Public Health Service, and the United States Maritime Commission, shall, on or before the 3d day of January 1943 submit to the Congress of the United States a report on the manner and extent to which shipowners and the United States have rendered services specified in the convention or this act.

SEC. 10. Nothing contained in the convention or in this act shall affect any statutory, admiralty, or maritime law, award, custom, or agreement between shipowner and seaman which insures or provides more favorable conditions, rights, or remedies to the man than those provided by the convention or act; nor shall any provision of the convention or of this act be deemed to alter, amend, or repeal any statutory, admiralty, or maritime law, in effect on the effective date of this act so as to affect any legal right, remedy, or duty of any person exempted from the provisions of this act.

SEC. 11. This act shall become effective on October 29, 1939. SEC. 12. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

With the following committee amendments:

Page 2, line 1, strike out all of the paragraph down to and including line 4 and insert:

"(b) The term 'coastwise fishing boats' shall be deemed to include all vessels owned in the United States, its Territories or possessions, ordinarily used in the fisheries."

Page 2, line 11, insert:

"(d) The term 'dependents' as used herein shall be deemed to include any child, grandchild, parent, grandparent, brother, sister, wife, or husband of the sick or injured person who at the time of the sickness or injury was dependent upon him for support."

Page 4, after line 6, strike out all of lines 7, 8, 9, and 10 and

insert:

"(b) If the sick or injured person has dependents, to pay at the rate of \$10 per month from the time when he is landed until he has been cured or the sickness or injury has been declared of a permanent character, but not for any period after 16 weeks

From the date of the injury or the commencement of his sickness."

Page 5, after line 15, strike out all of section 9.

Line 24, change the figure "10" to the figure "9."

Page 6, line 10, change the figure "11" to the figure "10."

Page 6, line 12, change the figure "12" to "11."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JURISDICTION OVER UNITED STATES LAND

The Clerk called the next bill, H. R. 7293, to amend section 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States.

Mr. WOLCOTT. Mr. Speaker, this bill involves a question which might be considered in connection with the socalled lending bill with respect to the acquisition of lands by the Federal Government. For this reason I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

KLAMATH INDIANS

The Clerk called the next bill, H. R. 5684, amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath general council, members of the Klamath business committee and other committees appointed by said Klamath general council, and official delegates of the Klamath Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved June 25, 1938 (C. 710, 52 Stat. 1207), be, and the same hereby is, amended as follows:

The proviso contained therein reading as follows: "Provided further, That the official delegates of the tribe carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government;" is hereby repealed, and in lieu thereof the following proviso is added: "Provided further, That the official delegates of the tribe carrying on said business at the seat of government shall receive also (1) the usual railroad and sleeping-car transportation to and from the seat of government, or, if after July 1, 1938, travel be by automobile, an amount equivalent to July 1, 1938, travel be by automobile, an amount equivalent to the cost of the usual railroad and sleeping-car transportation to and from the seat of government, (2) any needed hospitalization, and (3) reimbursement for telegraphic expenses incurred on tribal business:

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu

thereof the following:
"That the act approved June 25, 1938 (52 Stat. 1207), be, and That the act approved June 25, 1938 (52 Stat. 1201), be, and the same thereby is, amended by striking out the second proviso thereof and inserting in lieu thereof the following: 'Provided further, That the official delegates of the tribe carrying on said business at the seat of government shall receive, if travel is by rail, the usual railroad and sleeping-car transportation to and from the seat of government or, if travel is by automobile, delegates furnishing such transportation shall receive an amount equivalent to the cost of their railroad and sleeping-car transportation to and from the seat of government, but salary and per diem shall not be paid to delegates traveling by automobile for any period in excess of the time required to perform the travel by railroad: *Provided further*, That the aforesaid official delegates shall also receive reimbursement for telegraphic expenses incurred controlled by telegated.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MATANUSKA SETTLEMENT PROJECT, ALASKA

The Clerk called the next bill, H. R. 3695, to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement project in Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where settlement claims with a view to making homestead entry have been established on lands in secmaking nomestead entry have been established on lands in sections 16 and 36, reserved for the support of schools in the Territory of Alaska by the act of March 4, 1915 (38 Stat. 1214), within the area withdrawn by Executive Order No. 6957, dated February 4, 1935, as modified by Executive order of May 20, 1935, which temporarily withdrew from disposal under the public-land laws certain lands within the Matanuska Valley in Alaska, and reserved them for elegification and in aid of legification such laws certain lands within the Matanuska Valley in Alaska, and reserved them for classification and in aid of legislation, such claims be, and they are hereby, validated, subject to compliance with the applicable provisions of the homestead laws; and other lands in lieu thereof may be designated by the Territory of Alaska, to be reserved for the support of schools in said Territory, in the manner provided by the act of Congress approved February 28, 1891 (26 Stat. 796).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MISSISSIPPI RIVER PARKWAY

The Clerk called the next bill, H. R. 3759, to authorize a national Mississippi River Parkway and matters relating thereto.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FREE HOMESTEADS

The Clerk called the next bill, H. R. 1675, to establish a national land policy, and to provide homesteads free of debt for actual farm families.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

KIOWA, COMANCHE, AND APACHE INDIANS

The Clerk called House Joint Resolution 290, referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the joint resolution go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDMENT OF COMMODITY EXCHANGE ACT

The Clerk called the next bill, H. R. 4088, to amend the Commodity Exchange Act, as amended, to extend its provisions to fats and oils, cottonseed, cottonseed meal, and peanuts.

Mr. SABATH. Mr. Speaker, reserving the right to object, will the gentleman from Georgia tell us why other agricultural products were not included? This bill includes only fats, oils, cottonseed, cottonseed meal, and peanuts.

Mr. PACE. The gentleman understands that the act now covers the following commodities: Wheat, cotton, rice, corn, barley, rye, flaxseed, grain sorghums, mill feeds, butter, eggs, Irish potatoes.

Mr. SABATH. It does include all those products?

Mr. PACE. Yes. This bill merely adds certain products. Mr. SABATH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the third sentence of section 2 of the Commodity Exchange Act, as amended, is amended to read as follows: "The word 'commodity' shall mean wheat, cotton, rice, corn, oats, barley, rye, flaxseed, grain sorghums, mill feeds, butter, eggs, Solanum tuberosum (Irish potatoes), wool tops, fats and oils (including lard, cottonseed oil, peanut oil), cottonseed meal, cottonseed, and peanuts.'

With the following committee amendment:

Page 1, line 10, add a new section as follows: "SEC. 2. This act shall take effect 60 days after the date of its

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF EMERGENCY FARM MORTGAGE ACT OF 1933

The Clerk called the next bill, H. R. 7342, to amend the Emergency Farm Mortgage Act of 1933, as amended.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

STATUTE OF LIMITATIONS

The Clerk called the next bill, S. 1773, to provide that no statute of limitations shall apply to offenses punishable by death

Mr. GEYER of California. Mr. Speaker, reserving the right to object, will the gentleman from New York explain this bill? Does it do anything more than appears here?

Mr. CELLER. Nothing whatsoever.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That an indictment for any offense punishable by death may be found at any time without regard to any statute of limitations.

SEC. 2. This act shall not authorize prosecution, trial, or pun-

ishment for any offense now barred by the provisions of existing

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid

DEFINITION OF TERM "AMMUNITION" UNDER FEDERAL FIREARMS ACT

The Clerk called the next bill, H. R. 2883, to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1, subsection 8, of the Federal Firearms Act (Public, No. 785, 75th Cong.), be amended so as to read as follows, to wit:

"(8) The term 'ammunition' shall include only pistol or re-volver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22-caliber rim-

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMENCING AND COMPLETION OF BRIDGE ACROSS COLUMBIA RIVER, OREG.

The Clerk called the next bill, S. 1996, to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County,

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object for the purpose of propounding a parliamentary inquiry. Would it be in order to ask unanimous consent that all of the bills from 441 to 455 and from 457 to 462 on the Consent Calendar be considered in gross?

The SPEAKER pro tempore (Mr. WARREN). The Chair thinks that would not be good procedure on account of the fact that many of the bills now pending on the calendar have committee amendments.

Is there objection to the present consideration of the bill? There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as amended, as heretofore extended by Acts of Congress approved August 30, 1935, January 27, 1936, August 5, 1937, and May 26, 1938, are further extended 1 and 3 years, respectively, from June 13, 1939.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid

RAILROAD BRIDGE ACROSS WARREN RIVER NEAR BARRINGTON, R. I.

The Clerk called the next bill, S. 2188, granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Providence, Warren & Bristol Railroad Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Warren River, at a point suitable to the interests of navigation, at or near Barrington, R. I., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, or mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Providence, Warren & Bristol Railroad Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEMPHIS-ARKANSAS BRIDGE COMMISSION

The Clerk called the next bill, S. 2242, creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Memphis and Arkansas Bridge Commission (hereinafter created, and hereinafter referred to as the "Com-(hereinatter created, and hereinatter referred to as the "Com-mission"), and its successors and assigns be, and are hereby, au-thorized to construct, maintain, and operate a bridge and ap-proaches thereto, across the Mississippi River at or near the city of Memphis, Tenn., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such

lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Arkansas and the State of Tennessee, as may be needed for the location, construc-State of Tennessee, as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively. The Commission, its successors, and assigns are further authorized to enter into agreements with the States of Arkansas and Tennessee, and any political subdivision thereof, for the acquisition, lease, or use of any lands or property owned by such State or political subdivision.

Sec. 3. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge

SEC. 3. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto by negotiating and entering into a contract or contracts with the State Highway Commission of Tenpessee, the State Highway Commission of Arkansas, Shelby County contract or contracts with the State Highway Commission of Tennessee, the State Highway Commission of Arkansas, Shelby County, Tenn., Crittenden County, Ark., the city of Memphis, Tenn., or any other county or municipality in the States of Arkansas and Tennessee, whereby the Commission may receive financial aid in financing said project, and said Commission, in its discretion, may avail itself of all the facilities of the State Highway Commission of Tennessee, the State Highway Commission of the State of Arkansas, or any county or municipality in the State of Tennessee and the State of Arkansas, with regard to the construction of said bridge, and the Commission may make and enter into any contract or and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commission of the State of Tennessee, the State Highway Commission of the State of Arkansas, or any county or munici-pality in the State of Tennessee and the State of Arkansas, whereby said highway departments, municipalities, or counties, or either of them, may construct, operate, and maintain, or participate with the Commission in the construction, operation, and maintenance of said bridge constructed hereunder, and approaches thereto. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Memphis, Tenn., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Commission of Tennessee, the State Highway Commission of Arkansas, or any municipality or county in the States of Tennessee and Arkansas, or all of them, in relation to the tenterpresent of the property of the states of the in relation to the construction, operation, and maintenance of said bridge and approaches.

said bridge and approaches.

SEC. 4. Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture, or any other Federal department or agency of the United States Government, may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Tennessee with the consent of the State highway commission of said State, and out of money allocated to the State of Arkansas with the consent of the highway department of said State.

SEC. 5. For the purpose of carrying into effect the chiefs states.

of said State.

SEC. 5. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Memphis and Arkansas Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations, grants, or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of E. H. Crump, Sr., E. W. Hale, Sr.,

The Commission shall consist of E. H. Crump, Sr., E. W. Hale, Sr., Clifford Davis, Frank R. Ahlgren, W. H. Jasspon, William B. Fowler, Frank Gailor, and Will Gerber, all residents and citizens of the State of Tennessee; and J. O. E. Beck, Sr., J. C. Johnson, J. Land Williams, W. W. Campbell, C. R. Walton, A. C. Oliver, J. L. Shaver, and James Crane, all residents and citizens of the State of Arkansas. and James Crane, all residents and citizens of the State of Arkansas. Such Commission shall be a body corporate and politic. Each member of the Commission shall qualify within 30 days after his appointment by filing in the office of the Administrator of the Federal Works Agency an cath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall file in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Administrator of the Federal Works Agency, and in filling such vacancy the Administrator of the Federal Works Agency shall at all times make the appointment so that the respective States shall at all times have the same representation on said Commission as herein provided. The Commission shall elect a chairman and vice chairman from its members, and shall establish rules and regulations for the government of its own shall elect a chairman and vice chairman from its members, and shall establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act.

Sec. 6. Within 6 months after completion of the bridge the

SEC. 6. Within 6 months after completion of the bridge, the Commission shall be dissolved and shall cease to have further existence by an order of the Commissioner of the Public Roads Administration, made upon his own initiative or upon appli-Roads Administration, made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Memphis, Tenn., notice of time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date hereof, in a newspaper published in the cities of Memphis, Tenn., and Little Rock, Ark. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States as may be determined by the terms and provisions of the contract or be determined by the terms and provisions of the contract or contracts that may be entered into between the parties thereto.

SEC. 7. Nothing herein contained shall be construed to authorize

SEC. 7. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create or obligate or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 8. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 9. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER BETWEEN DECATUR, NEBR., AND ONAWA, IOWA

The Clerk called the next bill, S. 2306, relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (a), (b), and (c) of section 29 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, are amended to read as follows:

"(a) In order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of Burt, State of Nebraska, and the county of Monona, State of Iowa, singly or jointly, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Missouri River at a point suitable to the interests of navigation between the towns of Decatur, Nebr., and Onawa, Iowa, in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, and subject to the conditions and limitations contained in this act. tions contained in this act.

"(b) There is hereby conferred upon such counties, acting singly

"(b) There is hereby conferred upon such counties, acting singly or jointly, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

such State.

"(c) Such counties, acting singly or jointly, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906."

SEC. 2. The times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa, authorized to be built by section 29 of such act of August 30, 1935, as amended, heretofore extended by acts of Congress approved June 19, 1936, March 24, 1937, and June 16, 1938, are hereby further extended 1 and 3 years, respectively, from August 30, 1939.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGALIZING EXISTING BRIDGE ACROSS BAYOU LA FOURCHE AT CUT OFF, LA.

The Clerk called the next bill, S. 2392, to legalize a bridge across Bayou La Fourche at Cut Off, La.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Chief of Engineers and the Secretary of War are hereby authorized to approve the location and plans of a bridge already constructed by the police jury of La Fourche Parish of Louisiana across Bayou La Fourche at Cut Off. La.: Provided, That said bridge has been authorized by the Legislature of the State of Louisiana, and as located and constructed affords reasonably free, easy, and unobstructed navigation.

SEC. 2. That when the location and plans of said bridge have been approved as provided in section 1 of this act, said bridge shall be deemed a lawful structure and subject to the laws enacted by Congress for the protection and preservation of the navigable waters of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT FRAZER, MONT.

The Clerk called the next bill, S. 2407, granting the consent of Congress to the counties of Valley and McCone. Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Frazer, Mont., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMENCING AND COMPLETION OF BRIDGE ACROSS MISSOURI RIVER AT OR NEAR ARROW ROCK, MO.

The Clerk called the next bill, S. 2484, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Mo., authorized to be built by the St. Louis-Kansas City Short Line Railroad Co. by the act of Congress approved March 2, 1929, heretofore extended by acts of Congress approved April 15, 1932, August 30, 1935, and May 24, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid

BRIDGE ACROSS MISSOURI RIVER AT OR NEAR PETERSBURG, MO.

The Clerk called the next bill, S. 2502, authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of Howard, State of Missouri, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Petersburg, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in

SEC. 2. There is hereby conferred upon the county of Howard, State of Missouri, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, other property of such bridge and its approaches, as are possessed by and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or

expropriation of property for public purposes in such State.

SEC. 3. The said county of Howard, State of Missouri, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of

March 23, 1906. March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including interest at a rate of not to exceed 5 percent per annum and reasonable financing cost, as approved by the Commissioner of Public Roads, as soon as possible, under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient

for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for

the information of all persons interested.

Sec. 5. Notwithstanding any restrictions or limitations imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Missouri with the consent of the State highway commission of said State.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE DES MOINES RIVER AT LEVY, IOWA

The Clerk called the next bill, S. 2563, to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Iowa State Highway Commission to complete construction of a free highway bridge and approaches thereto being constructed across the Des Moines River at Levy, Iowa, and to maintain and operate said bridge as a lawful structure subject to the provisions of the act entitled "An act to regulate the con-struction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS DES MOINES RIVER AT RED ROCK, IOWA

The Clerk called the next bill, S. 2564, granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge and approaches thereto across the Des Moines River, at a point suitable to the interests of navigation, at or near Red Rock, Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act. this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE CHESAPEAKE AND DELAWARE CANAL AT ST. GEORGES, DEL.

The Clerk called the next bill, S. 2574, authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St. Georges, Del.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers is hereby authorized and directed to construct a fourlane high-level fixed highway bridge across the Chesapeake and Delaware Canal, at or near St. Georges, Del., of such type, design, and clearances for navigation as are approved by the Chief of Engineers: Provided, That the State of Delaware shall furnish all lands essements and rights of two required for such bridge. lands, easements, and rights-of-way required for such bridge.

SEC. 2. That the cost of constructing such four-lane bridge shall be paid from funds heretofore or hereafter appropriated for maintenance and improvement of river and harbor works.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS OHIO RIVER AT MAUCKPORT, IND.

The Clerk called the next bill, S. 2589, to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That in order to promote interstate commerce, improve postal service, and provide for military and other purposes the Indiana State Toll Bridge Commission be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at a point suitable to the interest of navigation at or near Mauckport, Harrison County, Ind., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Indiana State Toll Bridge Commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridges and its approaches as are possessed

other property needed for the location, construction, maintenance, and operation of such bridges and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Sec. 3. The said Indiana State Tall Bridge Commission is because

SEC. 3. The said Indiana State Toll Bridge Commission is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of

the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its aproaches, including interest at a rate of not to exceed 5 percent per annum and reasonable financing cost, as approved by the Commissioner of Public Roads, as soon as possible, under reasonable charges, but within a period of not to exceed 30 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF A BRIDGE ACROSS COLUMBIA RIVER NEAR THE DALLES, OREG.

The Clerk called the next bill, H. R. 3122, to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg., authorized to be built by The Dalles Bridge Co., a Washington corporation, by an act of Congress approved March 4, 1933, here-tofore extended by acts of Congress approved April 30, 1934, and March 10, 1937, is hereby further extended 2 years from March 4, 1940. 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 9, change the period to a colon and insert the following: "Provided, That it shall not be lawful to continue construction of said bridge until plans therefor shall again be submitted to and approved by the Chief of Engineers and by the Secretary of War."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OR FERRY ACROSS THE RIO GRANDE AT BOCA CHICA, TEX.

The Clerk called the next bill. H. R. 3138, authorizing J. E. Pate, his successors and assigns, to construct, maintain, and operate a bridge or ferry across the Rio Grande at Boca Chica, Tex.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEVILS DEN SPRINGS, DECATUR COUNTY, GA.

The Clerk called the next bill, H. R. 4040, declaring Devils Den Springs, in Decatur County, Ga., to be nonnavigable.

Mr. COSTELLO. I object, Mr. Speaker.

BRIDGE ACROSS THE MISSOURI RIVER AT NIOBRARA, NEBR.

The Clerk called the next bill, H. R. 5998, to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, as amended, is amended by adding thereto a new subsection (e) reading as follows: follows:

amended by adding thereto a new subsection (e) reading as follows:

"(e) The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the county of Knox, State of Nebraska, its legal representatives and assigns, and to any corporation to which, or any person to whom, such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person, and any mortgage, assignment, or transfer of the franchise granted by this act to the county of Knox, State of Nebraska, heretofore made by the governing body of said county is hereby validated and declared of full legal force and effect."

SEC. 2. The times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr., authorized to be built by the county of Knox, State of Nebraska, as aforesaid, are extended 1 and 3 years, respectively, from August 30, 1939.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendments:

Page 1, line 8, after the word "is", insert the word "further."
Page 2, line 14, strike out "effect.", and insert the following:
"effect: Provided, That nothing contained in this paragraph shall
be construed to authorize the construction or maintenance of a
privately operated toll bridge.".

Page 2, line 15, after "Sec. 2.", strike out "The" and insert "That the."

"That the."

Page 2, line 18, strike out all of line 18 following the comma after "Nebraska" and insert the following: "by the aforesaid section 32 of the act of Congress approved August 30, 1935, as amended by act of Congress approved May 18, 1936, heretofore extended by acts of Congress approved July 5, 1937, and June 16, 1938, are hereby further extended 1 and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE COLUMBIA RIVER, KETTLE FALLS, WASH.

The Clerk called the next bill, H. R. 6271, granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River, at or near Kettle Falls, Wash.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Secretary of the Interior, the State of Washington, the Great Northern Railway Co., a corporation organized and existing under

the laws of the State of Minnesota, and their successors and assigns, the laws of the State of Minnesota, and their successors and assigns, jointly or separately, to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River at a point suitable to the interests of navigation at or near Kettle Falls, and between Perry County and Stevens County, Wash., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby

expressly reserved.

With the following committee amendments:

Page 1, line 8, after "operate", insert the word "either."
Page 1, line 9, after "bridge", insert the following: "or two bridges, one to be a highway bridge and one a railroad bridge."
Page 1, line 9, after "point", insert "or points."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River at or near Kettle Falls, Wash."

TOLL BRIDGE ACROSS THE MISSISSIPPI RIVER, JEFFERSON BARRACKS, MO.

The Clerk called the next bill, H. R. 6441, authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Jefferson Barracks, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of St. Louis, State of Missouri, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Jefferson Barsuitable to the interests of navigation, at or near Jefferson Barracks, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act: Provided, That permission for such bridge or approaches to said bridge to cross the Government reservation at Jefferson Barracks, Mo., shall first be obtained from the Secretary of War: And provided further, That if any buildings, improvements, or facilities of such Government reservation are damaged or destroyed by the construction of said bridge or the approaches thereto they shall be repaired or replaced by the county of St. Louis, State of Missouri, on a site or sites acceptable to the Secretary of War having jurisdiction over the property involved.

SEC. 2. There is hereby conferred upon the county of St. Louis, State of Missouri, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corpora-sions for bridge purposes in the State in which such real estate estate or other property is situated, upon making just compensa-tion therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes

in such State.

SEC. 3. The said county of St. Louis, State of Missouri, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of

March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

shall be available for the information of all persons interested.

SEC. 5. Notwithstanding any restrictions or limitations imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for

other purposes", approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Missouri with the consent of the State Highway Commission of said State.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 8, before "near", strike out "at or."
Page 2, strike out all of lines 4 to 12, both inclusive, and in lieu thereof insert the following: "any approaches to said bridge will

thereor insert the following: "any approaches to said bridge will not include the right to encroach upon or cross the Government reservation of Jefferson Barracks, Mo."

Page 2, line 20, after "real estate", strike out "estate."

Page 3, after the word "of", in line 18, strike out from the word "toll" down to and including the period after the word "management", in line 21, and insert "tolls."

Page 4, lines 6 and 7, strike out "Secretary of Agriculture" and in lieu thereof insert "Administrator of the Federal Works Agency."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo."

BRIDGE ACROSS THE SUSQUEHANNA RIVER AT HARRISBURG, PA.

The Clerk called the next bill, H. R. 6662, granting the consent of Congress to the Dauphin County, Pa., Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc.. That the consent of Congress is hereby granted to the Dauphin County, Pa., Authority, a body corporate and politic heretofore created and existing under and by virtue of an act of the General Assembly of Pennsylvania, known as the Municipality Authorities Act of 1935, as amended, to construct, maintain, and operate a highway bridge and approaches thereto across the Susque-hanna River, at a point suitable to the interests of navigation, at or near the city of Harrisburg, Pa., in accordance with the provi-sions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act. SEC 2. The right to alter, amend, or repeal this act is hereby

expressly reserved.

With the following committee amendments:

Page 2, after line 5, insert a new section, as follows: "SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches including interest at a rate part to consider the cost of the bridge and its approaches. provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including interest at a rate not to exceed 5 percent per annum and reasonable financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of approval of this act. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested." Page 2, line 6, after "Sec.", strike out "2" and insert "3."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE SUSQUEHANNA RIVER, WYOMING, PA.

The Clerk called the next bill, H. R. 6907, granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby granted to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, from the borough of Wyoming, in the county of

Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, in the county of Luzerne, Commonwealth of Pennsylvania, at or in prolongation of Eighth Street as the same is now established and used in the respective municipality, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE MISSOURI RIVER, FLORENCE STATION, OMAHA, NEBR.

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that

the bill be passed over without prejudice.

Mr. McLAUGHLIN. Reserving the right to object, Mr. Speaker, may I call the attention of the gentleman to the fact that this bridge, while a toll bridge, is a bridge that will amortize itself in 20 years and thereafter become a free

I should further like to call the attention of the gentleman to the fact that there previously existed a franchise for a bridge at this identical place, but the franchise expired with the passage of time and because of the fact that the bridge was not constructed.

I should like to urge the gentleman, if he can see fit to do so, to allow this bill to pass, for the reason that it is a bill which will provide bridge facilities for the people in the northern part of the city of Omaha across the Missouri River into Iowa. I urge the gentleman not to insist upon his request if he can possibly see fit to do so.

Mr. JENSEN. Mr. Speaker, I appreciate the position of the gentleman from Nebraska, but we have two bridges across the river now and they are toll bridges. What the people of Omaha and Council Bluffs want is a free bridge. If we get more toll bridges it will just be further in the

future when we do get a free bridge.

Mr. McLAUGHLIN. This bill simply gives to the people of North Omaha the same facilities that are now enjoyed by the people of South Omaha. We have a bridge at the central part, the business part of Omaha, across to Council Bluffs. We have a bridge at South Omaha across the Missouri River into Iowa. We are now asking a franchise for a bridge from the north end of Omaha, or at Florence, Nebr., across the Missouri River into Iowa. I believe this would give to the people of Iowa and Nebraska and the surrounding territory adequate bridge facilities which are very much needed.

Mr. ROBSION of Kentucky. If the gentleman will yield, the people want this bridge, do they not?

Mr. McLAUGHLIN. The people of North Omaha want it and they state that they need it very much.

Mr. ROBSION of Kentucky. I hope the gentleman will not insist upon his request.

Mr. JENSEN. I am sorry, but I feel that it is necessary for me to insist upon my request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RAILROAD BRIDGE ACROSS THE MISSOURI RIVER AT OR NEAR RAN-DOLPH, MO.

The Clerk called the next bill, H. R. 7262, granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know the reason for the construction of this new bridge; and in the absence of anyone to explain the purpose of this bill, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SOLICITATION OF PROCUREMENT OF DIVORCES IN FOREIGN COUNTRIES

The Clerk called the next bill, H. R. 6051, to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill (S. 2245).

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That every written or printed card, circular, letter, book, pamphlet, advertisement, or notice of any kind, giving or offering to give information concerning where or how or through whom a divorce may be secured in a foreign country, and designed to solicit business in connection with the procurement designed to solicit business in connection with the procurement thereof, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier. Whoever shall knowingly deposit, or cause to be deposited, for mailing or delivery, anything declared by this section to be nonmailable, or shall knowingly take or cause the same to be taken from the mails for the purpose of circulating or disposing thereof, shall be fined not more than \$5,000 or imprisoned for not more than 5 years, or both.

Sec. 2. Nothing herein contained shall be construed to preclude criminal prosecution under the provisions of section 338, title 18.

criminal prosecution under the provisions of section 338, title 18, United States Code (Criminal Code, sec. 215), in any case in which the mails are used by any person in furtherance of any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6051) was laid on the table.

NEW USES FOR ANTHRACITE COAL

The Clerk called the next bill, H. R. 7189, to authorize research and experiments to find new uses for anthracite

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$54,500, which shall be available exclusively to enable the Bureau of Mines of the Department of the Interior to conduct research and experiments into new and extended chemical and other uses for anthracite coal and necessary administrative expenses in connection therewith. No part of any appropriation made in pursuance of this act may be obligated after December 31, 1939. The Bureau of Mines shall submit to the Senate and the House of Representatives a report of operations and results obtained under the provisions of this act on the first day of the next regular session of Congress. next regular session of Congress.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUE OF JOHN MARSHALL

The Clerk called the next joint resolution, House Joint Resolution 260, authorizing the removal of the statue of John Marshall from its present site on the Capitol Grounds to a new site in proximity to the Supreme Court Building.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I notice that this bill, along with several others of a similar character, providing for the creation of a monument or the erection of a statue, simply provides that the statue shall be erected at some place in the city of Washington. but we never get a report as to exactly where the statue is to be put. In this particular case the proposal is to remove the statue of John Marshall now in the rear of the Capitol to some other place, either in the grounds of the Supreme Court or elsewhere in the Capitol Grounds. It seems to me to be very inadvisable to authorize the removal of the statue without knowing to what location we intend to move it. Personally, I do not see any suitable location between the Capitol and the Supreme Court Building to which this statue might be moved.

The purpose of moving the statue of John Marshall from the Capitol Grounds apparently, as shown by a bill further down on the calendar, is to provide a place for a statue of George Washington. Whether this exchange of statue is necessary or not I am not in a position to judge, but I do believe the Congress should be informed as to the location at which we are going to put these various statues, fountains, and other monuments of that kind around the city of Washington before we authorize such legislation. You will recall the difficulty we had over the Jefferson Memorial when we had a similar proposition to this, simply authorizing the location of a memorial somewhere in the city of Washington.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield? Mr. COSTELLO. I yield.

Mr. BREWSTER. The gentleman is clear that this provides for the location to be approved by the Supreme Court. Mr. COSTELLO. I agree with the gentleman that that is

quite correct.

Mr. BREWSTER. And the gentleman realizes that the Fine Arts Commission and the Architect of the Capitol both approve of this bill?

Mr. COSTELLO. I understand that likewise is correct. Mr. BREWSTER. The gentleman would not disagree with the purpose of putting John Marshall in the vicinity of the Supreme Court Building?

Mr. COSTELLO. I question very much the advisability or the necessity of moving the statue from its present location, where it has been for a long period of time.

Mr. BREWSTER. The gentleman will agree that not 1 percent of the visitors to the Capitol ever see the statue

of John Marshall.

Mr. COSTELLO. I will state to the gentleman that the contrary is quite true, and if he passes by the Capitol on a Sunday afternoon, for example, I will venture to say that he will see as many pictures being taken of the statue of John Marshall at its present location as the dome of the Capitol itself.

Mr. BREWSTER. That disagrees with my observation,

I will say to the gentleman.

Mr. COSTELLO. Further, I do not see any location immediately adjacent to the Supreme Court on which this statue might be placed.

Mr. BREWSTER. The gentleman would accept compe-

tent architectural advice on that?

Mr. COSTELLO. I do not set myself up either as one competent to judge the finest architectural location, or to judge beauty, but I can say to the gentleman that I have a holy horror of seeing statues poking out from behind every tree in the Capitol Grounds every time you go for a walk in the Capitol Grounds. This bill provides that this statue could be placed anywhere in the Capitol Grounds.

Mr. ROBERTSON. Mr. Speaker, the Chairman of the Fine Arts Commission told me this morning that his Commission desires to place the John Marshall statue in the grounds of the Supreme Court Building, and then the Commission desires to have the John Q. Ward statue of Washington placed on the west side of the Capitol from which the Marshall statue would be removed. He said when the Marshall statue was removed, it would leave no statue on that side of the Capitol, and so far as the Fine Arts Commission is concerned, it definitely wants to put the Marshall statue on the grounds of the Supreme Court. Whether they can get the consent of the Court to do that I do not know.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

DEVELOPMENT OF FARM UNITS ON PUBLIC LANDS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to return to Calendar No. 398, H. R. 6372, relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration, and I ask unanimous consent that Senate bill 2410 be substituted for the House bill, with an amendment thereto.

The SPEAKER. The gentleman from Montana asks unanimous consent to return to Calendar 398, H. R. 6372, and substitute therefor S. 2410, with an amendment. Is there

There was no objection.

The SPEAKER. The Clerk will report the Senate bill. The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to further cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects, the Secretary of the Interior is authorized, in pursuance of cooperative agreements between the Secretary of Agriculture and the Secretary of the Interior, (1) to consider the money or any part of the money made available to settlers or prospective settlers by the Farm Security Administration as all or a portion of the capital required of such settlers under subsection C of section 4 of the act of December 5, 1924 (43 Stat. 702); and (2) where such farm units have been or may be improved by means of funds made available by the Farm Security Administration, to require an entryman of any such unit to enter into a mortgage contract with the Farm Security Administration to repay the value of such improvements thereon before an entry is allowed. Be it enacted, etc., That in order to further cooperation between

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'Connos: Page 1, line 3, after the word "that", insert the words "during the fiscal year 1940."

The amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill, H. R. 6372, was laid on the table.

PAYMENT TO EMPLOYEES OF BUREAU OF RECLAMATION FOR MILEAGE

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to return to Calendar No. 377, H. R. 3391, providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General is hereby authorized and directed to credit disbursing agents of the Bureau authorized and directed to credit disbursing agents of the Bureau of Reclamation for payments made as mileage reimbursement for the use, during the period of February 14, 1931, to April 30, 1932, of privately owned motor vehicles, in accordance with the act of February 14, 1931 (46 Stat. 1146), which payments were suspended and/or disallowed pursuant to the decision of the Comptroller General of April 30, 1932 (A-41688). In those cases where collections have been made from employees pursuant to such suspension and/or disallowed, refunds are authorized.

Mr. DEMPSEY. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 2, line 3, strike out the period, insert a comma and the following: "Provided, however, That all payments made pursuant to this act shall be at the rate of 4 cents per mile."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRAND CANYON NATIONAL MONUMENT

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to return to Calendar No. 417, S. 6, to return a portion of the Grand Canyon National Monument to the public domain, vacate the proceedings by which the bill was passed, and correct an amendment.

The SPEAKER. The gentleman from Arizona asks unanimous consent to return to S. 6, to vacate the proceedings by which the bill was passed, and to offer a perfecting amendment. Is there objection?

There was no objection.

The Clerk read the bill.

Mr. MURDOCK of Arizona. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: Page 3, line 21, strike out all of line 21 and insert "(49 Stat. 1976)."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table. COMMEMORATION OF ONE HUNDRED AND TWENTY-FIFTH ANNI-

VERSARY OF WRITING OF THE STAR-SPANGLED BANNER Mr. SASSCER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 176, providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain what the cost of this resolution will be?

Mr. SASSCER. Mr. Speaker, on the 14th of September of this year at Fort McHenry in Baltimore we are celebrating the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner. There is a feeling that this is not a matter that is local to Baltimore or local to the great Free State of Maryland, but national in its scope and importance. On the 14th of September, 125 years ago, The Star-Spangled Banner was written by the great poet and lawyer, Francis Scott Key, who was then a prisoner on board a British ship during the bombardment of Fort McHenry. Standing on the deck in the harbor of Baltimore, seeing our American flag waving proudly over Fort McHenry during the bombarding of that fort, he was inspired to write The Star-Spangled Banner.

This resolution calls for a committee to represent the United States Government consisting of the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the two Senators from Maryland, three Members appointed by the President of the United States, three Members appointed by the Speaker of the House. In this age when we are spending so much time considering legislation in connection with, and talking about, subversive influences and un-Americansm, I think it would be particularly unfortunate if a single voice should be raised here in this body objecting to the National Government participating in this ceremony commemorating the writing of The Star-Spangled Banner, that inspiring anthem which, when played, causes all Americans to arise in patriotic reverence.

Mr. MARTIN of Massachusetts. How much is it going to

Mr. SASSCER. In answer to the gentleman from Massachusetts [Mr. Martin], there is an appropriation of \$5,000, none of which is to be used by the committee for compensation or personal expenses of the members. I may add that the State of Maryland is appropriating money, the city of Baltimore is appropriating money, and we felt it would be particularly appropriate for our National Government to participate.

Mr. MARTIN of Massachusetts. What committee does this come from?

Mr. SASSCER. From the Committee on the Library, with a report unanimously recommending the passage of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That, for the purpose of providing for participation by the United States in the celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, twenty-litth anniversary of the writing of The Star-Spangled Banner, there is hereby established a commission to be composed of the President of the Senate, the Speaker of the House of Representatives, the United States Senators from the State of Maryland, three Senators to be appointed by the President of the Senate, the Members of the House of Representatives from the State of Maryland, three Members of the House of Representatives to be appointed by the Speaker of the House of Representatives, the Governor of Maryland, the mayor of the city of Baltimore, and three persons to be appointed by the President of the United States. It shall be the

duty of such commission to formulate and carry out plans for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in commemoration of such anniversary. The members of such commission shall serve without compensation and shall select a chairman from among their number.

SEC. 2. The commission is authorized to make such expenditures for the purpose of carrying out the provisions of the first section of this joint resolution as it may deem advisable. Expenditures of

the commission shall be paid upon the presentation of vouchers approved by the chairman of the commission.

Sec. 3. There is hereby authorized to be appropriated the sum of \$5,000 to be expended by the commission for the purpose of carrying out the provisions of the first section of this joint resolution.

SEC. 4. The President is authorized to extend invitations to for-eign governments to be represented by their accredited diplomatic agents at the celebration to be held at Fort McHenry on September 14, 1939, in commemoration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner: Provided, That no appropriation shall be granted by the United States for expenses of delegates or for other expenses incurred in connection with such invitation.

With the following committee amendment:

Page 1, line 7, after the word "composed" insert "of the President of the United States."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERIDGE ACROSS MISSOURI RIVER AT OR NEAR RANDOLPH, MO.

Mr. BELL. Mr. Speaker, I ask unanimous consent to return to Calendar No. 462, H. R. 7262, granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know a little about why these trustees are starting to construct this bridge and whether it means to prolong an additional 5 years their trusteeship at the expense of the stockholders and bondholders of the railroad?

Mr. BELL. Mr. Speaker, it will have no effect whatsoever upon the tenure of office of those trustees. All this bill does is to grant the railroad the right to build a bridge across the river near Kansas City. It will mean that about 500 men will have employment there, paid for out of private funds, and not one cent of Government money going into it. That is all it means, that the railroad has the right to build the bridge across the river. The War Department, the Department of Public Roads, and everybody has consented to it. It will have no effect whatsoever on the tenure of office of these trustees.

Mr. SABATH. I ask the usual question that is asked by the gentleman from Pennsylvania [Mr. Rich] where will these trustees of the railroad get the money to build this bridge?

Mr. BELL. They have the money and are ready to spend it. Mr. SABATH. Why do they not give up the trusteeship and turn the railroad over to the bondholders and stockholders that own the railroad if the money is forthcoming? Can the gentleman explain that?

Mr. BELL. I cannot explain that. I do not know anything about their trusteeship except that I would like to have this bridge in order to give employment to a lot of good men down in my district and help keep them off of relief.

Mr. SABATH. I am not opposed to reemploying 500 men. will be only delighted if they will find employment, but I doubt very much whether the gentleman's constituents will have an opportunity to get any of this work while it is under the trusteeship of these three Republicans.

The SPEAKER. Is there objection to the present consideration of the bill?

LXXXIV-

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the consent of Congress is hereby granted to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., their successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Randolph, Mo., near river mile 370, as located by the Secretary of War in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, and mortgage, in whole or in part, the rights, powers, and privileges conferred by this act is hereby granted to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., their successors and assigns, and any corporation to which, or any person to whom, such rights, powers, and privileges may be sold, assigned, or transferred, in whole or in part, or who shall acquire the same by mortgage, foreclosure, or otherwise, is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. NORTON rose.

The SPEAKER. The Chair thinks it proper to make the statement that the gentlewoman from New Jersey is going to ask unanimous consent that may save recognition on the part of the Chair on a motion to suspend the rules.

The gentlewoman from New Jersey is recognized.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2900) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, as amended.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937 (50 Stat. 319), as amended, is amended by striking out the provise which reads "Provided, That the provisions of this act shall continue for the period of 3 years after July 1, 1937, and no longer" and that a period be substituted for the colon immediately preceding this provise.

colon immediately preceding this proviso.

SEC. 2. Section 2 of said act is amended by striking out the figure "\$10,000" and inserting in lieu thereof the figure "\$12,000."

"SIC. 3. Section 5 of said act is amended by striking out the words "without regard to civil-service laws and regulations" and inserting in lieu thereof the following: "in accordance with the civil-service laws and regulations made thereunder and their compensation shall be fixed in accordance with the Classification Act of 1923, as amended: Provided, That employees of the Civilian Conservation Corps who have been continuously employed for a least servation Corps who have been continuously employed for at least 6 months prior to the effective date of this act, and who do not have a competitive classified civil-service status appropriate for the positions to be occupied, shall be permitted to acquire such a status (1) upon recommendation by the Director of the corps the positions to be occupied, shall be permitted to acquire such a status (1) upon recommendation by the Director of the corps and certification by him to the Civil Service Commission that such persons have rendered satisfactory service in said corps for not less than 6 months and (2) upon passing a suitable noncompetitive examination prescribed by the Commission, said examination to be given within a period of 10 months after the effective date of this act, and those employees who do not receive an eligible rating as the result of said examinations shall be dropped from the rolls not later than 2 years subsequent to the date the Director is notified of their failure to receive an eligible rating: Provided further, That no employee otherwise qualifying shall be dismissed because of failure to comply with age provisions which would normally apply on a competitive examination: Provided further, That the provisions of this section shall not apply to Reserve officers on active duty with the corps, enrollees of the corps, or unskilled laborers: And provided further, That, notwithstanding any contrary provisions of this or any other act, the employment of Indians shall be in accordance with section 12 of the act of June 18, 1934 (48 Stat. 984).

Sec. 4. Section 13 of said act is amended by substituting a colon for a period after the last word in the section and inserting the following: "Provided, That the Director may designate an appropriate official seal for the corps which shall be judicially noticed and which shall be preserved in the custody of the Director."

Sec. 5. This act shall be immediately effective.

SEC. 5. This act shall be immediately effective.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 1 of the act entitled 'An act to establish a Civilian That section 1 of the act entitled An act to establish a Civillan Conservation Corps, and for other purposes, approved June 28, 1937 (50 Stat. 319), as amended, is amended by striking out of the second proviso the words 'for the period of 3 years after July 1, 1937, and no longer' and inserting in lieu thereof the words 'until July 1, 1945.' "SEC. 2. Section 13 of said act is amended by substituting a colon for a period after the last word in the section and inserting the following: "Received. That the Director may designate an enurprists

lowing: 'Provided, That the Director may designate an appropriate official seal for the Corps, which shall be judicially noticed and which shall be preserved in the custody of the Director.'

"SEC. 3. This act shall be immediately effective."

Mrs. NORTON. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mrs. Norton: On page 3, line 23, after the word "longer", strike out "until July 1, 1945" and insert "July 1, 1943."

The amendment to the committee amendment was agreed to. The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONNEVILLE DAM

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. Mansfield].

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7270) to amend the Bonneville Project Act.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman from Texas explain the purpose of the bill?

Mr. MANSFIELD. The Bonneville Act of a few years ago authorized the appointment of an administrator. One was appointed. He has since died. The pending bill extends the provisions of the original act and provides for an assistant administrator and an engineer in addition.

Mr. RICH. We are now to have an administrator and an assistant administrator?

Mr. MANSFIELD. That is the purpose of the bill.

Mr. RICH. Just in charge of the Bonneville Dam?

Mr. MANSFIELD. No; the extension lines. It has nothing to do with the dam.

Mr. RICH. It seems to me we are putting in assistant administrators not only in Cabinet offices but in all other Government organizations. It seems to me it is time we tried to eliminate some of these extra employees instead of creating

Mr. MANSFIELD. I agree with the gentleman on the general proposition, but I think this is more urgent than some of the others.

Mr. RICH. If we let this one go through will the gentleman from Texas try to cut out some that are not so important?

Mr. MANSFIELD. I will endeavor to cut out all I can.

Mr. RICH. It seems to me if the gentleman uses his good offices to that effect we could eliminate a lot of these extra employees.

Mr. MANSFIELD. I think I can join with the gentleman from Pennsylvania on a good many of them.

Mr. RICH. Let us see that we get some action on cutting out some of these jobs.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of chapter 720 of the act of the Seventy-fifth Congress, first session (50 Stat. 731, 732), is hereby amended by inserting after the second sentence ending "in the vicinity of the Bonneville project.", the following sentence: "The Secretary of the Interior shall also appoint, without regard to the civil-service laws, an Assistant Administrator, chief engineer, and general counsel, and shall fix the compensation of each at not exceeding \$9,000 per annum. The Assistant Administrator shall perform the duties and exercise the powers of the Administrator, in the event of the absence or sickness of the Administrator, until

such absence or sickness shall cease, and, in the event of a vacancy in the office of Administrator until a successor is appointed."

SEC. 2. Section 2 (a) of the said chapter is hereby further amended by adding at the end thereof the following sentences:
"The office of the Administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall "The office of the Administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall be under the jurisdiction and control of the Secretary of the Interior. All functions vested in the Administrator of the Bonneville project under this act may be exercised by the Secretary of the Interior and, subject to his supervision and direction, by the Administrator and other personnel of the project."

SEC. 3. Section 4 (b) of the said chapter is hereby amended by striking out the words and figures "January 1, 1941" wherever they occur therein and by substituting in lieu thereof the words and figures "January 1, 1942."

With the following committee amendments:

On page 2, line 1, after the word "administrator", insert "and a."
On page 2, line 1, strike out the words "and general counsel."
On page 2, line 2, strike out "\$9,000" and insert in lieu thereof "\$7,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIVER AND HARBOR PROJECTS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Texas explain

Mr. MANSFIELD. I may state, Mr. Speaker, that the river and harbor bill recently passed by the House has been sidetracked in the Senate. Senator BALLEY introduced in the Senate a bill similar to the pending bill, and at his suggestion I introduced this bill in the House. It provides for the clarification of some of the matters that were embraced in the other bill, but does not authorize the expenditure of funds from the Federal Treasury, except nominal sums for preliminary examinations.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. Gladly.

Mr. RANKIN. Let me say to the chairman of the Committee on Rivers and Harbors that this bill cannot become a law at this session of Congress. The bill introduced by Senator Balley was referred to the Senate Committee on Commerce. That committee met and discussed it and came to the very definite conclusion that they did not want to pass that bill because it eliminated, so to speak, a large number of projects in the other bill.

Mr. MANSFIELD. The gentleman is entirely mistaken.

Mr. RANKIN. So this bill was reported out. I am not going to object, but I want to serve notice that if this bill passes the House it will not pass the other body at this session of Congress.

Mr. MANSFIELD. This bill has not been opposed by the Committee on Commerce of the Senate. The original river and harbor bill was postponed until January by a majority vote of the Commerce Committee.

Mr. RANKIN. But I understand that this very proposition was taken up by the chairman of the Senate Commerce Committee, Senator Balley, and it was the consensus of opinion of the Commerce Committee of the Senate that the entire matter should go over until January. So if this bill passed it would simply be held up in the Senate.

Mr. MANSFIELD. My information is entirely different from that of the gentleman.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas how we are going to have a number of surveys made that will not cost anything? I have never seen the Government make a survey that did not cost something.

Mr. MANSFIELD. These are preliminary surveys.

Mr. RANKIN. Mr. Speaker, for the time being I shall object, until we can see what the Senate committee does about it. I object to the consideration of the bill at this time.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, I do not think this bill ought to be taken up in this way, at this time; therefore I object for the time being.

ENCOURAGING TRAVEL IN THE UNITED STATES

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6884) to encourage travel in the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. MARTIN of Colorado. Mr. Speaker, this is a bill to promote and encourage travel in the United States by people from foreign countries and has been unanimously reported by the House Committee on Interstate and Foreign Commerce. By legislation in 1935 the National Park Service was authorized to engage in certain of these activities in the way of collecting and disseminating information regarding our national parks and to encourage travel to them. It is desired to expand that service to take in all places and points of interest in the United States. Every country on the continent but the United States has what is known as a travel bureau. These countries held a conference in San Francisco in April, 21 American countries being officially represented by travel bureaus, and the United States was the only country that was not officially represented there.

Under this bill the National Park Service will collect. publish, and disseminate information with respect to places of interest, routes, transportation facilities, accommodations, and other matters advantageous for the purpose of developing travel from other countries to the United States. The Service may prepare graphic materials in foreign languages and encourage the use of American registered ships and planes. The existing facilities of the United States Government in foreign countries will be employed in the distribution of this material.

It is a startling fact that the balance of travel against this country is between four and five hundred million dollars a year. That is, Americans going from this country to other countries spend four to five hundred million dollars more every year as compared with the tourists and visitors from those countries to the United States, when, as a matter of fact, no country in the world equals this in its great natural attractions.

Mr. MURDOCK of Arizona. Will the gentleman yield? Mr. MARTIN of Colorado. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I wish to emphasize what the gentleman from Colorado has just said in this respect. that it is possible to name 50 spots in our Rocky Mountains which are worth traveling around the earth to see. More than one portion of the whole western highlands surpass anything that can be found in Switzerland. I have received hundreds of letters from chambers of commerce and civic bodies endorsing this legislation, and I sincerely trust that it will be enacted today.

Mr. MARTIN of Colorado. I thank the gentleman from Arizona for his contribution, and I may add that similar interest has been displayed in this legislation by such bodies all over the United States.

The introduction of this bill originally involved the creation of a separate bureau. Thanks to the carpenter work of the able and distinguished gentleman from New York [Mr. Wadsworth], the bureau part of it was amputated from the bill and this bill merely means an expansion in the National Park Service, plus an advisory committee of six to represent the Departments of State, Agriculture, Commerce, the Interstate Commerce Commission, the Civil Aeronautics Authority, and the United States Maritime Commission, appointed by the Secretary of the Interior but designated by the departments, and not to exceed six additional members to be appointed by the Secretary of the Interior, representative of the various sections of the Nation, including transportation and accommodation agencies. gentleman will not draw any salary, although if called for an annual conference to Washington they would receive their expenses for coming here to confer.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. RICH. Every State now has an organization within the State that advertises that particular State and the beauties and glories of the roads, trails, and parks.

Mr. MARTIN of Colorado. About 40 of them have, but there is no coordination between the States. The hotels, the transportation lines, and various civic bodies are interested in this matter. It is felt it would be of immense value to the United States to have these activities coordinated and directed by the National Park Service.

Mr. RICH. The National Park Service now is advertising

all the parks of the United States.

Mr. MARTIN of Colorado. That is limited to parks, but we have a lot of things in the United States that are not national parks, which are well worth seeing.

Mr. RICH. Every railroad in the country has its travel

bureau that does a lot of advertising.

Mr. MARTIN of Colorado. But the gentleman can see that the more of them he mentions the greater is the need of coordination between them.

Mr. RICH. Where are you going to do this advertisingin America? Where are you going to get the money to

Mr. MARTIN of Colorado. We are going to do it in America and in foreign countries both.

Mr. RICH. The organization that was set up, which was cut out by the gentleman from New York, would cost how much? In other words, what is it going to cost to do this advertising of America when we already have all these bureaus and organizations now advertising America, American parks, and American scenery?

Mr. MARTIN of Colorado. I may say that the National Park Service is now spending about \$70,000 a year on the activities that were authorized by an act of Congress in 1935. This will cost about \$30,000 a year more, and will perform a vastly greater and more effective service, and will include many places of great interest that are not within the national parks.

Mr. WADSWORTH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from

Mr. WADSWORTH. May I call the attention of the gentleman from Pennsylvania [Mr. RICH] to the fact that every nation or nearly every nation on the face of the globe advertises its attractions and its beauties. They do this by governmental action. For example, the Government at Ottawa, Canada, appropriates \$300,000 a year to attract tourists to Canada and the sum of \$280,000,000 was spent by American tourists in Canada last year. The purpose of this centralization or coordination is to put the proper material in the hands of our embassies and our legations in foreign countries, so that the foreigner who may be contemplating taking a vacation tour may be attracted to the United States. This material has to be translated into his language. It is the purpose of the Park Service to arrange the translating and coordination of all this information. Most of it will come from the States to this organization in Washington. The State of New York, for example, spends \$200,000 a year on this very thing. Other States do like-

Mr. RICH. The point I make in reference to this bill is that the State of New York is spending \$200,000, the State of New Mexico, the State of Colorado, the State of Maine, the State of Pennsylvania, and all these States are spending a large amount of money. We are going to duplicate the work that is being done by those States. We duplicate the cost, and where are you going to get the money?

Mr. WADSWORTH. Not at all. That is where the gentleman is mistaken. It is to gather in all that information and make it available, not only to the whole of the United

States, but to Europe and South America.

Mr. MARTIN of Colorado. May I say to the gentleman that there are 57 countries that have over 350 agencies in this country working to get our people and their money to come to their countries, but we have no organization seeking to bring any of the tourist trade here. The consequence is that we are practically \$500,000,000 in the red annually on national tourist travel.

Mr. RICH. Five hundred million dollars in the red? Does the gentleman know that you went \$3,500,000,000 in the red this last year and you will go \$4,500,000,000 in the red this year; yet you come in here with bill after bill after bill duplicating the work that we are doing in this country. It seems to me it is about time you stopped it.

Mr. MARTIN of Colorado. No; we are going to get some of those hundreds of millions of dollars back, under this bill,

at an added cost of only \$30,000.

Mr. Speaker, the following letter from Secretary Ickes summarizes the existing situation with regard to foreign travel to this country and the great need for this legislation. While the letter was written with regard to H. R. 5412, the predecessor of the pending bill, the only material change made is the elimination of a separate bureau, and the vesting of jurisdiction of the activity in the National Park Service, as I stated earlier in my remarks. The letter of the Secretary reads as follows:

> THE SECRETARY OF THE INTERIOR, Washington, June 13, 1939.

Hon. John A. Martin,

Member of Congress, Washington, D. C.
My Dear Congressman Martin: The bill to encourage travel to and within the United States, concerning which I telephoned you recently, would establish for our Government what every other advanced nation in the world already has.

While the Department of the Interior administers a travel bureau that was the natural outgrowth of the National Park Service, it lacks the coordinating function that is essential to the full utiliza

lacks the coordinating function that is essential to the full utilization of such an agency. The proposed legislation, embodied in H. R. 5412, if enacted, would remedy this deficiency.

The measure now before the Congress would permit the broad expansion of the activities of the Government in the further development of a great industry. The United States now has an adverse travel trade balance in excess of \$500,000,000 annually. The tide of travel out of the United States, particularly through Europe, Canada, and, more recently, the countries of Latin America, has increased enormously during the last few decades. Other nations realize this, and, through their own nationally established travel bureaus, have sought systematically to attract as large a share of this lucrative business as they can contrive. We alone seem to have this lucrative business as they can contrive, been backward in this respect. We alone seem to have

been backward in this respect.

We had recently a graphic instance of how other governments regard the work of their travel bureaus. This was at the inter-American Travel Congress recently held in San Francisco, where the delegates of the United States met the travel representatives of the 20 other American republics and the Dominion of Canada. Each of these nations and the Canadian Commonwealth has already established official travel bureaus. Our country was the only one not reporting an officially accredited travel agency. Apparently all others are keenly alive to the development of travel as a great national industry yielding consistently increasing revenues.

national industry yielding consistently increasing revenues.

A particularly striking instance is furnished by Canada, which A particularly striking instance is furnished by Canada, which appropriates around \$300,000 annually for the maintenance of the Canadian Travel Bureau. Largely as a result of the promotional activities of this bureau, an average of 17,000,000 Americans visit Canada each year and spend in the Dominion more than \$280,000,000. Canada is a nation of only 12,000,000 people, and while its scenic areas are beautiful, their extent and diversity are not comparable to our own.

It seems unquestionable that to leave this subject to the States, acting alone, will always fall badly short of the need. A number of them have their own travel agencies, supported by State funds, but not unnaturally these devote themselves to their own local

but not unnaturally these devote themselves to their own local facilities and attractions. There is no agency at present that synchronizes, coordinates, and cooperates with these various States and private agencies. The object of this proposed legislation is not

to substitute for these existing agencies but to cooperate with and extend their useful functions by making them universally available to the traveling public. The argument for exploiting the travel resources of any one of the States applies, with cumulatively greater force, to the present proposal for the establishment of an official Federal bureau that would act not only as a clearing house of information between the States but as the principal coordinating agency for assembling and spreading information of our travel resources as a whole Nation.

resources as a whole Nation.

The legislation to implement all this is inherent in the present bill, H. R. 5412, a copy of which is attached. It calls for an appropriation of only \$100,000 for the first year of operation. The nucleus of organization necessary already exists and is functioning efficiently. The whole project is practical and realistic. For an appropriation far less than that of many smaller governments, it promises rich, realizable returns. It is sound economics to give to our travel industry the full encouragement and assistance of to our travel industry the full encouragement and assistance of our Government.

This proposed legislation has been approved by the President, the Budget, the State, Agriculture, and Interior Departments, by the Maritime Commission and the Civil Aeronautics Authority. It

has a favorable report from the Budget Bureau.

This legislation also has approval of many local, private, as well as State groups, interested in travel development. We have spent much for the development of our commerce. Under the methods proposed by this bill, we can, judging by the results obtained by other pations, reen large dividends from this mediants business. other nations, reap large dividends from this moderate investment in travel advancement.

Sincerely yours.

HAROLD L. ICKES, Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. MARTIN]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, through the National Park Service, to encourage, promote, and develop travel within the United States, its Territories and possessions, providing such activities do not compete tories and possessions, providing such activities do not compete with the activities of private agencies; and to administer all exist-ing travel-promotion functions of the Department of the Interior through such Service.

SEC. 2. In carrying out the purposes of this act, the Secretary is authorized to cooperate with public and private tourist, travel, and other agencies in the display of exhibits, and in the collection, publication, and dissemination of information with respect to places of interest, routes, transportation facilities, accommodations, and such other matters as he deems advisable and advantageous for the purpose of enguiraring prompting or developing such and such other matters as he deems advisable and advantageous for the purpose of encouraging, promoting, or developing such travel. Nothing in this act shall prohibit the preparation of graphic materials in foreign languages, designed to call attention to the attractions and places of interest in the United States and to encourage the use of American registered ships and planes. The existing facilities of the United States Government in foreign countries are hereby authorized to assist in the distribution of this material. The Secretary may enter into contracts with private countries are hereby authorized to assist in the distribution of this material. The Secretary may enter into contracts with private publishers for such printing and binding as he may deem advisable in carrying out the purposes of this act. The Secretary is also authorized to make charges for any publications made available to the public pursuant to this act; and any proceeds from the sale of publications produced by the expenditure of contributed funds shall continue to be available for printing and binding as aforesaid.

Sec. 3. The Secretary of the Interior is authorized to create an advisory committee to consist of a representative from each of the

SEC. 3. The Secretary of the Interior is authorized to create an advisory committee to consist of a representative from each of the Departments of State, Agriculture, and Commerce, the Civil Aeronautics Authority, and the United States Maritime Commission, as may be designated by such Departments or agencies, respectively, and such additional members, representatives of the various sections of the Nation, including transportation and accommodations agentics, not to aveed six members, to be appointed by the Secretary. cies, not to exceed six members, to be appointed by the Secretary of the Interior to serve at his pleasure. Meetings of the Board shall be held at the request of the Secretary for the purpose of making recommendations concerning the promotion of tourist travel under the provisions of this act. The members of the Board travel under the provisions of this act. The members of the Board shall receive no compensation for their services as members, but shall be entitled to reimbursement for such necessary travel and other expenses in connection with their attendance at Board meetings as may be authorized or approved by the Secretary.

SEC. 4. In the performance of his functions and duties under the provisions of this act, the Secretary of the Interior is authorized.

(a) To prescribe, amend, and repeal such rules and regulations as he may deem necessary, and to accept contributions for carrying out the purposes of this act; and

(b) To employ without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended, one special assistant and not to exceed five artists and illustrators.

SEC. 5. There is authorized to be appropriated annually not to exceed the sum of \$100,000 to carry out the provisions of this act.

With the following committee amendments:

Page 2, line 32, following "merce" and after the comma insert "the Interstate Commerce Commission."

Page 3, line 6, strike out "Board" and insert "committee." Page 3, line 10, strike out "Board" and insert "committee." Page 3, line 13, strike out "Board" and insert "committee."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEVILS DEN SPRINGS, DECATUR COUNTY, GA.

Mr. COX. Mr. Speaker, I ask unanimous consent to return to Calendar No. 455 on the Consent Calendar the bill (H. R. 4040) declaring Devils Den Springs, in Decatur County, Ga., to be nonnavigable for immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GEYER of California. Reserving the right to object, Mr. Speaker, may we have an explanation of this bill?

Mr. COX. Mr. Speaker, this bill concerns a stream that rises in a spring near the banks of the Flint River. The entire body of water is not more than half as large as this Capitol. Where the spring runs into the Flint River the stream is about 8 to 10 feet wide, or was the last time I saw it. It is not deep enough to accommodate an ordinary skiff that carries the usual kicker. I have been there many times, and in order to get in we ordinarily have to push our little flatboat into the mouth of the stream. The stream runs back in the forest and winds around for some three or four hundred yards, but altogether the entire body of water is not more than half as large as the ground on which this Capitol rests. The stream could not be navigable in the sense that the word is understood for any purpose in the world.

Mr. MARTIN of Massachusetts. If the gentleman will yield, is the fishing good in that creek?

Mr. COX. Yes; it is good.

Mr. GEYER of California. What is the object of having an act of Congress to declare the stream nonnavigable? Why is that necessary?

Mr. COX. That is to keep out people, very frankly, who come in from many miles away and bring their little boats in there and dynamite the stream and destroy the fish. This is for the purpose of keeping such persons out. Arrangements have been made or will be made for anybody in the neighborhood wishing to fish in the stream to enjoy that privilege. The man who owns it has no purpose in the world of denying the public the pleasure of using the stream for fishing purposes, and this bill is to protect it against those persons who come in in the nighttime and dynamite the waters; and that is all.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GEYER of California. I object, Mr. Speaker.

CITY OF PIERRE, S. DAK.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6446) amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes."

The SPEAKER. Is this a bill that was on the Consent Calendar for consideration?

Mr. MUNDT. Yes, Mr. Speaker; it was Calendar No. 471. The SPEAKER. Was it eligible for call on the calendar today.

Mr. MUNDT. No.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

Mr. SCHULTE. I object, Mr. Speaker.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 27, 1939:

H.R. 161. An act to amend section 73 of the Hawaiian Organic Act, approved April 30, 1900, as amended;

H. R. 2413. An act for the protection of the water supply

of the city of Ketchikan, Alaska;

H. R. 2903. An act for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr.;

H. R. 3796. An act to extend the period of restrictions on lands of the Quapaw Indians, Oklahoma, and for other

H. R. 4646. An act to provide means by which certain

Filipinos can emigrate from the United States;

H. R. 4762. An act for the relief of William S. Huntley; and H. R. 6870. An act to grant to the Commonwealth of Massachusetts a retrocession of jurisdiction over the General Clarence R. Edwards Memorial Bridge, bridging Watershops Pond of the Springfield Armory Military Reservation in the city of Springfield, Mass.

On July 28, 1939 (9:45 a. m., E. S. T.):

H.R. 5407. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the Private Calendar. Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-seven Members are present, a quo-

GDYNIA AMERICA LINE, INC.

The Clerk called the first individual bill on the Private Calendar, H. R. 3087, for the relief of Gdynia America Line, Inc., of New York City, N. Y.

Mr. COSTELLO and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Claims.

FRANCISCO R. ACOSTA

The Clerk called the next bill, H. R. 3477, for the relief of Francisco R. Acosta.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Francisco R. Acosta, master sergeant, Medical Department, United States Army, the sum of \$1,060.95, in full and final settlement of all claims against the United States for loss of personal property in a fire which occurred in quarters No. 52–B, hospital steward's quarters, Fort Sheridan, Ill., on November 4, 1936.

With the following committee amendments:

Line 7, strike out the figures "\$1,060.95" and insert in lieu thereof "\$822.45.

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIJO M'MILLAN WILLIAMS

The Clerk called the next bill, H. R. 3927, for the relief of Marijo McMillan Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Marijo McMillan Williams, an employee of the Bureau of Engineering, Department of the Navy, is hereby released from any liability to the United States by reason of being carried on the pay roll in two positions, that of postmaster at Sycamore, Ga., and as a clerk in the Macon, Ga., post office during the period August 24, 1924, to March 31, 1925. The Acting Comptroller General of the United States has certified that the sum of \$868.01 is due the United States from the said Marijo McMillan Williams under the statute relating to the receiving of more than

SEC. 2. That the Secretary of the Treasury be, and he is hereby, directed to refund to Marijo McMillan Williams any amount she shall have refunded to the United States prior to the passage of

this act.

SEC. 3. There is hereby authorized to be appropriated, to be paid out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY FORTUNE

The Clerk called the next bill, H. R. 4027, for the relief of Mary Fortune.

Mr. COSTELLO and Mr. HALLECK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

W. C. AND JAMES LATANE

The Clerk called the next bill, H. R. 4115, for the relief of W. C. and James Latane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. C. Latane and James Latane, of Westmoreland County, Va., the sum of \$2,267.50, due the said W. C. Latane and James Latane because of the loss of cattle and horses by death in November 1937 from arsenic poisoning as a result of Japanese heatle control programmer. result of Japanese beetle control operations at George Washington Birthplace National Monument in September 1937.

With the following committee amendments:

Line 7, after the figures "\$2,267.50", strike out "due the said W. C. Latane and James Latane" and insert in lieu thereof "and to Willie Johnson, of Westmoreland County, Va., the sum of \$387.50, in full settlement of all claims against the United States."

Line 11, after the word "Monument", insert "in the State of Virginia"

At the end of the bill add "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of W. C. and James Latane and Willie Johnson."

WARREN ZIMMERMAN

The Clerk called the next bill, H. R. 4126, for the relief of Warren Zimmerman.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Warren Zimmerman the sum of \$877.09, in full settlement for losses sustained because of the failure of the postmaster and postal employees at Lawrence, Kans., to handle mail deposited in that post office in accordance with the understanding and agreement made with this patron.

With the following committee amendments:

Line 6, after the name "Zimmerman", insert "of Lawrence, Kans."
Line 6, after the word "settlement", insert "of all claims against
the United States."

At the end of the bill add "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

GUSTAV SCHMIDT

The Clerk called the next bill, H. R. 4292, for the relief of Gustav Schmidt.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in full settlement against the Government, the sum of \$7,633.50 to Gustav Schmidt, of South San Francisco, Calif., on account of injuries sustained on July 24, 1926, when struck by a United States Army touring car.

With the following committee amendments:

Line 5, after the word "settlement", insert "of all claims."
Line 6, strike out the word "Government" and insert in lieu thereof "United States."

Line 6, strike out the sign and figures "\$7,633.50" and insert in lieu thereof "\$2,500."

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCIS A. LEETE

The Clerk called the next bill, H. R. 4554, for the relief of Francis A. Leete.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Francis A. Leete, out of any money in the Treasury not otherwise appropriated, the sum of \$4,000, in full satisfaction of his claim against the United States arising from personal injuries sustained by him when he was struck by a Government ambulance, operated in connection with the Civilian Conservation Corps, on Riverdale Street at West Springfield, Mass., on January 26, 1935: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Line 4, after the name "Leete", insert "and Sarah Leete, of Northville, Fulton County, N. Y."

Line 5, change the word "sum" to "sums."

Line 5, strike out the sign and figures "\$4,000" and insert in lieu thereof "\$2,500 and \$1,000, respectively."

Line 6, strike out the words "his claim" and insert in lieu thereof

"their claims."

Line 7, strike out the words "by him."

Line 7, strike out the word "he" and insert in lieu thereof "the car in which they were riding."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Francis A. Leete and Mrs. Sarah Leete."

LETTIE LEVERETT

The Clerk called the bill (H. R. 4608) for the relief of Lettie Leverett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lettie Leverett, of Elgin, Okla., the widow and legal representative of the late Silas Leverett, the sum of \$5,000 in full settlement of all claims against the United States arising out of the death of Silas Leverett, on August 22, 1930, while engaged in fighting fire on the Fort Sill Military Reservation, Okla., in obedience to, and under the supervision of, officers of the National Guard of Oklahoma. The deceased was burned to death through the negligence of such officers in ordering and bringing the deceased into a position of extreme danger to life without due precaution for the safety to the deceased and through the negligent operation of a Government ceased, and through the negligent operation of a Government truck on which the deceased was riding, and which was being operated by an enlisted man of the United States Army under orders of such officers: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact collect withheld or receive even sum of the or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, line 7, after the word "Provided", strike out the rest of Page 2, line 7, after the word "Provided", strike out the rest of the bill and insert in lieu thereof the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read. The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 7, strike out "\$5,000" and insert "\$3,000."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BORG-WARNER CORPORATION

The Clerk called the bill (S. 755) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment in such amount as it deems may be equitably due, notwithstanding the lapse of time, or any statute of limitation, or any limitation upon the jurisdiction of such court with respect to claims upon any contract implied in law, upon the claim of the Borg-Warner Corporation, in its own right and as successors to the Marvel Carbureter Co. (formerly a wholly owned subsidiary of the Borg-Warner Corporation), against the United States in connection with the development of fuel-injection systems for use on military aircraft: Provided, however, That such damages shall not exceed the actual moneys expended by the said Borg-Warner Corporation and the Marvel Carbureter Co. in connection with this said development during the calendar years 1927 to 1936, inclusive.

Sec. 2. Such claim shall be instituted by or on behalf of the Borg-Warner Corporation within 1 year after the date of the enactment of this act. Proceedings in any suit before the Court of Claims under this act, and review thereof and payment of any judgment therein, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

cial Code, as amended

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SIGVARD C. FORO

The Clerk called the bill (S. 1092) for the relief of Sigvard

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money appropriated or allocated for the maintenance and operation of the Civilian Conservation Corps, to Sigvard C. Foro, of Duluth, Minn., the sum of \$3,621.75, in full satisfaction of his claim against the United States for personal injuries and property damages sustained by him when his car was struck by a Civilian Conservation Corps truck on Highway No. 61 at Palmer, Minn., on August 5, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered. August 5, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contravt notwithstanding. Any percent violating the to the contrary notwithstanding. Any person violating the

provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 4, after the word "money", strike out "appropriated or allocated for the maintenance and operation of the Civilian Conservation Corps" and insert in lieu thereof "in the Treasury not otherwise appropriated."

Page 2, strike out lines 2 to 13, inclusive, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 8, strike out "\$3,621.75" and insert in lieu thereof "\$2,500."

The amendment was agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESLIE J. FRANE AND CHARLES FRANE

The Clerk called the bill (S. 2067) for the relief of Leslie J. Frane and Charles Frane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leslie J. Frane, of Fort Wayne, Ind., the sum of \$1,948.50, and to Charles Frane, the sum of \$3,995.25, in full settlement of all their claims against the United States for injuries and expenses incurred by Leslie J. Frane, and for the death of Mrs. Charles Frane, when the car in which they were traveling was struck by a Works Progress Administration truck on September 13, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of corriese repolared in convention with this claim and the same shall services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUY F. ALLEN

The Clerk called the bill (S. 2179) for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit in the June 1937 and July 1938 accounts of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, without charge against the certifying officer of the Department of the Interior, for the following vouchers covering the purchase of tents and canvas: Voucher 13–85798, \$65; voucher 13–86963, \$73.75; voucher 13–87591, \$784.25; voucher 13–87592, \$366.02; voucher 13–8340, \$40.75.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

The Clerk called the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to Dorothy Clair, a former employee of the Rocky Boy Indian Agency at Rocky Boy, Mont., and to allow credit in the accounts of G. F. Allen, chief disbursing officer, and Earl Wooldridge, formerly superintendent and certifying officer of that agency, for the amount of \$127.28, representing per diem and travel expenses paid to said Dorothy Clair for the period August 19, 1937, to September 10, 1937, inclusive

With the following committee amendment:

Line 5, strike out the word "Boy" and insert the word "Boy's."

The amendment was agreed to, and the bill as amended was ordered read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEONHARD STEJNEGER

The Clerk called the bill (H. R. 6678) to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decoration from the Norwegian Government.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2526) of similar title. be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That Leonhard Stejneger, of the United States National Museum, be authorized to accept and wear the decoration of Commander of the Royal Norwegian Order of St. Olav, tendered him by the Norwegian Government in recognition of his scientific work, and further that the Department of State be authorized to deliver said decoration to the said Leonhard

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill (H. R. 6678) was ordered to lie on the table.

JEANETTE W. MOFFETT

The Clerk called the bill (H. R. 2253) granting an increase of pension to Jeanette W. Moffett.

Mr. HALLECK and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

HARVEY T. WILSON

The Clerk called the next bill, H. R. 1554, for the relief of Harvey T. Wilson.

The SPEAKER. Is there objection?

Mr. HALLECK and Mr. COSTELLO objected, and the bill, under the rule, was recommitted to the Committee on Claims.

ESTATE OF K. J. FOSS

The Clerk called the next bill, H. R. 1843, for the relief of the estate of K. J. Foss.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. I object, Mr. Speaker. The SPEAKER. Two objections are required. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of K. J. Foss, of Houston, Minn., the sum of \$4,060 in full settlement of all claims against the United States for damages to a building as the result of a fire caused by defective wiring in a truck owned by the Soil Conservation Service, Department of Agriculture and paying in said building. culture, and parked in said building.

With the following committee amendments:

Page 1, line 6, strike out "\$4,060" and insert \$233.04"; Line 11, after the word "building" insert the following: "on November 12, 1935: Provided, That no part of the amount ap-propriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOM KELLY

The Clerk called the next bill, H. R. 2041, for the relief of Tom Kelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$20,000 to Tom

Kelly, in full satisfaction of the claim of said Tom Kelly for serious and permanent injuries received in an automobile collision with a Government Civilian Conservation Corps truck on the highway between Tulsa and Skedee, Okla., on September 24, 1934.

With the following committee amendments:

Page 1, line 5, strike out "\$20,000" and insert "\$6,270."
Page 1, line 6, after the word "Kelly", insert "of Skedee, Okla."
Page 1, line 7, after the word "of" strike out "the claim of said
Tom Kelly" and insert "all claims against the United States."
Page 1, line 99, after "1934" insert the following: "Provided, That
no part of the amount appropriated in this act in excess of 10 per-

cent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCILE SNIDER AND CLIFF SNIDER, JR.

The Clerk called the next bill, H. R. 2096, for the relief of Lucile Snider and Cliff Snider, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is author Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucile Snider, of Smithville, Ga., the sum of \$5,000, and to Cliff Snider, Jr., the sum of \$5,000, in full satisfaction of all their claims against the United States for the death of their father, Cliff Snider, who was killed when the automobile in which he was a passenger was struck by a Civilian Conservation Corps truck driven by an enrollee, Joe Holder, on the Americus-Andersonville Highway, about 8 miles north of Americus, Ga. on October 25, 1936. Ga., on October 25, 1936.

With the following committee amendments:

Page 1, line 6, strike out "\$5,000" and insert "\$1,000."
Page 1, line 7, strike out "\$5,000" and insert "\$1,000."
Page 2, after the figures in line 1, insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or excess of 10 percent thereof shall be paid of derivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK MALLES, JR.

The Clerk called the next bill, H. R. 2250, for the relief of Frank Malles, Jr.

There being no objection, the Clerk read the bill, as fol-

lows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Malles, Jr., of Chicago, Ill., the sum of \$5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of injuries received by the said Frank Malles, Jr., on March 7, 1935, when struck by a United States mail truck, at the time driven by Harry Vogt, a United States mail truck, at the time driven by Harry Vogt, a United States post-office employee assigned to the Chicago Post Office, who at the time was on duty and engaged in his regular duties as an employee, United States Postal Service: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person or persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

Page 1, line 5, after the word "to", insert "the legal guardian of."

The committee amendment was agreed to.

Committee amendment: Page 1, line 7, strike out "\$5,000" and

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Costello to the committee amendment: Page 1, line 7, strike out "\$2,500" and insert "\$500."

The amendment to the amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF HARVEY T. COMBS

The Clerk called the next bill, H. R. 2363, for the relief of the estate of Harvey T. Combs.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarence D. Combs, Zanesville, Ohio, administrator of the estate of Harvey T. Combs, deceased, the sum of \$10,000. The payment of such sum shall be in full settlement of all claims against the United States for the wrongful death of the said Harvey T. Combs as a result of being struck on March 27, 1937, at the intersection of Amelia Street and Jackson Street in Zanesville, Ohio, by a motor vehicle in the service of the Post Office Department. service of the Post Office Department.

With the following committee amendments:

Page 1, line 7, strike out "\$10,000" and insert "\$2,500";

Page 1, line 7, strike out "\$10,000" and insert "\$2,500";
Page 2, line 1, after the word "Department", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemenor and then conviction thereof shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN LOUISE GILES

The Clerk called the next bill, H. R. 3109, for the relief of Helen Louise Giles.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALLECK and Mr. COSTELLO objected, and the bill, under the rule, was recommitted to the Committee on Claims.

ANNA E. HURLEY

The Clerk called the next bill, H. R. 3156, for the relief of Anna E. Hurley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, to Anna E. Hurley, the sum of \$2,046.11, in full settlement for damages to real and personal property, not reimbursed by insurance, and for extra expenses thereby necessitated, when, on or about January 8, 1938, an airplane belonging to and operated by persons attached to the Naval Reserve aviation base at Kansas City, Kans., after failing and being abandoned in midair, crashed into the residence at 1121 Stewart Avenue, Kansas City, Kans.

With the following committee amendments:

Page 1, line 6, after the word "Hurley", insert "of Kansas City, Kans.'

Page 1, line 7, strike out "\$2,046.11" and insert "\$1,646.11"; Page 1, line 7, after the word "settlement", insert "of all claims against the United States";

Page 2, after the word "Kansas", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN INSURANCE CO. OF NEW JERSEY

The Clerk called the next bill, H. R. 3363, for the relief of the American Insurance Co. of New Jersey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay the American Insurance Co. of New Jersey, subrogated to the rights of one Anna E. Hurley, who is the owner in fee simple of real estate and a residence situated thereon located in Kansas City, Wyandotte County, Kans., out of any money in the Treasury not otherwise appropriated, the sum of \$1,300, in full settlement of all claims against the Government of the United States for loss and damages sustained to the property of Anna E. Hurley, which loss and damages was occasioned to the American Insurance Co. of New Jersey by the payment of a claim by said company to Anna E. Hurley, its insured, under a policy of insurance issued by said American Insurance Co. of New Jersey to Anna E. Hurley to indemnify her against property loss occasioned to her residence which resulted from an airplane owned and operated by the United States Naval Reserve Corps striking and passing through said residence of the insured on January 8, 1938, resulting in damages and property loss to said residence without any fault or negligence on the part of Anna E. Hurley, and which loss became the legal obligation of this claimant, the American Insurance Co. of New Jersey, under its contract of indemnity with Anna E. Hurley, and that because of said payment this claimant has by assignment been subrogated to the rights of Anna E. Hurley: Provided, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. Be it enacted, etc., That the Secretary of the Treasury is hereby

With the following committee amendments:

Page 1, line 10, after the word "against" strike out the words "the Government of":

Page 2, line 2, strike out the word "was" and insert the word "were."

Page 2, beginning in line 18, strike out down through and including line 4, on page 3 and insert the following: "That no including line 4, on page 3 and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY VROUNTAS

The Clerk called the next bill, H. R. 4275, for the relief of Harry Vrountas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Vrountas, the sum of \$5,000 in full settlement of all claims against the Government for injuries sustained by his minor son, Theodore Vrountas, when struck by a pipe being used on a Works Progress Adminis-tration project on May 3, 1938, in Boston, Mass.

With the following committee amendments:

Line 5, after the name "Vrountas", insert "of Allston, Mass."
Line 6, strike out the sign and figures "\$5,000" and insert in
lieu thereof "\$433 and to the legal guardian of Theodore Vrountas,
a minor, of Allston, Mass., the sum of \$300."
Line 7, strike out the word "Government" and insert in lieu
thereof "United States."

Line 7, strike out the words "his minor son" and insert in lieu thereof "the said."

thereof "the said."

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Harry Vrountas and Theodore Vrountas."

The Clerk called the next bill, H. R. 4482, for the relief of Byron MacDonald

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Byron MacDonald, of Malden, Mass., the sum of \$10,000. The payment of such sum shall be in full settlement of all claims of the said Byron MacDonald against the United States for the death of his minor son, Richard MacDonald, on July 21, 1937, when he was struck down and killed by a truck, the property of the United States, in the service of the Civilian Conservation Corps, on the truck trail on Breakheart Reservation, Saugus, Mass.

With the following committee amendments:

Line 6, strike out the sign and figures "\$10,000" and insert in lieu nereof "\$2,500." thereof

At the end of the bill add ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. MORKOVSKY ET AL.

The Clerk called the next bill, H. R. 4813, for the relief of John L. Morkovsky, and the estates of Marie R. Morkovsky and Alphons Morkovsky, both deceased.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John L. Morkovsky, of Weimar, Tex., the sum of \$5,000; to the administrator of the estate of Marie R. Morkovsky, deceased, formerly of Hallettsville, Tex., the sum of \$5,000; and to the administrator of the estate of Alphons Morkovsky, deceased, formerly of Hallettsville, Tex., the sum of \$5,000, in full satisfaction of all claims against the United States for personal injuries sustained by John L. Morkovsky, and for the deaths of Marie R. Morkovsky and Alphons Morkovsky, which resulted from a collision between the automobile in which they were passengers and a United States Army truck, on November 9, 1937, near Luling, Tex.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. any sum not exceeding \$1,000.

With the following committee amendments:

Lines 5 and 6, strike out the language "to John L. Morkovsky, of Weimar, Tex., the sum of \$5,000."

Line 8, strike out the sign and figures "5,000" and insert in lieu thereof "\$500."

Lines 11, on page 1, and 1, on page 2, strike out the language "personal injuries sustained by John L. Morkovsky, and for."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended, so as to read: "A bill for the relief of the estates of Marie R. Morkovsky and Alphons Morkovsky, both deceased."

CARYL BURBANK ET AL.

The Clerk called the next bill, H. R. 5350, for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$197.30

to Caryl Burbank, of Washington, D. C.; the sum of \$55 to Preston A. Stanford, of Washington, D. C.; and the sum of \$253.79 to the Fire Association of Philadelphia, of Philadelphia, Pa., in full settlement of their claims against the United States for property damages occasioned on October 3, 1938, in the city of Washington, D. C., when an automobile in which an injured Works Progress Administration employee was being transported to a hospital collided with an automobile owned and operated by Preston A. Stanford, and insured by the Fire Association of Philadelphia, causing it, in turn, to strike an automobile owned and operated by Caryl Burbank: Provided, That, as a condition precedent to the payments directed herein, each claimant shall execute an instrument releasing William A. Farr, owner and operator of the vehicle transporting the injured Works Progress Administration employee, from liability for damages occasioned to their respective automobiles and other property: Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN E. GARRETT

The Clerk called the next bill, H. R. 5894, for the relief of John E. Garrett.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of John E. Garrett, postmaster at Dwight, Ill., with the sum of \$12,223.04, representing the amount of money and postage stamps lost in the burglary of the post office at Dwight, Ill., on November 9, 1937, such loss having resulted from no fault or negligence on the part of said postmaster, as determined by the Postmaster General under a provision in title 39, United States Code, section 49

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES D. LARRY, SR.

The Clerk called the next bill, H. R. 5895, for the relief of James D. Larry, Sr.

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of James D. Larry, Sr., postmaster at Melrose Park, Ill., with the sum of \$10,314.79, representing the amount of public funds and stamp stock lost in the burglary of the post office at Melrose Park, Ill., on April 21, 1937, such loss having resulted from no fault or negligence on the part of said postmaster, as determined by the Postmaster General under a provision in title 39, United States Code. section 49. United States Code, section 49.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. C. GRICE

The Clerk called the next bill, S. 891, for the relief of J. C. Grice.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. C. Grice, of Whittier, N. C., the sum of \$201.15, in full satisfaction of his claim against the United States for mileage allowance for travel performed by means of his personally owned automobile during the period May 27, 1936, to January 8, 1938, while supervising certain construction projects. of his personally owned automobile during the period May 27, 1936, to January 8, 1938, while supervising certain construction projects for the Department of the Interior on the Cherokee Reservation at Cherokee, N. C.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unleastful for any agent or agents extrapred or claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000 ceeding \$1,000.

With the following committee amendment:

Beginning with the word "Provided", in line 12, strike out the remaining language of the bill and insert in lieu thereof: "Pro-

vided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1000." exceeding \$1,000."

The committee amendment was agreed to:

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENT-A-CAR CO.

The Clerk called the next bill, S. 1258, for the relief of the Rent-A-Car Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Rent-A-Car Co., of Memphis, Tenn., the sum of \$144.80, in full satisfaction of its claim against Tenn., the sum of \$144.80, in full satisfaction of its claim against the United States, for reimbursement of expenses incurred in repairing an automobile rented on November 14, 1933, by a special agent of the Department of Justice and damaged while being used by such person on official business: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent therof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed gullty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. sum not exceeding \$1,000.

With the following committee amendment:

Beginning with the word "Provided" in line 11, page 1, strike out the remaining language of the bill and insert in lieu thereof "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRACE S. TAYLOR

The Clerk called the next bill, S. 1339, for the relief of Grace S. Taylor.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Grace S. Taylor, Kensington, Md., the sum of \$100. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Grace S. Taylor when the automobile which she was driving was struck, on March 12, 1937, in Washington, D. C., by an automobile owned by the Veterans' Administration and operated by an employee of such department: Administration and operated by an employee of such department: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF DOROTHY ELIZABETH SISSON, MINOR

The Clerk called the next bill, S. 1430, for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Dorothy Elizabeth Sisson, a minor, of Memphis, Tenn., the sum of

\$1,230. The payment of such sum shall be in full settlement of all claims or judgments against the United States, or J. H. Rochester, of Memphis, Tenn., on account of personal injuries received by said Dorothy Elizabeth Sisson when struck, on March 19, 1935, in Memphis, Tenn., by a United States mall truck: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the conclaim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon convictions. tion thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH W. PARSE

The Clerk called the next bill, S. 1688, for the relief of Joseph W. Parse.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and allow the claim of Joseph W. Parse for compensation for services rendered as United States Commissioner in the eastern district of Arkansas from December 1, 1933, to November 30, 1936, inclusive, notwithstanding the fact that accounts therefor were not submitted by the Commissioner within 1 year after the rendition of such services in accordance with the provisions of the act of March 1, 1933 (47 Stat. 1383).

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CLARENDON DAVIS

The Clerk called the next bill, H. R. 4062, for the relief of Clarendon Davis.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarendon Davis, of Camilla, Ga., the sum of \$680 for war-savings certificates which were registered and lost and for which the Treasury Department declines to pay, for the reason that the evidence submitted, while showing registration, does not show that the certificates were actually delivered to purchaser by postmaster.

With the following committee amendment:

Page 1, line 6, strike out "\$680" and insert "\$300."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HARRY W. LYLE

The Clerk called the next bill, H. R. 5115, for the relief of Harry W. Lyle.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry W. Lyle, Johnson City, Tenn., the amount required to reimburse him for services rendered as clerk to the Medical Advisory Board, No. 37, from February 1, 1918, to September 21, 1918, at the rate of \$100 per month with interest.

With the following committee amendment:

Page 1, line 9, after "1918", strike out "at the rate of \$100 per month with interest" and insert "in the sum of \$586.52 in full settlement of all claims against the United States, both principal and interest."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. VIRGIE B. WEAVER

The Clerk called the next bill, H. R. 5515, for the relief of Mrs. Virgie B. Weaver.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Mrs. Virgie B. Weaver, Waco, Tex., a former employee of the United States of America at Camp McArthur, Tex., and the United States Employees' Compensation Commission is authorized to receive and consider her claim, under the remaining provisions of said act, for injury and disability alleged to have provisions of said act, for injury and disability alleged to have been sustained in the latter part of 1917 or the early part of 1918 as a result of her employment in such capacity: *Provided*, That claim hereunder shall be filed within 90 days from the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN AUGUST JOHNSON

The Clerk called the next bill, H. R. 6010, for the relief of John August Johnson.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill,

Be it enacted, etc., That the Court of Claims of the United States be, and it is hereby, given jurisdiction to hear and determine the claim of John August Johnson, of Rockford, Ill., and to render judgment against the United States in his favor for such compensation and damage as may be found to be justly due, if any, as com-pensation and damage sustained by reason of the destruction by fire on October 4, 1923, of the dwelling house located on the farm lands

of John August Johnson, situated near Camp Grant, Ill., while said farm lands were occupied by the War Department.

Sec. 2. Said claim shall not be considered as barred because of any existing statute of limitations with respect to suits against the United States: Provided, That suit is brought within 1 year of the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. Z. BUSH AND W. D. KENNEDY

The Clerk called the next bill, H. R. 3481, for the relief of C. Z. Bush and W. D. Kennedy.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. Z. Bush, of Dawson, Ga., the sum of \$10,000 for personal injuries sustained, and to W. D. Kennedy, of Dawson, Ga., the sum of \$72.80 for property damage suffered, in full satisfaction of their claims against the United States, sustained when the automobile in which they were riding was struck by a National Park Service truck operated in connection with the Civilian Conservation Corps on the Dawson-Albany Highway, near Dawson, Ga., on August 12, 1937.

With the following committee amendments:

Page 1, line 6, strike out "\$10,000" and insert "\$3,500."
Page 2, line 2, insert a colon and the following: "Provided, That
no part of the amount appropriated in this act in excess of 10
percent thereof shall be paid or delivered to or received by any
agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEIRS OF JOHN CAULEY, DECEASED

The Clerk called the next bill, H. R. 3912, for the relief of the heirs of John Cauley, deceased.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of John Cauley, deceased, the sum of \$5,000. Such sum shall be in full settlement of all claims against the United States arising out of the wrongful death of John Cauley occasioned as a result of the negligence of Works Progress Administration employees in Faxon Township, county of Sibley, State of Minnesota, on the 17th day of June 1938.

With the following committee amendments:

Page 1, line 5, after the word "deceased", insert "formerly of Saxon, Minn."
Page 1, line 6, strike out "\$5,000" and insert "\$2,500."

Page 1, after line 11, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or reexcess of 10 percent thereof shall be paid of delivered to of received by any agent or attorney on account of services rendered to connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceed-

The committee amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 5266, for the relief of Mina Keil.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mina Keil, of Munic, Ind., the sum of \$643.50. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Mina Keil when the automobile in which she was a passenger was struck, on October 13, 1936, near Stanford, Ind., by a truck owned by the Civilian Conservation Corps and operated by an employee of the Corps.

With the following committee amendments:

Page 1, line 6, strike out "\$643.50" and insert "\$500."
Page 1, after line 12, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE EMMER AND JOHN ECKENDORFF

The Clerk called the next bill, H. R. 5338, for the relief of Josephine Emmer, wife of and John Eckendorff.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Josephine Emmer, wife of John Eckendorff, and John Eckendorff, her husband, the sum of \$2,097.98 in full settlement of all claims against the United States for injuries received by Josephine Emmer, wife of John Eckendorff, resulting from a motor-vehicle accident involving a Department of Agriculture vehicle in New Orleans, La., on May 28, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. John Eckendorff, of New Orleans, La., the sum of \$500, and to Mr. and Mrs. Alexander G. Dorr, of New Orleans, La., the sum of \$250. Said sums shall be in full settlement of all claims against the United States for injuries received by Mrs. John Eckendorff and Mrs. Alexander G. Dorr, and expenses incident thereto, resulting from a collision between the car in which they were riding and a truck in the service of the Department of Agriculture, in New Orleans, La., on May 28, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000." \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr."

H. A. DIXON

The Clerk called the next bill, H. R. 5383, for the relief of H. A. Dixon.

Mr. COSTELLO. I object, Mr. Speaker.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. A. Dixon, of Miami, Fla., the sum of \$115.85, in full settlement of all claims against the United States for costumes and apparel furnished to the Works Progress Administration upon the order and direction the Works Progress Administration upon the order and direction of the Director of the Federal theater project of Miami, Fla., at Miami, Fla., on September 10, 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary nothwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. not exceeding \$1,000.

With the following committee amendments:

Line 10, strike out the small "t" and "p" in the words "theater Line 10, strike out the small "t" and "p" in the words "theater project" and insert in lieu thereof a capital "T" and capital "P".

Beginning with the word "Provided" in line 11, page 1, strike out the remaining language of the bill and insert in lieu thereof: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered the connection with this claim, and the serme shall be unlawful. in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY COHEN BIENVENU

The Clerk called the joint resolution (S. J. Res. 72) readmitting Mary Cohen Bienvenu to citizenship.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the joint resolution was recommitted to the Committee on Immigration and Naturalization.

CHARLES H. LEGAY

The Clerk called the next bill, H. R. 3931, for the relief of Charles H. LeGay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118, Revised Statutes, the Secretary of War is hereby authorized to reenlist, in the United States Army, Charles H. LeGay, Medical Department, Fort McIntosh, Tex., at the expiration of said Charles H. LeGay's present period of enlistment, and on such future dates as the said Charles H. LeGay may make application for reenlistment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANKLIN C. RICHARDSON

The Clerk called the next bill, H. R. 6063, for the relief of Franklin C. Richardson.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2366, may be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118 of the Revised Statutes of the United States, the Secretary of War is hereby authorized to reenlist in the United States Army Franklin C. Richardson, private, Hawaiian Casual Section, First Recruit Company of the Overseas Discharge and Replacement Depot, Fort Slocum, N. Y. (serial No. 6944754), on such future dates as the said Franklin C. Richardson may make application for reenlistment: Provided, That he meets the other requirements for reenlistment in the Army.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6063) was laid on the table.

GRANTING PENSIONS TO CERTAIN WIDOWS OF VETERANS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 7038, granting pensions to certain widows of veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pen-sion rolls, subject to the provisions and limitations of the pension

The name of Inez Duncan, widow of George W. Duncan, late of Company A, Forty-ninth Regiment Missouri Infantry, and pay her a pension at the rate of \$30 per month.

The name of Pearl Brentlinger, widow of Levi Brentlinger, late of Company I, Twenty-seventh Regiment Ohio Infantry, and pay

her a pension at the rate of \$30 per month.

The name of Martha J. Poole, widow of Judson Poole, late of Company L, Second Regiment Iowa Cavalry, and pay her a pension

at the rate of \$30 per month.

The name of Ella F. Lane, widow of John Lane, late of Company G, Sixth Regiment Wisconsin Infantry, and pay her a pension at

the rate of \$30 per month.

The name of Rebecca J. Reynard, widow of John Reynard, late of Company A, Sixteenth Regiment Kansas Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Charity Cooper, widow of Henry Skinner, alias Henry Cooper, late of Company B, Twelfth Regiment United States Colored Heavy Artillery, and pay her a pension at the rate of \$30 per month per month.

The name of Isabel Bullock, widow of John F. Bullock, late of general service, United States Army, and pay her a pension at the rate of \$20 per month, and increase the rate to \$30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Belle Musgrove, widow of Robert Musgrove, late of Company E, Third Regiment, and Company E, Fifth Regiment, Michigan Infantry, and pay her a pension at the rate of \$30 per

The name of Margaret Moore, widow of James F. Moore, late of Company E, Forty-seventh Regiment Kentucky Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary J. Ferguson, widow of Archey C. Ferguson, late of Company D, Twenty-ninth Regiment Ohio Infantry, and pay her a pension at the rate of \$30 per month.

The name of Katherine M. Gurney, widow of Enoch H. Gurney,

late of Company H, One Hundred and Flifty-third Regiment New York Infantry, and second lieutenant, Company F, Second Regi-ment New York Veteran Cavalry, and pay her a pension at the rate

of \$30 per month.

The name of Emma Wagner, widow of Charles Wagner, late of Company E, First Regiment Maryland Veteran Cavalry, and pay her a pension at the rate of \$30 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING INCREASE OF PENSION TO CERTAIN WIDOWS OF VETERANS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 7039, granting increase of pension to certain widows of veterans of the Civil War

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws

The name of Catherine J. Cupp, widow of Samuel Cupp, late of Company I, One Hundred and Ninety-fifth Regiment Ohio

of Company I, One Hundred and Ninety-fifth Regiment Ohio Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Annie S. Wynne, widow of John J. Wynne, late of Company F, One Hundred and Second Regiment New York Infantry, and United States Navy, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Lillie L. White, widow of Simon W. White, late of Company C, Fifth Regiment United States Colored Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

of that she is now receiving.

The name of Martha A. Vroman, widow of Cornelius Vroman, late of Company H, First Regiment New York Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she

her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Dell McMasters, widow of Hugh McMasters, late of Company D, One Hundred and Eighty-seventh Regiment Ohio Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah L. Knickerbocker, widow of Clay Knickerbocker, late of Company I, One Hundred and Forty-third Regiment New York Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Amanda B. Thomas, widow of Jacob B. Thomas, late of Company I, Sixth Regiment Iowa Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

now receiving.

The name of Cornelia Hunton, widow of Jefferson D. Hunton, late of the Fourth Battery, Maine Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Jennett Hutchinson, widow of Craig Hutchinson, late of Company C, One Hundred and Thirty-fifth Regiment

Ohio Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elizabeth Pidgeon, widow of Charles B. Pidgeon, late of Company K, Twenty-third Regiment Ohio Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH FAIRFAX AYRES

The Clerk called the next bill, H. R. 766, granting an increase of pension to Elizabeth Fairfax Ayres.

Mr. HANCOCK and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

MERTIE LORAIN ANDERSON

The Clerk called the next bill, H. R. 2448, granting an increase of pension to Mertie Lorain Anderson.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

JOHN SPAEDY

The Clerk called the next bill, H. R. 5105, granting a pension to John Spaedy.

Mr. HANCOCK. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of John Spaedy, whose name is borne on the rolls of Capt. Horace Shoemaker's Provisional Company Enrolled Missouri Militia as John Spada and John Spady, and pay him a pension at the rate of \$50 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN BUTURUGA AND NORAH BUTURUGA

The Clerk called the next bill, H. R. 4846, for the relief of John Buturuga and Norah Buturuga.

Mr. CLEVENGER, Mr. JENKINS of Ohio, and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

CHAIM WAKERMAN

The Clerk called the next bill, H. R. 3148, to record the lawful admission to the United States for permanent residence of Chaim Wakerman, known as Hyman Wakerman.

Mr. HANCOCK and Mr. MOTT objected and, under the rule, the bill was recommitteed to the Committee on Immigration and Naturalization.

GROWERS FERTILIZER CO.

The Clerk called the next bill, H. R. 5151, for the relief of the Growers Fertilizer Co., a Florida corporation.

Mr. COSTELLO, Mr. HANCOCK, and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Claims.

DOROTHY CLAIR HESTER

The Clerk called the next bill, S. 1322, for the relief of Dorothy Clair Hester, daughter of E. R. Hester.

There being no objection, the Clerk read the bill, as follows:

Be is enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. R. Hester, of Arcadia, La., for the benefit of his minor daughter, Dorothy Clair Hester, the sum of \$316.35, in full satisfaction of her claim against the United States for perspectively injury received when she was strike United States. \$316.35, in full satisfaction of her claim against the United States for permanent injury received when she was struck by a Civilian Conservation Corps truck as it passed along the Arcadia-Bryceland Highway in Arcadia, La., March 7, 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

N. F. CLOWER AND ELIJAH WILLIAMS

The Clerk called the next bill, S. 2056, for the relief of N. F. Clower and Elijah Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, for and Be it enacted, etc., That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to N. F. Clower, of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in Shelby County, Tenn., and particularly described as follows:

Being in the second civil district of said county and State to with

real estate lying and being in Shelby County, Tenn., and particularly described as follows:

Being in the second civil district of said county and State, to wit: 27.06 acres of land bounded on the north by the lands of White; on the east by the lands of Fields; on the south by the lands of Weaver; and on the west by the lands of Ensley or Barrett; and lots 9, 11, 12, and 13 in Clower's subdivision in Shelby County, State of Tennessee, which subdivison was made in January A. D. 1925; said lots are bounded on the north by the lands of N. F. Clower; on the east by the lands of Williams and Birdie Rice; on the south by Mitchell Avenue, and on the west by the Macedonia Missionary Baptist Church lands; said lots 9, 11, 12, and 13 are in block 2 of said subdivision; together with the hereditaments and appurtenances thereunto belonging.

SEC. 2. That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to Elijah Williams of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in the of the register's office for the county of Shelby in the State Calvert Avenue at the northwest corner of Branch Street State, to wit: Lot 42, block 1 of W. O. Crump's Warford

Being in the second civil district of said county and follows: of Tennessee, said land beginning on the north side of Avenue subdivision, as shown in plat book 8 at page 205 county of Shelby, Tenn., and particularly described as thence west 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with the hereditaments and appurtenances thereunto

belonging.

SEC. 3. That the clerk of the United States District Court for the Western District of Tennessee, at Memphis, is hereby authorized

and directed to satisfy of record the judgment obtained by the United States of America against N. F. Clower and Elijah Williams, as sureties on the forfeited bail bond of Robert Rhone, who was charged with violation of the United States Internal Revenue Act and who failed to appear as required by law but who subsequent to the first setting of his trial and within the same term of court, made his appearance, stood trial July 21, 1937, was convicted, sentenced, and has served his time and been discharged: Provided, however, That as a condition precedent to the reconveyance of the property and the satisfaction of the judgment the claimants pay to the United States their proportionate share of the sum of \$167.96, said sum representing costs and expenses incurred by the Government.

With the following committee amendment:

Page 2, beginning in line 18, strike out the remainder of section 2 and insert:

2 and insert:

"Second Civil District, County of Shelby, and State of Tennessee, to wit: Lot No. 42, block 1, of W. O. Crump's Warford Avenue Subdivision, as shown in plat book 8, at page 205, of the register's office for the county of Shelby, in the State of Tennessee, said land beginning on the north side of Calvert Avenue at the northwest corner of Branch Street 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with the hereditaments and appurtenances thereunto belonging."

The Committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO CORRECT THE MILITARY RECORD OF OBERLIN M. CARTER

The Clerk called the next bill, H. R. 4723, to correct the military record of Oberlin M. Carter, formerly captain, Corps of Engineers, United States Army, to show that the judgment of court martial in his case is unlawful and invalid.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that this bill be transferred to the Union Calendar.

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, may I ask the gentleman from New York what the purpose of the transfer is?

Mr. ANDREWS. Due to the great public interest in this measure.

The SPEAKER. The Chair will state to the gentleman from New York that under the uniform policy and under the precedents of the House, the Chair is of the opinion that would be a bad precedent, and the Chair does not desire to recognize the gentleman for that purpose.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, it is my understanding that under the rules a bill cannot be passed over without prejudice when on the Private Calendar, and for that reason I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. WADSWORTH objected and, under the rule, the bill was recommitted to the Committee on Military Affairs.

NANNIE M'CLELLAN CHASE

The Clerk called the next bill, H. R. 6590, granting an increase of pension to Nannie McClellan Chase.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Nannie McClellan Chase, widow of George F. Chase, late brigadier general, United States Army, and pay her a pension at the rate of \$100 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH PAINTER MENOHER

The Clerk called the next bill, H. R. 5170, granting an increase of pension to Elizabeth Painter Menoher.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

CLARA PRENTIS BILLARD

The Clerk called the next bill, H. R. 4248, granting an increase of pension to Clara Prentis Billard.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

ROSALIE HOOD

The Clerk called the bill (H. R. 3203) granting an increase of pension to Rosalie Hood.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

INEZ CLAIR BANDHOLTZ

The Clerk called the bill (H. R. 3158) granting an increase of pension to Inez Clair Bandholtz.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

MARIBEL WILLIAMS CROFT

The Clerk called the bill (H. R. 2252) granting an increase of pension to Maribel Williams Croft.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

MARY W. OSTERHAUS

The Clerk called the bill (H. R. 326) granting an increase of pension to Mary W. Osterhaus.

Mr. HANCOCK and Mr. MOTT objected; and the bill was recommitted to the Committee on Pensions.

MOUKBIL KEMAL TASH

The Clerk called the bill (S. 1534) for the relief of Moukbil Kemal Tash.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Immigration and Naturalization.

GEORGE M. RUBY

The Clerk called the bill (S. 1723) to correct the military record of George M. Ruby-

Mr. HANCOCK and Mr. MOTT objected, and the bill was recommitted to the Committee on Military Affairs.

EMIL FRIEDRICH DISCHLEIT

The Clerk called the bill (S. 1269) for the relief of Emil Friedrich Dischleit.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Emil Friedrich Dischleit, of Meriden, Conn., shall be held and considered to have been legally admitted to the United States for permanent residence on August 21, 1931.

SEC. 2. From and after the date of the approval of this act Emil

SEC. 2. From and after the date of the approval of this act kmil Friedrich Dischleit shall not again be subject to deportation by reason of the same facts upon which the outstanding proceedings rest.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Costello: Page 1, line 5, after the word "been" strike out the word "legally" and in line 7, change the period to a colon and insert: "Provided, That the said Emil Friedrich Dischleit shall never be eligible to become a citizen of the United States."

The amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EUGENE KRAMER

The Clerk called the bill (S. 1224) for the relief of Eugene Kramer.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Immigration and Naturalization

JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

The Clerk called the bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Johannes or John, Julia, Michael, William, and Anna Kostiuk. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on April 15, 1925.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DAUMIT TANNAUS SALEAH (DAVE THOMAS)

The Clerk called the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is directed to cancel forthwith any outstanding warrant of arrest, order of deportion, warrant of deportation, and bond, if any, in the case of alien Daumit Tannaus Saleah, and is directed not to issue any further warrants or orders in the case of such alien, insofar as such future warrants or orders are based on the unlawful entry of such alien into the United States prior to the enactment of this act, or on perjury or false statements in connection with such entry into the United States, or with any application heretofore made for a reentry permit or extension thereof. The said alien in April of 1928 secured the admission of his two children, Evelina Saleah, aged sixteen years, and Solomon Saleah, aged thirteen years, who are now residing with the alien's father at New Kensington, Pa., where they are attending the public schools. Deportation warrants were never issued in this case inasmuch as the Department of Labor has regarded this as a so-called hardship case. Hereafter, for the purpose of the immigration and naturalization laws, said alien shall be considered to have been, at New York, N. Y., on November 25, 1933, lawfully admitted to the United States for permanent residence.

With the following committee amendment:

Page 2, line 8, after the word "case", and the period, strike out the remainder of the bill and insert in lieu thereof the following: "This Act shall not be deemed to create a record of the admission of the said Daumit Tannaus Saleah for immigration or naturalization purposes and he will not be permitted to apply for naturalization unless and until he leaves the United States and reenters with proper legal visa. The said Daumit Tannaus Saleah shall not hereafter be subject to deportation for the same cause or causes upon which the warrant of deportation was issued."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Costello: Page 2, line 3, after the word "years", strike out the remainder of that line and all of lines 4, 5, 6, 7, and 8 down to the period in line 8 and insert in lieu thereof the following: "illegally."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Costello: Page 2, in line 14, after the word "and" strike out the remainder of that line and all of lines 15 and 16 down to the period in line 16 and insert: "Shall not be eligible to become a citizen of the United States."

The amendment was agreed to and the bill as amended was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MARIA BARTOLO

The Clerk called the next bill, S. 139, for the relief of Maria Bartolo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOTT and Mr. HANCOCK objected and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

CALLIOPE MINACA PILAVAKIS

The Clerk called the next bill, S. 808, for the relief of Calliope Minaca Pilavakis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Calliope Minaca Pilavakis, of Newark, N. J., the wife of Xenophon Pilavakis and the mother of two children born in the United States, shall be held and considered

to have been legally admitted to the United States for permanent residence on February 7, 1936.

SEC. 2. Any proceedings heretofore or hereafter instituted for the deportation of the said Calliope Minaca Pilavakis on the ground of unlawful residence in the United States shall be null

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, line 7, after the word "been", strike out the word "legally."

Page 1, line 3, change the period to a colon and insert: "Provided, That the said Calliope Minaca Pilavakis shall never be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KONSTANTINOS DIONYSIOU ANTIOHOS

The Clerk called the next bill, S. 1538, for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas)

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That in the administration of the immigra-tion and naturalization laws, the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Konstantinos Dionysiou Antichos (or Gus Pappas) and that from and after the approval of this act he shall be deemed to have been lawfully admitted to the United States for permanent residence.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 8, after the word "been", strike out the word "lawfully."

Line 9, change the period to a colon and insert: "Provided, That the said Konstantinos Dionysiou Antiohos (or Gus Pappas) shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PACIOS PIJUAN

The Clerk called the next bill, S. 1654, for the relief of Mrs. Pacios Pijuan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Mrs. Pacios Pijuan heretofore issued on the grounds that admission to the United States had been fraudulently gained and that she shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence.

With the following committee amendments:

Page 1, line 8, after the word "fraudulently" strike out the balance of line 8, all of line 9, and the words "permanent residence" in line 10, and insert: "gained. This act shall not be deemed to create a record of the admission of the said alien, Mrs. Pijuan, for immigration or naturalization purposes. The said Mrs. Pijuan shall not hereafter be subject to deportation for the same cause or causes upon which the warrant of deportation was tested.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HYMAN LEDERMAN

The Clerk called the next bill, H. R. 595, for the relief of Hyman Lederman.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CLEVENGER and Mr. HANCOCK objected and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

JOANNES JOSEPHUS CITRON

The Clerk called the next bill, S. 1954, for the relief of Joannes Josephus Citron.

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There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Joannes Josephus Citron shall be deemed to have been lawfully admitted to the United States for permanent residence on or about November 23, 1925, at the port of Eastport, Idaho.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, line 5, after the word "been", strike out the word "lawfully."

Line 7, change the period to a colon and insert "Provided, That Joannes Josephus Citron shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELYN MARY LOCKE

The Clerk called the next bill, S. 1815, for the relief of Evelyn Mary Locke.

The SPEAKER pro tempore. Is there objection?

Mr. MOTT and Mr. HANCOCK objected; and the bill. under the rule, was recommitted to the Committee on Immigration and Naturalization.

MATO, MILJENKO, BOZO, AND AUGUSTIN CIBILIC

The Clerk called the next bill, S. 796, for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich,

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, heretofore issued on the ground that admission to the United States has been fraudulently gained and that they shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New Orleans, La.

Mr. COSTELLO. Mr. Speaker, I offer an amendment, The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 9, after the word "been", strike out the word "lawfully."

Page 1, line 11, change the period to a colon and insert "Provided,

That the said Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, shall never be eligible to become citizens of the United

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN FRANCISCO MOUNTAIN SCENIC BOULEVARD CO.

The Clerk call the next bill, S. 68, for the relief of the San Francisco Mountain Scenic Boulevard Co.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the San Francisco Mountain Scenic Boulevard Co. the sum of \$15,500 as full settlement of the claim of said company against the United States arising out of expenditures made for the benefit of the United States in the construction of the San Francisco Mountain Scenic Boulevard within the Coconino National Forest in Arizona: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSIE M. DURST

The Clerk called the next bill, S. 809, for the relief of Jessie M. Durst.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Jessie M. Durst, who is alleged to have suffered injuries on or about May 25, 1936, while in the performance of her duties as an employee of the Works Progress Administration, at Fond du Lac, Wis.: Provided, That no benefit shall accrue prior to the approval of this act.

With the following committee amendment:

Line 12, after the word "act", strike out the period, insert a semicolon, and add the following language: "And provided further, That such claim be filed within 6 months after the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE A. ROGERS

The Clerk called the next bill, S. 811, for the relief of George A. Rogers.

Mr. COSTELLO and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

SUNCREST ORCHARDS, INC.

The Clerk called the next bill, S. 927, to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc.

Mr. COSTELLO and Mr. HALLECK objected; and, under the rule the bill was recommitted to the Committee on Claims.

EPES TRANSPORTATION CORPORATION

The Clerk called the next bill, S. 1042, for the relief of the Epes Transportation Corporation.

Mr. COSTELLO and Mr. MOTT objected; and, under the rule, the bill was recommitted to the Committee on Claims.

ALLIE HOLSOMBACK AND LONNIE TAYLOR

The Clerk called the next bill, S. 1414, for the relief of Allie Holsomback and Lonnie Taylor.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Allie Holsomback, of Wyatt, La., the sum of \$759, and to Lonnie Taylor, of Natchez, Miss., the sum of \$175, in full and final settlement of all their claims against the United States for personal injuries and property damage sustained by them on October 28, 1937, near Hodge, La., when a Ford coach owned by the Government and operated in connection with the Soil Conservation Service collided with Allie Holsomback's wagon and a truck owned by Lonnie Taylor: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA H. ROSA

The Clerk called the next bill, S. 1448, for the relief of Anna H. Rosa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna H. Rosa, of East Providence, R. I., the sum of \$30, in full settlement of all claims against the United States for damages to her automobile caused by snow falling from the roof of the customhouse at Providence, R. I.: Provided, That no part of the amount appropriated in this act in vided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. viction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 9, beginning with the word "Provided", strike out all the remaining language of the bill and insert in lieu thereof

the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fixed in of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. E. BOSTROM

The Clerk called the next bill, S. 1812, for the relief of A. E. Bostrom.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. E. Bostrom, of De Smet, S. Dak., the sum of \$309, in full satisfaction of his claim Smet, S. Dak, the sum of \$309, in full satisfaction of his claim against the United States on account of the loss of certain personal property which was destroyed by fire on January 23, 1935, at Onigum, Minn., while said claimant was temporarily employed by the Indian Service as a physician: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY K. SNYDER

The Clerk called the next bill, S. 1821, for the relief of Harry K. Snyder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and is hereby, authorized and directed to receive and consider, when filed, the claim of Harry K. Snyder, of Wilmington, Del., for disability alleged to have been incurred by him on February 16, 1926, while employed as a keeper of the United States Lighthouse Service, Port Penn, Del., and to determine said claim upon its merits under provisions of said act: Provided, That no benefits shall accrue prior to the enactment of this act.

With the following committee amendment:

Page 2, line 4, after the word "act", insert a colon and add: "And provided further, That such claim be filed within 6 months after the passage of this act."

he committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM HILLOCK

The Clerk called the next bill, S. 2061, for the relief of William Hillock.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$90 to William Hillock, of Watertown, S. Dak., in full settlement of his claim against the United States for 90 hours of overtime work performed by him during the period of July 1, 1936, to August 16, 1936, inclusive, while employed as a carpenter on a sewer and water project constructed at the Pine Ridge Indian Agency: Provided, That no part of the money appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS J. SMITH

The Clerk called the next bill, H. R. 2440, for the relief of Thomas J. Smith.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas J. Smith, of Mankato, Kans., the sum of \$813, in full satisfaction of his claim against the United States for per diem expenses in lieu of subsistence for the period from April 16, 1936, to February 6, 1937, in performing his official duties as an employee of the Soil Conservation Service, Department of Agriculture, which was disallowed by the Comptroller General: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. \$1,000.

With the following committee amendment:

Strike out all the language of the bill after the enacting clause and insert in lieu thereof the following:

"That Thomas J. Smith, of Mankato, Kans., is hereby relieved of the charge against him in the amount of \$69, representing the amount paid to him by the United States as an employee of the Soil Conservation Service, Department of Agriculture, for per diem in lieu of subsistence, at the rate of \$3 per day for the period March 22 to April 15, 1936, in connection with travel incident to change of duty station from Mankato to Salina, Kans., and while at Salina."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE K. TROTTNOW, EXECUTRIX OF THE ESTATE OF ALFRED H. TROTTNOW, AND PAUL LINDLEY

The Clerk called the next bill, H. R. 2919, for the relief of Marie K. Trottnow.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HANCOCK and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on

CERTAIN WORKERS PERFORMING EMERGENCY WORK AT CAIRO, ILL.

The Clerk called the next bill, H. R. 3051, for the relief of certain workers performing emergency work at Cairo, Ill., in the Ohio River flood of 1937.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Administrator of the Works Progress Administration is hereby authorized and directed to pay, out of funds available for the prosecution of Official Project No. 165-54-8017 (approved in Presidential Letter No. 5584, November 6, 1936), the wages of workers at Cairo, Ill., who performed the emergency labor in the Ohio River flood disaster during the period from January 26, 1937, to February 3, 1937. Such payments shall be made to the workers and in the amounts set forth in the time reports (W. P. A. Form No. 502, revised) which were certified by a timekeeper and project superintendent, but which were not approved for payment by reason of failure in the emergency to properly assign such workers for employment and payment by the Works Progress Administration (decision of the Acting Comptroller General, April 9, 1938 (A-94042)). Payment to any worker under this act shall be in full settlement of all claims of such worker against the United States on account of the work covered by said time reports. by said time reports.

With the following committee amendment:

Strike out all after the enacting clause, and insert the fol-

"That the Comptroller General of the United States be, and he is hereby, authorized and directed to determine the claims of persons who performed emergency work in the protection of Cairo, Ill., during the Ohio River flood between January 24, 1937, and February 3, 1937, both inclusive, at an hourly wage of 30 cents, and to pay same out of any money in the Treasury not otherwise appropriated."

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum not to exceed \$22,000 to be used in the execution of section 1 of this act.

SEC. 3. Application for payment under this act shall be made by or on behalf of the persons entitled thereto within 1 year from the date of its approval, and payment hereunder shall be accepted

in full settlement of such claims against the United States: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. ARISTIDE LEFEVRE

The Clerk called the next bill, H. R. 3569, for the relief of J. Aristide Lefevre.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to J. Aristide Lefevre, of Holyoke, Mass., out of any money in the Treasury not otherwise appropriated, the sum of \$108, in reimbursement of the amount paid by the said J. Aristide Lefevre in settlement of a judgment rendered against him in favor of Corrine E. Dupuis, of Williamsett, Mass., who was injured on August 13, 1936, as a result of being struck by a United States mail truck operated by him in the regular performance of his duties as an employee of the Post Office Department.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "and is hereby."
Page 1, line 6, after the word "in", insert "full settlement of all claims against the United States for."
Page 2, line 2, after the word "Department", insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OTHO L. CURTNER

The Clerk called the next bill, H. R. 3933, for the relief of Otho L. Curtner.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Otho L. Curtner, of Steele, Mo., the sum of \$10,000, in full settlement of all claims against the Government of the United States for personal injuries sustained by him on August 18, 1937, while encamped with the One Hundred and Fortieth Regiment Missouri National Guard Infantry, at Fort Riley, Kans., which said injury was the direct result of the negligent acts of employees of the Works Progress Administration engaging in blasting on Works Progress Administration engaging in blasting on Works Progress Administration project No. 265–82–5000: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, strike out "\$10,000" and insert "\$4,000."
Page 1, line 7, strike out "the Government of."
Page 2, line 2, after "\$5,000", strike out the proviso down to and including "\$1,000" in line 13, and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLEDO TERMINAL RAILROAD CO.

The Clerk called the next bill, H. R. 4606, for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Toledo Terminal Railroad Co., Toledo, Ohio, the sum of \$2,300, in full settlement of all claims against the United States for damages to its Navarre Avenue bridge as a result of an accident involving a truck operated in connection with the Works Progress Administration at Toledo, Ohio, on July 7, 1938: Provided, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, strike out "\$2,300" and insert "\$2,031." Page 1, line 8, after the word "bridge", insert "Toledo, Ohio."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES W. GILSON

The Clerk called the next bill, H. R. 4726, for the relief of James W. Gilson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the account of James W. Gilson, former postmaster at Hartford, Conn., in the sum of \$682.64. Such sum represents the balance of a shortage in such account caused by the embezzlement of post-office funds by one of the postal clerks at such post office. Any recovery hereafter made by the Government in respect of such shortage may in the discretion of the Comptroller General, be credited to the account of such former post-posters the controller. ited to the account of such former postmaster in the event that any additional shortage in his account is disclosed, if such additional shortage has occurred without fault or negligence on the part of such former postmaster.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. W. MAREK, JR.

The Clerk called the next bill, H. R. 5514, for the relief of L. W. Marek, Jr.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HANCOCK and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on

SIMON A. BRIEGER

The Clerk called the next bill, H. R. 5923, for the relief of Simon A. Brieger.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Simon A. Brieger, Collinsville, Miss., the sum of \$10,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of Thomas Gerald Brieger, a minor, who was fatally injured on March 14, 1939, in Collinsville, Miss., by a truck operated by the Works Progress Administration.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "be, and he is hereby." Page 1, line 6, after the word "Mississippi", insert "as legal representative of the estate of Thomas Gerald Brieger, a deceased minor."

Page 1, line 8, strike out "\$10,000" and insert "\$5,000."

Page 1, line 10, after the word "of", insert "the said."
Page 1, line 10, strike out "a minor."
Page 2, line 2, after the word "Administration", insert a colon Page 2, line 2, after the word "Administration", insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read, "A bill for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor."

RUSSELL B. HENDRIX

The Clerk called the next bill, H. R. 6030, for the relief of Russell B. Hendrix.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the Senate bill, S. 2408, be substituted for the House

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. Costello]?

There being no objection, the Clerk read the Senate bill,

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Russell B. Hendrix, of Fort Wayne, Ind., the sum of \$4,701.75. Such sum shall be in full settlement of all claims against the United States because of personal injuries and expenses sustained by the said Russell B. Hendrix on November 5, 1936, when the car in which he was traveling was struck by a Works Progress Administration automobile driven by James Fordyce: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered in this act in excess of 10 percent thereof shall be paid of delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdeemeaner and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Costello to Senate bill: Page 1, line 6, after the words "sum of", strike out "\$4,701.75. Such sum shall be" and insert in lieu thereof "\$3,851.75."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A House bill (H. R. 6030) was laid on the table.

A motion to reconsider was laid on the table.

STACY C. MOSSER

The Clerk called the next bill, H. R. 6728, for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation, Chicago, Ill., the sum of \$6,267.49. The payment of such sum shall be in full settlement of \$6.267.49. The payment of such sum shall be in full settlement of all claims against the United States by Stacy C. Mosser as receiver for the Great Northern Majestic Building Corporation arising out of the leasing of the Great Northern Theater to Works Progress Administration, Federal theater project No. 1, Cook County, Ill., for use in connection with the official project No. 894-310 during the period from December 18, 1938, to January 15, 1939. Such theater was leased under a license agreement signed by the agent cashier of Works Progress Administration, Federal theater project No. 1, but payment has been denied on the ground that rent paid under a previous expired lease was paid without proper procedure or authority. With the following committee amendment:

Page 2, line 9, after the word "authority", change the period to a colon and add the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. Moser asked and was given permission to revise and extend his own remarks in the RECORD.

PRIVATE CALENDAR

SIDNEY M. BOWEN

The Clerk called the next bill, H. R. 5634, granting 6 months' pay to Sidney M. Bowen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay, out of the current appropriation "Pay of the Marine Corps," to Sidney M. Bowen, father of the late Willie Bowen, private, United States Marine Corps, an amount equal to 6 months' pay at the rate the late Willie Bowen was receiving at the date of his death: Provided, That Sidney M. Bowen shall establish to the satisfaction of the Secretary of the Navy that he was actually dependent upon his late son at the time of his death, and the determination of the fact of such dependency by the Secretary of the Navy shall be final and conclusive upon the by the Secretary of the Navy shall be final and conclusive upon the accounting officers of the Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SGT. MAJ. LEONARD E. BROWNING, UNITED STATES MARINE CORPS

The Clerk called the next bill, S. 1901, to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sgt. Maj. Leonard E. Browning, United States Marine Corps, upon retirement after 30 years' service in the Army and Marine Corps (double time for service in the Philippines and China included), be placed on the retired list of the United States Marine Corps with the rank of captain: Provided, That no increase in active or retired pay or allowances shall result from the passage of this act over and above that now authorized under the act of June 6, 1924, to enlisted men on the retired list

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CORINNE W. BIENVENU

The Clerk called the next bill, S. 2370, for the relief of Corinne W. Bienvenu (nee Corinne Wells)

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged members of the Army Nurse Corps, Corinne W. Bienvenu, who served under her maiden name of Corinne Wells as a Reserve nurse, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a Reserve nurse on December 29, 1917: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN FORMER DISBURSING OFFICERS FOR THE CIVIL WORKS ADMINISTRATION

The Clerk called the next bill, H. R. 7050, for the relief of certain former disbursing officers for the Civil Works Administration.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following former disbursing officers for the

Civil Works Administration the amounts set opposite their names: E. I. Davis (symbol 95–102), \$72.79; L. S. McCracken (symbol 95–104), \$1,470.78; W. A. Minnus (symbol 95–107), \$583.43; C. A. Wood (symbol 95–108), \$69.12; W. Weldon (symbol 95–110), \$454.64; T. A. Dillon (symbol 95–111), \$22.41; Harold D. McIntosh (symbol 95–112), \$18.25; J. B. Lappin (symbol 95–116), \$37.50; L. Levy (symbol 95–117), \$13,631.05; M. V. Bates (symbol 95–119), \$175.18; W. D. Berry (symbol 95–121), \$46.60; N. Hesterly (symbol 95–127), \$424.09; John W. Reynar (symbol 95–129), \$89.12; M. L. Morris (symbol 95–132), \$242.25; A. O. Wahlers (symbol 95–133), \$58.75; R. E. Waters (symbol 95–139), \$290.99; Ivan Carrico (symbol 95–144), \$5,506.51; and R. H. Zohm (symbol 95–145), \$2,932.49; which amounts have been disallowed by the Comptroller General of the United States. Civil Works Administration the amounts set opposite their names:

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. SUMMERS

The Clerk called the next bill, H. R. 7049, for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow in the States be, and he is hereby, authorized and directed to allow in the accounts of John L. Summers, former disbursing clerk, now deceased, Treasury Department, sums aggregating not to exceed \$827.14 disallowed in his accounts, without raising charges against the officers who certified the vouchers for payment, covering payments made by him in the period from December 1933 to June 30, 1934; and in the accounts of Guy F. Allen, chief disbursing officer, sums aggregating not to exceed \$3,352.60 disallowed in his accounts, without raising charges against the officers who certified the vouchers for payment, covering payments

disallowed in his accounts, without raising charges against the officers who certified the vouchers for payment, covering payments made by him in the period from July 1, 1934, to December 31, 1935.

SEC. 2. The Comptroller General of the United States is authorized and directed to allow in the accounts of Frank White, H. T. Tate, W. O. Woods, and W. A. Julian sums of not to exceed \$16,063.37, \$3,231.17, \$72,822.49, and \$449,160.05, respectively, representing unavailable items in their accounts as former Treasurers and Treasurer of the United States: Provided, That any recoveries heretofore or hereafter made in respect of any of the foregoing items may, in the discretion of the Comptroller General of the United States, be applied to offset unavailable items of a similar United States, be applied to offset unavailable items of a similar character hereafter arising in the accounts of the former Treasurers and Treasurer to whose account the recovery pertains, upon a showing that such unavailable items have occurred without fault

or negligence on the part of said former Treasurers and Treasurer.

SEC. 3. The sum of \$1,811.40 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to cover losses in the office of the Treasurer of the United States due to payment of checks on forged signature of the drawer, or for raised amounts,

of checks on forged signature of the drawer, or for raised amounts, or on forged endorsements of the payees.

Sec. 4. For the purpose of adjusting the accounts relating to the public debt of the United States, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$576,340.23. Of this sum, the amount of \$542,103.11, or so much thereof as may be necessary, shall be deposited by the Secretary of the Treasury in the accounts of the Treasurer of the United States as public-debt receipts and the amount of \$34,237.12, or so much thereof as may be necessary, shall be credited by the Secretary of the Treasury to the proper accounts to adjust overissues and overredemptions of principal of public-debt securities and overpayments of interest on public-debt securities.

Sec. 5. The Secretary of the Treasury be, and he is hereby, author-

SEC. 5. The Secretary of the Treasury be, and he is hereby, author-SEC. 5. The Secretary of the Treasury be, and he is hereby, authorized and directed to adjust discrepancies in certain national bank note currency accounts in the Office of the Comptroller of the Currency, covering the years 1934 and 1935, in the amount of \$1,290, and the Treasurer of the United States is authorized and directed to charge the sum of \$1,290 against his general account with corresponding credit therein to the fund for retirement of national bank notes established by the act of July 14, 1890 (26 Stat. 289; U. S. C., title 12, sec. 122).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARKANSAS STATE PENITENTIARY

The Clerk called the next bill, H. R. 6641, for the relief of the Arkansas State Penitentiary.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Arkansas State Penitentiary the sum of \$11,414.17. Such sum represents the expenses incurred by the Arkansas State Penitentiary as a result of furnishing, at the request of the United States district engineer, 955 convicts for emergency work in maintaining the levees in the lower St. Francis levee district of Arkansas during the flood emergency in January and February 1937, on the Mississippi River. With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby.

Line 6, strike out the period and the wording "Such sum represents the" and insert in lieu thereof "in full settlement of all claims against the United States for."

At the end of the bill add "Provided, That no part of the

amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. And person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH HESSMAN

The Clerk called the next bill, H. R. 5931, for the relief of Elizabeth Hessman.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth Hessman, of Dodge City, Kans., the sum of \$5,000 in full settlement of all claims against the United States for personal injuries sustained by her when the car in which she was riding was struck, on April 27, 1936, by a Government car driven by an employee of the Soil 27, 1936, by a Government car driven by an employee of the Soil Conservation Service: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Line 6, strike out the sign and figures "\$5,000" and insert in

Line 6, strike out the sign and figures "\$5,000" and insert in lieu thereof the sign and figures "\$1.665."

Beginning with the word "Provided," in line 10 of the bill, strike out the remaining language, and insert in lieu thereof the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

V. H. SCHEURING, ELMER EGGERS, AND THOMAS FAHEY

The Clerk called the next bill, H. R. 5557, for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to V. H. Scheuring, of Dunlap, Iowa, the sum of \$500; and to Elmer Eggers, of Dunlap, Iowa, the sum of \$287.50; in full satisfaction of their respective claims against the United States or any employee thereof, for the amount of a the United States or any employee thereof, for the amount of a judgment obtained September 28, 1937, against Thomas Fahey in the United States district court for the southern district of Iowa, on account of personal injuries and damages sustained by them when their automobile overturned as the result of a collision with an automobile confiscated in the name of the Government and operated by said Thomas Fahey, an investigator, Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, in performing his official duties, on United States Highway No. 30, near Woodbine, Harrison County, Iowa, January 30, 1937: Provided, That the clerk of the United States District Court for the Southern District of Iowa is hereby authorized and directed, upon notification of payment by the Secretary of the Treasury as herein provided, to satisfy of record the said judgments obtained by V. H. vided, to satisfy of record the said judgments obtained by V. H. Scheuring and Elmer Eggers against Thomas Fahey, in said court: Provided further, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or attorney on account of services rendered in con-

nection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN POSTMASTERS

The Clerk called the next bill, H. R. 5348, for the relief of certain postmasters.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the account of W. Rufus Jackson, postmaster, St. Louis, Mo., in the amount of \$50, representing a disallowance by the General Accounting Office for an overpayment made to Conrad Groepper, who served as clerk in charge of contract station No. 45 of the St. Louis, Mo., post

SEC. 2. That the Comptroller General of the United States is hereby authorized and directed to cancel the charges against the postmasters, former and present, at Clinton, S. C., in the amount of \$111.46, representing a payment made to W. D. Peay, former assistant postmaster at Clinton, in compensation for accrued annual leave, such payment having been authorized by the Post Office Department but later disallowed by the General Accounting Office.

SEC. 3. That the Comptroller General of the United States is hereby authorized and directed to cancel the charge of \$160.87 against C. C. Ausherman, former postmaster at Fort Lauderdale, Fla., heretofore disallowed by the General Accounting Office, the amount representing overpayments to three village carriers in 1924 resulting from erroneous instructions given the postmaster by the Post Office Department.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LAYER TAYLOR

The Clerk called the next bill, H. R. 5259, for the relief of Mrs. Layler Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Layer Taylor, of Daingerfield, Tex., the sum of \$1,500. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Mrs. Layer Taylor on account of the death of her son, Hardy Taylor, who died on April 2, 1938, as a result of personal injuries received when he was struck by a truck in the service of the Civilian Conservation Corps on State Highway No. 49, near Daingerfield, Tex., on April 1, 1938.

With the following committee amendments:

Line 6, strike out the sign and figures "\$1,500" and insert in lieu thereof "\$1,360."

At the end of the bill add the following: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. L. MASON

The Clerk called the next bill, H. R. 5211, for the relief of D. L. Mason.

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to D. L. Mason, father of Dorothy Mason, of Wallins Creek, Ky., in full settlement of all claims against the Government of the United States for the death of his daughter Dorothy Mason, age 15, who was killed on or about September 13, 1935, through and by the negligence of an enrollee of the United States Civilian Conservation Corps in operating a Civilian Conservation Corps truck in Harlan County, Ky., in that he operated said truck in a reckless, negligent, careless manner, and struck and demolished a taxicab in which Dorothy Mason was riding and from which injuries she died a few hours thereafter. Her injuries and death were caused solely by the hours thereafter. Her injuries and death were caused solely by the

striking of said truck and through and by the negligent operation thereof by the said member of the Civilian Conservation Corps, and she would not have been injured and killed but for the negligence and carelessness of said enrollee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unjewful for any agent or agents attorney or claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof

Strike out all after the enacting clause and insert in lieu thereof the following:

"That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, and Clyde Thorpe, all of Wallins Creek, Harlan County, Ky,, for damages resulting from personal injuries and property damage; and upon the claim of D. L. Mason, of Wallins Creek, Harlan County, Ky, for damages resulting from the death of his minor daughter, Dorothy Mason; said injuries, death, and property damage having been received when the taxicab in which they were passengers was in a collision with a Civilian Conservation Corpstruck on the highway between Lake View and Harlan, Harlan County, Ky, on September 14, 1935: Provided, That the judgment, if any, shall not exceed, in the case of Mat Hensley, \$1,500; in the case of Arnold Blanton, \$1,000; in the case of Lillie Price, \$3,500; in the case of Clyde Thorpe, \$1,500; and in the case of D. L. Mason, in the case of Clyde Thorpe, \$1,500; and in the case of D. L. Mason,

"SEC. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases over which such court has jurisdiction under paragraph 20 of section 24 of the Judicial Code, as amended."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky, to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason.'

DISBURSING AGENTS AND EMPLOYEES OF THE INDIAN SERVICE

The Clerk called the next bill, H. R. 4085, for the relief of certain disbursing agents and employees of the Indian Service. There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to employees of the Indian Service and in the accounts of J. E. Balmer, S. F. Stacher, and J. W. Elliott, disbursing agents of the Indian Service, for payments made during the period November 1933 to April 1934 to certain employees for the use of their personally owned automobiles as provided in the act of February 14, 1931 (46 Stat. 1103), to the extent that payments have been disallowed solely because the oil and gas used in such automobiles were purchased from Government supplies.

SEC. 2. Refunds are hereby authorized to be made, out of any money in the Treasury not otherwise appropriated, to any employees from whom collections have been made and deposited into the Treasury pursuant to disallowances on account of mileage payments made by the disbursing agents named in section 1 hereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN WILLIE JONES

The Clerk called the next bill, H. R. 2860, for the relief of Ben Willie Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated, and the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Ben Willie Jones, out of any money in the Treasury of the United States to the credit of the government of the District of Columbia not otherwise appropriated, the sum of \$2,500, and when same is received by the said Ben Willie Jones it shall be in full satisfaction and settlement of all claims against the government of the District of Columbia on account of the death of Thelma Jones, aged 2, daughter of Ben Willie Jones, on Decem-

ber 16, 1937, being burned to death while in Gallinger Hospital for ber 16, 1937, being burned to death while in Gallinger Hospital for treatment, through the negligence and lack of proper facilities in the said hospital: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. sum not exceeding \$1,000.

With the following committee amendments:

Line 5, after the name "Jones", insert "as legal representative of Thelma Jones, a deceased minor."

Line 10, after the name "Columbia", insert "and the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Ben Willie Jones, as legal representative of Thelma Jones, a deceased minor."

A motion to reconsider was laid on the table.

JAMES M'CONNACHIE

The Clerk called the next bill, H. R. 2344, for the relief of James McConnachie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James McConnachie, of Austin, Tex., the sum of \$5,000. The payment of such sum shall be in full satisfaction of the claim of the said James McConnachie against the United States for damage to his stuccodupley apartment, when a United States for damage to his stuccodupley apartment, when a United States for damage to his stuccodupley. duplex apartment when a United States Army airplane crashed into it at Austin, Tex., on December 7, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contract provided Appropriate the contract to the the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

With the following committee amendment:

Page 1, line 6, strike out "\$5,000" and insert "\$3,900."

The committee amendment was agreed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY BRYAN AND ALDA DUFFIELD MULLINS AND OTHERS

The Clerk called the next bill, H. R. 377, for the relief of Harry Bryan and Alda Duffield Mullins and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937, is hereby amended by adding at the end thereof

the following section:

rise in the following section:

"Sec. 3. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with certifications of the Works Progress Administrator, or his duly authorized representative, under this act, all hospital, medical, and other expenses necessarily incurred by the claimants named in this act as a result of the explosion in Gassaway, W, Va., November 7, 1936, and such payments, when made, shall be in full settlement of all claims against the United States for said expenses. No payment shall be made under the provisions of this act for any of said expenses incurred after January 1, 1939, and application for any of said expenses shall be filled with the Works Progress Administration by or on behalf of the person entitled to payment within 6 months from the date of approval of this amendatory act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application, and the person entitled thereto under the provisions of this act, and shall certify such determination to the Secretary of the Treasury, which determination shall be final and conclusive upon the accounting officers of the Government."

With the following committee amendment:

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the act entitled 'An act for the relief of Harry Bryan and Alda Duffield Mullins, and others,' approved August 28, 1937, is hereby amended

by renumbering section 2 thereof as section 3, and by adding

thereto the following section:

"Sec. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with such certifications as may be made by the Works Progress Administrator, or his duly authorized representative under this act, claims for hospital, medical, and other reasonable expenses necessarily incurred by, in behalf, or at the request, of the claimants named in this act as a result of the explosion that occurred in Gassaway, W. Va., on November 7, 1936: Provided, That such payments as may be made hereunder shall be deemed to be in full settlement of all claims against the United States and against the claimants named in t..is act for said expenses: Provided further, That the total amount that may be paid hereunder by the Secretary of the Treasury in settlement of said claims shall not exceed the sum of \$18,000. No claim, or part thereof, for expenses incurred after January 1, 1939, shall be considered, nor shall any claim be considered or paid under the provisions of this act unless application therefor shall be filed with the Works Progress Administration by or on behalf of the person entitled to payment within 6 months from the date of approval of this act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application and the person entitled thereto under the provisions of this act, and shall certify such determinations to the Secretary of the Treasury for payment of the claims, which determination shall be final and conclusive upon the accounting officers of the Government."

Amend the title.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the act entitled 'An act for the relief of Harry Bryan and Alda Duffield Mullins, and others."

FLOYD M. DUNSCOMB

The Clerk called the next bill, S. 2275, for the relief of Floyd M. Dunscomb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd M. Dunscomb, Norvell, Mich., the sum of \$175, in full settlement of all claims against the United States for the value of personal property owned by Floyd M. Dunscomb and destroyed by fire at Camp Bewabic, Crystal Falls, Mich., on February 13, 1937, while said Floyd M. Dunscomb was an employee of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGINIA PEARSON

The Clerk called the next bill, S. 2114, for the relief of Virginia Pearson.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Virginia Pearson, of Bellingham, Wash., the sum of \$121.40, in full satisfaction of her claim against the United States for expenses incurred as the result of an accident involving a Government truck operated in connection with the Civilian Conservation Corps, at the intersection of Maple and Jersey Streets, Bellingham, Wash., on March 27, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGH A. SMITH

The Clerk called the next bill, S. 2082, for the relief of Hugh A. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hugh A. Smith, of Bend, Oreg., the sum of \$220.65, in full satisfaction of his claim against the United States for expenses incurred, and property damage sustained, by him as a result of a collision between his automobile and a War Department truck which occurred near Fort Canby, Wash., on August 12, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1.000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH E. BURKE

The Clerk called the next bill, S. 1905, for the relief of Elizabeth E. Burke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth E. Burke, of Turners Falls, Mass., the sum of \$304, in full satisfaction of her claim against the United States for compensation and reimbursement of medical and hospital expenses incurred by her as the result of personal injuries sustained by her when the car in which she was riding was struck by a Civilian Conservation Corps truck on January 26, 1935: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, beginning with the word "Provided" in line 11 strike out the remaining language of the bill and insert in lieu thereof the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS A. ROSS

The Clerk called the bill (S. 1882) for the relief of Thomas A. Ross.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas A. Ross, chief boatswain, United States Coast Guard, the sum of \$250, in full settlement of all claims against the United States for loss of, or damage to, personal property and effects resulting from the fire which occurred at Nome, Alaska, on September 17, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONTIE S. CARLISLE

The Clerk called the bill (S. 1816) for the relief of Montie S. Carlisle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury

not otherwise appropriated, to Montie S. Carlisle, of Albuquerque, N. Mex., the sum of \$1,000, in full satisfaction of his claim against the United States for compensation for injury and damage to his property located in section 10, township 15 north, range 1 east, New Mexico principal meridian, Sandoval County, N. Mex., resulting from activities of officers and enrolless of the Civilian sulting from activities of officers and enrollees of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 6, strike out "\$1,000" and insert in lieu thereof "\$500."

The amendment was agreed to: and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the

HANNIS HOVEN

The Clerk called the bill (S. 1722) for the relief of Hannis Hoven.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hannis Hoven, of Jackson, Ala., the sum of \$2,500, in full and final settlement of his claim against the United States for permanent injuries sustained June 3, 1937, when the automobile in which he was a passenger was struck by a Chevrolet coupe, tag No. 13-688, D. A. U. S. A., which was being driven by one Gaylord Willard, an employee of the United States Department of Agriculture, in the city of Mobile, Ala.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STANDARD OIL CO., INC., IN KENTUCKY

The Clerk called the bill (S. 1467) for the relief of the Standard Oil Co., Inc., in Kentucky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Standard Oil Co., Inc., in Kentucky, the sum of \$941.59 which is due by reason of an error in making settlement for gasoline furnished the War Department under contract No. W 535-AC-8868, dated June 13, 1936, which sum shall be in full settlement of any claim against the Government by the Standard Oil Co., Inc., in Kentucky, by reason of deliveries of gasoline under said contract for the months of July, August, September, and October 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. Be it enacted, etc., That the Secretary of the Treasury be, and

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EARL J. REED AND GILES J. GENTRY

The Clerk called the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earl J. Reed and Giles J. Gentry, jointly, of West Palm Beach, Fla., the sum of \$1,500, in full settlement of their claim against the United States for the loss sustained by them on account of the estreature on April 23, 1936, to the United States of their cash-appearance bond de-

posited by them and conditioned upon the delivery in the United States District Court for the Southern District of Florida, in Miami, Fla., in criminal case No. 4816-M, of one Alva Slayton O'Dell, by reason of the nonappearance of said Alva Slayton O'Dell in said court, although said Alva Slayton O'Dell was subsequently apprehended on information furnished by said Earl J. Reed and Giles J. Gentry: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment: osited by them and conditioned upon the delivery in the United

With the following committee amendment:

Page 2, strike out the proviso and insert in lieu thereof the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES L. KEE

The Clerk called the bill (S. 821) for the relief of Charles

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles L. Kee, of Portsmouth, Va., the sum of \$9,000, in full satisfaction of his claim against the United States for damages arising out of the loss by officers of the United States Navy on June 26, 1920, at Hampton Roads, Va., of an aircraft-planted mine invented by said Charles L. Kee and constructed by him for demonstration.

With the following committee amendment:

Page 1, line 11, strike out the period and insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. sum not exceeding \$1,000.

The committee amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGH M'GUIRE

The Clerk called the bill (S. 765) for the relief of Hugh McGuire.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$600 to Hugh McGuire, of Turner, Mont., in full satisfaction of his claim against the United States for the loss of his truck, such truck having been destroyed on December 5, 1936, by a fire which burned a garage at Turner, Mont., in which it was stored for the purpose of safeguarding its load, consisting of property used in connection with Resettlement Administration projects: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAE BANAS

The Clerk called the bill (S. 683) for the relief of Fae

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fae Banas, of Philadelphia, Fa., the sum of \$1,719.80, in full satisfaction of her claim against the United States for injuries suffered as the result of a collision with a Civilian Conservation Corps truck on route 331, 8 miles north of Tampa, Fia., on the 7th day of December 1934 at 12 o'clock noon: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. THOMAS H. JACKSON

The Clerk called the bill (H. R. 3005) granting an increase of pension to Mrs. Thomas H. Jackson.

Mr. HALLECK and Mr. HANCOCK objected; and the bill was recommitted to the Committee on Pensions.

MINNIE WETMORE COLE

The Clerk called the next bill, H. R. 4122, granting an increase of pension to Minnie Wetmore Cole.

The SPEAKER pro tempore. Is there objection?

Mr. HANCOCK and Mr. MOTT objected; and the bill, under the rule, was recommitted to the Committee on Invalid Pensions.

ISABELLE JOHNSTON

The Clerk called the next bill, H. R. 6092, granting an increase of pension to Isabelle Johnston.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HANCOCK and Mr. MOTT objected, and the bill, under the rule, was recommitted to the Committee on Invalid Pensions.

MORRIS BURSTEIN ET AL.

The Clerk called the next bill, H. R. 6083, for the relief of Morris Burstein, Jennie Burstein, and Adolph Burstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Morris Burstein, Jennie Burstein, his wife, and their son, Adolph Burstein, shall be considered to have been lawfully admitted at New York, N. Y., on February 25, 1925, to the United States for permanent residence.

With the following committee amendment:

Page 1, line 4, after the word "laws", strike out the balance of line 4 and the words "son, Adolph Burstein" in line 5, and insert "Adolph Burstein."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KURT G. STERN

The Clerk called the next bill, S. 1533, for the relief of Kurt G. Stern.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOTT and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

BRIG. GEN. HARLEY B. FERGUSON

The Clerk called the next bill, H. R. 7104, for the relief of Brig. Gen. Harley B. Ferguson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WADSWORTH, Mr. MOTT, and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Military Affairs.

JOHN B. JONES

The Clerk called the next bill, S. 1081, for the relief of John B. Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That John B. Jones, who served as a first lieutenant, One Hundred and Forty-third Regiment United States Infantry, shall be entitled to apply for benefits of the World War Adjusted Compensation Act, as amended and supplemented, in the same manner as other officers and enlisted men of the United States Army who served during the World War, and who were discharged under honorable conditions, and upon presentation of proper proof to receive such compensation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE HEINEN

The Clerk called the next bill, H. R. 5953, for the relief of Marie Heinen.

There being no objection, the Clerk read the bill as, follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marie Heinen, of Kaukauna, Wis., the sum of \$100. Such sum shall be in full settlement of all claims against the United States on account of burial expenses of Robert B. Heinen, a World War veteran, and paid by his widow, Marie Heinen.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POKEGAMA SANATORIUM

The Clerk called the next bill, H. R. 1368, for the relief of the Pokegama Sanatorium.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on War Claims.

NEVADA SILICA SANDS, INC.

The Clerk called the next bill, H. R. 7327, for the relief of the Nevada Silica Sands, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a patent is hereby authorized to be issued to the Nevada Silica Sands, Inc., a corporation organized under the laws of the State of Nevada, conveying the mineral deposits in the east three-quarters southwest quarter section 5, township 16 south, range 67 east, Mount Diablo meridian, together with the right to use so much of the surface as may be necessary for the mining and removal of such deposits upon compliance with the applicable provisions of sections 2325 and 2333 of the United States Revised Statutes.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. NOE C. KILLIAN

The Clerk called the next bill, H. R. 5369, for the relief of Maj. Noe C. Killian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. Noe C. Killian, United States Army, retired, the sum of \$435, in full satisfaction of his claim against the United States for refund made by him to the War Department as a result of overpayments of an allotment in the case of Pvt. Frank Frolla which were not discovered until after the soldier's discharge, said overpayments having been caused by alleged failure of Major Killian to send in the proper request for discontinuance to the zone finance officer, Washington, D. C.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table. BENNO VON MAYRHAUSER AND OSKAR VON MAYRHAUSER

The Clerk called the next bill, H. R. 6546, for the relief of Benno von Mayrhauser and Oskar von Mayrhauser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Benno von Mayrhauser and Oskar von Mayrhauser, of Kiel, Germany, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 7, change the period to a colon and insert "Provided, That said Benno von Mayrhauser and Oskar von Mayrhauser shall not be eligible to become citizens of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STINA ANDERSON

The Clerk called the next bill, H. R. 6965, for the relief of Stina Anderson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and any order of deportation which may be issued against Stina Anderson and that Stina Anderson shall not hereafter be subject to deportation for the same cause or causes upon which the present warrant of arrest is based.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 9, change the period to a colon and insert "Provided, That the said Stina Anderson shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. CARTER

The Clerk called the next bill, H. R. 5608, directing the payment to William H. Carter of travel allowances from Manila, P. I., to San Francisco, Calif.

Mr. MOTT and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

CARL G. ALLGRUNN

The Clerk called the next bill, H. R. 1629, conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107 issued by the Patent Office of the United States on or about July 22, 1919.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States, under the acts of October 6, 1917 (40 Stat. 394 and 40 Stat. 422), notwithstanding the lapse of time or the statute of limitations, to hear, examine, adjudicate, and render judgment on the claim of Carl G. Allgrunn for the use of his invention in rifling so-called 75-millimeter guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., which guns were made under contracts with the War Department of the United States Government, which invention is shown and described in his patent No. 1,311,107 issued on or about July 22, 1919. In said adjudication any alleged defense of shop right in the Symington-Anderson Co. or in the United

States Government is hereby waived, and the said Carl G. Allgrunn shall be considered as having the same status as though he had never been in the employ of the Symington-Anderson Co., it being understood that the court ruled in its decision of December 3, 1928, "The plaintiff (Carl G. Allgrunn) may not recover for the use of his invention by the Symington-Anderson Co." and that by said ruling he was deprived of any pay for such use by the Symington-Anderson Co. or in their shop and it being further understood that the said Carl G. Allgrunn has not been paid any royalty or other compensation for the use of his invention by said company or in said shop and that any further proceedings in said court will be in continuation of the suit filed by Carl G. Allgrunn in said court on or about September 13, 1920, on which final judgment was given February 8, 1937, and that the continuation of said suit under this act is not barred by the judgment given in said suit or the payment of said judgment on or about April 11, 1938.

Sec. 2. From any decision in said suit, under the authority of

SEC. 2. From any decision in said suit, under the authority of this act an appeal may be taken by either party as is provided for by law in other cases.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT L. BARNHOLTZ

The Clerk called the next bill, H. R. 3774, for the relief of Albert L. Barnholtz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Albert L. Barnholtz, of Denver, Colo., for disability alleged to have been incurred by him while employed in the Denver, Colo., post office in the same manner and to the same extent as if the said Albert L. Barnholtz had made application for benefits under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, within the period required by sections 17 and 20 thereof. No benefit shall accrue by reason of the enactment of this act prior to the date of such enactment: Provided, That claim hereunder shall be made within 90 days from the enactment of this act.

With the following committee amendments:

Line 5, after the word "disability", insert "due to tuberculosis."
Line 6, strike out the word "incurred", and insert in lieu thereof "contracted."

Line 7, after the words "post office", insert "during the period 1907-21."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLOYD ELTON

The Clerk called the next bill, H. R. 3853, for the relief of Floyd Elton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$400 to Floyd Elton, of Swanton, Ohio, in full settlement of all claims against the United States for personal injuries sustained by him and his daughter, Catherine Elton, as a result of being struck by a truck operated by an employee of the Civilian Conservation Corps, said Civilian Conservation Corps employee admitted his negligence and took full responsibility for the accident: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Line 10, strike out the comma after the word "Corps", and also strike out the remaining language of the bill, and insert in lieu thereof the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding.

Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CELIA PRESS ET AL.

The Clerk called the next bill, H. R. 4141, for the relief of Celia Press, Bernard Press, Ethel Press, and Marion Press. The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Celia Press, Middletown, Conn., the sum of \$491.15, such sum to be in full settlement of all claims against the United States for damages by reason or her automobile being struck and damaged in Hamden, Conn., on May 31, 1936, by an automobile which was carelessly and negligently driven by a special-delivery messenger of the Post and negligently driven by a special-delivery messenger of the Post Office Department in the course of his employment and delivery of mail; and to Bernard Press, of Middletown, Conn., the sum of \$641.15, in full settlement of all claims against the United States for damages sustained by him by reason of being struck and permanently injured while riding in the car of Celia Press in this collision; and to Ethel Press, also of Middletown, Conn., the sum of \$500, in full settlement for damages sustained by her by reason of being struck and permanently injured in the same collision; and to Marion Press, of Middletown, Conn., the sum of \$250 in full settlement for damages sustained by her by reason of being struck and permanently injured in the same collision.

With the following committee amendments:

Page 1, line 5, strike out the sign and figures "\$491.15" and insert in lieu thereof "\$214.50 out of any money in the Treasury not otherwise appropriated."

Line 5, after the word "States" insert "or any employee thereof."
Page 2, line 2, strike out the sign and figures "\$641.15" and insert in lieu thereof "\$299 out of any money in the Treasury not otherwise appropriated."
Page 2, after the world "collision" in line 6, strike out the semi-

Page 2, after the world "collision" in line 6, strike out the semi-Page 2, after the world "collision" in line 6, strike out the semi-colon and all the remaining language of the bill and insert in lieu thereof: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or de-livered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Celia Press and Bernard Press."

A motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 4198, for the relief of M. L. Parish.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to pay, out of any funds on deposit in the Treasury of the United States to the credit of the Sioux the Treasury of the United States to the credit of the Sioux Indians, of the Rosebud Reservation, S. Dak., an amount not to exceed \$500 to M. L. Parish, of Murdo, S. Dak., for legal and other services rendered and expenses incurred by the said M. L. Parish, at the request of the Rosebud Sioux Tribe of Indians in connection with tribal matters: Provided, That the amount to be paid shall be settled by an official resolution of the Rosebud Sioux Tribe which resolution shall be subject to the approval by the Secretary of the Interior.

With the following committee amendments:

Line 7, strike out the sign and figures "\$500" and insert in lieu aereof "\$480.74."

At the end of the bill add: ": Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of

this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. GEORGE BENSEL CO.

The Clerk called the next bill, H. R. 4252, for the relief of J. George Bensel Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$140, in full settlement of all claims against the United States for refund of deduction of said amount of \$140 from the amount due the J. George Bensel Co. under its contract with the Procurement Division, Treasury Department, to make alterations and repairs to room 87, Treasury Building, Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Line 8, after the word "contract", insert "Tlp-1266, dated December 1, 1936."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAMIE HOFFMAN

The Clerk called the next bill, H. R. 4875, for the relief of Mamie Hoffman

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000 to Mamie Hoffman, widow of Milton H. Hoffman, in full settlement, satisfaction, and discharge of all claims of said Mamie Hoffman arising by reason of the death of said Milton H. Hoffman occasioned by a bomb dropped by an airplane owned and operated by the United States on the 13th day of December 1938.

With the following committee amendments:

Line 5, strike out the sign and figures "\$15,000", and insert in lieu thereof "\$5,000."

Line 6, after the name "Mamie Hoffman" insert "of Messick,

Line 7, after the words "settlement", strike out the comma, and the language "satisfaction, and discharge." Line 8, after the name "Hoffman", insert "against the United

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE A. MEFFAN

The Clerk called the next bill, H. R. 5607, for the relief of George A. Meffan, United States marshal, district of Idaho.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George A. Meffan, United States marshal, district of Idaho, the sum of \$85.37 as reimbursement for a deposit in the Treasury of the United States on account of disallowances by the Comptroller General in his

official accounts for the period ended March 31, 1934, involving authorized payments in connection with depositions for the Government.

With the following committee amendments:

Line 6, after the sign and figures "\$85.37", insert "in full set-tlement of all claims against the United States for." Line 7, strike out the word "as." Line 7, strike out the word "for", and insert in lieu thereof the word "of."

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. H. RHYNE, JR.

The Clerk called the next bill, H. R. 5698, for the relief of H. H. Rhyne, Jr.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to H. H. Rhyne, Jr., of Mecklenburg County, N. C., in full satisfaction of all damages sustained on account of the death of his minor child, Mary Douglas Rhyne, who was killed on the 10th day of November 1938 by Earl Johnson, an employee of the United States Government, who at that time was working on Works Progress Administration project No. 2792 and was operating for the Government a truck, not properly equipped with brakes, in a careless, reckless, and negligent manner, thereby running over and killing the said Mary Douglas Rhyne. killing the said Mary Douglas Rhyne.

With the following committee amendments:

Line 5, strike out the sign and figures "\$5,000" and insert in lieu thereof "\$3,000."

Line 7, after the word "all", insert "claims against the United States, of any employee thereof, for."

Strike out lines 10 and 11 on page 1, and all the language on page 2 and insert in lieu thereof "as a result of being struck by a truck owned by the Works Progress Administration and operated by one of its employees: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on ac-count of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA J. HALL

The Clark called the next bill, H. R. 5951, for the relief of the heirs of Emma J. Hall.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Emma J. Hall, the sum of \$2,000. Such sum shall be in full settlement of all claims against the United States on account of fatal injuries sustained by the said Emma J. Hall as result of a fall down steps leading from the lobby of the Santa Monica Post Office.

With the following committee amendments:

Page 1, line 6, after the name "Hall", insert "formerly of Santa Monica, Calif."

Page 1, line 7, strike out "\$2,000" and insert "\$1,500."
Page 1, line 10, after "Monica", insert "(California)."
Page 1, line 11, after the words "post office", insert "on October 18, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any

person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK D. COLLINS

The Clerk called the next bill, H. R. 6259, for the relief of Jack D. Collins.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to consider the claim of Jack D. Collins, filed with the United States Employees' Compensation Commission on January 10, 1939, for disability alleged to have been incurred by him May 3, 1935, when engaged in authorized activities while an enrollee of the Civilian Conservation Corps, and to determine said claim upon its merits under the provisions of said act: Provided, That no benefits shall accrue prior to the approval of this act.

With the following amendment:

Page 2, line 4, after the word "Act", insert "applicable to enrollees of the Civilian Conservation Corps: Provided,

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time and passed, and a motion to reconsider was laid on the table.

W. R. FUCHS, J. L. SUMMERS, AND G. F. ALLEN

The Clerk called the next bill, H. R. 6490, for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That, notwithstanding the provisions of section 6 of the Classification Act of 1923 (42 Stat. 1490), as amended, the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk, now deceased; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; in the sums of \$334.89, \$64.20, and \$77.66, respectively, for payments made to eight junior messengers who were appointed in the Agricultural Adjustment Administration at salaries in excess of the minimum of the classification grade during the period January 8, 1934, to April 2, 1934; and no amounts so paid and not heretofore recovered shall be charged against the payees on account of said payments. payees on account of said payments.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSCOE B. HUSTON AND SIMEON F. FELARCA

The Clerk called the next bill, H. R. 6491, for the relief of Roscoe B. Huston and Simeon F. Felarca.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the account of Roscoe B. Huston, postmaster at Detroit, Mich., in the amount of \$195.21, representing compensation in part paid, and in part to be paid, to Simeon F. Felarca and earned by the latter while employed as a substitute laborer in the post office at Detroit, disallowance of the amount having been based upon a legal prohibition resulting from lack of proof of citizenship.

Sec. 2. The postmaster at Detroit, Mich., is hereby authorized and directed to pay to Simeon F. Felarca the balance due him of \$34.28 for services rendered, such amount being incorporated in the amount stated in section 1 of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. HICKS

The Clerk called the next bill, H. R. 6492, for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$77.50 to John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex., to compensate him for the amount expended by him in satisfying the judgment rendered in the Fourth Judicial District Court, New Mexico, in the case of Luis Gutierrez, plaintiff, against John L. Hicks, defendant (No. 2615), arising from said John L. Hicks' repossession, in good faith and upon reasonable cause, of certain horses mistakenly supposed to have been mortgaged to the former Resettlement Administration: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. MILLER

The Clerk called the next bill, H. R. 6804, for the relief of George E. Miller.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the account of George E. Miller, disbursing clerk, London, England, in the sum of \$424.47, representing the amount disallowed by the Comptroller General in connection with the shipment of personal effects of Sam E. Woods, American commercial attaché, from Prague, Czechoslovakia, to Berlin, Germany, in steel moving vans which, although increasing the weight to an amount in excess of that allowed by the regulations, was considerably cheaper than any other method of packing and transportation. Said travel order for removal of personal effects being dated August 16, 1937.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM E. WOODS

The Clerk called the next bill, H. R. 6805, for the relief of Sam E. Woods.

The SPEAKER pro tempore. Is their objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam E. Woods, American commercial attaché, Berlin, Germany, the sum of \$278.50, in full settlement of all claims against the Government of the United States for expenses incurred for ocean transportation and per diem while on board vessel in connection with official travel from Prague, Czechoslovakia, to Washington, District of Columbia, during the period February 8 to February 17, 1934, in accordance with cable instructions dated February 3, 1934, from the Director of the Bureau of Foreign and Domestic Commerce, the ocean portion of said travel having been performed on a vessel of foreign registry: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MATILDA LARNED

The Clerk called the next bill, H. R. 6808, for the relief of Matilda Larned.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Matilda Larned, of Middleburg, N. Y., the sum of \$5,888.25, in full settlement of all claims against the United States for property damage and personal injuries received by her while riding in automobile driven and owned by Edwin L. Wade, of Schnectady, N. Y., and which automobile was forced from the Middleburg-Schoharie Highway near Schoharie, N. Y., on December 3, 1935, by a truck in the service of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the name "Larned", insert the word "Bouck."

Page 1, line 6, strike out "\$5,888.25" and insert "\$2,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSE CLAUD BRANSON

The Clerk called the next bill, S. 1211, for the relief of Jesse Claud Branson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jesse Claud Branson, of Kansas City, Mo., the sum of \$3,000. Said sum shall be in full settlement of his claim against the United States on account of damages sustained by him when he was injured and his automobile damaged by a United States rural mail carrier's automobile in a collision at the intersection of a side road with United States route No. 50, about 2 miles east of Walton, Kans., on April 29, 1937: Frovided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST CLINTON AND FREDERICK P. DERAGISCH

The Clerk called the next bill, S. 1229, for the relief of Ernest Clinton and Frederick P. Deragisch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest Clinton, of Portland, Oreg., the sum of \$1,028.17, and to Frederick P. Deragisch, of Portland, Oreg., the sum of \$175.56, such payments being in reimbursement of sums which they were required to pay from their personal funds on account of stamps which were stolen, without their neglect or malfeasance, from stamp stocks with which they were charged at the post office in Portland, Oreg.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH LOPEZ RAMOS

The Clerk called the next bill, S. 1527, for the relief of Joseph Lopez Ramos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph Lopez Ramos, of Naugatuck, Conn., the sum of \$500, such sum representing the amount reimbursed by him to the Aetna Casualty & Surety Co. on account of the forfeiture of a bond for the appearance of Mario Augusto Lopez Ramos with respect to deportation proceedings, the warrant of deportation subsequently being canceled: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall de deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM E. COWEN

The Clerk called the next bill, S. 1823, for the relief of William E. Cowen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William E. Cowen, of Washington, D. C., an employee of the custodian's office, Senate Office Building, the sum of \$265, in full settlement of his claim against the United States for medical and hospital expenses in-curred as a result of injuries sustained on April 29, 1937, when his left foot was crushed between the loading platform and the subleft foot was crushed between the loading platform and the sub-way car: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be un-lawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. L. HERREN

The Clerk called the next bill, S. 2023, for the relief of C. L. Herren.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the postal-savings account of C. L. Herren, postmaster at Clarinda, Iowa, in the sum of \$3.124.98, representing the amount due the United States on account of the embezzlement of postal-savings funds by Clarence P. Brown, formerly a clerk in the Clarinda, Iowa, post office.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said C. L. Herren a sum equal to the total sum of any amounts which have been paid by him to the United States in settlement of such amount: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwiththe same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH ALDER, E. G. ALLEN, AND E. G. ALLEN AND BY HANCHETT JOINTLY

The Clerk called the next bill, S. 2054, for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in

the Treasury not otherwise appropriated, the sum of \$422.96 to Joseph Alder, the sum of \$100 to E. G. Allen, and the sum of \$124.75 to E. G. Allen and By Hanchett jointly, in full satisfaction of their claims against the United States arising out of the breaking of Cluff Reservoir Dam No. 3, near Safford, Ariz., on May 1, 1937, such dam having been constructed by the Department of Agriculture through the Soil Conservation Service: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARNET WARREN

The Clerk called the next bill, S. 2271, for the relief of Barnet Warren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Barnet Warren the sum of \$2,459.34, and the additional sum of \$100 per month in an amount not to exceed \$5,000, in full settlement of all his claims against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck, operated at the time by the National Park Service, collided with the said Barnet Warren, who was riding a bicycle north on United States Highway No. 1 near Ojus, Fla., on March 17, 1939: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions Be it enacted, etc., That the Secretary of the Treasury be, and the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, line 7, strike out "\$5,000" and insert "\$2,500."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN WHITE AND OTHERS

The Clerk called the next bill, H. R. 3566, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Ben White, Arch Robinson, Lee Wells, W. S. Wells, A. J. McLaren, A. D. Barkelew, Oscar Clayton, R. L. Culpepper, W. B. Edwards, the estate of John McLaren, the estate of C. E. Wells, and the estate of Theodore Bowen.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

COLUMBUS IRON WORKS CO.

The Clerk called the next bill, H. R. 3689, for the relief of the Columbus Iron Works Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Columbus Iron Works Co., Columbus, Ga., the sum of \$531.11, in full satisfaction of its claim against the United States for furnishing a quantity of cast-steel fittings to the War Department, United States Engineers Office, at Batesville, Miss., under unnumbered contract, dated December 2, 1937, and purchase order No. 10714, of the same date, issued pursuant thereto (General Accounting Office claim No. 0416015), covering the loss sustained through its clerical error in submitting bid on cast-iron fittings on lot No. 2 of invitation No. 1106-38-110 instead of on cast-steel fittings which the Columbus Iron Works Co. was required to furnish.

With the following committee amendments:

Page 1, line 6, strike out the sign and figures "\$531.11" and insert in lieu thereof "\$426.27."

Page 2, at the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. RADCLIFFE

The Clerk called the next bill, H. R. 4549, for the relief of William H. Radcliffe.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William H. Rad-In the Treastry not otherwise appropriated, to William H. Rad-cliffe, supervising superintendent of construction, Veterans' Ad-ministration, the sum of \$155.56, in full settlement of his claim against the United States for reimbursement at the authorized rate of 4 cents per mile for official travel performed during the period from July 6, 1936, to August 20, 1936, in an automobile then registered under the laws of the State of California in the name of his wife.

With the following committee amendment:

At the end of the bill add "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL M. COHEN

The Clerk called the next bill, H. R. 5775, for the relief of Michael M. Cohen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Michael M. Cohen, of Boston, Mass., the sum of \$1,000, representing the amount of a United States bond sum of \$1,000, representing the amount of a United States bond posted by him as security for an immigration bond executed by him and conditioned upon the appearance before immigration authorities of Salvatore Marino, such immigration bond having been forfeited as a result of the nonappearance of said Salvatore Marino, who was subsequently apprehended and deported.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be,

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 8, after the word "him" insert "in April 1937."

At the end of the bill add "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLETON-MACE ENGINEERING CORPORATION

The Clerk called the next bill, H. R. 5857, to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation."

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation," be, and the same is hereby, amended by inserting the word "primarily" after the word "occasioned" and before the word "by"; by repealing the word "the" appearing after the word "preventing" and before the word "completion" and inserting in lieu thereof the words "orderly prosecution and"; by repealing the phrase "such amount, not exceeding"; by repealing the provision "as the Comptroller General may find from the facts and the evidence submitted to him to be the actual amount of the extra cost occasioned by the said embargo" and inserting in lieu thereof

the following: "as found and determined by a Navy board on June 9, 1920"; and by repealing the phrase "or so much thereof as may be necessary."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF CARDEN AND HERD

The Clerk called the next bill, H. R. 7230, to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd.

Mr. COCHRAN and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on the Judiciary.

REV. FRANCIS X. QUINN

The Clerk called the next bill, H. R. 7389, to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the valor of Rev. Francis. Quinn, pastor of the Church of the Guardian Angel, New York X. Quinn, pastor of the Church of the Guardian Angel, New York City, who risked his life by entering a room where an armed desperado held two elderly persons as hostages, and who by successfully disarming this criminal and saving the lives of two innocent persons distinguished himself conspicuously by gallantry and intreplidity at the risk of his life above and beyond the call of his duty, the Secretary of the Treasury is authorized and directed to cause to be struck, and the President is authorized to present to the said Rev. Francis X. Quinn, a gold medal of appropriate design with suitable emblems, devices, and inscriptions propriate design with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Treasury.

SEC. 2. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOWARD HUGHES

The Clerk called the next bill, H. R. 7089, to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the achievements of Howard Hughes in advancing the science of aviation and thus bringing great credit to his country throughout the world, the Secretary of the Treasury is authorized and directed to cause to be struck, and the President is authorized to present to the said Howard Hughes, a gold medal of appropriate design with suitable emblems, devices, and inscriptions to be determined by the Secre-

tary of the Treasury.

SEC. 2. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed.

A motion to reconsider was laid on the table.

PLAYA DE FLOR LAND AND IMPROVEMENT CO.

The Clerk called the next bill, H. R. 7132, to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.", approved May 21, 1934.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of the Playa de Flor Land & Improvement Co., approved May 21, 1934", be, and the same is hereby, amended by adding the following:

"SEC. 2. All testimony, exhibits, or other evidence heretofore "SEC. 2. All testimony, exhibits, or other evidence heretofore admitted in evidence in any proceeding heretofore had under authority of this act and all testimony, exhibits, or other evidence heretofore admitted in evidence in the cases docketed in said court as Nos. 1 and 3, and, respectively, entitled 'Playa de Flor Land & Improvement Co., a joint stock corporation, Plaintiff v. Eusebia Diaz, et al., and The Panama Railroad Co., a corporation, defendants', and 'The Panama Railroad Co., a corporation, Plaintiff v. J. H. Stilson, W. Andrews, and C. P. Fairman, as the successors in interest and estate to Eufracis C. de Villalobos, et al., defendants', shall be received in evidence for the same purpose as heretofore admitted in any suit brought or to be brought under authority of this act, as amended."

With the following committee amendments:

Page 1, line 7, after the word "All", insert the word "competent." Page 1, line 9, after the word "all", insert the word "competent."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

ZOOK PALM NURSERIES, INC.

The Clerk called the next bill, H. R. 808, for the relief of Zook Palm Nurseries, Inc., a Florida corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury De, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Zook Palm Nurseries, Inc., a Florida corporation, the sum of \$162,768.48 in full settlement of all claims against the United States for damage done to its nursery gardens and property located along the east bank of the Intracoastal Waterway immediately south of Atlantic Avenue Delroy, Beach, Palm Beach County, Fig. from October bank of the Intracoastal Waterway immediately south of Atlantic Avenue, Delray Beach, Palm Beach County, Fla., from October 2, 1933, to the date of this act, by the overflow with salt water from the Intracoastal Waterway, due to the widening and deepening of the waterway adjacent to and in the vicinity of said nursery gardens and property and the removal of the dikes along the said waterway by the War Department: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation, said claim arising out of damages done to its nursery gardens and property located along the east bank of the Intracoastal Waterway immediately south of Atlantic Avenue, Delray Beach, Palm Beach County, Fla., from October 2, 1933, to the date of the passage of this act, by their overflow with salt water from the Intracoastal Waterway, allegedly due to the widening and deepening of the waterway adjacent due to the widening and deepening of the waterway adjacent to and in the vicinity of said nursery gardens and property, and the removal of the dike along the said waterway by the War Department. Suit hereunder may be instituted at any time within 1 year from the date of the enactment of this act and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which said court has jurisdiction under the provisions of the Judicial Code."

Amend the title

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation."

MIKE L. BLANK

The Clerk called the next bill, H. R. 809, for the relief of Mike L. Blank.

Mr. HALLECK and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on Claims.

FIRST LT. SAMUEL E. WILLIAMS

The Clerk called the next bill, H. R. 1428, for the relief of First Lt. Samuel E. Williams.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to First Lt. Samuel E. Williams the sum of \$178 to cover the loss of his personal property destroyed in a fire at Fort Benning, Ga., February 22, 1936.

With the following committee amendments:

Line 6, strike out the words "to cover" and insert in lieu thereof

'in full settlement of all claims against the United States for.'

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding.

Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLIN C. RISINGER

The Clerk called the next bill, H. R. 2049, for the relief of Olin C. Risinger.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clin C. Risinger the sum of \$126 gratuity payment in the case of Fred C. Risinger (certal No. 526220). (serial No. 6266309).

With the following committee amendments:

Line 5, after the name "Risinger" insert a comma, and add "Batesburg, S. C.".

Line 6, after the sign and figures "\$126" insert "in full settlement of all claims against the United States for".

At the end of the bill add: ": Provided, That no part of the

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFRED JOSEPH WRIGHT

The Clerk called the bill (H. R. 2358) for the relief of Alfred Joseph Wright.

There being no objection, the Clerk read the bill as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rosetta Louise Tomkins, Richmond, Va., the sum of \$700, in full settlement of all claims against the Government of the United States for personal injuries suffered by her infant son, Alfred Joseph Wright, caused by an automobile truck driven by John Mundy, attached to Civilian Conservation Corps Camp No. 1375, located at Fort Harrison Va. on July 8, 1936 Harrison, Va., on July 8, 1936.

With the following committee amendments:

Page 1, line 6, strike out "\$700" and insert in lieu thereof "\$650

"\$650".

Page 1, line 12, strike out the period, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COSTAS DEMELLIS

The Clerk called the bill (H. R. 3159) for the relief of the estate of Costas Demellis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$20,000 to the administrator of the estate of Costas Demellis for injuries sustained as a result of being struck by a Government-owned truck (U. S. 42382) of the Department of Agriculture, which resulted in his death at the Metropolitan Hospital, New York City, N. Y., on August 11, 1936.

With the following committee amendments:

Page 1, line 5, strike out "\$20,000" and insert in lieu thereof "\$5,000."

Page 1, line 6, after the word "Demellis", insert "formerly of New York City, in full settlement of all claims against the United States", and in line 12, page 1, strike out the period, insert a colon

and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISKE WARREN

The Clerk called the bill (H. R. 3172) for the relief of Fiske Warren.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO. I object.

The SPEAKER pro tempore. One objection is heard. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fiske Warren,——, Mass., the sum of \$10,000. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by the said Fiske Warren on account of damage to certain real property owned by him in the town of Harvard, Mass., such damage resulting from the occupation and use of such real property by the United States Army.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren, Harvard, Mass., for damages alleged to have been sustained by him as a result of the leasing of his property, situated in the town of Harvard, Mass., to the United States Army, under contract No. W218qm-562, dated June 30, 1933, notwithstanding provisions in said lease which would bar recovery of such damages.

"SEC. 2. Such claim may be instituted at any time within 2 years after the passage of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings in any suit before the Court of Claims under this act, and appeals therefrom, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under the Judicial Code."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CASEY of Massachusetts. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Casey of Massachusetts: Page 2, line 2, after the words "claim of", insert the words "the estate of."

The amendment was agreed to.

Mr. HANCOCK. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HANCOCK: Page 2, lines 7 and 8, strike out "notwithstanding provisions in said lease which would bar recovery of such damages" and insert a period.

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren."

C. E. HENDRICKSON AND STEPHENVILLE HOSPITAL, STEPHENVILLE,

The Clerk called the bill (H. R. 3676) for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. E. Hendrickson, of Parsons, Kans., the sum of \$1,500. The payment of such sum shall be in full settlement of all claims against the United States for damages on account of personal injuries received by the said C. E. Hendrickson when he was struck on November 13, 1937, by a United States Army motorcycle, on Texas State Highway No. 10, between Cresson and Granbury, Hood County, Tex.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Stephenville Hospital, Stephenville, Tex., the sum of \$410. Such sum represents the value of hospital and medical services furnished by such hospital to the said C. E. Hendrickson in the treatment of personal injuries received by him in the manner set forth in section 1 of this act.

With the following committee amendments:

Page 1, line 6, strike out "\$1,500" and insert "\$1,200."
Page 2, line 6, strike out "\$410. Such sum represents the value of" and insert "\$410, in full settlement of all claims against the United States for."
Page 2, line 11, strike out the period, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to our received by any agent or attorney on account of services. this act in excess of 10 percent thereof shall be paid of delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRACE CAMPBELL

The Clerk called the bill (H. R. 3962) for the relief of Grace Campbell.

Mr. COSTELLO and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Claims.

ALBERT R. RINKE

The Clerk called the bill (H. R. 4033) for the relief of Albert R. Rinke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 and 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, if filed within 6 months after the enactment of this act, the claim of Albert R. Rinke, of North Little Rock, Ark., for disability alleged to have been caused by injuries sustained by him on July 13, 1935, while in the performance of his duties in the employment of the Civilian Conservation Corps: Provided, That no benefits shall accrue prior to the approval of this act. tions of sections 15 and 20, both inclusive, of the act entitled "An act

With the following committee amendments:

Page 1, line 4, strike out "and 20, both" and insert the word and figures "to 20."

Page 2, line 3, after the word "Corps", strike all the remainder of line 3 and all of line 4.

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMITT COURTNEY

The Clerk called the bill (H. R. 4072) for the relief of Emmitt Courtney.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. W. Courtney, father and natural guardian of Emmitt Courtney, a minor, of Johnson County, Ark., the sum of \$3,500, in full satisfaction of his claim against the United States for permanent personal injuries sustained by the said Emmitt Courtney on November 30, 1938, when struck by an automobile driven by C. O. Ising while on duty as an employee of the Department of Agriculture, assigned to the United States Forest Service, at Russellville, Ark.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, strike out "\$3,500" and insert "\$1,618."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time,

was read the third time, and passed, and a motion to reconsider was laid on the table.

MAUDE SMITH

The Clerk called the next bill, H. R. 4261, for the relief of Maude Smith.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maude Smith, of Kerens, Tex., the sum of \$2,500, on account of the loss of her husband, Frank M. Smith, who was killed on January 5, 1939, as a result of a fall into an unguarded open drainage ditch of a Works Progress Administration project in the southwestern part of Kerens, in Navarro County, Tex.

With the following committee amendments:

Page 1, line 3, strike out "is hereby" and insert "be, and he is

Page 1, line 5, after the word "appropriated", strike out "to Maude Smith" and insert "to the estate of Frank M. Smith, deceased, formerly."

Page 1, line 7, after the word "the", strike out "loss of her husband" and insert "death of the said."
Page 1, line 12, after the word "Texas", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received. by any agent or attorney on account of services rendered in con-nection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of Frank M. Smith."

ANTON SAGANEY

The Clerk called the next bill, H. R. 4300, for the relief of Anton Saganey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anton Saganey, in full settlement of his claim against the United States for loss or destruction of, or damage to, personal property and effects as a result of the fire which occurred on Works Progress Administration official project No. 65-14-9415, July 15, 1936, in the sum of \$145.60.

With the following committee amendment:

Strike cut all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Anton Saganey, Boston, Mass., the sum of \$145.60; John J. Beatty, South Boston, Mass., the sum of \$10.14; Frederick J. Coppenrath, Roslindale, Mass., the sum of \$15; Joseph R. Driscoll, Dorchester, Mass., the sum of \$17; Edward A. Morash, Boston, Mass., the sum of \$12, in all, \$203.74, in full settlement of their claims against the United States for the loss of, or damage to, tools and other personal property in a fire that occurred on Works Progress Administration official project No. 65-14-9415, on July 15, 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithsame shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz."

LEWIS MARION GARRARD HALE

The Clerk called the next bill, H. R. 4349, for the relief of the estate of Lewis Marion Garrard Hale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000, to the estate of Lewis Marion Garrard Hale; said sum to be in to the estate of Lewis Marion Garrard Hale; said sum to be in full settlement of all claims for damages against the Government of the United States on account of the death of said Hale on December 29, 1938, through and by the negligence and carelessness of one Ed Hammond who at the time was an enrollee of the United States Civilian Conservation Corps and operating said Civilian Conservation Corps, in that the said Ed Hammond was operating said truck on a public highway in a reckless, negligent, and careless manner by driving said truck at an unlawful and excessive rate of speed and on the wrong side of the public highway and at a time when said truck was worn, defective, and in a bad state of repair, and ran same into and over the said Hale in a bad state of repair, and ran same into and over the said Hale on December 27, 1938, and from which injuries received in said accident said Hale died December 29, 1938. All of said injuries and death of said Hale were caused solely and only on account of the negligence and carelessness aforesaid of the said Ed Hammond.

With the following committee amendments:

Page 1, line 5, strike out "\$15,000" and insert "\$5,000."
Page 1, line 6, after the word "Hale", strike out "said sum to

be."
Page 1, line 7, after the claims, strike out "for damages."
Page 1, line 9, after the figures, strike out the balance of line 9, all of lines 10, 11, and 12, and on page 2, down to and including the word "Hammond" in line 12, and insert: "from injuries received when struck by a Forest Service truck operated by an enrollee of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent. enrollee of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceed \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL M'COY

The Clerk called the next bill, H. R. 4601, for the relief of Paul McCoy.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the account of Paul W. McCoy, postmaster at Edison, Nebr., in the sum of \$2,500. Such sum represents a shortage in said account caused by the accidental burning of that amount of United States currency on December 6, 1936.

With the following committee amendments:

Page 1, line 3, after the words "Comptroller General", insert "of the United States"

Page 1, line 4, after the word "the", insert "postal savings".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of Paul W. McCoy."

M. F. GUBRUD

The Clerk called the next bill, H. R. 4616, to pay M. F. Gubrud, of Ambrose, N. Dak., \$261.75, money erroneously collected under protest, as duty on frozen wheat imported from Canada as feed for livestock, under the Tariff Act

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. F. Gubrud, of Ambrose, N. Dak., the sum of \$261.75 with interest at 6 percent from the 21st day of August 1935 in full settlement of all claims against the Government of the United States for money errone-ously collected and paid under protest, as duty upon frozen wheat imported from Canada for feed for livestock in 1985, under the provisions of the Tariff Act.

With the following committee amendment:

Page 1, line 6, after the word "of", strike out the balance of line 6, all of lines 7, 8, and 9, and on page 2, strike out lines 1 and 2

and the word "act" in line 3 and insert the following: "\$240.86 in full settlement of all claims against the Government of the United States for money paid in connection with two importations of frozen wheat from Canada, covered by entries filed at Ambrose, N. Dak., on April 27 and May 17, 1935: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in convention with this claim and on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relier of M. F. Gubrud."

JAMES N. HARWOOD

The Clerk called the next bill, H. R. 4885, to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James N. Harwood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensa-Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to James N. Harwood, on account of injuries sustained by him on the 3d day of January 1929, said injury having occurred while he was working in his capacity as an employee in the dental clinic of the Veterans' Administration facility, Johnson City, Tenn., as ward attendant, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the United States Employees' Compensation Commission
be, and it is hereby, authorized and directed to determine the
merits of the claim of James M. Harwood, Johnson City, Tenn.,
for disability alleged to have resulted from an injury sustained by
him on January 3, 1929, while in the performance of his duties as
a ward attendant in the dental clinic of the Veterans' Administration facility, Johnson City, Tenn., under the provisions of the act
entitled 'An act to provide compensation for employees of the
United States suffering injuries while in the performance of their
duties, and for other purposes,' approved September 7, 1916, as
amended, except that the time limitations in sections 15 to 20,
inclusive, of said act shall be, and are hereby, waived: Provided,
That no benefits shall accrue prior to the approval of this act:
And provided further, That claim hereunder be filed within 6
months after the approval of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of James M. Harwood."

MRS. CLINTON WARD AND ESTER WARD

The Clerk called the next bill, H. R. 5106, for the relief of Mrs. Clinton Ward and Ester Ward.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on

RUTH DORNSIFE

The Clerk called the next bill, H. R. 5491, to pay the salary of Ruth Dornsife.

There being no objection, the Clerk read the bill as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, instructed to pay, from any funds not otherwise appropriated, the sum of \$132 to Ruth Dornsife, this amount being due for services with the Farm Security Administration and unpaid because of acknowledged error by employee of regional office of Farm Security Administration.

With the following committee amendment:

Strike out all the language after the enacting clause, and insert

Strike out all the language after the enacting clause, and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$104.83 to Ruth Dornsife, Toledo, Ohio, in full settlement of all claims against the United States for annual leave not granted her while she was in the employ of the Farm Security Administration, from December 16, 1935, to

August 10, 1937: Provided, That no part of of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. E. SWEINHART

The Clerk called the next bill, H. R. 5704, to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Private Law No. 310, Seventy-fifth Con-gress, first session, an act for the relief of D. E. Sweinhart, be, and it hereby is, amended as follows:

In section 1, after the words "pay to" and immediately preceding the words "D. E. Sweinhart", insert "Ernest D. Sweinhart, of Albuquerque, N. Mex., administrator of the estate of."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLYDE EQUIPMENT CO.

The Clerk called the next bill, H. R. 5803, for the relief of Clyde Equipment Co.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clyde Equipment Co., of Portland, Oreg., the sum of \$4,043.40. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by such company as a result of the destruction by fire of two caterpillar tractors, owned by said company, on August 6, 1936, while such tractors were being used on a Works Progress Administration project at the Portland, Oreg., super airport.

With the following committee amendments:

Line 6, strike out the sign and figures "\$4,043.40" and insert in lieu thereof "\$3,273.39."

Line 9, after the word "tractors" insert "and two bulldozers."
Line 10, after the word "tractors", insert "and bulldozers." At
the end of the bill add: ": Provided, That no part of the amount
appropriated in this act in excess of 10 percent thereof shall be
paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHERYN S. ANDERSON

The Clerk called the next bill, H. R. 6084, for the relief of Katheryn S. Anderson.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled
"An act to provide compensation for employees of the United
States suffering injuries while in the performance of their duties,
and for other purposes," approved September 7, 1916, as amended
(U. S. C., title 5, secs. 767 and 770), are hereby waived in favor
of Katheryn S. Anderson, of Oakland, Calif., who sustained injuries to health while employed as a stenographer-clerk from
April 29, 1929, to September 30, 1932, in the office of the United
States Employees' Compensation Commission in San Francisco,
Calif., which injury resulted in permanent physical disability,
and her case is authorized to be considered and acted upon under
the remaining provisions of such act, as amended, if she files a
notice of such injury and claim for compensation with the United
States Employees' Compensation Commission not later than 90
days after date of enactment of this act.

With the following committee amendment:

With the following committee amendment:

Page 2, line 7, after the word "Act" insert a colon and the following: "Provided, That no benefits shall accrue prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. S. F. SEWELL ET AL.

The Clerk called the next bill, H. R. 6099, for the relief of Mrs. S. F. Sewell, and the commissioners of roads and revenues of Dooly County, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is author-Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. S. F. Sewell, of Vienna, Ga., the sum of \$10,000 for the death of S. F. Sewell, husband of Mrs. S. F. Sewell, and to the commissioners of roads and revenues, of Dooly County, Vienna, Ga., the sum of \$397, for expenses incurred in connection with the death of S. F. Sewell, in full satisfaction of all claims against the United States, sustained when S. F. Sewell, employed as bridge foreman by Dooly County in constructing a concrete culvert, was struck by a falling tree cut down by Works Progress Administration employees at a place known as Moccasin Branch on the Unadilla-Hawkinsville Highway, on January 19, 1939. ary 19, 1939.

With the following committee amendments:

Line 6, strike out the sign and figures "\$15,000" and insert in

lieu thereof "\$5,000."

Line 7, after the name "Mrs. S. F. Sewell" strike out the comma and all the language in lines 7, 8, and 9, and the name "Sewell"

and an the ranguage in line 1, or in line 10.

At the end of the bill add ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mrs. S. F. Sewell."

ANNIE BEARDEN ET AL.

The Clerk called the next bill, H. R. 6362, for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner.

There being no objection, the Clerk read the bill; as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$40 to Annie Bearden, Ruth Bearden \$25, Essie Burton \$35, Beatrice Carter \$30, Mary Cobb \$35, Addie Graham \$45, Annie Grant \$30, Sallie Harris \$90, Minerva Holbrooks \$30, Omie Keese \$50, Sallie Marett \$45, Jessie McDonald \$30, Jessie Morris \$110, Martha O'Shields \$35, Mae Phillips \$45, Leila H. Roach \$30, Belva Surrett \$65, and Shelley Turner \$30, which sums represent full and final settlement for losses of personal property sustained November 30, 1937, when fire destroyed the Works Progress Administration sewing room at Westminster, Oconee County, S. C. minster, Oconee County, S. C.

With the following committee amendment:

Line 6, after the name "Annie Bearden", strike out the remaining language of the bill and insert in lieu thereof the following: "the sum of \$25 to Ruth Bearden, the sum of \$35 to Essie Burton, the sum of \$30 to Beatrice Carter, the sum of \$35 to Mary Cobb, the sum of \$45 to Addie Graham, the sum of \$30 to Manie Grant, the sum of \$30 to Minerva Holbrooks, the sum of \$50 to Omie Keese, the sum of \$45 to Sallie Marett, the sum of \$30 to Josie McDonald, the sum of \$110 to Jessie Morris, the sum of \$35 to Martha O'Shields, the sum of \$45 to Belva Surrett, and the sum of \$30 to Shelley Turner, in full settlement of all claims against the United States for loss of personal property sustained on November 30, 1937, when fire destroyed the Works Progress Administration sewing room at Westminster. the Works Progress Administration sewing room at Westminster, Oconee County, S. C.: Provided, That no part of the amount ap-propriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLOYD H. ROBERTS

The Clerk called the next bill, H. R. 6513, for the relief of Floyd H. Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd H. Roberts, of Bristol, Va., compensation at the rate provided by law for judges of district courts of the United States, for his services as district judge for the period August 1, 1938, to February 6, 1939, both dates inclusive.

With the following committee amendments:

Line 5, after the words "Bristol, Va.," insert "the sum of \$5,166.66, representing

Line 7, after the word "States" insert "in full settlement of all claims against the United States."

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUFORD LEE PRATT

The Clerk called the next bill, H. R. 6963, for the relief of Buford Lee Pratt.

There being no objection the Clerk read the bill, as fol-

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Buford Lee Pratt, of Spencer, Va., and the United States Employees' Compensation Commission is authorized, under the remaining provisions of said act, to receive and consider his claim for compensation for disability resulting from an injury his claim for compensation for disability resulting from an injury sustained on July 11, 1934, while employed as a tobacco committeeman in the tobacco-production-adjustment program of the United States Department of Agriculture: Provided, That claim hereunder shall be filed within six months from the date of the approval of this act: Provided further, That no benefits shall accrue prior to the approval of this act. shall accrue prior to the approval of this act.

Vith the following committee amendment:

Page 2, line 6, strike out the colon following the word "act", and substitute therefor a period and strike out the balance of lines 6 and 7.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDISON B. HAMPEL

The Clerk called the next bill, S. 555, for the relief of Addison B. Hampel.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Addison B. Hampel, former postmaster at Greenville, Ind., such portion of the sum of \$1,429.21 as the Comptroller General finds that the said Addison B. Hampel has paid to the United States on account of the claim of the United States against him arising out of the payment of salary to him as postmaster while he was also employed as a substitute railway postal clerk. The said Addison B. Hampel is hereby released from all liability to the United States arising out of payments to him for salaries during the period he was not employed as postmaster and as substitute railway postal clerk: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAMAGES CAUSED BY AIRPLANE CRASHES

The Clerk called the next bill, S. 2513, for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United

States Navy at East Braintree, Mass., on April 4, 1939.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Henry J. Madden, of East Braintree, Mass., the sum of \$10,194.94; to Thomas Mallen, of East Braintree, Mass., the sum of \$205; to Albert J. De Coste, of East Braintree, Mass., the sum of \$695; to Mrs. Herbert E. Bes, of East Braintree, Mass., the sum of \$124.50; to Anselm A. Bjornson, of East Braintree, Mass., the sum of \$3,885.25; to Victoria B. Frazier, of East Braintree, Mass., the sum of \$140.75; to the Mutual Federal Savings and Loan Association, of Whitman, Mass., the sum of \$50: to Mrs. Edward R. Osborne, of East Braintree. Mutual Federal Savings and Loan Association, of Whitman, Mass., the sum of \$50; to Mrs. Edward R. Osborne, of East Braintree, Mass., the sum of \$25; to the water department of the town of Braintree, Mass., the sum of \$106.24; to William Mac Faun, of South Weymouth, Mass., the sum of \$198.75; and to Mary Marshall, of South Braintree, Mass., the sum of \$105; said sums to be in full settlement of all claims against the United States for damage to the properties of the said Henry J. Madden, Thomas Mallen, Albert J. De Coste, Mrs. Herbert E. Bess, Anselm A. Bjornson, Victoria B. Frazier, Mutual Federal Savings and Loan Association, of Whitman, Mass., Mrs. Edward R. Osborne, water Association, of Whitman, Mass, Mrs. Edward R. Osborne, water department, town of Braintree, William Mac Faun, and Mary Marshall, sustained on April 4, 1939, by reason of the crashes of two airplanes of the United States Navy at East Braintree, Mass.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary ontwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHANNES OR JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill, S. 1394, for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk, No. 377 on the Private Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Costello]?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the proceedings whereby the bill was passed be vacated and that the bill be again reported.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Costello]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Johannes or John, Julia, Michael, William, and Anna Kostiuk. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on April 15, 1925.

Mr. COSTELLO. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Costello: Page 1, line 9, after the word "been", strike out "unlawfully"; in line 11, change the period to a colon and insert: "Provided, That the said Johannes or John, Julia, William, and Anna Kostiuk shall never be eligible to become citizens of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, No. 489 on the Consent Calendar. A similar request was made an hour or two ago, but was objected to by the gentleman from Mississippi [Mr. RANKIN], who was under a misapprehension as to the facts. He authorizes me to state to the House that he wants to withdraw his objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. Mansfield]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: Provided, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: Provided further, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no supplemental or additional report or estimate shall be made unless authorized by law: And provided further, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law: Beals Harbor, Maine.

Blue Hill Harbor, Maine.

Blue Hill Harbor, Maine. Bunganuc Creek, Maquoite Bay, Maine. Cathance River, Maine.

Winterport Harbor, Maine.

Waterport Harbor, Maine.
Waterway from Plum Island Sound to the Annisquam River,
Essex County, Mass.
Provincetown Harbor, Mass.
Eightmile River, Conn.
Norwalk Harbor, Conn.

Centerport Harbor, Long Island, N. Y. Shinnecock Inlet, Long Island, N. Y. Hudson River at the mouth of Endikill Creek, N. Y., with a

view to constructing a small-boat anchorage basin.

Salem River, Salem County, N. J.

Cheesequake Creek, N. J.

Toms River, N. J., from the bridges at Toms River to a connection with the Intracoastal Waterway.

Broadkill River, Del.

Nanticoke River, Del. Broad Creek, Del.

Waterway from Indian River Inlet to Rehoboth Bay, Del.
Potomac River and tributaries, at and below Washington, D. C.,
with a view to elimination of the water chestnut.

with a view to elimination of the water chestnut.

St. Patricks Creek, Md.
Ross Cove (Magothy River), Md.
Hellens Creek, Calvert County, Md.
Taylors Landing, Worcester County, Md.
Channel from Ocean City to Chincoteague Bay and Harbor at
Public Landing, Worcester County, Md.
Finneys Creek, Accomac County, Va., and the channel connecting
said creek with Wachapreague Inlet and the Atlantic Ocean.
Browns Bay. Gloucester County, Va., and the channel connecting

Browns Bay, Gloucester County, Va., and the channel connecting said bay with Mobiack Bay.

The Hague (Smith Creek), Va.

Southern Branch of Elizabeth River, Norfolk Harbor, Va. Chuckatuck Creek, Nansemond and Isle of Wight Counties, Va.

Parrotts Creek, Middlesex County, Va.
Purviance Creek, New Hanover County, N. C.
Edisto River and tributaries, South Carolina, with a view to its improvement in the interest of navigation and the development of hydroelectric power.

Jeffers Creek, Florence County, S. C.
Savannah Harbor, Ga.

Savannah Harbor, Ga.
Channel from the Intracoastal Waterway to, and harbor at,
Titusville, Fla.
Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla.,
including all appropriate side channels and spur channels with a
view to increasing the navigable capacity and commercial utility
of the existing project.
Channel from the Intracoastal Waterway to, and harbor at, New

Smyrna, Fla. St. Lucie Inlet, Fla.

Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., with a view to providing an auxiliary side channel from the Intracoastal Waterway near Titusville through, and easterly of, Merritt Island via Banana Creek and River, to, or near, Eau Gallie, Fla.

Channel leading from the Intracoastal Waterway across Indian River to the Lighthouse Service depot at Taylor Creek, adjacent to Pierce Harbor, Fla.

Channel and harbor at Everglades, Collier County, Fla. Jupiter Inlet, Fla. Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., with a view to determining whether the existing project should be modified in any way at the present time, including rectification of alinement, increase in width or depth, either or both, and provision of appropriate side channels and spur channels leading to the various communities on or near the banks of said waterway—all with a view to increasing the navigable capacity and commercial utility of the existing project.

Channel from the Intracoastal Waterway to, and a turning basin at. Fort Pierce, Fla.

at, Fort Pierce, Fla.

Kissimmee River, Fla., with a view to improvement for navigation, flood control, conservation of water, and increase of lowwater flows

Channel to Pahokee, on Lake Okeechobee, Fla. Lake Okeechobee and its tributary streams, Florida, with a view to removing the water hyacinth.

Channel, turning basin, and improvements at Horseshoe, Dixie County, Fla.
Channel from the deep water in St. Joseph Sound, to and turning basin at, Ozona, Fla.
Chassahowitzka River, Fla.
Intracoastal Waterway from the St. Marks River, Fla., to the

Anclote River.

Sarasota Bay, Fla.: Channel from Caseys Pass (Venice Inlet), through Dona Bay to the bridge on United States Highway No. 41, including a turning basin at the eastern terminus of the channel.

Oklawaha River, Fla., from Lake Eustis to Lake Griffin, and thence from Lake Griffin to Silver Springs Run.
Oklawaha River, Fla., from Lake Apopka through Lake Dora to Lake Eustis and adjoining waterways.

St. Marks River, Fla.

Entrance to Perdido Bay, Ala. and Fla., from the Gulf of Mexico to deep water in Perdido Bay, via the most practicable route.

Waterway from the Escambia River to the Alabama River, Fla.

and Ala.

Big Sand Creek, Miss., with a view to determining the advisability of undertaking measures for the prevention of bank caving in the vicinity of North Carrollton, Miss.

Grand Bayou, connecting Bayou Boeuf and Bayou Chevreuil, La.

Bayou Boeuf, La Fourche Parish, La.

Lake Pontchartrain, La., with a view to the construction of a seaplane or Army Air Corps base in the vicinity of New Orleans.

Barataria Bay and connecting channels to provide a continuous waterway from the Gulf of Mexico to the Intracoastal Waterway,

Bayou Schofield, La., from the Gulf of Mexico to Buras and Empire.

Grand Bayou Pass, La., from the Gulf of Mexico to Buras and

Bayou Lafourche, La., from the Gulf of Mexico to Leeville or to Golden Meadow. Mermentau River, La., from the Gulf of Mexico to Grand

Vermilion Bay and Bayous Petit Anse, Carlin, and Tigre, from the Gulf of Mexico to Erath and to Jefferson Island, La. Pine Island Bayou, Tex.

Little Bay, Tex. Cypress Creek, Tex

Cypress Creek, Tex.
Waterway from the Neches River, by way of Pine Island Bayou and extension, to Trinity River, Tex.
Mississippi River: Davenport (Iowa) harbor of refuge.
Mississippi River at Cassville, Wis.
Mississippi River at Prairie du Chien, Wis.
Mississippi River at Alma, Wis.
Mississippi River at Maiden Rock, Wis.
Red River of the North Drainage Basin, Minn., S. Dak., and N. Dak., with a view to improvement for navigation, flood control, power development, irrigation, conservation of water, and increase of low-water flows for domestic and sanitary purposes.
Missouri River in South Dakota with a view to improvement

Missouri River in South Dakota with a view to improvement to make power available to develop deposits of manganese and other strategic minerals, and for pumping and other uses.

West Fork River and its tributaries, West Virginia, with a view to determining the advisability of constructing a system of several multiple-use reservoirs in the West Fork River Basin instead of the proposed West Fork Reservoir. proposed West Fork Reservoir.

Tofte Harbor, Minn.

Algoma Harbor, Wis.
Harbor at mouth of Au Train River, Mich.
Shelldrake Harbor, Mich.
Galien River, Mich.

Pinconning River, Mich.
Pine River, Mich.
St. Marys River, Ohio and Ind.
Harbor at Ballast Island, Ohio.

Rocky River, Ohio. Little River (branch of Niagara River), at Cayuga Island, Niagara

Falls, N. Y.
Chaumont River, N. Y
Harbor in Hamburg Township, N. Y.

At and in the vicinity of Henderson, N. Y., with a view to constructing a harbor.

Point Dume, Calif.

Moss Landing, Monterey Bay, Calif.
Pillar Point, Half Moon Bay, San Mateo County, Calif.
Nelscott, Oreg., with a view to protection of the beach.
Channel at Charleston, South Slough, Oreg.
Grays Harbor, Wash., with a view to constructing a channel into

Gastineau Channel, Alaska, with a view to its improvement for navigation, both water and air, and flood control, both tidal and

Neva Strait and Olga Strait, Alaska.

Kodiak Harbor, Alaska.

Kodiak Haroor, Alaska.

Kalaupapa Landing, Island of Molokai, T. H.

Kalepolepo Boat Harbor, Island of Maui, T. H.

Humacao Playa, Punta Santiago, P. R.

Sec. 2. That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that subject to the conditions set forth in such documents; and that hereafter all duties performed by the Chief of Engineers under the direction of the Secretary of War shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress:

Passaic River, N. J.; House Document No. 430, Seventy-sixth

Onancock River, Va.; House Document No. 358, Seventy-sixth

Congress;

Buffalo Bayou and its tributaries, Texas; the project set forth in House Document No. 456, Seventy-fifth Congress and authorized by Public Law No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public Law No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated;

Ouachita and Black Rivers, Ark. and La.; House Document No. 104, Seventy-sixth Congress;

Mississippi River between Missouri River and Minneapolis: The

104, Seventy-sixth Congress;
Mississippi River between Missouri River and Minneapolis: The construction of lock and dam No. 26 at Alton, Ill., is hereby declared to be in accord with the project authorized by the River and Harbor Act of August 30, 1935;
Mississippi River between Missouri River and Minneapolis: The existing project is hereby modified to provide for remedial works in accordance with the recommendation of the district engineer in the report submitted in House Document No. 137, Seventy-sixth Congress; and for remedial works in leve and drainage districts in lieu of the annual payments of increased cost of operating and maintaining such districts authorized by the River and Harbor Act of August 26, 1937, when deemed advisable by the Chief of Engineers;

Oswego Harbor, N. Y.; in accordance with the plans recommended in House Document No. 96, Seventy-sixth Congress, and subject to the conditions set forth in such document.

mended in House Document No. 96, Seventy-sixth Congress, and subject to the conditions set forth in such document.

SEC. 3. The second proviso in section 2 of the act of August 26, 1937 (50 Stat. 844, 850), authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, is hereby amended to read as follows: "Provided further. That the entire Central Valley project, California, heretofore authorized and established under the provisions of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is hereby reauthorized and declared to be for the purposes of improving navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for construction under the provisions of the Federal reclamation laws of such distribution systems as the Secretary of the Interior deems necessary in connection with lands for which said stored waters are to be delivered, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings, and in order to permit the full utilization of the works constructed to accomplish the aforesald purposes."

Sec. 4. That the paragraph in section 1 of the River and Harbor Act, approved July 25, 1912, authorizing the removal of temporary obstructions from tributaries of waterways under Federal improvement (37 Stat. L. 722), as amended in section 3 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, is hereby amended to read as follows:

"The Chief of Engineers, in his discretion, and after approval by the Secretary of War. is hereby authorized to make preliminary

"The Chief of Engineers, in his discretion, and after approval by the Secretary of War, is hereby authorized to make preliminary examinations and minor surveys preliminary thereto and to remove snags and other temporary or readily removable obstructions from snags and other temporary of reading removable business and tributaries of waterways already under Federal improvement or in general use by navigation, to be paid from funds appropriated for the maintenance and improvement of rivers and harbors: Provided, That the cost of such work in any single year shall not exceed \$3,000 per tributary." SEC. 5. That (a) the consent, permission, and authority granted to the Commissioners of Lincoln Park, now superseded by the Chicago Park District, a municipal corporation organized and existing under the laws of the State of Illinois to exercise jurisdiction over the navigable waters of Lake Michigan which lie within the

following-described boundaries:

Beginning at a point at the intersection of the existing bulkhead along Lake Shore Drive in Chicago, Ill., with the existing pier which is parallel to and north of Ohio Street extended and south of Ontario Street extended; thence easterly along said pier to a point in a line parallel to and 350 feet easterly of said bulkhead along the Lake Shore Drive; thence northwesterly along said last-described line to a point in a curve of 200 feet radius and tangent both to said last-described line and to a line 350 feet southerly from the southerly side of and parallel to the shore arm extension breakwater extending into Lake Michigan from a point near the intersection of Oak Street and Lake Shore Drive; thence along said curve to a point in said line last described; thence easterly along said line to a point in a line at right angles with said shore arm extension breakwater at the eastern extremity, thereof; thence northward along said lastthe eastern extremity thereof; thence northward along said last-described line to said shore arm extension breakwater; thence westdescribed line to said shore arm extension breakwater; thence westward along said shore arm extension breakwater to the shore line; and (b) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to destroy the navigability of the above-described waters altogether; and (c) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to erect an additional breakwater to connect the said shore arm extension breakwater near the intersection of Oak Street and Lake Shore Drive with the shore line; and (d) the transfer of possession of said shore arm extension breakwater to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, and the obligation for the permanent care, custody, and maintenance of said shore arm the permanent care, custody, and maintenance of said shore arm extension breakwater by the Commissioners of Lincoln Park, now superseded by the Chicago Park District, all as provided for by the act entitled "An Act granting to the Commissioners of Lincoln Park the right to erect a breakwater in the navigable waters of Lake Michigan, and transferring jurisdiction over certain navigable waters of Lake Michigan to the Commissioners of Lincoln Park," approved March 3, 1931, be rescinded.

The United States of America hereby resumes jurisdiction over the above-described waters and the above-described shore-arm extension breakwater, and hereby discharges the Chicago Park District, successor to the superseded the Commissioners of Lincoln Park, from its liability for the permanent care, custody, and main-tenance of said shore-arm extension breakwater.

Said Chicago Park District shall signify its acceptance of this act by written notice to the Secretary of War within 60 days after the passage of this act, and this section shall become effective immediately upon its acceptance by said Chicago Park District. In the event of nonacceptance within 60 days this section shall become anyly and reader. become null and void.

SEC. 6. Amounts hereafter collected from private parties or other agencies for any services rendered; for the use of any facility or property; for the sale of any property or for the exchange value of any property traded in on new property, when the cost of such services, facilities, and property is borne by funds appropriated for the maintenance or improvement of rivers and harbors, or flood-control work, excluding any amounts received for the sale or rental of land with or without buildings thereon, shall be deposited in the Treasury to the credit of the appropriation to which the cost of such services, facilities, or property has been

charged.
SEC. 7. The Chief of Engineers is authorized, with the approval SEC. 7. The Chief of Engineers is authorized, with the approval of the Secretary of War, in the prosecution of river and harbor, flood control, or other civil works under his supervision, to provide such facilities as are determined by him to be necessary for the health or welfare of the employees engaged in the prosecution of the work, on projects located at isolated points where such facilities are not otherwise available, and to pay for the same from funds allotted or appropriated for the projects. Payments heretofore made for such facilities on projects of the character specified in this section are approved.

in this section are approved.

SEC. 8. That the Secretary of War is authorized and directed to require the Chief of Engineers to make surveys of such portions of require the Chief of Engineers to make surveys of such portions of the North Atlantic coast line as were damaged by the flood and hurricane of September 21, 1938: Provided, That such surveys shall be made for the purpose of determining the nature and cost of the work which will be necessary in order to (1) restore such coast line to its condition prior to such hurricane and flood, (2) stabilize the beach along such coast line: Provided further, That notwithstanding the provisions of the act entitled "An act for the improvement and protection of the beaches along the shores of the United States," approved June 26, 1936, all costs of the surveys authorized by this section and by the second section of that act as well as by a River and Harbor Authorization Act, shall be borne by the United States and paid from appropriations heretofore or hereafter made for the maintenance and improvement of rivers and harbors, and such surveys shall be functions of the Engineer hereafter made for the maintenance and improvement of rivers and harbors, and such surveys shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers: And provided further, That reports of surveys on beach erosion and shore protection shall include an estimate of the public interests involved, and such plan of improvement as is found justified, together with the equitable distribution of costs in each case.

SEC. 9. That the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., in township 24 south, range 13 west, Willamette meridian, authorized to be constructed by the State of Oregon, acting through its highway department, the North Slough Drainage District, and the North Slough Diking District by an act of Congress approved August 26, 1937, is extended 1 and 3 years, respectively, from August 26, 1939. The right to alter, amend, or repeal this section is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks on the tourist travel bill under consideration this afternoon and to include a letter on the bill from the Secretary of the Interior.

The SPEAKER. Is three objection to the request of the gentleman from Colorado [Mr. MARTIN]?

There was no objection.

GDYNIA AMERICA LINE, INC.

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill H. R. 3087, for the relief of the Gdynia America Line, Inc., of New York City, N. Y., No. 307 on the Private Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KEOGH]?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman if that bill was objected to by a Member and is that Member now on the floor?

Mr. KEOGH. It was objected to by the from California [Mr. Costello]. I have taken the matter up with him. I am informed that the objection on the other side came as the result of the objection of the gentleman from California [Mr. Costello].

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Gdynia America Line, Inc., of New York City, N. Y., the sum of \$2,520, in full payment for duplicate revenue stamps required to be attached to the manifests of the motorship Batory belonging to said corporation, the original revenue stamps having been lost or destroyed in some unknown manner: Provided, That the Secretary of the Treasury shall require the said corporation to give a surety bond to the United States in the amount of \$2,520 to indemnify the Government in the event said original revenue stamps are recovered, such bond to run for such period of time as the Secretary of the Treasury shall prescribe.

With the following committee amendments:

Page 1, line 7, strike out the word "payment" and insert "in full settlement of all claims against United States."

Page 2, line 6, after "prescribe", insert "Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding states.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVILEGE OF RETIREMENT FOR DISABILITY TO CERTAIN JUDGES

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 1282, to extend the privilege of retirement for disability to judges appointed to hold office during good behavior, No. 425 on the Consent

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Walter]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object. I understand this is agreeable to the gentleman from Michigan [Mr. Wolcott], who was in charge of the Consent Calendar?

Mr. WALTER. This bill was passed over without prejudice. Since that time I have talked with the gentleman from Michigan [Mr. Wolcott]. As a matter of fact, he instructed me to advise you he did not object to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That any judge or justice of any court of the United States, appointed to hold office during good behavior, who becomes unable because of permanent disability to perform the duties of his office, may retire from regular active service on the bench and the President shall thereupon be authorized to

appoint a successor.

SEC. 2. Any district or circuit judge, other than a senior circuit judge, who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the senior circuit judge of the judicial circuit in which the court of which he is a member is situated. Any Justice of the Supreme Court of the United States, other than the Chief Justice of the United States, who desires to retire under the Chief Justice of this act shall certify his disability in writing and shall furnish a like certificate made by the Chief Justice of the United States. If the Chief Justice of the United States retires under the provisions of this act he need not furnish any certificate in addition to his own. Any judge of the Court of Claims, other than the chief justice, any judge of the United States Customs Court, or any judge of the United States Court of Customs and Patent Appeals, other than the presiding judge of the United States Court of Customs and Patent Appeals, who desires to retire under the provisions of this act shall certify his disability in writing and the United States Court of Customs and Patent Appeals, who desires to retire under the provisions of this act shall certify his disability in writing and provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the chief justice of the Court of Claims, if he be a judge of the Court of Claims, or by the presiding judge of the United States Court of Customs and Patent Appeals, if he be a judge of the United States Customs Court or the United States Court of Customs and Patent Appeals. Any other judge or justice who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the Chief Justice of the United

States.

SEC. 3. Any judge or justice who retires under the provisions of this act, after he has served less than 10 years, shall receive annually, in equal monthly installments, during the remainder of his life, a sum equal to one-half of the annual salary he is receiving at the date of retirement; and any judge or justice who retires under the provisions of this act, after he has served 10 years or more, shall receive in like manner during the remainder of his life the salary he is receiving at the date of retirement.

SEC. 4. The term "senior circuit judge," as used in this act, includes the chief justice of the United States Court of Appeals for the District of Columbia. The term "judicial circuit," as used in this act, includes the District of Columbia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REFUNDING OF NEGOTIABLE BONDED INDEBTEDNESS OF MUNICIPAL CORPORATIONS IN ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5919) to provide for the refunding of the negotiable bonded indebtedness of municipal corporations and public-utility districts in the Territory of Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

Mr. RICH. Mr. Speaker, reserving the right to object, I understand that some Members of Congress have presented a bill whereby municipalities can go into bankruptcy, thereby cutting down their indebtedness. Does this bill do anything of that kind?

Mr. DIMOND. No. This permits cities in Alaska to refund their bonded indebtedness, thereby saving some interest

Mr. RICH. There is no intent or purpose of any of the municipalities to try to get rid of their obligations?

Mr. DIMOND. No; indeed it is just the opposite. Not a single bond of any Alaska city has been in default, to my knowledge.

The purpose of the bill is to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, and to validate bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory.

Under the provisions of the act approved August 24, 1912, commonly called the Organic Act of Alaska, municipal corporations of the Territory were forbidden to incur any bonded indebtedness without the express consent or authority of Congress. Thereafter, from time to time, by special acts, Congress authorized several cities of Alaska to incur bonded indebtedness in order to undertake the construction of schoolhouses, the purchase or installation of waterworks, the pavement of streets, or other kindred projects for the public use and benefit. Bonds were accordingly issued by the cities so authorized to incur indebtedness, and some of those bonds are still outstanding; and some of the bonds, by modern standards, bear exceptionally high rates of interest.

By an act approved May 28, 1936, Congress authorized any municipal corporation in Alaska to incur bonded indebtedness and issue negotiable bonds for necessary and useful public works, in amount not to exceed 10 percent of the aggregate taxable value of the real and personal property of the city subject to taxation. Provision was made in this act, as was the case with respect to most of the prior acts, that before any such bonded indebtedness could be incurred it must be approved by at least 65 percent of the taxpayers of the city, who should vote at a special election to be called for the purpose of determining whether or not the indebtedness should be incurred and the bonds issued. In fact, all municipal bonds heretofore issued in Alaska have been authorized by more than a majority vote of the taxpayers of the city of issuance, or the voting residents of a city. By a subsequent act, approved May 31, 1938, like powers with respect to bonded indebtedness were conferred upon Alaska public-utility districts, to be exercised under like circumstances. Bonds have been issued under the provisions of these acts and are now outstanding.

To the best of my knowledge and belief, none of the bonds so issued by Alaska cities or public-utility districts is in default, but the interest charges thereon are in some cases, under present conditions, excessive. It would, therefore, be much to the financial advantage of some of the municipalities of Alaska, where the terms of the bonds permit, to refund the outstanding bonds through the issue of bonds at lower rates of interest. By such refunding operations considerable savings in interest charges can be made by several Alaska cities. I have recently received a telegram from Mr. Harry I. Lucas, mayor of Juneau, the capital city of Alaska, stating that if this bill is enacted the city of Juneau will be able to save approximately \$3,000 per year in interest on its bonded indebtedness. There is in this no suggestion, or thought, or inference of default, or bankruptcy, or failure or refusal to comply with the terms and provisions of the outstanding bonds. In every instance every promise made in the bonds will be faithfully kept. But if the cities and public-utility districts of Alaska may justly and legally, pay off the outstanding bonds through the issue of bonds bearing a lower rate of interest, they should be accorded that right. An act of Congress is necessary. In most if not all of the States such refunding is authorized as a matter of course.

The bill contains another provision for the validation of outstanding bonds. Such legislation has been enacted in a large number of States in order to cure technical omissions or defects with respect to the municipal bonds of the State. No such defect is known to exist as concerns any municipal or public-utility district bonds in Alaska, but it is possible that errors may have been made, or a full and complete record not kept, with respect to the calling of a bond election, or in some other purely technical matter, relating to an issue of bonds. The validation of bonds as proposed in this bill would aid in obtaining a low rate of interest in refunding operations.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever any municipal corporation or any public-utility district in the Territory of Alaska shall have outstanding any negotiable bonded indebtedness, which indebtedness is subject at the option of the municipal corporation or public-utility district to be paid or redeemed, it shall be lawful for said municipal corporation or public-utility district through its common council or board of directors, or other governing body, as the case may be, to issue its negotiable bonds and to sell such bonds and apply the proceeds of the sale in payment of the bonded indebtedness for the payment of which such refunding bonds are issued. No election shall be required to authorize the issuance and sale of such refunding bonds and the issuance and sale thereof may be authorized, and all proceedings with reference thereto prescribed, by ordinance or resolution of the common council, or the board of directors, or other governing body, of the municipal corporation or public-utility district, as the case may be, at any legally called meeting thereof. Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by Public Law No. 626, Seventy-fourth Congress (49 Stat. 1388), as amended, or by the provisions of Public Law No. 563, Seventy-fifth Congress (52 Stat. 589), or by any other debt-limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska: Provided, That the total debt of the municipal corporation or public-utility district shall not be increased by such refunding operations.

SEC. 2. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration pri

may be executed by such officers and in such manner, as shall be prescribed by the common council or board of directors or other governing body of the municipality or public-utility district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum payable semiannually, and in no event to exceed the rate of interest paid on the bonded indebtedness to be so refunded. All such bonds on the bonded indebtedness to be so refunded. All such bonds shall be sold for not less than the principal amount thereof plus

accrued interest

SEC. 3. It shall be the duty of the governing body of every municipal corporation or public-utility district which incurs such bonded indebtedness under the authority of this act to levy or to cause to be levied each year during the life of such outstand-ing bonds, taxes in amounts sufficient to seasonably provide for payment of and to pay all interest on and the principal of such obligations as they respectively accrue and mature: Provided, however, That the provisions of this section shall not apply to bonds which by their terms are to be paid from the revenues of a public utility owned or operated by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or public-utility district.

the municipal corporation or public-utility district.

SEC. 4. All bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory of Alaska, and all proceedings for the authorization and issuance of such bonds and the sale, execution, and delivery thereof, hereby are validated, ratified, approved, and confirmed, notwithstanding any defects or irreguarities in such proceedings. Said bonds heretofore issued and sold are declared to be and shall be, in the actual form in which such bonds have been issued, the binding and legal obligations of the municipal corporation or public-utility district issuing the same.

With the following committee amendment:

Strike out all after the enacting clause and insert the

following:

That whenever any municipal corporation or any public-utility district in the Territory of Alaska shall have outstanding any bonded indebtedness or bonds payable from the revenues from any municipal or public utility, it shall be lawful for said municipal corporation or public-utility district through its common council or board of directors, or other governing body, as the case may be, to issue its bonds and to sell such bonds and apply the proceeds of the sale in payment of the bonds for the payment of which such refunding bonds are issued, or to exchange same for such outstanding bonds constituting said indebtedness, or, as the case may be, for such outstanding bonds payable from the revenues of a municipal or public utility. Said refunding bonds may be exchanged privately for and in payment and discharge may be exchanged privately for and in payment and discharge of any outstanding bonds of a municipal or public-utility district. of any outstanding bonds of a municipal or public-utility district. Refunding bonds payable from the revenues of a municipal or public utility may be exchanged for a like or greater amount of outstanding bonds payable from the revenues of such municipal or public utility, and the principal amount of such refunding bonds may exceed the principal amount of such outstanding bonds to the extent necessary or advisable to fund interest in arrears or about to become due on such oustanding bonds. The holder or holders of any outstanding bonds need not pay accrued

interest on the refunding bonds to be delivered in exchange there for if, and to the extent that interest is due or accrued and unpaid on the outstanding bonds to be surrendered. No election shall be required to authorize the issuance and sale of such refunding bonds and the issuance and sale thereof may be authorrefunding bonds and the issuance and sale thereof may be authorized, and all proceedings with reference thereto prescribed, by ordinance or resolution of the common council, or the board of directors, or other governing body, of the municipal corporation or public-utility district, as the case may be, at any legally called meeting thereof. Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by Public Law No. 626, Seventy-fourth Congress (49 Stat. 1388), as amended, or by the provisions of Public Law No. 563, Seventy-fifth Congress (52 Stat. 589), or by any other debt-limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska: Provided, That the total debt of the municipal corporation or public-utility district shall not be increased by such refunding operations. such refunding operations.

"SEC. 2. Bonds issued pursuant to this act shall bear such date or "Sec. 2. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, or exchanged as above provided, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the common council or board of directors or other governing body of the municipality or public-utility district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum payable semiannually, and in no event to exceed the rate of interest paid on the bonds to be so refunded. Such bonds shall at all times be, and shall be, treated as negotiable instruments for all purposes. In case such bonds are sold rather than exchanged the purchase price thereof shall be not less than par plus

changed the purchase price thereof shall be not less than par plus accrued interest.

"Sec. 3. It shall be the duty of the governing body of every municipal corporation or public-utility district which issues such bonds under the authority of this act to levy or to cause to be levied each year during the life of such bonds taxes in amounts sufficient seasonably to provide for payment of and to pay all interest on and the principal of such obligations as they respectively accrue and mature: Provided, however, That the provisions of this section shall not apply to bonds which by their terms are to be paid from the revenues of a public utility owned or operated by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or public-

by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or publicutility district. Such refunding bonds which are to be paid from the revenues of a municipal or public utility shall be secured by the same lien on or pledge of the revenues of said utility as the outstanding bonds to be refunded.

"Sec. 4. (a) All bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory of Alaska, and all proceedings for the authorization and issuance of such bonds and the sale, execution, and delivery thereof, hereby are validated, ratified, approved, and confirmed, notwithstanding any defects or irregularities in such proceedings. Said bonds heretofore issued and sold are declared to be, and Said bonds heretofore issued and sold are declared to be, and shall be, in the actual form in which such bonds have been issued, the binding and legal obligations of the municipal cor-

issued, the binding and legal obligations of the municipal corporation or public-utility district issuing the same.

"(b) All proceedings heretofore taken by any municipal corporation or any public-utility district in the Territory of Alaska in connection with proposals to incur bonded indebtedness or to issue negotiable bonds pursuant to the provisions of the act of May 28, 1936 (49 Stat. 1388), as amended, or of the act of May 31, 1938 (52 Stat. 589), which may have been heretofore submitted to those of the qualified electors of the municipal corporation or public-utility district whose names appeared upon the tax-assessment roll of such corporation or district last completed prior to the holding of the election, are hereby validated, ratified, and confirmed, notwithstanding any defects or irregularities in such proceedings; and the fact that the indebtedness heretofore authorized by the electors at the time of the submission to them of the proposal to incur a bonded indebtedness or to issue proposal to incur a bonded indebtedness or of the proposal to incur a boiled indebtedness of to issue negotiable bonds may have exceeded the limit of indebtedness which may have been applicable at the time of such authorization under the terms of either of said acts shall not serve to prevent the issuance of negotiable bonds, at any time or times, in any amount or amounts which, at the time or times of such issuance, will not cause the aforesaid limitations to be exceeded."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes."

INTERNATIONAL EXHIBITION OF POLAR EXPLORATION

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 137) authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Reserving the right to object, Mr. Speaker, what will be the cost to the Federal Government of partici-

pation in this exhibition in Norway?

Mr. BLOOM. The participation of this Government in the exhibition will cost \$35,000. The exhibit that will be used there will be a permanent one and will be used in other places after it is used in the exhibition in Norway. This is the first exhibition of its kind ever held in the world. This resolution is endorsed by the President of the United States, the Secretary of the Navy, and all the interested departments. It would mean a great deal to this country to participate in the exhibition.

Mr. RICH. Why not include in this a celebration of Byrd's South Pole expedition? Then we will be conducting

two celebrations at one time.

Mr. BLOOM. The expedition of Admiral Byrd is included in this exhibition.

Mr. RICH. Then next year we will not have another resolution before us asking for another celebration?

Mr. BLOOM. No; we will not.

Mr. TABER. Reserving the right to object, Mr. Speaker, it seems to me that an expenditure of \$35,000 for such an exhibition as this is out of line; \$5,000 or \$2,500 would not be so bad. I shall feel obliged to object to spending \$35,000 for participation in this sort of an exhibition.

Mr. BLOOM. I may say to the gentleman from New York that estimates have been made on what participation in this exhibition will cost, and this figure does not include salaries of commissioners or attachés who may participate in this exhibition. Such persons will receive the salaries they are now getting, and no extra salaries will be paid. We could not participate in this exhibition for less than \$35,000, and that is the estimate made by the different departments that will participate. I hope the gentleman will not object.

Mr. TABER. For the time being, Mr. Speaker, I shall

have to object.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

Mr. KOCIALKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7096) to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes."

The Clerk read the bill as follows:

Be it enacted, etc., That section 6 of the act of March 24, 1934, entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution

and a form of government for the Philippine Islands, and for other purposes" (48 Stat. 456), is hereby amended to read as follows:
"Sec. 6. During the period beginning January 1, 1940, and ending July 3, 1946, trade relations between the United States and the Philippines shall be as now provided by law, subject to the following expensions:

following exceptions:

"(a) On and after January 1, 1941, the Philippine government shall impose and collect an export tax on every Philippine article shipped from the Philippines to the United States, except as other-wise specifically provided in this section. Said tax shall be computed in the manner hereinafter set forth in this subsection and in subsection (c) of this section. During the period January 1, 1941, through December 31, 1941, the export tax on every such article shall be 5 percent of the United States duty; on each succeeding January 1 thereafter the export tax shall be increased progressively by an additional 5 percent of the United States duty, except that during the period January 1, 1946, through July 3, 1946, the export tax shall remain at 25 percent of the United

States duty.

"(b) (1) No export tax described in subsection (a) of this section

"(b) and a calledted upon any Philippine article of a class shall be imposed or collected upon any Philippine article of a class or kind in respect of which a quota is established by subdivision (3) of this subsection, nor upon copra or manila (abaca) fiber not dressed or manufactured in any manner.

"(2) The United States duty shall be levied, collected, and paid in "(2) The United States duty shall be levied, collected, and paid in the United States upon every article which is of a class or kind in respect of which a quota is established by subdivision (3) of this subsection and which is entered, or withdrawn from warehouse, for consumption after December 31, 1939, in excess of its respective quota: Provided, however, That nothing in this section or any subsection thereof shall be construed to exempt the quota of coconut oil therein provided for from the excise taxes provided for in section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470)

sec. 2470).

"(3) For the purposes indicated in subdivisions (1) and (2) of this subsection, there are hereby established the following quotas of the designated Philippine articles: For the calendar year 1940, the quotas, hereafter called original quotas, shall be as follows:

"a. Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes including wrappers), 200,000,000 cigars;

"b. Scan tobacco, and stemmed and unstemmed filler tobacco."

b. Scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, 4,500,000

"c. Coconut oil, 200,000 long tons;
"d. Buttons of pearl or shell, 850,000 gross.
"For each calendar year thereafter through the calendar year 1945, each of the said quotas shall be the same as the corresponding quota for the immediately preceding calendar year, less 5 percent of the corresponding original quota.
"For the period January 1, 1946, through July 3, 1946, each of said quotas shall be one-half of the corresponding quota specified for the calendar year 1945.

for the calendar year 1945.

"(c) The Philippine government, in imposing and collecting export taxes on Philippine embroideries, shall compute the tax in accordance with the formulas specified in subsection (a) of this section, except that in determining the taxable value of any such article, an allowance shall be made equal to the cost—cost, insurance of the property of the Philippines of any cloth of United States.

article, an allowance shall be made equal to the cost—cost, insurance, and freight the Philippines—of any cloth of United States origin used in the production thereof.

"(d) The United States duty shall be levied, collected, and paid, in the United States, upon all Philippine sugars, which are entered, or withdrawn from warehouse, for consumption in any calendar year after 1939, in excess of 850,000 long tons, of which not more than 50,000 long tons may be refined sugars: Provided, however, That for the period January 1, 1946, through July 3, 1946, the quota of Philippine sugars, not subject to the United States duty, shall be 425,000 long tons, of which not more than 25,000 long tons may be refined sugars. Any export tax imposed and collected on Philippine sugars entered or withdrawn from warehouse for consumption in excess of the quotas established by this subsection shall be refunded by the Philippine government.

"(e) Upon the expiration of the act of June 14, 1935 (49 Stat.)

"(e) Upon the expiration of the act of June 14, 1935 (49 Stat. 340), as extended to May 1, 1941, by proclamation of the President, dated January 26, 1938, the total amount of all Philippine cordage dated January 26, 1938, the total amount of all Philippine cordage coming into the United States which may be entered or withdrawn from warehouse, for consumption during the remainder of the calendar year 1941, shall not exceed 4,000,000 pounds and in any calendar year after 1941 shall not exceed 6,000,000 pounds: Provided, however, That for the period January 1, 1946, through July 3, 1946, the total amount of Philippine cordage which may be entered, or withdrawn from warehouse, for consumption shall not exceed 3,000,000 pounds.

"(f) (1) The quotas for sugars established by subsection (1)

"(f) (1) The quotas for sugars established by subsection (d) of this section shall be allocated annually as prescribed in section 6 (d) of the act of March 24, 1934 (48 Stat. 456), which section in this

respect is not repealed by this amendatory act.

"(2) The quotas for cordage, established by subsection (e) of this section, and by the act of June 14, 1935, shall be allocated by authorities of the Philippine government among the manufacturers of such commodities proportionately upon the basis of the shipment of each such manufacturer to the United States during the 12 months immediately preceding the inauguration of the Commodities proposed to the Commodities proposed to

ment of each such manufacturer to the United States during the 12 months immediately preceding the inauguration of the Commonwealth of the Philippines.

"(3) The quotas for all articles for which quotas are established by this section, except sugars and cordage, shall in each instance be allocated by authorities of the Philippine government among the manufacturers who products were shipped to the United States during the calendar year 1937, on the basis of the proportion which each manufacturer's maximum production shipped to the United States, directly or through other persons, in any calendar year during the 5-year period, 1933 through 1937, bears to the total of such maximum shipments of all such manufacturers.

"(4) If after the first 9 months of any quota year the holder of

"(4) If, after the first 9 months of any quota year, the holder of any allotment under any of the quotas established by this act or by the act of June 14, 1935, is or will be unable for any reason to ship to the United States by the end of the quota year the total amount of his allocation for that year, the Philippine government shall apportion that amount of such allocation which it is established by a reflector evidence county to be himsed to the United States. lished by sufficient evidence cannot be shipped to the United States during the remainder of the quota year in such manner and in accordance with such rules and regulations as it may prescribe.

"(g) (1) The Philippine government shall pay to the Secretary of the Treasury of the United States, at the end of each calendar quarter, all of the moneys received during such quarter from export

taxes (less refunds), imposed and collected in accordance with the provisions of this section, and said moneys shall be deposited in an account with the Treasurer of the United States and shall conan account with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress: Provided, however, That moneys received from any export tax imposed on any article which is shipped from the Philippines to the United States prior to July 4, 1946, and which is entered, or withdrawn from warehouse for consumption, on or after July 4, 1946, shall be refunded by the independent government of the Philippines.

"(2) The said Secretary of the Treasury is authorized to accept the deposits of the proceeds of the export taxes referred to in subdivision (1) of this subsection in accordance with the act of

"(2) The said Secretary of the Treasury is authorized to accept the deposits of the proceeds of the export taxes referred to in subdivision (1) of this subsection in accordance with the act of June 11, 1934 (48 Stat. 929).

"(3) The Secretary of the Treasury of the United States, with the approval of the Philippine government, is authorized to purchase with such supplementary sinking-fund bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress and to invest such fund in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Whenever the Secretary of the Treasury finds that such fund is in excess of an amount adequate to meet future interest and principal payments on all such bonds, he may, with the approval of the Philippine government, purchase with such excess any other bonds of the Philippines, its Provinces, cities, municipalities, and instrumentalities. For the purpose of this subsection obligations may be acquired on original issue at par, or by purchase of outstanding obligations at the market price. Any obligations acquired by the fund may, with the approval of the Philippine government, be sold by the Secretary of the Treasury at the market price and the proceeds of such sale and the proceeds of the payment upon maturity or redemption of any obligations held in the supplementary sinking fund, as well as all moneys in any manner earned by such fund or fund, as well as all moneys in any manner earned by such fund or on any obligations acquired by said fund, shall be paid into the

"(4) During the 3 months preceding July 4, 1946, the Philippine government and the Secretary of the Treasury of the United States shall confer to ascertain that portion of the bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, which will remain outstanding on July 4, 1946; and the Philippine government shall turn over to the Secretary of the Treasury of the United States for destruction all such bonds that are then held, canceled, or uncanceled, in any of the sinking funds maintained for the payment of such bonds. After such outstanding portion of this indebtedness is thus determined, and before July 4, 1946, (i) there shall be set up with the Treasurer of the United States a special trust account in the name of the Secretary of the Treasury of the United States up with the Treasurer of the United States a special trust account in the name of the Secretary of the Treasury of the United States to pay future interest and principal payments on such bonds; (ii) the Philippine government shall pay to the Secretary of the Treasury of the United States for deposit in this special trust account all of the sinking funds maintained for the payment of such bonds; and (iii) the Secretary of the Treasury of the United States shall transfer into this special trust account all of the proceeds of the supplementary sinking fund referred to in subdivision (1) of this subsection. Any portion of such special trust account found by the Secretary of the Treasury of the United States on July 4, 1946, to be in excess of an amount adequate to meet future interest and principal payments on all such outstanding bonds shall be turned over to the Treasury of the independent government of the Philippines to be set up as an additional sinking fund to be used for the purpose of liquidating and paying all other obligations of the Philippines, its Provinces, cities, municipalities, and Instrumentalities. To the extent that such special trust account is determined by the Secretary of the Treasury of the United States to be insufficient to pay interest and principal on the outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, the Philippine government shall, on or before July 3, 1946, pay to the Secretary of the Treasury of the United States for deposit in such special trust account an amount which said Secretary of the Treasury determines is required to assure payment of principal special trust account an amount which said Secretary of the Treasury determines is required to assure payment of principal and interest on such bonds: Provided, however, That if the Secretary of the Treasury of the United States finds that this requirement would impose an undue hardship upon the Philippines, then the Philippine government shall continue to provide annually the necessary funds for the payment of interest and principal on such bonds until such time as the Secretary of the Treasury of the United States determines that the amount in the special trust account is adequate to meet interest and principal payments on such bonds. such bonds.

(5) On and after July 4, 1946, the Secretary of the Treasury of United States is authorized, with the approval of the independent government of the Philippines, to purchase at the market pendent government of the Philippines, to purchase at the market price for the special trust account bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress. The Secretary of the Treasury of the United States is also authorized, with the approval of the independent government of the Philippines, to invest all or any part of such special trust account in any interest-bearing obligations of the United States or in any obligations guaranteed as to both principal and interest by the United States. Such obligations may be acquired on original issue at par or by purchase of outstanding obligations at the market price, and any obligations acquired by

the special trust account may, with the approval of the independent government of the Philippines, be sold by the Secretary of the Treasury at the market price, and the proceeds of the payment upon maturity or redemption of such obligations shall be held as a part of such special trust account. Whenever the special trust account is determined by the Secretary of the Treasury of the United States to be adequate to meet interest and principal payments on all outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May I, 1934, under authority of acts of Congress, the Secretary of the Treasury is authorized to pay from such trust account the principal of such outstanding bonds and to pay all interest due and owing on such bonds. All such bonds and to pay all interest due and owing on such bonds. All such bonds and interest coupons paid or purchased by the special trust account shall be canceled and destroyed by the Secretary of the Treasury of the United States. From time to time after July 4, 1946, any moneys in such special trust account found by the Secretary of the Treasury of the United States to be in excess of an amount adequate to meet interest and crimeful approach or all amount adequate to meet interest and principal payments on all such bonds shall be turned over to the treasurer of the independent government of the Philippines.

"(h) No article shipped from the Philippines to the United States on or after January 1, 1941, subject to an export tax provided for in this section, shall be admitted to entry in the United States until the importer of such article shall present to the United States collector of customs a certificate, signed by a competent authority of the Philippine government, setting forth the value

authority of the Philippine government, setting forth the value and quantity of the article and the rate and amount of the export tax paid, or shall give a bond for the production of such certificate within 6 months from the date of entry."

SEC. 2. Section 8 of the said act of March 24, 1934, is hereby amended by adding thereto a new subsection as follows:

"(d) Pending the final and complete withdrawal of the sovereignty of the United States over the Phillipine Islands, except as otherwise provided by this act, citizens and corporations of the Philippine Islands shall enjoy in the United States and all places subject to its jurisdiction all of the rights and privileges which they respectively shall have enjoyed therein under the laws of the United States in force at the time of the inauguration of the govern-United States in force at the time of the inauguration of the government of the Commonwealth of the Philippine Islands."

SEC. 3. Section 10 of the said act of March 24, 1934, is hereby

SEC. 3. Section 10 of the said act of March 24, 1934, is hereby amended by adding the following subsection thereto:

"(c) (1) Whenever the President of the United States shall find that any properties in the Philippines, owned by the Philippine government or by private persons, would be suitable for diplomatic or consular establishments of the United States after the inauguration of the independent government, he may, with the approval of the Philippine government, and in exchange for the conveyance of title to the United States, transfer to the said government or private persons any properties of the United States in the Philippines. Title to any properties so transferred to private persons, and title to any properties so acquired by the United States, shall be vested in fee simple in such persons and the United States, respectively, notwithstanding the provisions contained in subsection

be vested in fee simple in such persons and the United States, respectively, notwithstanding the provisions contained in subsection (a) of this section.

"(2) Whenever, prior to July 4, 1946, the President of the United States shall find that any properties of the United States in the Philippines would be suitable for diplomatic and consular establishments of the United States after the inauguration of the independent government, he shall designate the same by the issuance of a proclamation or proclamations, and title to any properties so designated shall continue to be vested in fee simple in the United States notwithstanding the provisions contained in subsection (a) of this section.

subsection (a) of this section.

"(3) Title to the lands and buildings pertaining to the official residences of the United States High Commissioner to the Philippine Islands in the cities of Manila and Baguio, together with all fixtures and movable objects, shall continue to be vested in the United States after July 4, 1946, notwithstanding the provisions contained in subsection (a) of this section.

contained in subsection (a) of this section.

"(4) Administrative supervision and control over any properties acquired or designated by the President of the United States pursuant to this subsection, and over the official residences in the Philippines of the High Commissioner, shall, on and after July 4, 1946, be exercised by the Secretary of State, in accordance with acts of Congress relating to property held by the United States in foreign countries for official establishments."

SEC. 4. Section 13 of the said act of March 24, 1934, is hereby amended by striking out the proviso and inserting in lieu thereof the following: "Provided, That at least 2 years prior to the date fixed in this act for the independence of the Philippine Islands, there shall be held a conference of representatives of the Govern-

there shall be held a conference of representatives of the Government of the United States and the government of the Common-wealth of the Philippine Islands, such representatives, on the part of the United States, to consist of three United States Senators appointed by the President of the Senate, three Members of the House of Representatives appointed by the Speaker of the House, House of Representatives appointed by the Speaker of the House, and three persons appointed by the President of the United States, and, on the part of the Philippines, to consist of nine representatives to be appointed by the President of the Commonwealth of the Philippines, with the consent of the Commission on Appointments of the National Assembly, for the purpose of formulating recommendations as to future trade relations between the United States and the independent Philippine republic, the time, place, and manner of holding such conference to be determined by the President of the United States; but nothing in this proviso shall be construed to modify or affect in any way any provision of this act relating to the procedure leading up to Philippine independence or the date upon which the Philippine Islands shall become independent.

independent.

"In the event any vacancy occurs in the Commission by reason of the death, resignation, or retirement of any member thereof, such vacancy may be filled by the authority appointing the member whose death, resignation, or retirement caused the vacancy."

SEC. 5. The said act of March 24, 1934, is further amended by the addition of the following new section:

"SEC. 18. (a) As used in sections 6 and 10 of this act—

"(1) The term 'United States,' when used in a geographical sense, but not the term 'continental United States,' includes all Territories and possessions of the United States, other than the Philipotipes.

Philippines.

Philippines.

"(2) The term 'cordage' includes yarns, twines (including binding twine described in paragraph 1622 of the Tariff Act of 1930 (46 Stat. 675)), cords, cordage, rope and cable, tarred or untarred, wholly or in chief value of manila (abaca) or other hard fiber.

"(3) The term 'Philippine government' means the government of the Commonwealth of the Philippines.

"(4) The term 'United States duty,' when used in connection with the computation of export taxes, means the lowest rate of ordinary customs duty in effect at the time of the shipment of the article concerned from the Philippines and applicable to like articles imported into the continental United States from any foreign country, except Cuba, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(5) The term 'refined sugars' possesses the same meaning as

"(5) The term 'refined sugars' possesses the same meaning as the term 'direct-consumption sugar' as defined in section 101 of

the Sugar Act of 1937.

"(6) The term 'Philippine article' means an article the growth, produce, or manufacture of the Philippines, in the production of which no material of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article was used and which is brought into the United States from the Philippines.

"(7) The term 'American article' means an article the growth, produce, or manufacture of the United States, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article was used and which is brought into the Philippines from the United States.

"(8) The term 'Philippine import duty' means the lowest rate of ordinary customs duty applicable at the port of arrival, at the time of entry, or withdrawal from warehouse, for consumption of the article concerned, to like articles imported into the Philippines from any other foreign country, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(b) As used in subsection (a) of this section:
"(1) The terms 'includes' and 'including' shall not be deemed
to exclude other things otherwise within the meaning of the term

"(1) The terms 'includes' and 'including' shall not be deemed to exclude other things otherwise within the meaning of the term defined.

"(2) The term 'ordinary customs duty' shall not include any import duty or charge which is imposed to compensate for an internal tax imposed in respect of a like domestic product or in respect of a commodity from which the imported product has been manufactured or produced in whole or in part."

Sec. 6. The said act of March 24, 1934, is further amended by the addition of the following new section:

"Sec. 19. (a) The proceeds of the excise taxes imposed by section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470), and of the import taxes imposed by sections 2490 and 2491 of the Internal Revenue Code (I. R. C., ch. 22, secs. 2490, 2491), collected on or after January 1, 1939, and accrued prior to July 4, 1946, and required to be held in separate or special funds and paid into the treasury of the Philippines, together with any moneys hereafter appropriated in accordance with the authorization contained in section 503 of the Sugar Act of 1937 (50 Stat. 915) by virtue of accruals of excise and import taxes prior to July 4, 1946, shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures which will be necessary in adjusting Philippine economy to a position independent of trade preferences in the United States and in preparing the Philippines for the assumption of the responsibilities of an independent state: Provided, however, That the portion of such funds expended by the government of the Commonwealth of the Philippines shall be budgeted, appropriated, and accounted for separately from other moneys of that government.

"(b) If the President of the United States finds that the government of the Commonwealth of the Philippines has falled or is about to fail to comply with any requirement of subsections (a) and (c) of this section, he shall direct the Secretary of the Treasury of th

further payments in whole or in part.

"(c) The provisions contained in section 2476 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2476), prohibiting further payments in the event that the government of the Commonwealth of the Philippines should provide by law for the subsidization of producers of copra, coconut oil, or allied products, and the provisions contained in the Sugar Act of 1937, specifying the purpose for which such appropriations could be used by the said government and the manner and condition of transfer, shall not apply to any moneys collected or appropriated pursuant to said acts on or after

January 1, 1939, and to this extent are hereby repealed: Provided, however, That the restriction contained in the proviso to section 503 of the Sugar Act of 1937 shall continue in full force and effect: And provided further, That no part of the proceeds of the excise taxes herein referred to shall be paid directly or indirectly as a subsidy to the producers or processors of copra, coconut oil or allied products, except that this provision shall not be construed as prohibiting the use of a portion of said funds for facilities for better curing of copra, or for bona fide production loans to Philippine copra producers.

"(d) Nothing contained herein shall be construed as obligating the United States to continue for any period of time any or all of

better curing of copra, or for bona fide production loans to Philippine copra producers.

"(d) Nothing contained herein shall be construed as obligating the United States to continue for any period of time any or all of the excise and import taxes imposed by sections 2470, 2490, 2491 of the Internal Revenue Code or by sections 3490, 3500, 3501 of the Internal Revenue Code (I. R. C., ch. 32, secs. 3490, 3500, 3501).

"(e) Notwithstanding the provisions of section 4 of the act of March 8, 1902 (32 Stat. 54), or of any other provision of law, on or after the first day of the second month following the passage of this amendatory act, except as otherwise provided in this section, all customs duties collected in accordance with sections 6 and 13 of this act, on any article the growth, produce, or manufacture of the Philippines, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article, was used and which is brought into the United States from the Philippines, and all customs duties collected on any other article brought into the United States from the Philippines, shall be covered into the general fund of the Treasury of the United States and shall not be paid into the treasury of the Philippines."

SEC. 7 (a) Sections 1 to 5, inclusive, of this amendatory act shall become effective on January 1, 1940, if before that date—

(1) Subsection 5 of section 1 of the ordinance appended to the Constitution of the Philippines shall have been amended in the manner now provided by law, by changing the final period of said subsection to a comma, and by adding thereto the words: "as amended by the act of Congress of the United States approved (followed by the date of the approval of this amendatory act)", and section 3 of the said ordinance shall have been amended by inserting immediately after the words "approved March 24, 1934", the same amendatory language mentioned above.

(2) The President of the amendments to the Constitution of

substantial respect, repealed or amended, or failed or refused to enforce or administer any Philippine law referred to in subdivision (2) of subsection (a) of this section. In the event of such a finding and proclamation, section 1 shall immediately become ineffective and the trade relations between the United States and the Philippines shall be as provided by section 6 of the act of March 24, 1934, prior to the enactment of this amendatory act and by section 13 of the said act.

(c) Sections 6 and 7 of this amendatory act shall become effective

upon its enactment.

(c) Sections 6 and 7 of this amendatory act shall become effective upon its enactment.

Sec. 8. Notwithstanding the provisions contained in section 8 (a) (3) of the act of March 24, 1934 (48 Stat. 456), entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," Foreign Service officers may, under commissions as diplomatic and consular officers, be assigned to the Philippine Islands, during which assignments such officers shall be considered as stationed in a foreign country, for such periods of time and under such regulations as the Secretary of State may prescribe for the performance of any of the duties customarily performed by Foreign Service officers stationed in foreign countries and of additional duties in connection with advising and assisting the United States High Commissioner to the Philippine Islands in the supervision and control of the foreign affairs of the Commonwealth of the Philippines in accordance with section 2 (a) (10) of the act approved March 24, 1934, and section 1 (10) of the ordinance appended to the Constitution of the Philippines adopted February 8, 1935.

This section shall become effective upon its enactment.

The SPEAKER. Is a second demanded?

Mr. WELCH. Mr. Speaker, I demand a second.

Mr. KOCIALKOWSKI. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

CALL OF THE HOUSE

Mr. DOWELL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. KOCIALKOWSKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 149]

Johnson, Lyndon Powers Johnson, W. Va. Rabaut Kennedy, Martin Reed, N. Y. Kennedy, Michael Rockefeller Allen, La. Cummings Austin Ball Curley Dies Dingell Ditter Douglas Barton Bates, Mass. Bolles Lemke Schiffler Bolton Lesinski McGranery Drewry Secrest Duncan Boren Seger Bradley, Pa. Buckley, N. Y. Bulwinkle Dunn Eaton, Calif. McLaughlin McLean Short Sirovich Eaton, N. J. McMillan, John L. Somers, N. Y.
McMillan, Thos. S. Stearns, N. H.
Maciejewski Stefan
Magnuson McLeod Smith, Conn. Eberharter Burdick Caldwell Evans Chapman Sumners, Tex. Ferguson Clark Fernandez Fish Maloney Massingale Claypool Sweeney Taylor, Colo. Clevenger Fitzpatrick Ford, Thomas F. Cluett Mitchell Tibbott Murdock, Ariz. Tinkham Cole, Md. Collins Gamble Myers Weaver Connery Cooley Corbett Gavagan Hart Nichols Oliver Winter Wood Hartley Hennings Osmers O'Toole Woodruff, Mich. Courtney Creal Holmes Patman Crowther Pierce, N. Y.

The SPEAKER. Three hundred and twenty-six Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

The SPEAKER. Is there objection to the request of the gentleman from Illinois that a second be considered as ordered?

There was no objection.

The SPEAKER. The gentleman from Illinois is recognized for 20 minutes, and the gentleman from California [Mr. Welch] will be recognized for 20 minutes.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. McGehee].

Mr. McGEHEE. Mr. Speaker, the bill we are considering today has nothing whatever to do with any political issue between the United States and the Philippine government, these issues being taken care of in the original Tydings-McDuffle Act passed in March 1934. This bill is confined entirely to economic and commercial matters that will affect the Philippine Islands and our country after November 15, 1940, relative to the exportation of certain basic articles from the Philippines to the United States.

The membership will recall that the Tydings-McDuffie Act and subsequent acts passed by the Congress insofar as they concerned Philippine products coming into the United States provided for limitations on duty-free shipments of the basic articles of sugar, coconut oil, and cordage. It provides for the elimination during the period from November 15, 1940, to July 4, 1946, while the Philippine Islands are still under our sovereignty, of a 25-percent tariff preference which all the Philippine products enjoy in the United States. This elimination is to be effective gradually by the imposition on November 15, 1940, of the export taxes collectible in the Philippines, beginning at a rate equal to 5 percent of the United States import duty and increased an additional 5 percent annually until July 4, 1946.

The Tydings-McDuffie Act provides further that the proceeds of this tax are to be used in the payment of principal and interest on the bonded indebtedness of the Philippine Islands, its provinces, municipalities, and instrumentalities, until such indebtedness has been discharged in full.

Our economic experts, as well as the Tariff Commission, after giving many months of thought and study to the probable effects of the application of this export tax on these products, have found that the imposition of such a tax on these commodities, even during this early stage of preparing the Philippine Islands for independence, would result not only in serious injury but in most cases in the absolute destruction of the Philippine industries producing these commodities.

These articles enumerated are principally prepared for exportation to the United States and constitute about 40 percent of the total value of all Philippine exports to the United States, excluding sugar. Should this condition be continued and no relief given by this Congress, it would reduce the purchasing power of the Philippines in the United States to the extent that it would be most detrimental to our export trade.

I may call the attention of the Congress to the fact that the Philippine Islands stand seventh on the list of our customers to whom we export our manufactured products. The total exports to the Philippine Islands for the year 1937 of all manufactured goods amounting to around \$475,000,000.

To avoid a condition that would be most unfortunate, not only to the Philippines but to business, manufacturers, and labor of our country, this bill has been introduced with a view of not enforcing the export duty by the Philippine government on the commodities named in this bill that are to be shipped to the United States, but to gradually reduce the quotas of 5 percent per year from 1940 to 1946, rather than charge the export duty on this basis.

Will you permit me to add in addition to the preference remarks already made on this bill that, in my opinion, our country has a moral obligation to the Philippine Islands which is mandatory at this time and, especially, after their absolute independence is gained in giving them every aid and assistance possible to reach a secure economic state as one of the nations of the world. The Philippine Islands are our adopted children. We have reared and nurtured them until, evidently, in the opinion of the Congress they have reached the age of maturity. During that period of growth since infancy they have known only to lean on the arm of their foster parents. Rather than to turn them loose, with world conditions as unsettled as they are today and the leadership of several of the principal nations manifesting a course of imperialism, should we not continue a policy of advancement and aid? You can readily visualize that certain conditions could exist immediately on the Philippines acquiring their independence whereby in a short period of a few months they would be absorbed by one of the major powers.

[Here the gavel fell.]

Mr. KOCIALKOWSKI. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. McGEHEE. Mr. Speaker, this bill is one that would help effectuate the Philippine Islands in acquiring a status they are entitled to in the commercial world. Not only this, but as stated in the beginning, statistics show they are one of our leading export markets and that relationship we want to continue; not only continue but place them in a position whereby they can take more commodities, manufactured or raw

Mr. Speaker, I must now hasten along and explain some of the provisions of this bill.

Under the Tydings-McDuffie Act the date for beginning the charge of the export duty on these products is November 15, 1940. This bill moves the date up to January 1, 1941. Our Treasury Department is asking for this change for fiscal reasons, as our fiscal year begins on January 1.

Under the Tydings-McDuffie Act there were no quotas established as is provided in section 6, subsection 3 of this bill. It was provided in the Tydings-McDuffie Act that 5 percent of the duty collectible by the United States was to be collected as export duty by the Philippine government; and if this 50-percent export tax were imposed by the Philippine government it would amount to about 30 percent of the entire value of the products on the basis calculated by our Government in the collection of tariff duties.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I wish I could yield, but I have not the

We establish in this bill a quota of 200,000,000 cigars and, were the Philippine exporters to this country compelled to pay the 5-percent export duty to the Philippine government, it would destroy that industry within 2 years and most of the capital which is invested in that industry is American capital. It would put out of employment over 60,000 people, according to my information.

So you can see how destructive that would be and can appreciate the obligation that devolves on this Congress which has, through the Tydings-McDuffle Act, granted independence to the Philippine Islands which takes effect in 1946 to help these people along in an economic way and we must do this in such a way that they can eventually get on their feet and take their place as one of the nations of the world. They can only do this by our changing the provisions of the Tydings-McDuffle Act providing for the collection of the 5-percent export duty to a 5-percent reduction in quota allowance thereby allowing them to gradually work out this economic problem during the transition period from January 1, 1941, to July 4, 1946.

I wish I had more time, Mr. Speaker, to explain in detail

the provisions of this bill.

[Here the gavel fell.]

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 8 minutes to the gentleman from South Carolina [Mr. Hare].

Mr. HARE. Mr. Speaker, I do not know that I will need 8 minutes to explain my understanding of this bill. I believe we all know that in 1898, and the few years following, the United States unselfishly acquired the Philippine Islands and undertook their administration, and also undertook to teach the Filipino people the principles of democracy, assuring them at the time that when they were prepared to establish a stable form of government we would withdraw our sovereignty and provide for their independence. In 1932, the Congress of the United States was convinced that the people of ethe Philippine Islands had complied with the terms fixed by Congress and proceeded to enact legislation whereby they would gain their independence in 10 years. This act was not accepted by the Filipino people until 1934, when a similar law was enacted and the people of the Philippines accepted it.

Under the provisions of that act it provided that beginning with November 15, 1940, all exports from the Philippine Islands to the United States should pay 5 percent of the then-existing American tariff duty, increasing 5 percent per annum until 1946, when they would be paying 25 percent of the American duty on all exports from the Philippine Islands to the United States. Under the act the export duty collected by the Philippine government was for the purpose of creating a sinking fund for care of outstanding bonded indebtedness of the islands, which this Government has underwritten.

It was found by an investigating committee last year, previously appointed by the President of the United States and President of the Philippine Commonwealth, that if the application of the tariff should begin in November 1940, together with the export tax, it would practically prohibit the exportation of the leading products of the islands and therefore destroy the possibility of economic adjustment prior to the transition period when we were to withdraw our sovereignty in 1946. Consequently it has been recommended to the Congress by the committee appointed that instead of applying the tariff duty beginning November 1940 there should be an application of a reduction in the quotas of the principal products to this country, particular reference being made to sugar, cordage, coconut oil, pearl buttons, tobacco, cigars, and so forth, and that is what this bill does. It provides for the repeal of the tariff duty applying to certain Philippine products from 1940 to 1946 and provides in the place thereof the reduction of 5 percent of the quota already allocated under the existing law, such quota reduction to increase at the rate of 5 percent per annum until 1946.

Mr. Speaker, I think this is a practical solution of the situation, because in this way the Filipino people will be able to carry on for another 5 or 6 years, and at the same time there will be no increase—but in reality a decrease—in competition with American products, particularly sugar, cottonseed

oil, peanut oil, and dairy products.

And, Mr. Speaker, I stop long enough here to suggest that at the conclusion of the existing relationship between the United States and the Philippine Islands we should then have a trade agreement between the two countries, provided for in this bill. There are three things in the Philippine Islands that are indispensable to the continued life, growth, and the development of the islands. One is clothing. The other two are food made up of wheat flour and dairy products.

The Philippine Islands will never be able to produce dairy products sufficient to meet the needs of the people, and they will never be able to supply themselves with wheat flour. They will not be able to supply themselves with textiles or goods with which to cover their backs. Consequently we can easily afford to make an agreement whereby we might maintain a trade relation in the future so that they may have a continued quota of their leading products to the United States, and in consideration therefor they obligate themselves to take a sufficient amount of textiles, wheat, and dairy products in order that we may have reciprocal trade policy that will prove to be to the mutual benefit of both countries.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. HARE. Yes.

Mr. HOBBS. As I understand the very illuminating statement the gentleman is making, this bill does not affect in the slightest degree the excise tax now levied on coconut oil.

Mr. HARE. That is correct. It makes no change what-

ever.

Mr. HOBBS. Nor does it prevent the importation of any other fats or oils, except to reduce their quota by 5 percent per annum until 1946, when they will pay the full duty.

Mr. HARE. Beginning with January 1, 1940.

Mr. HOBBS. Is there any provision for an upward scale of the quota or a downward scaling?

Mr. HARE. The quota will be reduced 5 percent annually; that is, 5 percent in 1941, 10 percent the next year, 15 percent the third, and 20 to 25, so that in 1946 the quota provided for under the original act will be reduced by 25 percent.

Mr. CULKIN. Does the bill change the character of the import tax?

Mr. HARE. None whatever. It will not interfere with the import tax provided in the Revenue Act of 1934. This is also made clear in the bill.

Of course, the United States Government and the Congress so far have dealt unselfishly with the Philippine Islands from the beginning; but I have to admit that the idea I have advanced relative to future trade relations between the United States and the islands after 1946 carries with it a certain amount of selfishness, for, while the arrangement suggested may be to the interest of the islands, I am also interested in what it will mean to the cotton growers, wheat producers, and those engaged in the dairy industry in the United States. As one who is particularly interested in the cotton producers, I can see where we can afford to allow a certain amount of coconut oil to come to the United States. even in competition with cottonseed oil, provided we can ship to them a certain amount of cotton goods and cotton fabrics. I can see, further, that if we do not make such an arrangement and the existing tariff law continues, we might shut out coconut oil, but this will not prevent the shipping of copra to the United States, which is nothing more or less than the dried coconut, and this can be converted into the coconut oil here, and we will then have the coconut oil in competition with our cottonseed oil and we will have in addition the coconut meal in competition with our cottonseed meal. It must be remembered that under the existing tariff law there is no tariff on copra, which, as I have already said, is dried coconut. In case there is no future agreement relative to coconut oil and the existing tariff law is not changed. copra, or the dried coconut, can be shipped into the United States free of duty and in any quantity without limitation. Therefore, unless there is some other arrangement made before 1946, there will be more coconut oil in the United States in competition with cottonseed oil and peanut oil and at the same time we will have an increased amount of coconut meal in competition with cottonseed meal. I am, therefore, in favor of this amendment, and I sincerely trust that there can be a trade agreement perfected before 1946 that may prove to the mutual benefit of both countries. With the rapidly increasing population of the islands, I can see an everincreasing market there for our textile products, particularly cotton, because they are great consumers of cotton goods,

and if we can have wisdom and foresight enough to arrange a trade policy with them they will be the best and largest customers the cotton producer and cotton manufacturer in the United States can find in the entire world.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. WELCH. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, this bill was taken up in committee and reported without public hearings, which were not permitted. The bill was not read in executive session. The interests which I represent, so far as I am authorized to speak, were not permitted to state their position on the bill, and I am making this statement today primarily for the purpose of letting the record speak as to what happened. In reference to the statement just made by the gentleman from South Carolina [Mr. HARE], this bill sets aside export taxes as originally provided in the economic provisions of the Philippine Independence Act.

Instead of paying the export tax they reduce the amount of their free-of-duty export quota 5 percent per annum. The export taxes were originally to be collected and set aside in a fund to guarantee the bonded obligations of the Philippine Islands, for which the United States appears morally responsible. This bill prevents the building up of an export tax fund, guaranteeing the Treasury of the United States some protection. This is clearly set forth in the changes in the bill, if you will read the committee report.

Under the Philippine Independence Act and other acts since approved, we had up to June 30, 1939, made available some \$82,573,000 for the Philippine treasury. We are providing for the Philippine treasury on the coconut-oil excise tax and the sugar excise tax, in round figures, from twentytwo to twenty-seven million dollars annually. If you will read the bill carefully you will find language to the effect that when this money is made available over there they shall use it for the purpose of entrenching Philippine economy to meet world conditions after they have received their independence. When Dr. Sayre was before the committeeand he was the only witness we heard and of course he supported the bill-I asked him for certain figures, and a statement covering certain acts taken by the Philippine Legislature looking to the disposition of these funds. If you want an eye opener, read the extension of remarks where I shall include this statement I hold, furnished me by the State Department and which I received directly from Mr. Jacobs. Read what is being done with this excise-tax fund. Then make up your mind as to whether or not the funds are being used for the purpose of constructively recasting Philippine economy to meet conditions after independence is

Mr. Speaker, I ask unanimous consent to insert the statement in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Disposition of the coconut-oil excise tax funds by the Philippine authorities

1. To replenish "the current surplus of the general fund proper by transferring thereto from the coconut-oil excise tax the sum of \$\mathbb{P}26,840,000\$, which is the total of the extraordinary appropriations that have been authorized from the general fund proper," from President Quezon's budget message, dated October 30,

1937, page 5, Philippine budget for 1938......

2. Subscriptions to the stock of the Manila Railroad (owned by the Philippine Government) and restoration and replacement of sinking-fund investment in the Manila Railroad Co. and in Philippine Railway Co. bonds, as inand in Philippine Railway Co. bonds, as indicated in the seventh endorsement, dated December 3, 1937, by the President of the Philippines on Philippine Act No. 3116, in the fifth and sixth endorsements, dated December 16, 1937, on Philippine Act No. 3227, and in the monthly report of the auditor general of the Philippines for January 1938......

₱26, 840, 000.00

8, 369, 522. 50

Disposition of the coconut-oil excise tax funds by the Philippine authorities—Continued

3. For the construction, reconstruction, improvement, alteration, repair, extension, and/or completion of elementary-school buildings in the Philippines, Commonwealth Act No. 240, approved Dec. 8, 1937, pp. 377-407 of Official Gazette, dated Feb. 19, 1938_____

4. Annual grant to the city of Manila for the construction of public improvements, Commonwealth Act No. 242, shown as "payable from the coconut-oil excise-tax fund" in the monthly report of the Philippine auditor general for Louvery 1929. eral for January 1938.

eral for January 1938

5. Various items relating to reforestation, division of public lands, research activities, and public health, General Appropriation Act for 1938, No. 245, approved Dec. 17, 1937, sec. 6, p. 631, Official Gazette, dated Mar. 3, 1938

6. Appropriation for acquisition of home sites in large landed estates, Commonwealth Act No. 260, approved Apr. 18, 1938, p. 1267, Official Gazette, dated May 21, 1938

7. Various items relating to reforestation, survey of public lands, research activities, and public health, General Appropriation Act for 1939, No. 300, sec. 5, approved June 9, 1938, pp. 3319–3442, Official Gazette, dated Dec. 17, 1938.

8. Reforestation and afforestation, Commonwealth

 Reforestation and afforestation, Commonwealth Act No. 304, approved June 9, 1938, pp. 2426–2427, Official Gazette, dated Sept. 20, 1938.

9. Certain public works, consisting chiefly of the construction of public buildings, drainage, and sanitation for the city of Manila, national and city roads, flood control, sea-protection works, bridges, etc., Commonwealth Act No. 330, approved June 18, 1938, pp. 2533–2585, Official Gazette, dated Sept. 29, 1938_

10. For reimbursement of amount appropriated under Act No. 3932, passed Nov. 29, 1932, from irrigation bond funds under Act No. 2940, approved Aug. 23, 1938, by Commonwealth Act No. 369, p. 2909, Official Gazette, dated Nov 1, 1938.

dated Nov 1, 1938

11. For leasing landed estates, Commonwealth Act
No. 378, approved Aug. 23, 1938, p. 2982,
Official Gazette, dated Nov. 8, 1938

12. Revolving fund for loans to provinces, municipalities, and cities, for building markets

and waterworks, Commonwealth Act No. 403, approved Sept. 13, 1938, p. 2163, Official Gazette, dated Nov. 26, 1938.

13. For an agronomical survey of the Philippines, Commonwealth Act No. 418, approved May

22, 1939 1

 To provide for reforestation and afforesta-tion, Commonwealth Act No. 436, approved May 31, 1939 1.

15. To provide for the transfer of the University of the Philippines to a site outside the city of Manila, Commonwealth Act No. 442, approved June 3, 1939_

P5, 050, 000.00

1,000,000.00

1,037,748.00

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1,035,925.00

1,000,000,00

88, 688, 100.00

4,800,000.00

1,500,000.00

10,000,000.00

250,000.00

1,000,000,00

17, 500, 000, 00

¹In all cases where there are no citations to the Official Gazette, the source of information has been some report of the United States High Commissioner to the Philippine Islands. Printed copies of the Official Gazette have only been received up to June

13, 1939.

² Copies of the acts passed by the National Assembly in 1939 have not been received so that it is impossible to prepare an accurate list of all those appropriations the payment of which might be authorized out of the excise-tax proceeds.

Although the total amount of the excise-tax proceeds known to have been appropriated is approximately \$\text{P165,000,000}\$, or \$82,500,000\$, the actual amount which the Philippine authorities have had set up in demand deposits in the United States to cover these appropriations is only \$\text{P76,000,000}\$, or \$38,000,000, out of total collections from August 1934 through June 30, 1939, available for remittance to the commonwealth government, amounting to \$\text{P165,147,931.40}\$, or \$82,573,965.70. The actual amount spent, therefore, does not exceed \$38,000,000 and must be less than this, as some of these demand deposits and all of the time deposits are still in the United States. are still in the United States.

Mr. CRAWFORD. Mr. Speaker, I am further advised by Mr. Jacobs, of the State Department, that, roughly, \$3,000,000 have been loaned to the National Development Co. of Manila for the purchase of the steamship Mayon from the Dollar Steamship Co. representatives and two sugar refineries

located in the city of Manila. If this be true, it is certainly in order to assume that these Government-owned refineries will in the future compete with the fields and mills owned by the people here in the United States. These are additional reasons for a thorough inquiry into the use of all of these funds

You will also find—you people who are interested in the sugar-beet and sugarcane areas of this country—that there is a distinct tie-up between this bill and the Sugar Quota Act of 1937 and the Philippine Independence Act of 1934 and the Sugar Act which you will be called upon to deal with next January to June when you come back for the second session. It was dovetailing and conflicting elements of this kind which I desired to bring out in committee. We have legislated carelessly in connection with Philippine-American affairs. I think it is time, in the interest of the Filipinos and the American people—and I have no grudge against the Filipinos—I think it is time we began to give more serious consideration to legislation of this type which so directly affects our far eastern relationships.

Here is a bill dealing with the economic relations of the Filipinos and our own people. These relations are directly involved in our Far Eastern problems. We bring the bill here with 20 minutes debate on a side; with 10 minutes, you might say, in opposition to the bill and with 30 minutes in favor of the bill, because I assume I am the only one who is going to speak at all in a questioning manner. Certainly I am not in favor of doing anything that will destroy the Filipinos or their country, because I am wise enough to know that the United States Treasury will have to take the Filipinos out of the ditch, and I am interested in doing the job, if it must be done, in a constructive manner. But I detest this manner of legislating, when a bill is so far-reaching and you cannot get hearings in the committee; when you cannot even get the bill read in executive session-and I protested against the procedure in committee. I yield to the gentleman from Mississippi to correct me if I am wrong.

Mr. McGEHEE. Were not hearings held by the Senate and were not those hearings before the House committee—335 pages of them?

Mr. CRAWFORD. Here are the Senate hearings. I have them before me. Those hearings were not on this bill, and the gentleman knows they were not. They were on the bill S. 1028, and subsequently another bill was introduced in the Senate. A great many of the original provisions were eliminated. The only hearings held in the House committee were in executive session, and Dr. Sayre, who is now High Commissioner of the Philippines, came up and spoke in the interest of the bill.

Mr. Osmena, Vice President of the Philippine Islands, was supposed to have been heard. He came up, and we had no chance to examine him with reference to the bill except one or two questions. There were many inquiries I desired to make pertaining to matters not covered in the Senate hearings. I yield to the gentleman if he wants to correct me on this statement.

Mr. McGEHEE. The hearings before the Senate were before the House committee, were they not?

Mr. CRAWFORD. The hearings were not on the House bill. There is not any use arguing about that. Take the hearings on the House bill and the two bills of the Senate and decide that for yourself.

Mr. McGEHEE. Did not the House have the benefit of the Joint Preparatory Committee on Philippine Affairs, six appointees by the President and six by the Philippine government?

Mr. CRAWFORD. Oh, yes; but what has that got to do with this bill?

Mr. COLE of New York. Mr. Speaker, will the gentleman vield?

Mr. CRAWFORD. I yield.

Mr. COLE of New York. Would the gentleman explain to the House what reason was given for all this hurry and rush and insisting on this bill being passed so hurriedly? Mr. CRAWFORD. The reason that was given—and I stand corrected if I am in error—was to the effect that this legislation must now go to the Philippine Assembly; that it must go to the people of the Philippine Islands; that there must be amendments made to the Philippine constitution, and that all of that must be brought into accord with this bill. Therefore it should be enacted now, so that it may go into effect November 15, 1940.

Mr. COLE of New York. The gentleman might explain that there have been three modifications of the Philippine Independence Act, and that not a single one of them was submitted to the Philippine Assembly.

Mr. CRAWFORD. The gentleman is correct. We changed the Philippine Independence Act in a way in the case of the Sugar Quota Act of 1937, in the case of the excise tax on coconut oil, and in the case of amendments affecting the cordage industry, rope, and twine coming into this country; and, so far as I know, none of those was submitted to the Philippine Legislature for confirmation, and certainly there was no plebiscite held on them in connection with amendments to the Philippine Constitution.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. Is there any need for haste in passing this legislation?

Mr. CRAWFORD. I take the position that this should not be considered until next January, when it should be made the first order of business of the Insular Affairs Committee of the House, and that in the meantime the different industries involved and the sugar people who were denied the privilege of coming up and being heard on this bill should be heard. I am talking about the sugarcane industry of the South and the sugar-beet industry of the West and the North-they were entitled to have their say on this House bill. They were not given that say because hearings were not held. There was too big a rush to get the bill through. Next January we shall be forced to again consider Philippine-American sugar relations. The State Department may be inclined to use the approval of this bill as an excuse to prevent reopening the sugar quotas in the new sugar legislation. The committee and Mr. Osmena were given warning on this phase of the problems touched upon by the bill. In the absence of printed hearings, I think it is appropriate to make this record at this time. I hope the State Department and the Department of Agriculture will not attach a great moral responsibility respecting fixed sugar quotas and thereby stand on this bill. That is a poor way to legislate on Filipino-American affairs, I care not how friendly you may be to the Filipinos.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield further?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. That should be done because of the importance of measures of this type to the Philippine people and also to the American people. We should at least have hearings and due consideration of it before passage.

Mr. CRAWFORD. We certainly should; otherwise they will be back here asking for other concessions; and if one studies the Senate hearings one will find the question asked time and time again, "Are you coming back again for a further revision of the economic provisions of the act?"

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain excerpts from documents from the State Department and from hearings on the Senate bill.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 3 minutes to the Resident Commissioner from the Philippine Islands [Mr. ELIZALDE].

LXXXIV-669

AMENDING THE PHILIPPINE INDEPENDENCE ACT

Mr. ELIZALDE. Mr. Speaker and Members of the House, In rising to support the bill now pending, may I express my appreciation of the courtesies and privileges that are extended to me as the representative of the Filipino people by this gracious body. I wish to voice our deep gratitude for this new evidence of your interest in our welfare.

The Filipino people, Mr. Speaker, want very much to see the passage of H. R. 7096, which is now before you.

The report of the Committee on Insular Affairs explains the salient points contained in this bill, such as trade and economic matters, Philippine bonded indebtedness, rights and privileges of Filipinos in the United States, retention of properties for diplomatic and consular establishments, future conference on trade relations between the United States and the Philippines after the coming into effect of the new law, and assignment of Foreign Service officers to the Philippines.

Members of that committee on both sides of the House, who have worked so hard and so conscientiously to present this measure today, have well explained the significance of the various provisions. At this point, I thank the distinguished chairman of the committee, the gentleman from Illinois, for the continuous and sympathetic interest he has maintained in our problem.

I may add that the conditions which this legislation seeks to ameliorate were intensively studied for over a year by a joint committee of competent experts both in Manila and Washington. Let me emphasize that the bill before you deals in no way with the political status of the Philippines. The political aspects of Philippine-American relations were settled by the Independence Act of March 24, 1934.

This pending piece of legislation is an emergency measure. It is designed primarily to bring some opportunity of adjustment during the commonwealth period to four of our important industries—coconut oil, cigar, pearl button, and embroidery.

This legislation should help to prevent the threatened disruption of those particular industries that have been built up on the basis of America's traditionally generous trade policy toward the Philippines. It will afford these industries a reasonable opportunity for orderly adjustment over the next 7 years.

Let me call the attention of my friends in the House to the fact that there remain 7 years more during which the Philippines continue as a ward of the United States under the American flag. During this period it is intended that we make the necessary economic preparations to bring about an orderly shift from our present dependent trade status.

Mr. Speaker, I must repeat that what we ask here is, to us, emergency legislation, which will benefit not only the Filipinos but the Americans in the Philippines who, over the past 40 years, have devoted their energies, in partnership with us, to build up a flourishing Philippine-American trade.

I respectfully stress the urgency of enacting this legislation at this session of Congress since several constitutional processes must be attended to in the Philippines before these provisions can go into effect.

In closing I wish gratefully to acknowledge the attention given this measure by the House. I am grateful in the name of the Filipino people, whose fate has been inextricably linked with that of the United States for over 40 years. In asking for sympathetic consideration, Mr. Speaker, we are confident that we can rest our welfare in your hands.

SUMMARY OF PROVISIONS OF H. R. 7096

The full title of the measure under consideration is, "A bill to amend an act entitled 'An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes.'"

The bill contains eight sections, divided into subsections and subdivisions.

Section 1 provides for the continuation of trade relations between the United States and the Philippines during the

period from January 1, 1940, to July 3, 1946, as now provided by law subject to the exceptions in subsections (a), (b), (c), (d), (e), (f), (g), and (h).

Subsection (a) provides that export taxes shall be 5 percent in 1941, the rate to be progressively increased by an additional 5 percent each year, but that during the period January 1, 1946, through July 3, 1946, the export tax shall remain at 25 percent of the United States duty.

Subsection (b) has three subdivisions: Subdivision (1) provides that no export tax shall be collected upon any Philippine article with quota in subdivision (3) of this subsection, nor upon copra or manila (abaca) fiber; subdivision (2) provides that the United States tariff duties are to be collected on articles in excess of quotas, with a proviso that declares that this section shall not be construed to exempt coconut oil from excise taxes imposed by the Internal Revenue Act; subdivision (3) provides for the following quotas for the calendar year 1940: (a) Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes, including wrappers), 200,000,000 cigars; (b) scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, 4,500,000 pounds; (c) coconut oil, 200,000 long tons; (d) buttons of pearl or shell, 850,000 gross. The duty-free quotas are to decrease by 5 percent each year through 1945, but that during the period from January 1, 1946, through July 3, 1946, the quotas shall be one-half of those for 1945.

Subsection (c) provides that in computing export taxes on Philippine embroideries, the value of the cloth used, if of United States origin, shall be deducted.

Subsection (d) provides that United States duty shall be collected from Philippine sugars in excess of 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

It further provides that from January 1, 1946, through July 3, 1946, the quota not subject to United States duty shall be 425,000 long tons, of which not more than 25,000 long tons may be refined, and that export taxes on sugars in excess of quotas established by this subsection shall be refunded by the Philippine government.

Subsection (e) provides that after the expiration of the Cordage Act as extended to May 1, 1941, the total amount of all Philippine cordage coming into the United States shall not exceed 4,000,000 pounds during the remainder of the calendar year 1941. Thereafter the absolute quota shall not exceed 6,000,000 pounds every year; and from January 1, 1946, through July 3, 1946, the quota shall not exceed 3,000,000 pounds.

Subsection (f) subdivision (1) relates to the procedure in which the quotas for sugars established by subsection (d) of this section shall be allocated annually as prescribed in section 6 (d) of the act of March 24, 1934. Subdivision (2) empowers the authorities of the Philippine government to allocate the quotas for cordage established by subsection (e) of this section and by the act of June 14, 1935, among the manufacturers of such commodities and provides for the basis of shipment of each such manufacturer to the United States; subdivision (3) provides that quotas for all articles except sugars and cordage shall be allocated on the basis of maximum shipment to the United States in any year during the 5-year period 1933 through 1937; subdivision (4) provides that if, after the first 9 months of any quota year, there is evidence that the entire quota will not be used, the Philippine government shall apportion the amount that the quota holder cannot ship to the United States.

Subsection (g), subdivision (1), relates to the payment by the Philippine government to the Secretary of the Treasury of the United States at the end of every quarter proceeds from export taxes, and such moneys shall be deposited with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of Philippine bonds issued before May 1, 1934; and that moneys received from any export tax on any article shipped from the Philippines to the United States prior to July 4, 1946, and which is entered or

withdrawn from warehouse for consumption on or after said date shall be refunded by the independent Philippine government. Subdivision (2) authorizes the Secretary of the Treasury to accept the deposits of the proceeds of the export taxes referred to above. Subdivision (3) also authorizes the Secretary of the Treasury, with the approval of the Philippine government, to purchase with such supplementary sinking fund Philippine bonds issued before May 1, 1934, and may invest such fund in interest-bearing obligations of the United States or obligations guaranteed by the United States. If the Secretary of the Treasury finds that the supplementary sinking fund is more than adequate to meet future interest and principal payments on such bonds, he may, with the approval of the Philippine government, purchase with such excess other bonds of the Philippines. Obligations may be acquired on original issue at par or by purchase of outstanding obligations at the market price. This subdivision further provides that the Secretary of the Treasury may, with the approval of the Philippine government, sell at the market price any obligation acquired by the fund and the proceeds of the sale and the proceeds of the payment upon maturity or the redemption of any obligations as well as any money earned by the fund or en any obligations acquired by said fund, shall be paid into the said fund. Subdivision (4) relates to a conference to be held during the 3 months preceding July 4, 1946, between the Philippine government and the Secretary of the Treasury of the United States, the purpose of which is to ascertain the portion of Philippine bonds issued before May 1, 1934, which will remain outstanding on July 4, 1946; and that the Philippine government shall turn over to the Secretary of the Treasury of the United States for destruction all such bonds then held, in any of the sinking funds maintained for the payment of such bonds.

This subdivision also provides for the creation of a special trust account in the name of the Secretary of the Treasury of the United States after the outstanding portion of the indebtedness is determined, and before July 4, 1946; the provisions with regard to this special trust account are as follows: First, the special trust account takes care of paying future interest and principal payments on such bonds; second, the Philippine government shall pay the Secretary of the Treasury of the United States for deposit in this special trust account all of the sinking funds maintained for the payment of such bonds; and, third, the Secretary of the Treasury of the United States shall transfer to this special trust account all of the proceeds of the supplementary sinking fund. If the Secretary of the Treasury of the United States finds this special trust account more than adequate to meet future payments on the outstanding bonds, the excess shall be turned over to the Treasury of the independent Philippine government to be set up as an additional sinking fund for the payment of other obligations of the Philippines. If the special trust account is determined by the Secretary of the Treasury to be insufficient for future payments on the outstanding bonds issued before May 1, 1934, the Philippine government shall pay on or before July 3, 1946, to the Secretary of the Treasury for deposit in the special trust account an amount which he deems necessary to assure such payments on the outstanding bonds. If the Secretary of the Treasury finds this requirement would impose undue hardship on the Philippines, the Philippine government shall continue to provide annually for the payment of interest and principal on such bonds until the Secretary of the Treasury determines that the special trust account is sufficient to meet future payments on the bonds; subdivision (5) authorizes the Secretary of the Treasury of the United States, with the approval of the independent Philippine government, to purchase, on and after July 4, 1946, at the market price for the special trust account, bonds of the Philippines issued prior to May 1, 1934; he may also, with the approval of the independent Philippine government, invest the funds in the special trust account in interest-bearing obligations of the United States or obligations guaranteed by the United States

and such obligations may be acquired on original issue at par or by purchase at the market price.

Any obligations acquired by the special trust account may, with the approval of the independent Philippine government, be sold by the Secretary of the Treasury at the market price and the proceeds of the payment upon maturity or redemption of such obligations shall be held as a part of such special trust account. When the Secretary of the Treasury determines that the special trust account is adequate to meet payments on Philippine bonds issued before May 1, 1934, he may pay the principal and interest on the outstanding bonds. Any money in the special trust account in excess of the amount necessary to meet interest and principal payments of outstanding bonds shall be turned over to the treasurer of the independent Philippine government.

Subsection (h) provides that importers of articles into the United States after January 1, 1941, should present to the United States collector of customs a certificate signed by a competent authority of the Philippine government containing a statement of the value and quantity of the article, the rate and amount of the export tax paid, or shall give a bond for the production of such certificate within 6 months from date of entry.

Section 2 amends section 8 of the said act of March 24, 1934, by adding thereto a new subsection (d) which provides that citizens and corporations of the Philippines—pending the final and complete withdrawal of United States sovereignty over the islands—shall enjoy in the United States and all places under its jurisdiction the rights and privileges they enjoyed under the laws of the United States at the time of the inauguration of the Philippine Commonwealth.

Section 3 amends section 10 of said act of March 24, 1934, by adding thereto another subsection (c) with four subdivisions. Subdivision (1) authorizes the President of the United States to exchange property of the United States in the Philippines, with the approval of the Philippine government, for property owned by the Philippine government or by private persons suitable for diplomatic or consular establishments of the United States, and that title to transferred property shall be vested in fee simple in such persons and the United States, respectively; subdivision (2) provides that any property of the United States in the Philippines suitable for diplomatic and consular establishments may be designated by the President of the United States prior to July 4, 1946, for such purpose, and after that date title to such property shall remain with the United States; subdivision (3) provides that title to lands, buildings, and fixtures and movable objects belonging to the official residences of the United States High Commissioner in Manila and Baguio shall continue to be vested in the United States after July 4, 1946; subdivision (4) vests in the Secretary of State administrative supervision and control over property of the United States in the Philippines and the residences in the Philippines of the High Commissioner on and after July 4, 1946.

Section 4 amends section 13 of the said act of March 24, 1934, which provides for a trade conference. The present section 4 introduces several minor changes: First, it changes the date by which said trade conference must be called, namely, at least 2 years prior to July 4, 1946; second, it fixes the membership of this committee at 18 and prescribes the manner in which the members are appointed; 9 members to represent the United States and 9 to represent the Philippine Commonwealth, with a further provision that the American membership shall consist of 3 Members of the Senate, 3 Members of the House of Representatives, and 3 persons appointed by the President of the United States; and, third, it provides for the filling of vacancies by reason of death, resignation, or retirement of any of the members.

Section 5 further amends said act of March 24, 1934, by adding thereto a new section—section 18—setting forth and defining the following terms under subsection (a): (1) "United States," (2) "cordage," (3) "Philippine government," (4) "United States duty," (5) "refined sugars," (6) "Philippine

article," (7) "American article," and (8) "Philippine import duty." Subsection (b) further makes clear the meaning of the terms (1) "includes" and "including," and (2) "ordinary customs duty."

Section 6 further amends said act of March 24, 1934, by adding thereto a new section—section 19—dealing with excise and import taxes. Subsection (a) provides that excise taxes on coconut oil and sugar shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures necessary in adjusting Philippine economy to a position independent of United States trade preferences and in preparing the Philippines for independence, and that the portion of such funds expended by the Commonwealth government shall be budgeted, appropriated, and accounted for separately from other moneys of said government; subsection (b) authorizes the President of the United States to withhold or discontinue payments to the Philippines if he finds that the Commonwealth government has failed, or is about to fail, to comply with any requirement of subsections (a) and (c) of this section; subsection (c) repeals the provisions in the Internal Revenue Act prohibiting further payments if the Commonwealth government subsidizes producers of copra, coconut oil, or allied products and of the provisions in the Sugar Act of 1937 specifying the purpose for which such appropriations could be used by said government and the manner and condition of transfer. This subsection, however, provides that the restriction contained in the proviso to section 503 of the Sugar Act of 1937 shall continue in full force and effect. and provides further that the excise taxes shall not be paid directly or indirectly as a subsidy to producers of copra, coconut oil, or allied products, except in the establishment of facilities for better curing of copra or for bona fide production loans to Philippine copra producers; subsection (d) provides that the United States is not obligated to continue any or all of the excise and import taxes; subsection (e) provides that all customs duties collected on Philippine products brought into the United States shall be covered into the general fund of the Treasury of the United States and shall not be paid into the treasury of the Philippines.

Section 7, which contains three subsections, relates to the procedure and dates for the coming into effect of this amendatory act. Subsection (a) provides that sections 1 to 5, inclusive, of this amendatory act shall become effective on January 1, 1940, if before that date—

First. Subsection 5 of section 1 of the ordinance appended to the constitution of the Philippines shall have been amended accordingly.

Second. The President of the United States shall have found and proclaimed that the Philippine government has enacted a law relating to export taxes and has retained the laws relating to sinking fund and currency in force and effect May 20, 1938.

Subsection (b) provides that section 1 of this amendatory act shall remain in force and effect after its effective date until July 4, 1946, unless the President of the United States finds and proclaims that the Philippine government has repealed or amended or failed or refused to enforce or administer any Philippine law referred to in subdivision (2) of subsection (a) of this section. In the event of such finding and proclamation, section 1 becomes ineffective and American-Philippine trade relations shall be governed by section 6 of the act of March 24, 1934. Subsection (c) provides that section 6 (relating to excise and import taxes) and section 7 of this amendatory act shall become effective upon enactment.

Section 8 makes provisions regarding Foreign Service. It provides that officers—Foreign Service—may be assigned to the Philippines, and during such assignments they shall be considered as stationed in a foreign country subject to regulations prescribed by the Secretary of State. Said Foreign Service officers may also advise and assist the United States High Commissioner to the Philippines in accordance with

the act of March 24, 1934, and the ordinance appended to the constitution of the Philippines.

This section shall become effective upon its enactment.
Mr. WELCH. Mr. Speaker, I yield the balance of my time to myself.

Mr. Speaker, the main purpose of this bill is to prevent the destruction of four Philippine industries, which cannot survive the imposition of certain taxes in accordance with the Tydings-McDuffle Act, which will be collected beginning November 1940.

No opposition appeared against giving relief to these four industries in the hearings conducted by the Senate Committee on Territories and Insular Affairs. The bill was unanimously passed by the Senate.

While the House committee did not hold public hearings because of lack of time, it did, however, consider the subject very thoroughly in several executive sessions, with practically every member of the committee taking part in a detailed consideration of the bill and in the deliberations of the committee.

This bill contains very important amendments with reference to cordage manufactured in the Philippine Islands. There are four cordage companies in Manila, one of which is the Manila Cordage Co., an American-owned company.

Out of the 3,000,000 pounds of duty-free cordage shipped to the United States from the Philippine Islands, the American-owned company—although producing 33 percent of the cordage produced in the Philippine Islands—was only allocated less than 1½ percent, or a total of 86,400 pounds, of the quota of 6,000,000 pounds.

The bill under consideration changes this quota as follows:

(2) The quotas for cordage, established by subsection (e) of this section, and by the act of June 14, 1935, shall be allocated by authorities of the Philippine government among the manufacturers of such commodities proportionately upon the basis of the shipment of each such manufacturer to the United States during the 12 months immediately preceding the inauguration of the Commonwealth of the Philippines.

This amendment does justice to the American companies and was approved by the United States Cordage Institute.

In order to remove any doubt or fear that this bill either directly or indirectly changes the provisions of the Revenue Act of 1934, I will refer you to page 20 of the bill, which reads as follows:

And provided further, That no part of the proceeds of the excise taxes herein referred to shall be paid directly or indirectly as a subsidy to the producers or processors of copra, coconut oil, or allied products, except that this provision shall not be construed as prohibiting the use of a portion of said funds for facilities for better curing of copra or for bona fide production loans to Philippine copra producers.

Mr. Speaker, the other amendments referred to are very necessary for the future of the Philippine Islands, and the enactment of this bill into law will be another evidence of the good will and friendship of the American people toward the Philippines.

May I say in conclusion that the time has arrived when this country needs friends in the Orient. We all know what has transpired within the last week with reference to our trade relations with a large eastern power. I refer to Japan. The people of the Philippine Islands are decidedly friendly. They have been our wards since this country took possession of them during the Spanish-American War. It is only just that they receive fair and impartial treatment. That is all this minor bill—I might call it that—provides for; and I sincerely hope, regardless of the fears of my good friend from Michigan [Mr. Crawford], that the bill will pass and that the people of the Philippine Islands will be given the relief they are entitled to under its provisions. [Applause.]

Mr. KOCIALKOWSKI. - Mr. Speaker, I yield the balance of my time to the gentleman from Mississippi [Mr. McGehee].

Mr. McGehee. Mr. Speaker, in answer to the gentleman from Michigan, who stated there had been no hearings on this bill before the House committee, I want to inform the membership of the House that the Senate held hearings for some

45 days on this bill, and those hearings were before the committee. In April 1937 a committee was appointed by the President of the United States, which held hearings in both the Philippine Islands and this country for some 14 months. We had those hearings also before us.

The gentleman from Michigan said there was no necessity for the passage of this legislation at this session, intimating that it should be passed over until next session and hearings held on it at that time. May I say to the membership that unless this legislation is passed at this session and were we to delay consideration of the bill for hearings at the next session we know all too well it would be April or May probably before the two branches of Congress could act upon it. Then it would have to be transmitted to the Philippine Islands, which would take some 20 or 25 days. They would have to call their assembly together, call and hold an election, then call the assembly back to adopt it. This would take 200 or 240 days. All this could not be done by the expiration date, November 15, 1940. That is why it is necessary for the passage of this legislation at this session.

Mr. Speaker, I have placed an amendment in this bill, suggested by the cottonseed oil, soy bean, peanut oil, and fat associations, and they have no objection to its passage. We have placed in it an amendment suggested by the cordage institute. We inserted amendments to take care of every industry that is enumerated in this bill and suggested by them, and it should be satisfactory.

[Here the gavel fell.]

The SPEAKER. All time has expired. The question is on suspending the rules and passing the bill.

Two-thirds having voted in favor thereof, the rules were suspended and the bill was passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 268, making in order the Philippine bill just passed, will be laid upon the table.

MESSAGE FROM THE PRESIDENT-CUT-OVER REGIONS IN MICHIGAN, MINNESOTA, AND WISCONSIN (H. DOC. NO. 458)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee of the Whole House on the state of the Union and ordered printed:

To the Congress of the United States:

Exploitation of our resources has created many problems, but none more pressing than in those areas of the United States where a basic resource has been mismanaged and the principal industry has moved or waned, leaving the working population stranded.

The cut-over region in the northern part of the States of Michigan, Minnesota, and Wisconsin was once the scene of a flourishing lumber industry. Today a large section of the population in that area depends for its very existence on public aids, work relief, and security payments. The large expenditures for these purposes in the area have enabled these people to survive, but could not provide a satisfactory permanent solution to their problem.

Members of Congress representing the region appealed some time ago for aid in developing a program to assist the people in the area to find a way of life that would provide opportunity and reasonable security. The problem is now to make the best use of the natural and human resources of the area.

Over a year ago the National Resources Committee began a study of the region, establishing large local committees in order to insure accurate representation and true understanding of the local point of view. Individual reports were prepared by groups representing the cut-over areas in the three States. From these individual reports a summarized version of what is thought to be a feasible program has been developed. This summary constitutes the most recent in the series of regional reports by the National Resources Committee and is entitled "Regional Planning, Part VIII—the Report of the Northern Lakes States Regional Committee."

I am asking that the National Resources Planning Board keep in touch with the regional committee, which sponsored this report, to assist the regional committee in promoting correlation of activities of Federal, State, and local agencies concerned with bringing about the accomplishments desired. I commend the report to your careful study for whatever action may be appropriate.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 31, 1939.

CONTRIBUTIONS OF TENNESSEE VALLEY AUTHORITY IN LIEU OF TAXATION

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. Sparkman]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include certain tables, and so forth.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. SPARKMAN]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, some time ago when the T. V. A. bill was being considered, I stated that at the proper time I would introduce legislation to provide for the replacement of taxes lost in connection with the purchase of certain properties; that that matter was awaiting conference to be held by the T. V. A., the various States concerned, and groups representing those respective States. This conference has been held. A bill has been prepared that carries out generally the wishes of those closely connected with the problem. I have introduced that bill today. I am placing in the RECORD certain statements pertaining to that bill and may I say in this connection that I do not mean the bill suits me absolutely, but it does afford a basis upon which action may be started.

The joint statement, letters, etc., follows:

JOINT STATEMENT OF REPRESENTATIVE SPARKMAN, OF ALABAMA, SENATOR NORRIS, OF NEBRASKA, RELATING TO THE BILL INTRODUCED TO AMEND SECTION 13 OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933, WITH REFERENCE TO CONTRIBUTIONS OF THE TENNESSEE VALLEY AUTHORITY IN LIEU OF TAXATION

We have today introduced in the House and the Senate identical bills, the purpose of which is to amend section 13 of the Tennessee Valley Authority Act to provide for payments to the States by the Tennessee Valley Authority in lieu of taxation.

Tennessee Valley Authority in lieu of taxation.

The bill provides that a fund shall be created for this purpose by a levy upon the gross receipts from power sales in the fiscal year 1940 of 10 percent of such sales. This percentage shall gradually be reduced during succeeding fiscal years until the fiscal year 1948 and thereafter, when such percentage shall be 5 percent. It is estimated that on account of increased sales practically the same amount of money will be raised during each of these years.

This find as greated shell be divided emong the States where the

estimated that on account of increased sales practically the same amount of money will be raised during each of these years.

This fund so created shall be divided among the States where the properties of the T. V. A. are located, as follows: One-half of said fund shall be apportioned by paying to each State the percentage thereof of which the gross proceeds of the power sales by the Corporation within such State during the preceding fiscal year bears to the total gross proceeds from all sales of power. The other one-half of said fund shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the Corporation within said State bears to the total book value of all property held by the T. V. A. on the same date. The book value of the power property includes that portion of the investment allocated to power. It is provided that the minimum annual payment to each State under this division shall not be less than the 2-year average of State and local ad valorem property taxes levied against said property purchased and operated by the T. V. A. in said State, plus that portion of reservoir lands related to dams constructed by the Government of the United States and allocated to power. The 2-year average is calculated for the last 2 years during which said property was privately owned and operated.

The bill we have introduced is tentative in its nature. We do not intend to attempt to secure the passage of the bill at this session. We introduce it now for the purpose of inviting criticism from all interested parties. We expect further studies to be made of the subject matter by the T. V. A. the tay representatives of the various States.

terested parties. We expect further studies to be made of the subject matter by the T. V. A., the tax representatives of the various States affected, and other experts representing the Government of the United States between now and the beginning of the next session of Congress, at which time it is also our expectation that such studies will be completed and that hearings shall be held upon

the bill with a view of changing or correcting anything that appears to be wrong as a result of such studies, that Congress may be informed of all the facts relating to the subject, so that legislation can be had at the beginning of the next session of Congress.

We desire, also, to call attention to the fact that the money to be raised by the provisions of this bill is not the only contribution made in lieu of taxes. When the T. V. A. contracts with a municipality to sell power, it is provided in said contract there shall be paid out of revenues received from the sale of power a sum equal to what the distribution system would pay in taxes if such system were privately owned. The various sums thus raised should be added to the fund created by the bill in order to get a true picture as to what the entire T. V. A. system would pay in lieu of taxes if this is enacted into law.

We have also had printed in the Congressional Record a letter from the Chairman of the Board of the Tennessee Valley Authority, with accompanying tables and statistics, showing the study which has thus far been made by the T. V. A. and the various State representatives of this very perplexing question.

TENNESSEE VALLEY AUTHORITY, Knoxville, Tenn., July 28, 1939.

The Honorable John J. SPARKMAN,

House Office Building, Washington, D. C.

House Office Building, Washington, D. C.

Dear Mr. Sparkman: Some weeks ago during the course of public hearings before the Committee on Military Affairs on the bill to amend the bond-issuing powers of the Tennessee Valley Authority, you stated that you would introduce in this session of the Congress a bill revising section 13 of the T. V. A. Act which deals with payment in lieu of taxes by T. V. A. to the States. You urged that this subject should not be dealt with in the bond legislation because, among other things, it was advisable that conferences be held between the T. V. A. and the States concerned, and that further study be given to the matter. The conferences were proposed for the purpose of seeking agreement on the amount of tax losses that would arise from the transfer of private property to tax-exempt public ownership, and the fiscal effects to be anticipated from such transfers. It was proposed, in addition, that there be an exchange of views between the T. V. A. and the various States on the complicated problem of T. V. A. contributions to the cost of State and local government.

These conferences have proceeded with due diligence. In Ten-

the T. V. A. and the various States on the complicated problem of T. V. A. contributions to the cost of State and local government. These conferences have proceeded with due diligence. In Tennessee Governor Cooper appointed a State committee consisting of Mr. George Fort Milton, publisher of the Chattanooga News; Mr. Lon McFarland, general counsel for the Tennessee Railroad and Public Utilities Commission; and Mr. Will Gerber, city attorney of the city of Memphis. A number of conferences were held between representatives of the T. V. A. and this State committee. In Alabama such conferences were had with Governor Dixon, Mr. John W. Lapsley, counsel for the State department of revenue, the Commissioner and representatives of the Department of Revenue, and also with an interim committee of the State legislature appointed for the purpose of considering this subject. In Georgia conferences were had with Governor Rivers and other State officials. In Kentucky the conferences included Governor Chandler and Acting Commissioner of Revenue Reeves. In Mississippi the meeting was with Governor White and Attorney General Rice; and in North Carolina with Governor Hoey.

After consideration of the findings growing out of studies made within the T. V. A. and the points of view of the States, and after extended discussion, the Board has agreed to send the enclosed material to you and to Senator Norris, who also indicated that he would offer a bill on the subject. Included are a draft of a recommended bill to replace section 13 of the T. V. A. statute and preliminary estimates of the payments under the proposed bill and their distribution among the several States during the fiscal years (beginning July 1) 1940-44. Although a reading of this draft will indicate clearly its content, some additional comments may be useful.

1. The in-lieu-payment problem involves fundamental policy

ments may be useful.

1. The in-lieu-payment problem involves fundamental policy considerations as well as public-finance issues that are more technical in character. There was considerable difference of opinion on the issues involved within the T. V. A. staff itself and among the able tax consultants who considered the problem. Differing and conflicting interests were found among the States and between the Authority and the various States.

2. The draft of the recommended bill provides that the payment by the T. V. A. to the States as a contribution to the cost of State and local government be 10 percent of gross proceeds from the sale of power for the first year and that it be graduated downward over a period of years to 5 percent. Due to the expanding gross revenues of the T. V. A. from the same service area and without any expansion of its market area the declining percentages are estimated to yield substantially a constant amount until 1949. After that date the amount payable to the States under the constant 5 percent would increase in proportion to revenue expansions.

3. The enclosed statistical tables show that the total estimated annual payments to the States will be approximately \$1,200,000. The percentages of gross proceeds from power sales provide about \$1,100,000 of this annual payment. The remaining \$100,000 is added because of a proviso that the minimum annual payment

shall be equal to the former State and local ad valorem property taxes levied on property acquired from utility companies and on that share of the purchased reservoir lands properly allocated

that share of the purchased reservoir lands properly allocated to power.

4. An important feature of this recommended bill is a formula for the allocation among the several States of the total payment set aside by T. V. A. for tax equivalents. This formula gives equal weight to (a) T. V. A. power property investment in the State and (b) T. V. A. power revenues derived in the State. Estimates of the percentage distribution by States of power sales and power property are given in the accompanying tables for the fiscal years (beginning July 1), 1940-44.

5. The minimum payment of \$10,000 a year to each State means that prior to an allocation of properties in process of construction in North Carolina (Hiwassee) and Kentucky (Gilbertsville, now known as the Kentucky Dam) these States will receive some revenue in recognition of the tax problem which certain of their counties in the reservoirs will experience.

6. The payments to the States under the proposed bill are less

6. The payments to the States under the proposed bill are less than the total of State and local taxes formerly collected on the purchased property and operations of privately owned utilities and private landowners. We consider the 10-percent payment for the first year to be a fair State and local tax equivalent. Since the rower program of the Authority is conferring valuable benefits the first year to be a fair State and local tax equivalent. Since the power program of the Authority is conferring valuable benefits in the area and is producing and marketing a volume of power greatly in excess of the operations that could have been expected under private ownership, it appears equitable that a portion of this tax equivalent be retained by the Authority for the Federal Treasury. The report required on January 1, 1945, should indicate whether or not the allowance for such benefits conforms to sound and desirable fiscal policy.

The only subject dealt with in this recommended draft of bill is the Federal Government's contribution on property which it

is the Federal Government's contribution on property which it owns; the contribution to the State and local subdivisions by municipalities and other public agencies owning their own electric facilities is, of course, not included in these computations nor covered by this proposed bill. We have reason to believe that the States—certainly the State of Tennessee, which is most extensively effected, will cover State localities provided as affected—will enact State legislation providing for such payments by municipalities to the State and other local agencies.

As you know, the T. V. A. Board has committed itself to indicate

As you know, the T. V. A. Board has committed itself to indicate to the States and other interested parties the results of its investigations of the facts and its recommendations respecting tax adjustment. Such a report, directed to the agencies with whom we have been conferring, will be made sometime next week.

Drafts of this letter and the proposed amendment to section 13 have been submitted to the Bureau of the Budget, which has advised that there would be no objection to their transmission with the understanding that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely wours

Sincerely yours,

TENNESSEE VALLEY AUTHORITY. HARCOURT A. MORGAN, Chairman of the Board.

JULY 28 1939

RECOMMENDED DRAFT OF PROPOSED SUBSTITUTE FOR SECTION 13 OF THE T. V. A. STATUTE

T. V. A. STATUTE

In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the Board is authorized and directed to pay to the States, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable pursuant to the provisos in the paragraph next succeeding, said payments to be in lieu of taxes and to constitute a charge against the power operations of the Corporation for the fiscal year then beginning and to be made upon condition that no State, county, or local taxes shall be assessed or levied against the property, operations, or business of the Corporation: For the fiscal year (beginning July 1) 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7½ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent. Gross proceeds, as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year evaluating nower used by the Corporation or sold exclusive. by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States

United States.

The payment for each year shall be apportioned among the several States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all

book value of power property shall include that portion of the investment allocated or estimated to be allocable to power: Provided, That the minimum annual payment to each State shall not be less than the 2-year average of the China. Provided, That the minimum annual payment to each State shall not be less than the 2-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State plus that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and allocated or estimated to be allocable to power. The said 2-year average shall be calculated for the last 2 tax years during which said property was privately owned and operated: Provided further, That the minimum annual payment to each State in which the Corporation owns and operates power property shall not be less than tion owns and operates power property shall not be less than \$10,000 in any case. The determination of the board of the amounts due hereunder to the respective States shall be final.

The payments above provided shall in each case be made to the State not later than July 31 of each year, and it is the in-tention of the Congress that each State shall redistribute said

payments or a portion thereof to counties and other local taxing districts affected by the program of the Corporation.

The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various States hereunder and the redistribution by the States of the apparts point to the provisions of the constant of the states of the constant of th the amounts paid to them; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States receiving payments hereunder and to the local subdivisions thereof, and the effect of such benefits in increasing taxable values within such States and local subdivisions; and such other data, information, and recommendations as may be pertinent to future legislation.

Preliminary estimates of payments to the States under the recom-mended draft of the proposed amendment to replace section 13, fiscal years (beginning July 1) 1940-44

State	Amount of percentage payment allocated by form- ula	Amount added by provise 1	Total pay- ment
		1940, rate 10 j	percent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$238, 710 19, 480 103 40, 610 309 731, 488 1, 030, 700	\$41, 874 9, 897 29, 472 9, 691 115, 614 206, 548	\$238, 710 61, 354 10, 000 70, 082 10, 000 847, 102
	194	1, rate 9 perc	ent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee Total	\$239, 025 19, 118 226 43, 235 25, 678 803, 838	\$42, 236 9, 774 26, 757 43, 264	\$239, 025 61, 354 10, 000 70, 082 25, 678 847, 102
1000	1, 131, 210	122, 031 2, rate 8 perc	1, 253, 241 ent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee Total	\$243, 023 15, 837 765 40, 741 29, 709 762, 165 1, 092, 240	\$45, 517 9, 235 29, 341 84, 937 169, 030	\$243, 023 61, 354 10, 000 70, 082 29, 709 847, 102
	1943	3, rate 7½ per	rcent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$234, 383 14, 848 770 41, 575 29, 367 778, 932	\$46, 506 9, 230 28, 507 68, 170	\$234, 383 61, 354 10, 000 70, 082 29, 367 847, 102
Total	1,099,875	152, 413	1, 252, 288

Total 1,099,875 | 152,413 | 1,252,288

1 Allocation: ½ according to location of power property, including the portion of multipurpose investment allocated or estimated to be allocable to power; ½ according the power of multipurpose investment allocated or estimated to be allocable to power; ½ according to the power of multipurpose investment allocated or estimated to be allocable to power; ½ according to the power of multipurpose investment allocated or estimated to be allocable to power; ½ according to the power of multipurpose investment allocated or estimated to be allocable to power; ½ according to be allocable to power; ½ according to be allocable to power or power

ing to power sales.

The minimum payment is the ad valorem property taxes on power property purchased from utility companies plus ad valorem property taxes on the portion of reservoir lands of multipurpose projects allocated or estimated to be allocable to power or \$10,000, whichever is higher.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940-44—Continued

State	Amount of percentage payment allocated by form- ula	Amount added by proviso	Total payment	
	1944, rate 7 percent			
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	\$220, 485 13, 842 1, 428 41, 856 27, 684 793, 285	\$47, 512 8, 572 28, 226 53, 817	\$220, 485 61, 354 10, 000 70, 082 27, 684 847, 102	
Total	1, 098, 580	138, 127	1, 236, 707	

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power

01	Amount						
State	1940	1941	1942	1943	1944		
Alabama Georgia Kentucky Mississippi North Carolina Tennessee Total	\$238, 710 19, 480 103 40, 610 309 731, 488 1, 030, 700	\$239, 025 19, 118 226 43, 325 25, 678 803, 838 1, 131, 210	\$243, 023 15, 837 765 40, 741 29, 709 762, 165 1, 092, 240	\$234, 383 14, 848 770 41, 575 29, 367 778, 932 1, 099, 875	\$220, 485 13, 842 1, 428 41, 856 27, 684 793, 285 1, 098, 580		
RE LANGE		11831					
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	23. 16 1. 89 . 01 3. 94 . 03 70. 97	21. 13 1. 69 . 02 3. 83 2. 27 71. 06	22. 25 1. 45 . 07 3. 73 2. 72 69. 78	21. 31 1. 35 .07 3. 78 2. 67 70. 82	20. 07 1. 26 . 13 3. 81 - 2. 52 72. 21		

Preliminary estimate 1 of State and local property tax losses resulting from completed and proposed Tennessee Valley Authority purchase of electric utility properties and reservoir lands, July 13, 1939

	purchased			on property e by Tennes-
	1 5 4	Reserv	oir land	Total
State	Utility- company proper- ties	company proper-	40 percent (tentative alloca- tion for power purposes)	utility company plus 40 percent reservoir land
AlabamaGeorgiaKentucky	2 \$53, 261 61, 354	\$ \$65, 841 4 10, 000	\$25, 936 4, 000	\$79, 197 61, 354 4, 000
Mississippi North Carolina Tennessee	69, 029 803, 382	2, 632 6, 310 109, 300	1,053 2,528 43,720	70, 082 2, 528 847, 102
Total	987, 026	193, 093	77, 237	1,064,263

¹ In general, estimates are calculated on basis of tax levy for year preceding date of Tennessee Valley Authority acquisition of properties. Data are not available for computing tax losses on basis of a 3-year average.

² Minimum payment to States guaranteed under proposed amendment to sec. 13, Drafted July 13, 1839.
³ Includes \$1,728 State and local property taxes estimated to have been lost through War Department land purchases for Wilson Dam, Reservoir, and a small amount of reservation located north of the Tennessee River.

⁴ Estimate based upon probable Tennessee Valley Authority land acquisition through fiscal year 1940. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands in Kentucky may approximate \$15,000.

⁴ Includes total computed tax losses resulting from Pickwick, Guntersville, Chickamauga, and Norris Reservoirs, plus estimate of \$10,000 for Gilbertsville and \$5,000 for Watts Bar Reservoir. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands for the Gilbertsville project in Tennessee walley Authority purchase of reservoir lands for the Gilbertsville project in Tennessee may approximate \$50,000, and for the Watts Bar project, \$30,000.

Preliminary estimated gross receipts 1 from Tennessee Valley Authority power sales, by States, for the fiscal years 1940-442 [Gross sales in thousands of dollars]

214	1940) 3	194	1	1942		1943		1944	
State	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	930 50 2 390 5 8, 930	9.02 .49 .02 3.78 .05 86.64	1,340 60 4 460 5 10,700	10.66 .48 .03 3.66 .04 85.13	1,775 66 6 500 6 11,300	13.00 .49 .04 3.66 .04 82.77	1,880 73 6 550 6 12,150	12. 82 .50 .04 3. 75 .04 82. 85	2,000 80 7 600 7 13,000	12. 74 .51 .05 3. 82 .05 82. 83
Total	10, 307	100.00	12, 569	100.00	13, 653	100.00	14, 665	100.00	15, 694	100.00

¹ Excluding power used by the Authority or sold or delivered to any other department or agency of the Government of the United States.

² The sales estimates for each year have been reduced by about \$775,000 to allow for contingencies such as the curtailment in delivery of interruptible and secondary power to industry.

3 Revenue estimates assume transfer of Tennessee Electric Power, Alabama and Mississippi properties by Aug. 15, 1939.

Preliminary estimates of the percentage distribution of the book value of power property by States for years 1940-44

State	1940	1941	1942	1943	1944
Alabama Georgia Kentucky Mississippi North Carolina Tennessee	37. 3 3. 3 0 4. 1 0 55. 3	31. 6 2. 9 0 4. 0 4. 5 57. 0	31. 5 2. 4 .1 3. 8 5. 4 56. 8	29. 8 2. 2 . 1 3. 8 5. 3 58. 8	27. 4 2. 0 . 2 3. 8 5. 0 61. 6
Total	100.0	100.0	100.0	100.0	100.0

Property devoted exclusively to electric purposes plus common property allocated

Mr. RICH. Will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Pennsyl-

Mr. RICH. Will the taxes be collected from the United States or from people in the T. V. A. valley?

Mr. SPARKMAN. It will be an amendment of section 13 if this bill is passed.

[Here the gavel fell.]

THE LATE RALPH GILBERT, OF SHELBYVILLE, KY.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. Spence]?

There was no objection.

Mr. SPENCE. Mr. Speaker, his former colleagues from Kentucky have heard with sorrow of the death on yesterday morning at Louisville of Hon. Ralph Gilbert, of Shelbyville, Ky., former Member of the House of Representatives from the Eighth District, now the Fourth District, of Kentucky.

Ralph Gilbert was born in Spencer County, Ky., the son of G. G. Gilbert, who represented the same district in the Congress of the United States from 1899 to 1907.

He was a graduate of the public schools, University of Virginia, and at law from the University of Louisville.

He held the office of county judge of Shelby County, Ky., from 1910 to 1917.

He was elected to the Sixty-seventh, Sixty-eighth, Sixtyninth, Seventieth, and Seventy-second Congresses.

Since retirement from Congress he has been engaged in the practice of law at Shelbyville, and at the time of his death was a member of the State Senate of Kentucky and was the Democratic floor leader of that body.

He was a candidate for the nomination for Lieutenant Governor in the primary election to be held next Saturday, with splendid chances for success.

During his service in the House his legal attainments and his fine ability were generally recognized by his colleagues.

In his death the State and Nation have lost an able, conscientious, and faithful public servant.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of the Home Owners' Loan Corporation and to include a brief letter from Mr. Fahey, its Director.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. CHURCH. Mr. Speaker, reserving the right to object, is that in reply to inquiry from the gentleman from New York and with reference to an inquiry I made some time ago with reference to the H. O. L. C.?

Mr. CELLER. No; it is with reference to the number of loans made by that agency in New York City.

Mr. CHURCH. Mr. Speaker, I object. I understand the gentleman has not replied to a letter I addressed to him, and until I receive that reply I shall have to object for the present.

The SPEAKER. Objection is heard.

Mr. Casey of Massachusetts asked and was given permission to extend his own remarks in the RECORD.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by W. F. Wiley, chairman, State Commission on Stream Pollution in the Ohio River Valley, which is of great interest to the people in my section of the country.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. RICHARDS asked and was given permission to extend his own remarks in the RECORD.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I make in the House today with reference to the bill H. R. 5919.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address I made before the Washington Chapter of the Descendants of the American Revolution.

The SPEAKER. Is their objection to the request of the gentleman from California?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on two topics, in one to include a radio address delivered by myself, and in the other to insert a letter written by me to the gentleman from Maryland [Mr. Cole].

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. Voorhis of California asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. VOORHIS of California. Mr. Speaker, no one, however optimistic, who has studied the economic problem of the United States believes that under our present monetary system private industry can ever absorb the total volume

of surplus savings which are currently being set aside out of the national income. The importance of housing legislation and the lending bill lies in the fact that in these pieces of legislation we are attempting to work out a way in which sound public investment can be made to supplement private investment when it fails.

There can be no question that America needs, above all things, an injection of additional blood into her economic body. That blood is money—real, honest money—circulating in the arteries and veins of trade and commerce.

The housing and lending bills are aimed to accomplish this, among other things. I shall vote and work for the passage of both these bills. Both of them are in line with the clear necessity for increased public investment in fields where private investment cannot be profitable, where the national wealth can be increased and through activity by which the standard of living of the people can be raised.

I must, however, say with as much emphasis as I can possibly say it that in one most important respect both these bills fall short of their objective. Neither bill in its present form proposes to add to the volume of debt-free money in circulation. Both propose further expansion of either public or private debt.

The time has come when one simple truth ought to be heralded throughout this country by every earnest, thoughtful Member of Congress and every citizen who is concerned about the future welfare of his country. It is this: Whenever the economic conditions of a nation require that an additional volume of money, either in the form of currency or of demand deposits, be placed in circulation, then that money should always be put into circulation by that nation's congress without any addition, direct or indirect, to the nation's debt. Nations should borrow money only when there is already a sufficient volume of real money in circulation and when for some reason it is desirable that the spending of this preexisting money be carried on by an agency of government rather than by those currently possessing it. And furthermore—again speaking generally—government should pay, not lend, money into circulation except in cases where it is loaned to local or State public bodies, or loaned for the deliberate purpose of effecting a reduction in the rate of interest generally or on a certain type of loan such as farm mortgage loans, for example. I confess freely that I have compromised this principle many times. I have done so because I was willing, as I still am willing to do the best I can under existing circumstances to improve the conditions of the people.

The existence of "excess reserves" in the banks today simply means that the banks have a capacity to loan demand deposits into circulation equal to five times the amount of these excess reserves. This is a very different thing from money or national credit put directly into circulation by an agency of Congress through the payment of old-age pensions or a retirement of national debt. In the first case we have an instance of private usurpation of the money-creating power. In the second case we would have an instance of the proper exercise of the constitutional power of a sovereign government. The time has come, I think, to speak plainly about some of these things.

WHAT IDLE MONEY MEANS

When people speak of "idle money in the banks" today they may mean deposits which are not being drawn against by depositors or they may refer to the synthetic "money" that could be created by the banks on the basis of their excess reserves, but which as a matter of fact is not now being so created.

AMERICA NEEDS CONSTITUTIONAL MONEY

What is really needed in the Nation is an observance of the Constitution with regard to money, an observance of the truth set forth in a previous paragraph in this speech. We need to start putting money into circulation, debt-free, by the action of the people's Government instead of paying the banks a premium for creating it for us.

Because I believe these things I shall offer amendments to both bills, which amendments are designed to make the United States Government the original source of money for these enterprises and to lift from the shoulders of the people generally the interest burden which otherwise will fall upon them if the bonds of the Housing Authority or of the R. F. C. are sold to private money creators who then, of course, will collect the interest thereon.

OBJECTIONS TO HOUSING BILL ANSWERED

Objections which have been raised to the housing bill are mostly upon the ground of the "great long-continued obligation" which will be incurred by the United States in connection with the annual subsidies. But suppose that instead of the bonds of the Housing Authority being sold to banks for privately created credit they were bought by the Treasury with an extension of national credit and the interest thereon paid to the Treasury. Then the payment of the annual subsidies would be counterbalanced by the receipt by the Treasury of the interest on the bonds of the Housing Authority and the "burden on future generations" would largely disappear. The bonds of the Housing Authority are secured, in turn, by obligations of local housing authorities; and, furthermore, the local housing authorities obtain a large part of the wherewithal to make payments to the United States Housing Authority out of appropriations of

In other words the United States Government not only directly guarantees the bonds of the United States Housing Authority, but also provides annual subsidies to the local housing authorities to enable them to discharge their obligations to the United States Housing Authority. Evidently there is no sense in paying banks a rate of interest to induce them to create deposits with which to buy the bonds of the United States Housing Authority in the first place. To do so is only to subsidize the bankers, because the security all the way through is the security of the Nation's credit. Yet unless my amendment is adopted we will be paying private money merchants for the use of credit which costs them nothing to create and which is doubly guaranteed by the United States Government. The Government can certainly guarantee its own credit quite as well as it can guarantee the credit of private banks.

My amendment to the Housing bill reads as follows:

Page 2, line 7, after "hereby", strike out the period and insert a colon and the following: "Provided, however, That all such additional obligations issued by the United States Housing Authority under the authorization contained in this section shall be sold to and purchased by the Secretary of the Treasury for the United States. The Secretary of the Treasury shall make payment for such obligations of the United States Housing Authority in the following manner: He shall deposit in the Federal Reserve banks non-interest-bearing obligations of the United States in a total amount equal to the total face value of the obligations of the United States Housing Authority which have been purchased; and in payment for such obligations of the United States, the Federal Reserve banks shall establish deposits in favor of the United States Housing Authority in an equivalent total amount."

In other words, under the amendment the Federal Reserve banks would be compelled for the first time in history to exercise their power of creating money in the interest of the Nation instead of in the interest of the private-banking system. This amendment is, in itself, no fundamental reform in our banking system. It is merely an assertion of sound basic principle in this one case. The non-interest-bearing obligations would, of course, be retired as the Housing Authority retired its bonds by repaying the Treasury. Any interest on those bonds would be net income, not to the private Federal Reserve banks, but to the Treasury itself.

To abbreviate all the bookkeeping and intermediaries what my amendment proposes is that: The United States Treasury lend national credit to the local housing authorities for the construction of the houses and that this national credit be paid off and retired by the local authorities, partly out of rents and partly out of subsidies supplied by Congress. Again I ask why pay interest to any private banker to obtain funds to make a loan that the Government is going to pay back to itself? My amendment would avoid that ridiculous situation.

AMENDMENT TO LENDING BILL

The amendment to the lending bill is in such form as to offer at least partial answer to the criticisms that have been made against the gold- and silver-purchase programs. I do not think a metallic base for national currency is at all necessary, and I would fight to the last ditch to prevent any attempt to return to the gold standard. But the American people have bought and paid for certain gold and silver bullion and I see no reason why that metal should not be used now for the people's benefit and to once again avoid the necessity of the sale of bonds by a Government agency—the R. F. C.

This amendment to H. R. 7120 reads as follows:

Page 2, line 25, add a new subsection as follows:

"(c) The Secretary of the Treasury shall purchase and shall hold and receive for the United States such interest as may be hold and receive for the United States such interest as may be paid upon a total amount of \$1,800,000,000 of such notes, debentures, bonds, or other obligation of the Corporation and shall make payment as follows: (1) By the issue of silver certificates in the amount of \$1,400,000,000 pursuant to section 5 of the Silver Purchase Act of 1934; (2) by the transfer to the Corporation of gold certificate credits in the amount of \$400,000,000, representing part of the value of gold now held in the general fund of the Treasury."

Adoption of that amendment would mean, first, that we would have put \$1,800,000,000 of now idle gold and silver to use. Second, that, once again, the principle of the United States Government creating its own money would have been asserted. Third, that a portion of the interest on the loans would accrue to the Treasury of the United States, as the R. F. C. paid interest on its bonds that would otherwise be privately held.

As I said in the beginning, I should prefer to see this needed "blood" injected directly into the economic body of the Nation instead of being loaned into circulation even by a Government agency. I should welcome the day when everyday lending and borrowing of real pre-existing money could and would be handled by private agencies instead of governmental ones-provided always that the rate of interest were kept low. But if we are to have a lending bill let us at least lend credit based on the idle gold and silver which belongs to the people-credit which will be the exact equivalent of national currency, except more convenient to handle. Let us not leave that gold and silver idle and have the R. F. C. go out and sell bonds and debentures—at however low a rate of interest-for privately created credit on the books of the banks.

My amendment is a very conservative one, I think. It proposes only that we use available silver seigniorage and so-called free gold, against which no claim of any sort whatsoever is now outstanding. It does not even propose to touch the stabilization fund which is, it seems to me, probably larger than we need for that purpose. It does not involve any of the gold against which gold certificates have been issued to the Federal Reserve banks. That problem must, I believe, be dealt with by the purchase of the stock of the Federal Reserve banks by the Government, as proposed in several bills now before the Congress.

PRESENT NECESSITY OF PUBLIC INVESTMENT TO COMPENSATE FOR FAILURE OF PRIVATE INVESTMENT

The principle of Government investment is, I believe, a sound and necessary one under present economic circumstances. Under our present money and banking system I do not believe it is even remotely possible for private investment to absorb the huge volume of surplus savings which are annually withdrawn from the stream of purchasing power. I think the only place expansion can take place on a large scale in this day is in the field of a higher standard of living for the people of America. And that in turn must mean many types of activity such as hospital construction, slum clearance, and the like where private investment cannot possibly be profitable. Furthermore, I believe most earneastly that we can wait no longer to make a frontal attack on the problem of preserving the family-sized farm in America. Therefore, I am greatly interested in the farm-loan section of the lending bill and hope it will provide not only for enabling tenants to become farm owners but for saving from foreclosure the farms now owned by those who work them and for a reduction in the rates of interest they now must pay.

These are the basic reasons I am for the housing and lending bills. But I am equally concerned that, in enacting them, we do not violate once again the principle that the sovereign Government of this Nation and it alone has a constitutional right to bring money or credit originally into circulation.

[Here the gavel fell.]

COMMITTEE ON BANKING AND CURRENCY-MINORITY VIEWS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the minority on the Committee on Banking and Currency may have until midnight tonight to file minority views on the bill (H. R. 7120) to provide for the construction and financing of self-liquidating projects, and for other purposes, and that these minority views may be incorporated with the majority report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, with a House amendment, insist on the House amendment, and consent to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER, Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none and appoints the following conferees: Mr. STEAGALL, Mr. WILLIAMS of Missouri, Mr. SPENCE, Mr. WOL-COTT, and Mr. GIFFORD.

GRACE CAMPBELL

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 496, the bill (H. R. 3962) for the relief of Grace Campbell.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask the gentleman if the Member who previously objected to the consideration of this bill has withdrawn his objection?

Mr. ALEXANDER. I have talked to both the objectors. The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Grace Campbell, the sum of \$95.73, in full settlement of all claims against the United States for reimbursement of damages paid by the claimant as a result of a collision of her automobile with United States mail truck No. X-17388 on October 30, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

Line 5, after the name "Campbell", insert "of Minneapolis, Minn."

Line 6, strike out the sign and figures "\$95.73" and insert in lieu thereof "\$47.86."

Line 10, after the date "1934", strike out the remaining language of the bill and insert in lieu thereof: "Provided, That no part of

the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial from a perfectly good Republican newspaper, the New York Herald Tribune, of today's date, on the subject of the antialien bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. Iglesias asked and was given permission to extend his own remarks in the Record.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

Mr. Collins, indefinitely, on account of illness.

To Mr. Barnes, for the remainder of the session, account of important official business.

To Mr. Thill, indefinitely, on account of important official

COMMITTEE ON RULES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until 12 o'clock tonight to file a rule.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I shall not object, will the gentleman tell the House if we are going to call up the spending bill tomorrow?

Mr. RAYBURN. The lending bill.

Mr. MARTIN of Massachusetts. Spending?

Mr. RAYBURN. Lending.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT

The SPEAKER. Before adjournment, the Chair thinks it may be pertinent to call attention to the fact that on this day, after having complied with the earnest request of all Members of the House for the consideration of the Consent and Private Calendars, the House has passed more bills than have ever been passed before in 1 day in the House of Representatives, to the number of 244 bills.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker-

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I just want to make an inquiry.

The SPEAKER. Does the gentleman submit a parliamentary inquiry?

Mr. RICH. I could not say it was a parliamentary inquiry.

The SPEAKER. For what purpose does the gentleman rise?

Mr. RICH. To ask the Speaker a question.

The SPEAKER. The Chair cannot recognize the gentleman to satisfy his curiosity.

Mr. RICH. Mr. Speaker, I want to speak for 1 minute. The SPEAKER. Without objection, so ordered.

There was no objection.

Mr. RICH. In that minute, Mr. Speaker, I would just like to know whether the taxpayers of the country will be

able to withstand the shock when they find out what these 244 bills cost.

Mr. RAYBURN. Mr. Speaker, all these bills passed by unanimous consent. The gentleman from Pennsylvania happens to be a Member of the House with a voice, and he can say "I object" or not, as he chooses.

Mr. RICH. A point of order, Mr. Speaker. Has my time

expired?

Mr. RAYBURN. Furthermore, Mr. Speaker, if you look through the Record of this and other sessions of Congress you will probably find that when the roll was called on bills that appropriated money—

Mr. RICH. Regular order, Mr. Speaker; regular order. Mr. RAYBURN. The gentleman from Pennsylvania voted for them.

[Here the gavel fell.]

FIVE YEARS OF THE TRADE-AGREEMENTS PROGRAM

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

DEMOCRATIC TARIFF MAKING

Mr. COX. Mr. Speaker, recently I took occasion to set forth some of the reasons why it was necessary for the Nation to initiate some form of recriprocal-trade arrangements with foreign countries. The mere mention of the names Blaine, McKinley, Taft, Hughes, and Stimson is enough to dispel any idea that reciprocity as it has developed in the United States is alone a project of the Democratic Party.

For at least half a century the best efforts of the forward-looking leadership of both the Democratic and the Republican Parties have been devoted to the task of taking the tariff out of politics and politics out of the tariff—which is and of right ought to be a strictly economic and nonpartisan field. The culminating and, I believe, the most effective accomplishment in that direction during those 50 years has been the enactment by Congress of the Trade Agreements Act of 1934, the extension by Congress of that act in 1937, and the prosecution of the trade-agreements program under that act.

Examined under every fair and sound test that can be applied, I am convinced that the trade-agreements program has demonstrated itself to be an effective approach to a scientific, practical, and successful application of a sound national-tariff policy. We recognize that our tariff program must produce revenue, adequately protect American industry, labor, and agriculture, and conform to certain principles of international relations—friendship, equality of treatment, and encouragment of advantageous international commerce—which have been the basic principles of the foreign policy of this Government from its inception.

THE TARIFF IS A POLITICAL "NATURAL"

It has been proved in the past half century that taking politics out of the tariff is no small task. There are important reasons why the tariff is a political issue. Politicians discovered that fact far more than a century ago. The effects of the United States tariff touch one way or another every group and every individual in this country. The producer finds the tariff a factor in his business. The consumer finds the tariff influencing his standard of living. The tariff projects into the foreign relations of the United States some of the most complex and difficult problems in that field

Whatever touches so deeply the interests and the welfare of all the citizens of the country tends to be considered from an emotional viewpoint rather than from one of objective analysis. That emotional reaction has not been overlooked by partisan politicians or by others with special advantages to gain.

For still another reason, emotional public reaction to the tariff has dominated scientific consideration. Tariffs and their applications involve economic and industrial questions that are highly technical, questions whose answers depend upon information that can be obtained only through patient, long, and technical research. Faced with these questions, the average citizen is not to be blamed if his attitudes are determined by his emotions or by what may be told to him in convincing words, clothed in elegant rhetoric, and delivered with resounding oratorical effect.

A former Republican member of the United States Tariff Commission and a diplomatic representative of this country, William S. Culbertson, in a book published in 1937, says:

The tariff, however, as a campaign issue, has produced a mass of irrelevant and misleading ideas which are deeply embedded in the prejudices of the American people. Undue emphasis has been given to the noneconomic phases of the problem. Campaigners, party spokesmen, and the press have claimed for the tariff advantages, on the one hand, and evils, on the other, far from reality. Protagonists in political debates have followed the time-worn but not time-honored practice of presenting half-truths, ascribing to the tariff results arising primarily from other causes and inflaming uninformed citizens by an appeal to their prejudice against things foreign. The tariff issue has been, and still is, to a lessening extent, a favorite device for confusing and misleading the American voter. Conclusions are often reached quickly and on less evidence than is demanded by the citizens in probably any other field of policy (Reciprocity, William S. Culbertson, McGraw-Hill Book Co., New York, N. Y., 1937).

Under the old methods of administering the foreign-trade policy of the country primarily through the tariff, emotion and selfishness rather than scientific knowledge were the most powerful stimuli directing action on tariff matters. The United States tariff schedules contain literally thousands of items, each of which exerts its economic effect upon the citizens of the United States and upon their welfare. This is true regardless of the policy framework into which the tariff items may be fitted. To expect any large group to adjust and adapt, on a scientific basis, all these thousands of items, is to expect the impossible.

LOG ROLLING IN ITS MOST PERNICIOUS FORM

On this subject, a Republican Member of the other body made a most pertinent and accurate statement on the floor of the Senate in 1934, when the original Trade Agreements Act was being considered. This Member said, in part:

Mr. President, as I said before, the traditional way to rewrite the tariff laws is for Congress to revise the tariff schedules. But if reciprocal-trade agreements are to be negotiated it does not look as if Congress, from the practical viewpoint, is qualified, or even able, to undertake the task. These agreements will have to be negotiated by some agency of Government with certain bargaining power, and after canvassing the situation in my own mind, the executive branch of the Government seems to be the only logical agency.

As a matter of fact, if the job is only to revise the tariff schedules, if bargaining with other nations is left out of the picture, our experience in writing tariff legislation, particularly in the post-war era, has been discouraging. Trading between groups and sections is inevitable. Log rolling is inevitable, and in its most pernicious form. We do not write a national tariff law. We jam together, through various unholy alliances and combinations, a potpourri or hodgepodge, sectional, and local tariff rates which often add to our troubles and increase world misery. For myself, I see no reason to believe that another attempt would result in a more happy ending (Senator Capper, Congressional Record, June 4, 1934, pp. 10718–10720).

A STEP IN THE RIGHT DIRECTION

At least as far back as 1890 the Congress recognized the impossibility of moving quickly and scientifically to meet developments in the field of foreign commerce wholly by legislative enactment. It made this recognition when, in passing the McKinley tariff bill of that year, it authorized the President, under certain stipulated conditions and limitations, to suspend from the free list the imports of certain specified commodities from countries which might discriminate against the trade of this country. The McKinley Act provided that under such conditions the President by proclamation should cause to be applied to these imports certain tariff rates that were also specified in the act.

In itself this was not a great change from the traditional process of tariff making by legislation, but it signalized a most significant recognition by Congress of the necessity of flexibility in making tariff adjustments to meet certain new conditions as they developed, and the party responsible for this step deserves due credit.

The next step, which followed in 1897, was the Dingley bill, which authorized the President to make tariff reductions on the products of nations which granted to this country concessions on its exports. As it turned out the part of the legislation which called for ratification of certain of the arrangements was unwise because nothing definite was accomplished under the act. This lack of accomplishment was a disappointment to President McKinley, who in his last public utterance strongly expressed himself in favor of reciprocity which would accomplish something. The Dingley Act also unwisely embodied the so-called conditional most-favored-nation principle, under which the benefits of tariff reductions by the United States were restricted to the products of foreign countries which made direct concessions on their imports of the products of this country.

THE COST-OF-PRODUCTION FORMULA

As early as 1904 Republican platforms stated that the measure of tariff protection should be the equalization of costs at home and abroad. Little, however, was said of this new principle during the political campaign of that year. But in 1908 the same formula was characterized as the "true principle of tariff protection." This so-called true principle was to be the definitive solution to the whole tariff question; the tariff was to be taken out of politics through the cost formula. Carried to anything like its logical conclusion, in spite of its engaging appearance, this principle would mean a stoppage of foreign trade. Could not sugarcane be raised under glass in Maine if the tariff were high enough to offset nature of the Tropics? This step, however, was possibly worth while as an experiment, particularly from a constitutional standpoint. I shall have something more to say regarding the results of the so-called true principle shortly.

During the campaign of 1908 the Democrats spoke of a competitive tariff, which on its face would seem to be about the same as the Republican true principle. The true principle was, of course, to include reasonable profits for American producers in addition to the costs. The Democrats recognized that monopolies had grown up in part as a result of high tariffs and believed in something more competitive than costs plus a profits guaranty.

Up to 1909 the Congress made tariff rates primarily on the basis of the information and data gathered for itself and furnished by interested parties. In that year the Taft Tariff Board was established for the purpose of compiling data and information for the guidance of Congress in tariff legislation. In 1917 President Wilson established the Tariff Commission, and for about the first 5 years of its existence it likewise had the function of compiling information largely for the use of Congress itself in tariff making.

THE RECIPROCITY ARRANGEMENT OF 1911 WITH CANADA

A discussion of the subject of reciprocity in relation to tariff making would be incomplete without at least mention of the reciprocity arrangement of 1911 with Canada, which was rejected by that country. It will be recalled that President Taft was willing to stake his political future on this farreaching tariff treaty. He had promised a downward tariff revision in 1908, and apparently placed great store in this arrangement. This treaty, made under a Republican administration, went much further in reducing duties than the present agreement with that country.

As a matter of fact, in that arrangement most agricultural products and raw materials were placed on the free list in both countries. This is quite a contrast to the present position now taken by many members of Mr. Taft's party on tariff matters. Under that agreement milk, potatoes, catle, cheese, wheat, and many other products were placed on the free list. Think of it. Free cheese, potatoes, milk, cattle, products whose duties have been reduced in the recent agreement and from the results of which one might gather that the country has been ruined several times over by the importations, if one is to believe all he reads in the Congressional Record. It is not a sufficient answer to say that the former treaty with Canada was based upon the conditional most-favored-nation clause. The chief complaint has been against the imports of these products from Canada, the chief sup-

plier. In the 1911 arrangement, duties were reduced on many manufactured and semimanufactured products, in addition to the long free lists between the two countries. Although this treaty was rejected by Canada, I think we may well consider the arrangement a step in the direction of reciprocity and in taking the tariff out of politics, and we can thank the Republican Party for this contribution.

In 1922 there were important further steps toward scientific tariff making. In the so-called "flexible tariff" provisions of the Tariff Act of 1922, the President was authorized to make changes in the tariffs, either upward or downward, in order to conform to differences in the costs of production of certain commodities in this country and in foreign countries. The so-called "true principle" in a modified form was given a trial. The changes in rates were limited to not more than 50 percent of the existing rates and were made only after the Tariff Commission had determined what the cost differences were and had specifically recommended the changes to the President. The President did not have to act upon the recommendations of the Commission. As a matter of fact, President Coolidge pigeonholed some reports calling for decreases in tariff rates under this act. Such action, or inaction was a prime reason for criticism of the "true principle." Some of those advocating the "true principle" were untrue to it when it called for reductions in duty.

The most important development in 1922 was the adoption by the United States of the "unconditional most-favorednation policy." Under that policy foreign countries were not required to make any concessions to this country in order to obtain the benefit of tariff reductions; they automatically received those benefits; they gave us no concessions for the few and inconsequential reductions made under the act of 1922.

HAWLEY-SMOOT ACT A SET-BACK

The slow but steady movement toward nonpartisan, scientific methods of making tariffs was, from some points of view, continued in the act of 1930, because that act continued in effect the flexible tariff provisions of the act of 1922, still based upon the "true principle" of cost of production. It also continued the unconditional most-favored-nation policy which had been adopted in 1922, but it largely nullified and offset the advantages and possibilities of these features with an unprecedented raising of the level of tariff rates themselves. The consequence of so drastic a step backward in the rate structure was that the act turned out to be, in some respects, a reverse in the movement for taking the tariff out of politics. The United States turned its back on the elementary principles of commerce and business, in direct defiance of the solemn and clear-cut warning of more than 1,000 of the country's economists. The act of 1930 perpetrated by legislative action and with a complete disregard of scientific consideration and guidance the most disastrous piece of tariff making that we have seen in recent decades. Disregarding the fact that this country had changed from a debtor to a creditor nation as a result of the World War, the philosophy behind the Hawley-Smoot bill was to keep out of this country by excessive tariffs the goods and products with which, and only with which, foreign nations could pay their debts to us. Under the guise of "protecting" American producers, Hawley-Smootism destroyed the foreign markets of American producers and thereby cut the employment and the buying power of American consumers until the domestic market was a fraction of what it had been.

LOGROLLING AGAINST THE FARMER IN THE HAWLEY-SMOOT TARIFF

Nor was the fundamental philosophy of the Hawley-Smoot Tariff the only deplorable aspect of that unfortunate act. In the upsurge of enthusiasm for suicide by the tariff route, there was plenty of "selling down the river" of various groups at the expense of other groups. Probably the most wholesale betrayal was that of the agricultural interest of this country. It will be recalled that it started out to be a limited tariff revision for the benefit of agricultural interests. The trap for the farmers was baited crudely and clumsily, with promises of upward revision of the tariff on farm products and renewals of the old cry about giving the American mar-

ket to the American farmer. In the Hawley-Smoot Act, tariff rates on farm products were raised, especially on such products as pork, cotton, and tobacco, which are some of the major exports of the American farmer and which he must export if he wants to make a living. The only effect of such tariff increases was to make it all the more difficult, if not impossible, for foreign countries, by selling some of their own goods in this country, to buy the American farmers' crops.

But the "pledge to agriculture" had been fulfilled-the farmer had been given a series of wholly ineffective harmful paper tariff increases; other interests got their share. Group after group, industry after industry put on the pressure. Scientific consideration of tariff changes was abandoned; logrolling, trading, and an indiscriminate riot of tariff boosts that applied to a large proportion of the imports into the United States was the order of the day. The increases had little relationship to the so-called true principle. Cost data from the Tariff Commission on various products was completely ignored; increases exceeded the differences in costs at home and abroad as found by the Tariff Commission—examples, flaxseed, straw hats. The high-tariff philosophy was put into effect by methods which were deliberately made the opposite of the scientific method; the act was a flat violation of the recommendation of trained and expert men. The true principle went overboard.

WHERE UNSCIENTIFIC TARIFF MAKING LED

The story is all too fresh in our memories of the consequences that followed the Hawley-Smoot tariff-boosting orgy of 1930. The foreign markets closed against our exports, the surpluses piled up in this country, the prices went down and down, the lines of unemployed lengthened and lengthened again. The effects of this wholly unscientific tariff-making adventure were by no means limited to agriculture. Total American exports dropped more than one-half from 1929 to 1932. Total national income, which is the key index of the American standard of living, went down from about \$80,000,-000,000 in 1929 to about \$40,000,000,000 in 1932.

OPPOSITION TO SCIENTIFIC TARIFF MAKING

To every one of the advancing steps which I have enumerated there was opposition—opposition by groups with special interests, political or commercial. These groups found it vastly easier to obtain special advantages for themselves, more often than not at the direct expense of other groups in this country; they wanted tariff rates to be made by the old emotional, logrolling process, under which pressure, secret or open, could be brought to bear, and under which sound, fury, and oratory could be used to stir up prejudices and to becloud purely economic issues. Inequitable, unsound tariffs, special-privilege tariffs, are always easier to obtain in the heat of partisan debate and excitement than in the cold, clear light of informed and scientific investigation. That is why the leaders of both parties, the genuinely outstanding statesmen of the country, have waged this 50-yearlong fight to take the tariff out of politics.

THE RETURN TOWARD SANITY

It will be recalled that tariff reform was called for by the Democratic Party during the campaign of 1932. It should not be forgotten that what is now taking place through trade agreements is a careful and cautious adjustment of the Hawley-Smoot Act; call it reform, repeal, or any other name you wish.

The country was sick of the tariff situation that had been brought about by political medicine dances and by deals with special interests. Congress was ready to turn, and did turn again in 1934 toward more intelligent, realistic, and scientific methods of dealing with one of the most complex and technical economic problems—tariff adjustment. The tariff, in spite of the advance steps already indicated, was still deep in politics. The resultant collapse of our markets, our living standards, and our whole economy was a most convincing argument for another effort to separate politics and the tariff.

To put Americans back to work, to reopen foreign markets for American crops and manufactures, to restore the buying power of American citizens, and to reestablish the American standard of living which had deteriorated so sadly, Congress passed the Trade Agreements Act of 1934.

No such outlandish claims were made then or are made now for that act as were made for that astounding conglomeration, the Hawley-Smoot Act. The Trade Agreements Act was not guaranteed to heal all our economic ills in 30 days, 60 days, or even 6 months. But it was conceived and designed to remove some of the inequitable and unrealistic stumbling blocks and obstacles which were choking our foreign as well as domestic commerce.

In 5 years of operation the trade-agreements program has proved itself remarkably effective in making gains toward its objectives. But this success has not prevented the renewal of special-interest and partisan political attacks on the program. It has largely been subjected to the same type of opposition as were the earlier attempts to break away from political domination in a purely economic field. During this session of Congress we have more than once heard the program attacked with the same half-truths and misleading statements that Mr. Culbertson referred to in his book from which I quoted. We have heard, and we read in the daily press, statements calculated to inflame public prejudice and emotion. The tariff is still what Mr. Culbertson called "a favorite device for confusing and misleading the American voter."

TRADE-AGREEMENTS PROGRAM MEETS TWO TESTS

Any method of putting into effect a sound national tariff policy must conform to the requirements of the American philosophy of democracy in government and must pass the practical test—does it work?

I maintain that the Trade Agreements Act of 1934 and the trade-agreements program that has been based upon that act are in the best American tradition of democratic principles in the conduct of public affairs.

In the first place, Congress, as the legislative branch of the Government, initiates, regulates, and controls the program in its essential aspects. This is in accord with the constitutional provision that Congress shall control matters of interestate and foreign trade and our commercial relations with foreign countries. Congress examined this phase of the Trade Agreements Act most thoroughly in 1934 when the original act was passed, and reexamined it again in 1937 when the act was extended. By the provisions of the resolution extending the life of the act, Congress provided that the legislation should again come before it for review after 3 more years. Aside from the fact that under the Constitution the Congress has the power at any moment to modify or repeal any legislation which it has enacted, the original passage of the Trade Agreements Act and its extension demonstrate the conviction in the minds of Congress that this legislation is in line with the principles of the American way of Government.

CONGRESS MAKES ALL THE RULES

Congress, the legislative body elected by the people, went much further than merely assuring to itself the power of periodical review. Congress set the limits within which changes in United States tariffs may be made under an agreement, restricting those changes to not more than 50 percent of the tariff rates established in existing laws. This principle had already been passed upon by the Supreme Court (Hampton & Co. v. United States, 276 U. S. 394, 409) At the same time Congress provided that no commodity should be transferred from the free to the dutiable list or from the dutiable to the free list, under a trade agreement.

In view of the relatively high level of the tariff rates established under the Tariff Act of 1930, this provision alone would seem to be an adequate safeguard against any unwise impulse toward too sharp a reduction in United States tariffs. Judged from the technical and economic facts, there are few tariffs on the 1930 schedules which could not be reduced from one-fourth to one-half and still give entirely adequate protection to any efficient American productive enterprises which they may affect.

PUBLIC VIEWS AND OPINIONS REQUIRED

Congress in passing the Trade Agreements Act has gone further than merely retaining in its own hands the power to lay down the framework and write the rules.

Under the law public hearings must be held before any agreement is concluded and the views of any persons concerned who care to testify can be heard. In practice, the trade-agreement procedure goes even further than the law requires. The Committee for Reciprocity Information, made up of representatives of the Government agencies that are charged with carrying on the program, not only holds the required public hearings but continuously receives, studies, and analyzes letters, statements, and briefs from the public and from interests affected by proposed trade agreements. The information derived from this material is utilized by the interdepartmental committee of experts who work on the trade agreements.

UNWARRANTED CRITICISM OF HEARINGS

There has been a great deal of irresponsible talk about the alleged inadequacy of the public hearings under the Trade Agreements Act. A comparison of the provision for hearings under this act parallels rather closely the provisions for hearings under the Republican acts of 1922 and 1930 relative to the so-called true principle or flexible provisions. The late Thomas Walker Page, who served for a about a decade on the Tariff Commission, and who was appointed both under a Republican and Democratic administration, said of the hearings under reciprocity:

In the preparation of these trade agreements there has been less secrecy and there has been more opportunity for interested parties to present their views than there has been in any tariff revision for more than a hundred years.

The criticism relative to hearings has been along the lines that the industries involved do not know what is going to happen to the rates of duty on their products until the agreements are signed. It must not have occurred to the critics that this followed the exact methods of the cost-of-production hearings and the announcement of results of the findings by the Tariff Commission by the President. After the public hearings under the acts of 1922 and 1930, the presumption was that the industry affected did not know whether the rates of duty would be increased or decreased until the President signed his proclamation. The Republicans should be flattered that so much of the trade-agreements program has been borrowed from them.

The Committee for Reciprocity Information publishes announcements, well in advance, of any intention to negotiate with a foreign country for a trade agreement, and then publishes a list of all the commodities on which the United States might consider making tariff or other concessions under the agreement when it is concluded. The right of a proper hearing is denied no one.

TECHNICAL ADVICE ON TECHNICAL QUESTIONS

In other ways, the act itself, as drawn by Congress, has guaranteed the democratic nature of the administration of the program. The act does not delegate authority to one man, or even to one governmental agency, to carry out the technical details that are to be fitted into the framework which has been drawn up by Congress itself. Under the statute, Government departments that are primarily concerned with the commercial policy of the United States and with the economic welfare of its citizens must be consulted on the agreements. The law requires that before any agreement is concluded the advice of the United States Tariff Commission, of the Departments of State, Agriculture, and Commerce, and of such other sources as the President may deem appropriate, must be obtained.

The effect of this provision in the law is far more important than might appear at a casual reading of the statute. It means that there are called into consultation, on each agreement, the best experts in the employ of the Government, with the various viewpoints of the agencies from which they are drawn. It means that every economic group

in the United States has representation and understanding in the process of framing an agreement, instead of only those groups able to exert pressure. It means that the provisions of the agreements are considered by men unswayed by political bias, relatively free from the pressure of special interests, able to see beyond the horizon of any single district or region; they examine and evaluate the significance to the whole national economy of any approval that may be made in connection with an agreement. This provision itself, perhaps more than any other feature of the entire program, tends to take politics out of the tariff and to establish that sound, expert, scientific method which has been the objective of both political parties for the past half century.

BASIC PRINCIPLES OF OUR FOREIGN RELATIONS

Fundamental to the foreign policy of this Government from its inception have been three principles—friendship with all nations, equal treatment of all nations, and cultivation of mutually profitable commerce with all nations. The trade-agreements program conforms to all three of these principles.

FRIENDSHIP

The trade-agreements program cultivates and furthers friendships by following the method of friendly, across-thetable discussion in the establishment of trade relations with foreign nations. It relies on no threats; it invokes no penalty tariffs and retaliatory restrictions; it involves no economic domination by strong-arm tactics in its dealings with foreign countries. The history of the past 5 years of negotiation for trade agreements is a history of friendly, fair, and straightforward bargaining around peaceful council tables. In its procedure of negotiation the trade-agreements program has been a definite demonstration of the very basic belief of the United States that international differences and international problems can best be settled by friendly arbitration and mutual concession.

It stands out clearly as a demonstration in contrast to the opposite tactics of some nations which have relied on economic force, backed by military might, to gain their ends in international commerce. It is in itself proof that international relations can be established and maintained on a friendly basis.

EQUAL TREATMENT FOR ALL NATIONS

The Trade Agreements Act not only writes into law the unconditional most-favored-nation policy which had been adopted in 1922, but extends that principle to practically all of our commercial relations. As before indicated, the administration that first embraced the principle of unconditional most-favored-nation treatment was a Republican administration. The Congress that wrote that policy into law so that it became more effective was a Democratic Congress. Both parties should have part of the credit for these progressive steps.

In spite of this the unconditional most-favored-nation treatment has been subjected to a considerable amount of partisan criticism. In principle, I repeat, the application of the most-favored-nation treatment under trade agreements does not differ from the Tariff Acts of 1922 and 1930. It will be remembered that these laws required that the United States determine the cost of production in the chief competing countries. Such costs were compared with the domestic costs and the changes in the rates of duty made on this difference. It so happened that practically all the changes under the Tariff Act of 1922 were increases. But all countries were treated exactly alike. Once the costs in the chief supplying country were determined the increased or decreased rates applied to all countries, just as do the changesdecreases-under the most-favored-nation clause under the Trade Agreements Act.

There is this main difference: In the reductions made under the trade agreements, the foreign countries give concessions on American products coming into their markets; under the cost-of-production formula such was not the case; the reductions made were granted to all countries without any specific benefits to our export trade.

This unconditional most-favored-nation policy embodies a positive and active principle for protecting our own exports from unfair treatment in the markets of all other countries. The benefits which we grant to one country through a trade agreement, and automatically extend to other countries through the most-favored-nation clause, may be withheld from the products of a third country, as has been done in the case of Germany, when that country is found to be discriminating against the exports from the United States. This gives every country in the world an incentive—and a strong incentive—to treat our trade fairly. It gives the United States a leverage on every country in the world, whether or not that country has entered into a trade agreement with us. Its effect has been to safeguard our export trade in many markets of the world.

FOR MORE AND BETTER INTERNATIONAL TRADE

Third among the principles of foreign-trade policy that I have enumerated as basic to the American philosophy in this field is the cultivation and stimulation of mutually profitable trade and commerce between the United States and other countries. No foreign-trade program which limits, obstructs, or diminishes that trade is in harmony with American principles. That is why American ideals were outraged by the narrow, restrictive, bilateral balancing trade policies which have been adopted by the dictatorships and which have held down their foreign trade to low levels, rather than expanding it.

The trade-agreements policy is the diametric opposite of such programs. Inherent in the method of making trade agreements is the necessity that through them trade opportunities for both parties shall be expanded. Neither the United States nor the other nation across the table is going to seek a concession, in negotiation, which does not give promise of expanding its trade opportunities. Neither the United States nor the other party is going to grant a concession which restricts or hampers its trade opportunities unless, in return, it obtains a concession which will, in the long run, more than offset any temporary check in the flow of its commerce.

The primary objective of the trade-agreements program, set down in the act itself, and effectively achieved in the carrying out of the program, is to break down the wall of arbitrary, uneconomic, and excessive barriers to trade among nations. The period immediately after 1929 saw a swift and world-wide unspringing of such barriers, with our own Hawley-Smoot tariff law making a notable contribution. Those barriers were designed to cripple, throttle, and kill world commerce, and were remarkably effective in doing so. Such choking of the channels of world trade, such iron-bound halting of international commerce, is the direct antithesis of the traditional and basic American philosophy of foreign commercial relations.

A COMMON SENSE CONCLUSION

Through the trade agreements that have been negotiated under our trade-agreements program, literally hundreds of these barriers have been lowered or removed entirely, through friendly discussion and careful negotiation, not through politics and logrolling. The very obvious common-sense conclusion-in fact, the only conclusion that can be reached through common sense-is that with these barriers out of the way there has been more foreign trade than there would have been had the barriers remained against the stream of commerce. The conclusion is just as sound as ever when it is freely admitted that there have been many other factors, and powerful factors, beside the trade agreements to cause the volume of world trade to move up, or to move down. Some of these factors have been so potent as to offset the net effect of the trade agreements, but that does not mean that the trade agreements have exerted no influence.

Heretofore I have shown how the foreign trade dropped from 1929 to 1933. I now want to indicate the increases in our foreign trade since 1932.

Increases in United States foreign trade since 1932

	Total exports	Percent of 1932	General imports	Percent of 1932
1932 1933 1934 1935 1936 1937	\$1, 611, 000, 000 1, 675, 900, 000 2, 133, 900, 000 2, 283, 000, 000 2, 456, 600, 000 3, 349, 000, 000	104. 0 132. 4 141. 7 152. 5 207. 9	\$1, 323, 000, 000 1, 450, 000, 000 1, 655, 000, 000 2, 047, 000, 000 2, 423, 000, 000 3, 084, 000, 000	109. 6 125. 1 154. 7 183. 1 233. 1

It is seen that the exports in 1938, though not as large as 1937, were 192 percent of the 1932 level. The imports for 1938 were 148 percent of 1932.

I claim that the volume of our exports and our imports has responded to the removal of artificial and excessive barriers to such trade through trade agreements negotiated with 20 countries, encompassing more than half of our total trade, and including some of the biggest trading countries of the world. I intend in the near future to show in a very definite way that the removal of those barriers has unquestionably exerted a steady upward influence on the volume of our foreign trade, in conformity with the American principle of more and better trade with foreign countries.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 188. An act to provide for the administration of the United States courts, and for other purposes; and

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 1, 1939, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. STEAGALL: Committee on Banking and Currency. H. R. 7120. A bill to provide for the construction and financing of self-liquidating projects, and for other purposes; with an amendment (Rept. No. 1421). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 4989. A bill to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908, as amended (U. S. C., title 45, ch. 2); with amendment (Rept. No. 1422). Referred to the House Calendar.

Mr. CELLAR: Committee on the Judiciary. H. R. 7294.

Mr. CELLAR: Committee on the Judiciary. H. R. 7294. A bill to provide for the establishment of terms of the District Court of the United States for the Southern District of New York at Poughkeepsie, N. Y.; without amendment (Rept. No. 1423). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 286. Resolution providing for the consideration of H. R. 7120, a bill to provide for the construction and financing of self-liquidating projects, and for other purposes; with amendment (Rept. No. 1424). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Florida:

H. R. 7423. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. SPARKMAN:

H. R. 7424. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

By Mr. ANDREWS:

H. R. 7436. A bill to amend the River and Harbor Act of March 3, 1905, by eliminating Wilson Harbor, N. Y., from its provisions, and for other purposes; to the Committee on Rivers and Harbors.

H.R. 7437. A bill to amend the River and Harbor Act of March 3, 1905, by eliminating Wilson Harbor, N. Y., from its provisions; to the Committee on Rivers and Harbors.

H. R. 7438. A bill making an appropriation for reconditioning the east and west piers (Federal) at the entrance to Wilson Harbor, Niagara County, N. Y., and for dredging; to the Committee on Appropriations.

By Mr. COFFEE of Washington:

H. Res. 282. Resolution creating a special committee to investigate the effectiveness of production control as a means of conserving the supply of petroleum for the national defense, and the effect of conservation through production control on competition and the public interest; to the Committee on Rules.

By Mr. BOYKIN:

H. Res. 283. Resolution relating to the compensation of messenger in the House radio press gallery; to the Committee on Accounts.

By Mr. DEROUEN:

H. Res. 284. Resolution authorizing a survey and study of the national parks, national monuments, and national shrines; to the Committee on Rules.

H. Res. 285. Resolution providing for expenses in House Resolution 284; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTWRIGHT:

H. R. 7425. A bill for the relief of the parents of Charldean Finch: to the Committee on Claims.

By Mr. CHANDLER:

H. R. 7426. A bill for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn.; to the Committee on Claims.

By Mr. MICHAEL J. KENNEDY:

H. R. 7427. A bill for the relief of Ivan and Anton Yederlinic; to the Committee on Immigration and Naturalization.

By Mr. LEMKE:

H.R. 7428. A bill for the relief of the Barlow Grain and Stock Exchange and the Farmers Union Oil Co.; to the Committee on Claims.

By Mr. LESINSKI:

H.R. 7429. A bill for the relief of Dymitro Kindrat; to the Committee on Immigration and Naturalization.

By Mr. McLEOD:

H.R. 7430. A bill for the relief of Hubert T. Duncombe; to the Committee on Naval Affairs.

By Mr. MAAS:

H. R. 7431. A bill for the relief of the present officer in charge of the Navy School of Music; to the Committee on Naval Affairs.

H. R. 7432. A bill for the relief of Lt. Thomas Edward Renaker, United States Navy; to the Committee on Naval Affairs.

By Mr. MOTT:

H. R. 7433. A bill granting a pension to Bjorn Paulsen; to the Committee on Invalid Pensions.

By Mr. ROMJUE:

H. R. 7434. A bill granting a pension to Guy Boster; to the Committee on Invalid Pensions.

By Mr. TIBBOTT:

H. R. 7435. A bill granting a pension to Anna C. Haley; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5164. By Mr. ANGELL: Petition submitted by Lee Knipe, secretary, Oregon Workers Alliance, and signed by John W. Witty and sundry other citizens of Oregon, in support of the Murray bill (S. 2765); to the Committee on Ways and Means.

5165. By Mr. KEOGH: Petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, opposing all pending amendments to the Wage Hour Act; to the Committee on Labor.

5166. Also, petition of the International Association of Machinists, Washington, D. C., opposing House bill 7133, the Barden bill, to amend the Wage and Hour Act; to the Committee on Labor.

5167. By Mr. PFEIFER: Petition of the International Association of Machinists, Washington, D. C., concerning the wage-and-hour provisions of the Fair Standards Act; to the Committee on Labor.

5168. Also, petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, Washington, D. C., concerning the Wage and Hour Act; to the Committee on Labor.

5169. Also, petition of the New York State Farm Bureau Federation, Ithaca, N. Y., concerning House bill 7133; to the Committee on Agriculture.

5170. By the SPEAKER: Petition of the American Legion Post, No. 45, Kansas, Okla., petitioning consideration of their resolution with reference to providing a service pension for all veterans of the World War who fall under certain conditions; to the Committee on World War Veterans' Legislation.

SENATE

TUESDAY, AUGUST 1, 1939

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Accept, O God, our memories, our understanding, and our wills. All that we are and all that we possess Thou has bestowed upon us. Grant us only the love of Thee, together with Thy grace, to know and do what is right in Thine eyes, and we are rich enough; nor do we ask for aught besides. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 31, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum, The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	King	Schwartz
Andrews	Downey	La Follette	Schwellenbach
Austin	Ellender	Lee	Sheppard
Bailey	Frazier	Lucas	Shipstead
Bankhead	George	Lundeen	Slattery
Barkley	Gerry	McCarran	Smathers
Bilbo	Gibson	McKellar	Smith
Bone	Gillette	Maloney	Stewart
Borah	Guffey	Mead	Taft
Bridges	Gurney	Miller	Thomas, Okla.
Brown	Hale	Minton	Thomas, Utah
Bulow	Harrison	Murray	Tobey
Burke	Hatch	Neely	Townsend
Byrd	Hayden	Norris	Truman
Byrnes	Herring	Nve	Tydings
Capper	Hill	O'Mahoney	Vandenberg
Chavez	Holman	Pepper	Van Nuys
Clark, Idaho	Holt	Pittman	Wagner
Clark, Mo.	Hughes	Radcliffe	Walsh
Connally	Johnson Calif.	Reed	Wheeler
Danaher	Johnson, Colo.	Russell	White

Mr. MINTON. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. Caraway] and the Senator from Rhode Island [Mr. Green] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], and the Senator from Louisiana [Mr. Overton] are unavoidably detained.

The Senator from Arizona [Mr. ASHURST] is detained because of illness in his family.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S.5. An act to grant certain lands to the Arizona State Elks Association Hospital;

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.:

S.185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands:

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;

S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S.755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire;

S. 1081. An act for the relief of John B. Jones;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;

S.1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky:

S. 1527. An act for the relief of Joseph Lopez Ramos;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1722. An act for the relief of Hannis Hoven;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1823. An act for the relief of William E. Cowen;

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1882. An act for the relief of Thomas A. Ross;

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men:

S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2061. An act for the relief of William Hillock;

S. 2067. An act for the relief of Leslie J. Frane and Charles Frane;

S. 2082. An act for the relief of Hugh A. Smith;

S. 2114. An act for the relief of Virginia Pearson;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Depart-

S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren

River at or near Barrington, R. I.;

S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign coun-

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 2366. An act for the relief of Franklin C. Richardson;

S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells):

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.;

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration:

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg. Mo.:

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decora-

tion from the Norwegian Government:

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy,

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St. Georges, Del.;

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind.;

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation. and for other purposes:

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which

revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States," approved June 22, 1936; and

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

The message also announced that the House had passed the following bills and a joint resolution of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 6. An act to return a portion of the Grand Canyon

National Monument to the public domain; S. 28. An act to provide for the erection of a public his-

torical museum in the Custer Battlefield National Cemetery,

S. 809. An act for the relief of Jessie M. Durst:

S. 821. An act for the relief of Charles L. Kee;

S. 891. An act for the relief of J. C. Grice;

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1429. An act for the relief of Earl J. Reed and Giles J.

S. 1448. An act for the relief of Anna H. Rosa;

S. 1654. An act for the relief of Mrs. Pacios Pijuan;

S. 1816. An act for the relief of Montie S. Carlisle;

S. 1821. An act for the relief of Harry K. Snyder;

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas);

S. 2056. An act for the relief of N. F. Clower and Elijah Williams:

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

S. 2271. An act for the relief of Barnet Warren;

S. 2408. An act for the relief of Russell B. Hendrix;

S. 2410. An act relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2562. An act to facilitate certain construction work for

the Army, and for other purposes: and S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.;

S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich;

S. 808. An act for the relief of Calliope Minaca Pilavakis; S. 1092. An act for the relief of Sigvard C. Foro;

S. 1269. An act for the relief of Emil Friedrich Dischleit: S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk;

S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas); and

S. 1954. An act for the relief of Joannes Josephus Citron. The message also announced that the House insisted upon its amendment to the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. WILLIAMS of Missouri, Mr. Spence, Mr. Wolcott, and Mr. Gifford were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolutions, in which

it requested the concurrence of the Senate:

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others":

H. R. 808. An act to confer jurisdiction upon the District Court of the United States for the southern district of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation;

H.R. 884. An act to add certain lands to the Siuslaw

National Forest in the State of Oregon;

H.R. 1428. An act for the relief of First Lt. Samuel E.

H. R. 1629. An act conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107 issued by the Patent Office of the United States on or about July 22, 1919:

H.R. 1843. An act for the relief of the estate of K. J. Foss:

H. R. 2041. An act for the relief of Tom Kelly;

H.R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider, Jr.:

H. R. 2184. An act to authorize the Secretary of the Interior to convey certain property to Washington County, Utah, and for other purposes;

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H.R. 2315. An act to provide for the addition of certain lands to the Vicksburg National Military Park, in the State of Mississippi, and for other purposes;

H. R. 2344. An act for the relief of James McConnachie;

H. R. 2358. An act for the relief of Alfred Joseph Wright; H. R. 2363. An act for the relief of the estate of Harvey T.

H. R. 2418. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become parts of the Whitman, Malheur, or Umatilla National Forests:

H. R. 2440. An act for the relief of Thomas J. Smith;

H. R. 2738. An act providing for the disposition of certain Klamath Indian tribal funds;

H.R. 2860. An act for the relief of Ben Willie Jones, as legal representaive of Thelma Jones, a deceased minor;

H. R. 2883. An act to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act;

H.R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, as amended;

H.R. 3051. An act for the relief of certain workers performing emergency work at Cairo, Ill., in the Ohio River flood of 1937;

H. R. 3087. An act for the relief of Gdynia America Line, Inc., of New York City, N. Y.;

H.R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H.R. 3159. An act for the relief of the estate of Costas

H.R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren;

H. R. 3363. An act for the relief of the American Insurance Co. of New Jersey:

H. R. 3391. An act providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles;

H.R. 3477. An act for the relief of Francisco R. Acosta; H.R. 3481. An act for the relief of C. Z. Bush and W. D. Kennedy;

H. R. 3569. An act for the relief of J. Aristide Lefevre;

H. R. 3676. An act for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.;

H. R. 3689. An act for the relief of the Columbus Iron Works Co.;

H.R. 3695. An act to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement project in Alaska, and for other nurnoses:

H. R. 3764. An act to validate and confirm a certain conveyance heretofore made by Central Pacific Railway Co., and its lessee, Southern Pacific Co., to Consolidated Warehouse Co., involving a portion of the right-of-way acquired by the Central Pacific Railroad Co. of California under the act of Congress approved July 1, 1862 (12 Stat. 489);

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3853. An act for the relief of Floyd Elton;

H. R. 3912. An act for the relief of the heirs of John Cauley, deceased;

H. R. 3927. An act for the relief of Marijo McMillan Williams;

H. R. 3931. An act for the relief of Charles H. LeGay;

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3962. An act for the relief of Grace Campbell;

H. R. 4033. An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H. R. 4072. An act for the relief of Emmitt Courtney;

H. R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4088. An act to amend the Commodity Exchange Act, as amended, to extend its provisions to fats and oils, cottonseed, cottonseed meal, and peanuts;

H. R. 4097. An act to authorize the use of certain facilities of national parks and national monuments for school purposes:

H.R. 4115. An act for the relief of W. C. and James Latane, and Willie Johnson;

H.R. 4126. An act for the relief of Warren Zimmerman; H.R. 4141. An act for the relief of Celia Press and Bernard Press;

H. R. 4198. An act for the relief of M. L Parish;

H. R. 4252. An act for the relief of J. George Bensel Co.; H. R. 4261. An act for the relief of the estate of Frank M. Smith:

H. R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas:

H. R. 4292. An act for the relief of Gustav Schmidt;

H.R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H.R. 4349. An act for the relief of the estate of Lewis Marion Garrard Hale:

H. R. 4482. An act for the relief of Byron MacDonald;

H. R. 4549. An act for the relief of William H. Radcliffe; H.R. 4554. An act for the relief of Francis A. Leete and

H. R. 4601. An act for the relief of Paul W. McCoy;

H. R. 4606. An act for the relief of the Toledo Terminal Railroad Co. of Toledo, Ohio;

H. R. 4608. An act for the relief of Lettie Leverett;

H. R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4726. An act for the relief of James W. Gilson; H.R. 4813. An act for the relief of the estates of Marie R.

Morkovsky and Alphons Morkovsky, both deceased;

H. R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe:

H. R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States:

H. R. 4875. An act for the relief of Mamie Hoffman;

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 4985. An act to provide for a Fishery Educational Service in the Bureau of Fisheries;

H.R. 4988. An act to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U.S. C., title 45, sec. 51);

H. R. 5105. An act granting a pension to John Spaedy;

H. R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason:

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H.R. 5266. An act for the relief of Mina Keil;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters; H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia;

H. R. 5369. An act for the relief of Maj. Noe C. Killian;

H.R. 5383. An act for the relief of H. A. Dixon;

H.R. 5404. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg.;

H. R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver; H. R. 5557. An act for the relief of V. H. Schuering, Elmer Eggers, and Thomas Fahey;

H.R. 5607. An act for the relief of George A. Meffan,

United States marshal, district of Idaho;

H. R. 5634. An act granting 6 months' pay to Sidney M. Bowen;

H. R. 5684. An act amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee, and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H. R. 5704. An act to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart;

H. R. 5775. An act for the relief of Michael M. Cohen;

H. R. 5803. An act for the relief of Clyde Equipment Co.;

H. R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County;

H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation:"

H.R. 5880. An act to incorporate the Navy Club of the United States of America;

H. R. 5894. An act for the relief of John E. Garrett;

H. R. 5895. An act for the relief of James D. Larry, Sr.;

H.R. 5919. An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes;

H.R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor:

H. R. 5931. An act for the relief of Elizabeth Hessman;

H.R. 5951. An act for the relief of the heirs of Emma J. Hall;

H. R. 5953. An act for the relief of Marie Heinen;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935;

H. R. 6010. An act for the relief of John August Johnson; H. R. 6054. An act authorizing the Secretary of the Interior to pay salaries and expenses of tribal officials of the Minnesota Chippewa Tribe;

H. R. 6083. An act for the relief of Morris Burstein, Jennie

Burstein, and Adolph Burstein;

H.R. 6084. An act for the relief of Katheryn S. Anderson; H.R. 6099. An act for the relief of Mrs. S. F. Sewell;

H. R. 6124. An act giving the consent of Congress to the addition of lands to the State of Texas and ceding jurisdiction to the State of Texas over certain parcels or tracts of land heretofore acquired by the United States of America from the United Mexican States:

H. R. 6259. An act for the relief of Jack D. Collins;

H.R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River at or near Kettle Falls, Wash.;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H. R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.:

H. R. 6490. An act for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H. R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H. R. 6506. An act to declare that the United States holds certain lands in trust for Indian use;

H. R. 6513. An act for the relief of Floyd H. Roberts;

H. R. 6546. An act for the relief of Benno von Mayrhauser and Oskar von Mayrhauser;

H.R. 6590. An act granting an increase of pension to Nannie McClellan Chase;

H.R. 6641. An act for the relief of the Arkansas State Penitentiary;

H.R. 6662. An act granting the consent of Congress to the Dauphin County, Pa., Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H.R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their

use in coastwise trade;

H. R. 6693. An act to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration;

H.R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation; H.R. 6804. An act for the relief of George E. Miller;

H.R. 6805. An act for the relief of Sam E. Woods;

H. R. 6808. An act for the relief of Matilda Larned Bouck; H. R. 6831. An act to authorize the Secretary of the In-

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 6832. An act to provide for the protection of witnesses appearing before any department, independent estab-

lishment, or other agency of the United States, or the Congress of the United States:

H. R. 6881. An act to implement the provisions of the Shipowners' Liability (sick and injured seamen) Convention, 1936;

H. R. 6884. An act to encourage travel in the United States, and for other purposes:

H. R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania, to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt; H. R. 6965. An act for the relief of Stina Anderson;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H.R. 7038. An act granting pensions to certain widows of veterans of the Civil War:

H. R. 7039. An act granting increase of pension to certain

widows of veterans of the Civil War; H.R. 7049. An act for the relief of John L. Summers, for-

mer disbursing clerk, Treasury Department, and for other

H. R. 7050. An act for the relief of certain former disbursing officers for the Civil Works Administration;

H.R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation:

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U.S.C., 1934 ed., title 46, sec. 481);

H.R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U.S.C., 1934 ed., title 46, sec. 464);

H. R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes"

H. R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934;

H. R. 7189. An act to authorize research and experiments to find new uses for anthracite coal;

H. R. 7193. An act prohibiting the use of uniforms or arms by certain organizations;

H. R. 7233. An act to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes", approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes;

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph. Mo .:

H. R. 7270. An act to amend the Bonneville Project Act; H. R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes:

H.R. 7327. An act for the relief of the Nevada Silica Sands, Inc .:

H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens;

H. R. 7411. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes:

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.; and

H. J. Res. 283. Joint resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 32) establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930, and it was signed by the President pro tempore.

REPORTS OF COMMITTEES

Mr. HUGHES (for Mr. Logan), from the Committee on Claims, to which was referred the bill (S. 2787) for the relief of Maude Smith, reported it with amendments and submitted a report (No. 1042) thereon.

Mr. CONNALLY, from the Committee on Finance, to which was referred the bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act, reported it without amendment and submitted a report (No. 1043) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 929) to add certain lands to the Siuslaw National Forest in the State of Oregon, reported it with amendments and submitted a report (No. 1044) thereon.

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (S. 1935) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it with amendments and submitted a report (No. 1045) thereon.

He also, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 2448) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), reported it without amendment and submitted a report (No. 1046) thereon.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BAILEY:

S. 2929. A bill to amend laws for preventing collisions of vessels; to the Committee on Commerce.

By Mr. SMITH (for himself and Mr. Thomas of Oklahoma):

S. 2930. A bill to provide for reimbursement to the holders of cotton pool participation trust certificates, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. PITTMAN:

S. 2931. A bill for the relief of the Nevada Silica Sands, Inc.; to the Committee on Mines and Mining.

By Mr. WALSH:

S. 2932. A bill for the relief of Lt. Thomas Edward Renaker, United States Navy; to the Committee on Naval Affairs.

By Mr. NEELY:

S. J. Res. 179. Joint resolution authorizing the Federal Power Commission to conduct an investigation; to the Committee on Interstate Commerce.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and

H.R. 808. An act to confer jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation;

H. R. 1428. An act for the relief of First Lt. Samuel E. Williams;

H. R. 1629. An act conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107 issued by the Patent Office of the United States on or about July 22, 1919;

H. R. 1843. An act for the relief of the estate of K. J. Foss;

H. R. 2041. An act for the relief of Tom Kelly;

H. R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider, Jr.;

H. R. 2250. An act for the relief of Frank Nalles, Jr.;

H. R. 2344. An act for the relief of James McConnachie;

H.R. 2358. An act for the relief of Alfred Joseph Wright;

H.R. 2363. An act for the relief of the estate of Harvey T. Combs;

H. R. 2440. An act for the relief of Thomas J. Smith;

H.R. 2860. An act for the relief of Ben Willie Jones, as legal representative of Thelma Jones, a deceased minor;

H.R. 3051. An act for the relief of certain workers performing emergency work at Cairo, Ill., in the Ohio River flood of 1937;

H. R. 3087. An act for the relief of Gdynia America Line, Inc., of New York City, N. Y.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H.R. 3159. An act for the relief of the estate of Costas Demellis:

H. R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the Claim of Fiske Warren;

H. R. 3363. An act for the relief of the American Insurance Co. of New Jersey:

H. R. 3477. An act for the relief of Francisco R. Acosta;

H. R. 3481. An act for the relief of C. Z. Bush and W. D. Kennedy;

H. R. 3676. An act for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.;

H. R. 3689. An act for the relief of the Columbus Iron Works Co.;

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3853. An act for the relief of Floyd Elton;

H. R. 3912. An act for the relief of the heirs of John Cauley, deceased:

H. R. 3927. An act for the relief of Marijo McMillan Williams:

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 4033 An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H. R. 4072. An act for the relief of Emmitt Courtney;

H. R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4126. An act for the relief of Warren Zimmerman;

H.R. 4141. An act for the relief of Celia Press and Bernard

H. R. 4198. An act for the relief of M. L. Parish;

H. R. 4252. An act for the relief of J. George Bensel Co.;

H.R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas;

H. R. 4292. An act for the relief of Gustav Schmidt;

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H.R. 4349. An act for the relief of the estate of Lewis Marion Garrard Hale:

H.R. 4482. An act for the relief of Byron MacDonald;

H. R. 4549. An act for the relief of William H. Radcliffe;

H.R.4554. An act for the relief of Francis A. Leete and Sarah Leete:

H. R. 4601. An act for the relief of Paul W. McCoy;

H. R. 4606. An act for the relief of the Toledo Terminal Railroad Co. of Toledo, Ohio;

H. R. 4608. An act for the relief of Lettie Leverett;

H.R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4726. An act for the relief of James W. Gilson;

H. R. 4813. An act for the relief of the estates of Marie R. Morkovsky and Alphons Morkovsky, both deceased;

H. R. 4875. An act for the relief of Mamie Hoffman;

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H. R. 5266. An act for the relief of Mina Keil;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr:

H. R. 5348. An act for the relief of certain postmasters;

H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia;

H. R. 5369. An act for the relief of Maj. Noe C. Killian;

H. R. 5383. An act for the relief of H. A. Dixon;

H. R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver;

H.R. 5557. An act for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey;

H. R. 5607. An act for the relief of George A. Meffan, United States marshal, district of Idaho;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H.R. 5704. An act to amend Private Law No. 310, Seventyfifth Congress, first session, an act for the relief of D. E. Sweinhart:

H. R. 5803. An act for the relief of Clyde Equipment Co.; H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation";

H. R. 5894. An act for the relief of John E. Garrett;

H.R. 5895. An act for the relief of James D. Larry, Sr.; H.R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H. R. 5931. An act for the relief of Elizabeth Hessman;

H.R. 5951. An act for the relief of the heirs of Emma J. Hall;

H.R. 5953. An act for the relief of Marie Heinen;

H.R. 6010. An act for the relief of John August Johnson; H.R. 6084. An act for the relief of Katheryn S. Anderson:

H.R. 6099. An act for the relief of Mrs. S. F. Sewell;

H. R. 6259. An act for the relief of Jack D. Collins;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H.R. 6490. An act for the relief of W.R. Fuchs, former disbursing clerk, Department of Agriculture; J.L. Summers, former disbursing clerk; and G.F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; H.R. 6491. An act for the relief of Roscoe B. Huston

and Simon F. Felarca;

H.R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H. R. 6513. An act for the relief of Floyd H. Roberts;

H.R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation;

H. R. 6804. An act for the relief of George E. Miller;

H.R. 6805. An act for the relief of Sam E. Woods;

H.R. 6808. An act for the relief of Matilda Larned Bouck;

H.R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes;

H.R. 7050. An act for the relief of certain former disbursing officers for the Civil Works Administration; and H.R. 7132. An act to amend an act entitled "An Act for the relief of the Playa de Flor land and Improvement Co.," approved May 21, 1934; to the Committee on Claims.

H. R. 884. An act to add certain lands to the Siuslaw Na-

tional Forest in the State of Oregon;

H. R. 2184. An act to authorize the Secretary of the Interior to convey certain property to Washington County, Utah, and for other purposes;

H.R. 2315. An act to provide for the addition of certain lands to the Vicksburg National Military Park, in the State

of Mississippi, and for other purposes;

H. R. 2418. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become parts of the Whitman, Malheur, or Umatilla National Forests;

H. R. 3695. An act to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement project in Alaska, and for other

purposes

H. R. 3764. An act to validate and confirm a certain conveyance heretofore made by Central Pacific Railway Co., and its lessee, Southern Pacific Co., to Consolidated Warehouse Co., involving a portion of the right-of-way acquired by the Central Pacific Railroad Co. of California under the act of Congress approved July 1, 1862 (12 Stat. 489);

H. R. 4097. An act to authorize the use of certain facilities of national parks and national monuments for school pur-

poses;

H.R. 5404. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg.; and

H.R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes; to the Committee on Public Lands and Surveys.

H.R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near

The Dalles, Oreg.;

H. R. 4985. An act to provide for a Fishery Educational Service in the Bureau of Fisheries;

H. R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935;

H. R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or

near Kettle Falls, Wash.;

H.R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks. Mo.:

H.R. 6662. An act granting the consent of Congress to the Dauphin County, Pa., authority to construct, maintain, and operate a highway bridge across the Susquehanna River, at or near the city of Harrisburg, Pa.;

H.R. 6881. An act to implement the provisions of the Shipowners' Liability (sick and injured seamen) Conven-

tion, 1936;

H.R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the Borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania:

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U.S. C., 1934 ed., title 46, sec. 481);

H. R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed.,

title 46, sec. 464); and

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of The Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.; to the Committee on Commerce.

H. R. 3391. An act providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles; to the Committee on Irrigation and Recla-

mation.

H. R. 3931. An act for the relief of Charles H. LeGay; to the Committee on Military Affairs.

H. R. 4088. An act to amend the Commodity Exchange Act, as amended, to extend its provisions to fats and oils, cotton-seed, cottonseed meal, and peanuts; to the Committee on Agriculture and Forestry.

H. R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe;

H. R. 6054. An act authorizing the Secretary of the Interior to pay salaries and expenses of tribal officials of the

Minnesota Chippewa Tribe; and

H.R. 6506. An act to declare that the United States holds certain lands in trust for Indian use; to the Committee on Indian Affairs.

H. R. 5634. An act granting 6 months' pay to Sidney M. Bowen; to the Committee on Naval Affairs.

H. R. 5919. An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes; to the Committee on Territories and Insular Affairs.

H.R. 6124. An act giving the consent of Congress to the addition of lands to the State of Texas and ceding jurisdiction to the State of Texas over certain parcels or tracts of land heretofore acquired by the United States of America from the United Mexican States; to the Committee on Foreign Relations.

H. R. 4988. An act to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U. S. C., title 45, sec. 51);

H.R. 5880. An act to incorporate the Navy Club of the United States of America;

H. R. 6832. An act to provide for the protection of witnesses appearing before any department, independent establishment, or other agency of the United States, or the Congress of the United States;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges; and

H.R. 7193. An act prohibiting the use of uniforms or arms by certain organizations; to the Committee on the Judiciary.

H.R. 6693. An act to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration; to the Committee on Expenditures in the Executive Departments.

H. R. 6884. An act to encourage travel in the United States, and for other purposes; to the Committee on Interstate Commerce.

H. R. 6083. An act for the relief of Morris Burstein, Jennie Burstein, and Adolph Burstein; and

H.R. 6965. An act for the relief of Stina Anderson; to the Committee on Immigration.

H.R. 5105. An act granting a pension to John Spaedy;

H.R. 6590. An act granting an increase of pension to Nannie McClellan Chase:

H.R. 7038. An act granting pensions to certain widows of veterans of the Civil War; and

H.R. 7039. An act granting increase of pension to certain widows of veterans of the Civil War; to the Committee on

H. R. 7189. An act to authorize research and experiments to find new uses for anthracite coal; and

H. R. 7327. An act for the relief of the Nevada Silica Sands, Inc.; to the Committee on Mines and Mining.

H. R. 7233. An act to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes; to the Committee on Public Buildings and Grounds.

H. R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twentythird President of the United States;

H.R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation:

H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens; and

H. J. Res. 283. Joint resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth; to the Committee on the Library.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 32) establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission was referred to the Committee on the Library.

INVESTIGATION OF PERSONNEL CONDITIONS AT JEFFERSONVILLE (IND.) QUARTERMASTER DEPOT

Mr. MINTON submitted the following resolution (S. Res. 178), which was referred to the Committee on Military

Resolved, That a subcommittee of the Senate Committee on Military Affairs, to be composed of three members of such committee appointed by the chairman of the committee, is authorized and directed to make a full and complete investigation of personnel conditions at the Jeffersonville Quartermaster Depot, Jeffersonville, Ind. The chairman of the Committee on Military Affairs shall designate one of the members of such subcommittee to act as chairman thereof. The subcommittee shall report to the Committee on Military Affairs the results of its investigation, together with its

recommendations, at the earliest practicable date.

For the purposes of this resolution the subcommittee, or any member thereof duly authorized by the chairman of the subcommittee, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-sixth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it or he deems advisable. The cost of stenographic services to report such hear-ings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed \$2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the subcommittee.

NEUTRALITY LEGISLATION-ADDRESS BY SENATOR LA FOLLETTE [Mr. La Follette asked and obtained leave to have printed in the Record a radio address by himself, broadcast by transcription over station WHA, Madison, Wis., on July 13, 1939, on the subject Neutrality Legislation, which appears in the Appendix.]

ADDRESS BY SENATOR HILL TO ALABAMA FURNITURE DEALERS' ASSOCIATION

IMr. Hill asked and obtained leave to have printed in the RECORD an address delivered by him to the Alabama Furniture Dealers' Association of Birmingham, Ala., on July 26, 1939; which appears in the Appendix.]

INDUSTRIALLY OWNED CHILD NURSERIES—STATEMENT BY SENATOR ANDREWS

IMr. Andrews asked and obtained leave to have printed in the RECORD a statement by him on the subject of industrially owned child nurseries to aid married working women who have small children, which appears in the Appendix.]

CIVIL AERONAUTICS AUTHORITY-ADDRESS BY ROBERT H. HINCKLEY

IMr. CLARK of Missouri asked and obtained leave to have printed in the RECORD a radio address on the Civil Aeronautics Authority, delivered by Robert H. Hinckley, Chairman of the Civil Aeronautics Authority, Monday, July 31, 1939, which appears in the Appendix.]

THE PRESERVATION OF AMERICAN DEMOCRACY-ADDRESS BY COL. O. R. M'GUIRE

[Mr. King asked and obtained leave to have printed in the RECORD an address by Col. O. R. McGuire, chairman, Committee on Administrative Law, American Bar Association, on July 1, 1939, at Saranac Lake, before the New York State Bar Association, entitled "Shall Democracy Be Preserved?" which appears in the Appendix.]

AMENDMENTS TO SOCIAL SECURITY ACT

[Mr. Wagner asked and obtained leave to have printed in the RECORD a number of editorials on the subject of amendments to the Social Security Act, which appear in the Appendix.]

ADDRESS BY SENATOR HILL AT SILVER ANNIVERSARY OF NATIONAL POPULAR GOVERNMENT LEAGUE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an address delivered by Senator Hill at the silver anniversary of the National Popular Government League, Washington, D. C., April 29, 1939, which appears in the Appendix.1

POSTPONEMENT OF CONSIDERATION OF COPYRIGHT CONVENTION

Mr. THOMAS of Utah. Mr. President, the first item on the Executive Calendar is a copyright convention, which has been there since April 11 of this year. This is not the first time the Foreign Relations Committee has reported the convention for favorable action. It has been on the calendar during previous Congresses. In the meantime those who have been opposed to the consideration and ratification of this treaty have taken the stand that there should be domestic legislation reported and ready at the time the treaty is considered.

I deem it advisable for us to allow the committee, which has been working so long and so consistently in attempting to bring about a domestic law which will meet the requirements and be satisfactory to the various interested groups, that I think it would be unwise to consider the treaty at this time. Therefore, I am going to suggest, with the cooperation of the majority leader and the minority leader, that I be permitted to make the announcement that the convention will not be called up until March of next year.

As part of my remarks, to show what progress is being made by the committee, which is working upon proposed legislation along this line, I ask that a letter, signed by Edith E. Ware, and a list of the cooperating groups which constitute the Conference on Copyright Legislation, be made a part of my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

> AMERICAN NATIONAL COMMITTEE ON International Intellectual Cooperation, New York, N. Y., June 15, 1939.

Senator Elbert D. Thomas,
Senate Office Building, Washington, D. C.
DEAR SENATOR THOMAS: Attached is a revision of the preliminary draft of a copyright bill; it embodies the amendments and the editing of the all-day meetings of June 12 and 13. The letter to the members of the Conference on Copyright Legislation that is clipped to it explains the status. Members of the conference asked me to send this to you as evidence of their endeavor; they are not yet ready to have the draft submitted to Congress. Professor Shotwell told me yesterday that he intended to speak with you over the telephone at such time as he thought he might find you in your office.

Very sincerely yours,

EDITH E. WARE.

CONFERENCE ON COPYRIGHT LEGISLATION

Authors League of America, Luise Sillcox, Henry Jaffe. Labor: International Allied Printing Trades Association, M. J.

Flynn.

American Society of Composers, Authors and Publishers, John G.

Paine, Herman Finkelstein.

Song Writers Protective Association, John Schulman.

Book Publishers Bureau, Frederic G. Melcher, Benjamin Stern.

National Publishers Association, Marvin Pierce.

Librarians, Lawrence Heyl.
Scholarship: The Joint Committee on Materials for Research of the National Council of Learned Societies and the Social Science Research Council, Robert C. Binkley, H. M. Lydenberg, Richard

Motion Picture Producers and Distributors, Gabriel Hess, Edwin

P. Kilroe, Robert W. Perkins, Edward A. Sargoy.

Motion Picture Theater Owners, Edward L. Kuykendali.

Independent Exhibitors League, Nathan Yamins.

National Association of Broadcasters, Sydney M. Kaye, Neville

Miller, Robert P. Myers, Stuart Sprague.

Music Publishers Protective Association, Walter Douglas, A. M. Wattenberg.

Recording Interests, Milton Diamond, L. V. Epstein, David Mackay.

SETTLEMENT OF DISPUTES WITH THE UNITED STATES

Mr. BARKLEY. Mr. President, on the last call of the calendar, Senate bill 915, to provide for the more expeditious settlement of disputes with the United States, and for other purposes, which was introduced by my colleague [Mr. LOGAN], and which refers to administrative procedure in the Government departments, was passed. Following its passage, the Senator from Indiana [Mr. Minton] moved to consider the vote by which the bill was passed. I have discussed this proposed legislation with my colleague, who is not able to be here, and I think it is generally agreed that a bill of such importance should be discussed and should not be passed on a call of the calendar without some discussion. It is entirely satisfactory to my colleague that the vote by which that bill passed should be reconsidered, and the bill be restored to the calendar, with the understanding that the measure be taken up at some date early in the next session.

The VICE PRESIDENT. The question is on the motion of the Senator from Indiana [Mr. MINTON] that the vote by which Senate bill 915 was passed be reconsidered.

The motion was agreed to.

The VICE PRESIDENT. The bill will be restored to the calendar.

CONSIDERATION OF UNOBJECTED-TO BILLS ON THE CALENDAR

The VICE PRESIDENT. Routine morning business is closed. The calendar, under rule VIII, is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the call of the calendar be limited to bills to which there is no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The clerk will proceed with the call of the calendar.

RESOLUTIONS AND BILL PASSED OVER

The resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule, was announced as first in order.

Mr. VANDENBERG. I ask that the resolution go over. The VICE PRESIDENT. The resolution will be passed

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes," was announced as next in order.

Mr. VANDENBERG. I ask that the joint resolution go

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925, was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

INDIANS OF WINNEBAGO AGENCY, NEBR.

The bill (S. 784) for the relief of certain Indians of the Winnebago Agency, Nebr., was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, Calendar No. 101 is Senate bill 784; Calendar No. 201 is House bill 2971, which is identical with the Senate bill. I have conferred with the Senator from Utah [Mr. King], and, as I understand, he has no objection to substituting the House bill for the Senate bill and having it considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 2971) for the relief of certain Indians of the Winnebago Agency was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$38,352.84 to the Treasurer of the United States for deposit in the official disbursing account of the Superintendent and Special Disbursing Agent of the Winnebago Indian Agency, Nebr., to replace a deposit of individual Indian money in like amount with the State Bank of Winnebago, Nebr., defunct: Provided, That any sums, not exceeding in the aggregate the amount of this appropriation, recovered from said bank or the sureties on the bonds thereof, shall be deposited into the general fund of the Treasury.

The VICE PRESIDENT. Without objection, Senate bill 784 is indefinitely postponed.

INDIAN CLAIMS BILLS PASSED OVER

The bill (S. 790) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States was announced as next in order.

Mr. KING. Mr. President, there are a number of bills dealing with Indian claims that should be passed over, because a committee is at work now with the Department of Justice, and I am sure will be ready to make full report very shortly, when the bills may be disposed of. I, therefore, ask that Senate bill 790, and Senate bill 1222, which is Calendar No. 104, Senate bill 767, which is Calendar No. 105, Senate bill 864, which is Calendar No. 106, and Senate bill 498, which is Calendar No. 116, be passed over.

The VICE PRESIDENT. Without objection, the bills referred to by the Senator from Utah will be passed over.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, was announced as next in order.

Mr. KING. Mr. President, let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1303) to amend the Agriculture Adjustment Act of 1938, as amended, with respect to cotton, was announced as next in order.

Mr. WHITE. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure, was announced as next in order.

Mr. TAFT. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes, was announced as next in order.

Mr. AUSTIN. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 570) to regulate interstate and foreign commerce in agricultural products; to prevent unfair competition; to provide for the orderly marketing of such products; to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. 107) opposing sales of American cotton during the present world crisis to foreign purchasers below the cost of production, was announced as next in order.

Mr. KING. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will be passed

The bill (S. 1305) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1265) to establish a Department of Public Works, to amend certain sections of the Social Security Act, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2202) to establish a Public Works Agency was announced as next in order.

Mr. VANDENBERG. Let the bill go over. The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2203) to amend certain sections of the Social Security Act was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. J. Res. 34) for the relief of W. K. Richardson was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The joint resolution will be

passed over. The bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by

radio was announced as next in order. Mr. LA FOLLETTE. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1730) to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 289) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain was announced as next in

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

YAKIMA INDIAN TRIBE CLAIMS

The Senate proceeded to consider the bill (S. 773) conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims which the Yakima Indian Tribes may have against the United States, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, after line 3, to insert, "If it shall be determined by the court that any of the lands now owned by the United States, outside of the present recognized exterior boundaries of the Yakima Indian Reservation, comprises a portion of the lands reserved by the

Yakima Tribes of Indians pursuant to the provisions of the treaty, concluded June 9, 1855 (12 Stat. 951), the court shall, as to such lands now owned by the United States, render final judgment in favor of the Yakima Tribes of Indians for a sum equal to (1) the value of the timber removed therefrom since June 9, 1855, with interest at 5 percent per annum from the time of such removal and (2) the present value of such lands, which shall be determined by the court, and the United States shall have the right, within 1 year from the date of final judgment, in lieu of paying the present value thereof, to include such lands within the Yakima Indian Reservation and hold the title thereto in trust for the sole benefit and use of the Yakima Tribes of Indians," so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, determine, adjudicate, and render final judgment in any and all legal and equitable claims of whatsoever nature which the Yakima Tribes of Indians may have against the United States, including, but without limiting the generality of the foregoing, claims arising under or growing out of any treaties, agreements, or acts of Congress, Executive orders, or out of any disposal or handling of lands, timber, or other property belonging to, or held in trust by the United States for, said Yakima Tribes, or otherwise. If it shall be determined by the court that any of the lands now owned by the United States, outside of the present recognized exterior boundaries of the Yakima Indian Present recognized exterior boundaries of the Yakima Indian Reservation, comprises a portion of the lands reserved by the Yakima Tribes of Indians pursuant to the provisions of the treaty concluded June 9, 1855 (12 Stat. 951), the court shall, as to such lands now owned by the United States, render final judgment in favor of the Yakima Tribes of Indians for a sum equal to (1) the value of the timber removed therefrom since June 9, 1855, with interest at 5 percent per annum from the time of such removed. interest at 5 percent per annum from the time of such removal and (2) the present value of such lands, which shall be determined by the court, and the United States shall have the right, within 1 year from the date of final judgment, in lieu of paying the present value thereof, to include such lands within the Yakima Indian Reservation and hold the title thereto in trust for the sole benefit

and use of the Yakima Tribes of Indians.

SEC. 2. Said suit or suits authorized by this act shall be in-SEC. 2. Said suit or suits authorized by this act shall be instituted within 5 years from the date of approval thereof, by the filing of one or more petitions embodying one or more of said claims, and the said Yakima Tribes of Indians shall be party plaintiff and the United States shall be party defendant. Said petition or petitions shall be verified on information and belief by the attorney or attorneys employed to prosecute such claim or claims under contract with said Yakima Tribes of Indians duly executed in accordance with existing law, and said petition or petitions shall be subject to amendment at any time prior to the final submission of said suit or suits. Such petition or petitions may, in addition to alleging specific claims, demand a general accounting of all funds and property expended or used by the United States for said Yakima Tribes of Indians or on their account, in which event upon receipt of said accounting plaintiff shall have the right to amend its said petition or petitions to set shall have the right to amend its said petition or petitions to set forth any and all legal and equitable claim or claims shown by said accounting report, and the said Court of Claims shall have jurisdiction to hear, adjudicate, determine, and render final judg-ment on any and all such claims shown by or arising out of said

accounting report. SEC. 3. Any payment which may have been made by the United States upon any claim so submitted shall not be pleaded as an estoppel but may be pleaded as an offset in such suit or suits, and the United States shall be allowed credit for all sums, including gratuities as provided by the Second Deficiency Appropriation Act of August 12, 1935 (49 Stat. 571, 596), heretofore paid or expended for the direct benefit of said Yakima Tribes of Indians.

SEC. 4. Official letters, papers, maps, documents, and other records, or certified copies thereof, may be used in evidence, and the departments and other offices of the Government shall give full and free access to the attorney or attorneys for the said Yakima Tribes to such letters, papers, maps, documents, or other records as may be required by said attorney or attorneys in the preparation for or trial of said suit or suits, and shall afford facilities for the examination of the same and the making of copies thereof. SEC. 5. That from the decision of the Court of Claims in any

suit or suits prosecuted under this act, an appeal may be taken by either party as in other cases to the Supreme Court of the United

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit or suits any and all parties deemed by it necessary or proper to the

suits any and all parties deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of said petition or petitions filed under the authority of this act shall be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States.

SEC. 8. Upon the final determination of any suit or suits instituted under this act the Court of Claims shall decree such amount

or amounts as it may find reasonable to be paid the said attorney or attorneys so employed by said Yakima Indian Tribes for the services and expenses of said attorney or attorneys incurred prior or subsequent to the date of approval of this act: Provided, That is no case shell the aggregate amount or amounts decreed by said in no case shall the aggregate amount or amounts decreed by said court for fees be in excess of a sum equal to 10 percent of the total amount of recovery. In case of a compromise or any other settlement, said fees and expenses of said attorney or attorneys shall be determined in accordance with the attorney's or attorneys' contract duly executed with said Yakima Tribes under existing law. That such sums so decreed, or otherwise determined, to be due said attorney or attorneys for said services and expenses shall be paid said attorney or attorneys out of the amount or amounts recovered for said Yakima Indians, upon the appropriation of same, either before or after deposit of same in the Treasury of the United States to the credit of said Yakima Tribes of Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PERPETUATION OF THE EASTERN WILD TURKEY

The bill (S. 2270) to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pureblood brood stock for restocking within its native range, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

Mr. SMITH. Mr. President, I hope the Senator from Utah will withdraw his objection. This is a bill of great importance in connection with the preservation of the wildlife of this country. The Biological Survey have gone over this particular case carefully, and they have discovered that it would lead to the preservation of the original wild turkey in certain sections of my State. They are asking for only \$50,000, for a proper survey, looking to the purchase of the lands involved, and the timber that is on them will in a few years amortize any purchase which may be made. They have the cooperation of all those who are devoted to the preservation of wildlife in this country.

I cannot see how an objection can be made, in view of the fact that the wild carrier pigeon is extinct, the bison has been practically exterminated. The land proposed to be surveyed promises to be a place where this particular strain of wildlife can be preserved, and other sections can be restocked with the original variety. I hope the Senator will withdraw his objection.

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH. I yield. Mr. KING. What will be the cost?

Mr. SMITH. I think the cost will be very nominal, because the bill provides that the Department shall survey the land, and then make a recommendation as to what the cost will be.

Mr. KING. How many acres are involved?

Mr. SMITH. About 30,000, but much of the land will be deeded to the Government by the persons who own it. All the particulars will be gone into when the Department has a chance to investigate. I myself am thoroughly familiar with the region. It is now gradually being encroached upon by the timber interests, and once the timber is thoroughly depleted the habitat of these birds will practically be destroyed.

I plead with the Senator to read the report of the committee as well as the report of the Biological Survey. It is a very

important matter.

Mr. KING. Mr. President, it seems to me that it is very unwise to commit the Government to the purchase of 30,000 acres of land.

Mr. SMITH. It does not commit the Government to the purchase. It is for the survey to report to us at some time in the future what lands may be purchased.

Mr. KING. It seems to me that the lands are so well known that whatever information is desirable could be obtained very readily, so that there is no necessity for a survey.

Mr. SMITH. It is not to be restricted to this particular area. The purpose is to purchase, or lease, or otherwise obtain certain lands contiguous to the ones in question, the total area being 30,000 acres, which I do not believe would cost the Government anything comparable to the value of the preservation of these birds.

Mr. KING. Mr. President, we can pass the bill over for the moment. I want to offer an amendment to make it very clear that the Government is not to make any commitment to purchase, then we can take the bill up later, when we get through with the other measures on the calendar.

Mr. SMITH. I give notice that when the proper time comes I will call the bill up to be considered on its merits. It is unfortunate for it to go over on one objection. If it has to go over, I give notice that I will call it up, any objection to the contrary notwithstanding.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

Mr. SMITH subsequently said: Mr. President, I should like to have the Senate now consider Order of Business 432, which is Senate bill 2270. The Senator from Utah [Mr. Kingl objected, but I think all objection has been removed to the bill.

The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2270) to authorize the Secretary of Agriculture to purchase refuge lands in the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pureblood brood stock for restocking within its native range, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment, in section 1, on page 2, line 9, after the word "therewith", to strike out "to" and insert "in", so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture is author-Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to acquire by purchase, gift, or lease, or, subject to the provisions of sections 302, 303, and 304 of the act of June 15, 1935 (49 Stat. 381), by exchange, approximately 30,000 acres of privately owned or State- or county-owned land, including improvements thereon, rights-of-way, and easements connected therewith, in the State of South Carolina, or such part thereof as he may determine to be necessary and best suited as a national wildlife refuge primarily for the protection and perpetuation of the eastern wild turkey, and to construct, operate, and maintain thereon such structures and other improvements as he may deem necessary for the appropriate development of the area for such purposes: *Provided*, That public domain and Federal lands within or contiguous to the areas acquired hereunder and not otherwise specifically reserved are also hereby authorized to be administered as part of said refuge if found by the Secretary to be suitable for the purpose.

SEC. 2. That the lands acquired in accordance with the provisions of this act shall constitute the national wild-turkey refuge and shall be maintained as a refuge and breeding place for wild animals and birds under such rules and regulations as the Secretary of Agriculture may prescribe from time to time for the administration of wildlife refuges: Provided, That upon such terms and conditions as the Secretary shall determine to be for the best interests of the Government, including sale in the open market, and under such rules and regulations as he shall prescribe, he may permit such selective cutting and lumbering operations as are not inconsistent with the well-being and effective management of wild turkeys on said refuge: Provided further, That in cooperation with other Federal, State, or local agencies, or with associations, clubs, organizations, or individuals, he may distribute, sell in open market or otherwise, or exchange surplus wild turkeys from said ref-uge for stocking, restocking, or propagating purposes, and may accept funds and other aids and enter into agreements with landowners in the development of the program authorized by this act for the perpetuation and restoration of wild turkeys, including such original or cooperative research in the problems of wild-turkey management as may be necessary to efficient expansion and promotion of the program herein authorized: And provided further. That out of any money received by the Secretary of Agriculture from the grant, sale, or disposition of any timber, wild animals, wild birds, or other products or privileges in connection with the administration of this refuge, or as a bonus upon the exchange of such animals, birds, products, or privileges, the Secretary of Agriculture is authorized to pay any processory expenses incurred in connection. is authorized to pay any necessary expenses incurred in connection with and for the purpose of effecting the removal, grant, disposition, sale, or exchange, of such animals, birds, products, or privileges; and after such deductions from gross receipts, the Secretary of the Treasury shall distribute 25 percent of the net receipts of such refuge during each fiscal year to the county or counties in which the refuge is leasted preparational to its area in sech country. which the refuge is located, proportional to its area in each county, to be expended for such purposes as the county authorities or the State legislature by appropriate legislation may direct, and deposit the remaining 75 percent in the Treasury as miscellaneous receipts.

SEC. 3. That the acquisition of such land by the United States shall in no case be defeated because of rights-of-way, easements, and reservations, which from their nature will in the opinion of the Secretary of Agriculture in no manner interfere with the use of the lands so encumbered for the purposes of this act; but such rights-of-way, easements, and reservations, retained by the grantor or lessor from whom the United States receives title under this act, shall be subject to rules and regulations prescribed by the Secretary of Agriculture for the occupation, use, operation, protection, and administration of such land as a refuge for wildlife; and it shall be expressed in the deed or lease that the use, occupation, and operation of such rights-of-way, easements, and reservations shall be subordinate to and subject to such rules and regulations as are set out in such deed or lease or, if deemed necessary by the Secretary of Agriculture, to such rules and regulations as may be prescribed by him from time to time.

regulations as are set out in such deed or lease or, if deemed necessary by the Secretary of Agriculture, to such rules and regulations as may be prescribed by him from time to time.

SEC. 4. That the Secretary of Agriculture may do all things and make all expenditures necessary to secure the safe title in the United States to the land that may be acquired under this act, including purchase of options or leases when deemed necessary, and expenses incident to the location, examination, and survey of such areas, and the acquisition of title thereto, and, except in the case of a lease, no payment for such land shall be made by the United States until title thereto is satisfactory to the Attorney General.

SEC. 5. That the Secretary of Agriculture is authorized to make such expenditures for construction, equipment, maintenance, repairs, and improvements, including necessary investigations, and expenditures for personal services and office expenses at the seat of Government and elsewhere, and to employ such means as may be necessary to execute the functions imposed upon him by this set and as may be provided for by Congress from time to time

act and as may be provided for by Congress from time to time. SEC. 6. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$50,000 to provide for the location, selection, and inauguration of this project, including surveying, optioning, and supervision of the lands involved, and there is hereby authorized to be appropriated such further sums as the Secretary of Agriculture may estimate and the Congress shall appropriate from time to time for the acquisition, establishment, operation, and maintenance of said refuge and to effectuate the provisions of this act; and any money appropriated hereunder for land acquisition and expenses incident thereto, including the initial appropriation hereunder, shall remain available until expended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

BILLS PASSED OVER

The bill (S. 1650) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DELEGATION OF AUTHORITY IN THE DEPARTMENT OF AGRICULTURE

The joint resolution (H. J. Res. 188) authorizing the delegation of certain authority within the Department of Agriculture was announced as next in order.

Mr. McKELLAR. I should like to have an explanation of the bill. Let it go over.

Mr. THOMAS of Oklahoma. Mr. President, I note that I submitted the report on this joint resolution. It consists of one section, and the one section is only about three or four lines long, so, if I may, I will read the measure. It provides:

That the Secretary of Agriculture may designate in writing the Director of Finance of the Department of Agriculture or, in his absence, the officer acting in his stead—

And this is the purpose of the measure-

to sign requisitions upon the Secretary of the Treasury for disbursing funds, and said requisitions shall be as valid as if they had been signed by the Secretary of Agriculture.

That is the whole purpose of the measure.

Mr. McKELLAR. I have no objection.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF BONUS TO PROVISIONAL AND PROBATIONARY OFFICERS

The bill (S. 457) to amend the World War Adjusted Compensation Act was announced as next in order.

Mr. KING. Let the bill go over.

Mr. SHEPPARD. Mr. President, will not the Senator permit me to make a brief explanation?

Mr. KING. Certainly.

Mr. SHEPPARD. This bill is to amend the World War Compensation Act so as to give the bonus to World War provisional and probationary officers. Technically these former officers have been considered part of the Regular armed forces but they resigned at the end of the war. They enlisted for the purpose of serving during the war, and in effect they were temporary emergency officers. This bill is merely to give them what the other emergency officers received. The cost would amount to less than \$2,000,000.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. PEPPER. Mr. President, did the Senator from Utah object to the bill to which the Senator from Texas just referred?

The PRESIDING OFFICER (Mr. MILLER in the chair). Objection was made.

Mr. PEPPER. I desire to join the Senator from Texas in giving notice that I shall make a motion to call the bill up at the first opportunity.

BILL PASSED OVER

The bill (S. 1852) to promote the free flow of domestically produced fishery products in commerce, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PROMOTION OF BUSINESS AND ECONOMIC RESEARCH

The bill (S. 1740) to promote business and economic research in the United States by establishing and maintaining in connection with State university schools of business administration, research stations to cooperate with the Department of Commerce, was announced as next in order.

Mr. GERRY. Let the bill go over.

Mr. SHEPPARD. Mr. President, will the Senator allow me to give a brief outline of the purpose of the bill?

Mr. GERRY. Certainly.

Mr. SHEPPARD. Mr. President, this bill has not been heretofore explained. It is designed to encourage, develop, and conduct general and specific research dealing with the problems of our economic system and for the aid and assistance of small-business enterprises.

The Secretary of Commerce is authorized to establish business research stations at State and Territorial universities. Once established, such stations may be discontinued or transferred to another qualified institution after a hearing by the Secretary.

These stations are to be under the direction of the school of business administration, or, if no such school, the department of the university in which business subjects are taught, which will cooperate with the Department of Commerce in conducting research in business.

Little is being done along these cooperative lines for small business, and there is very great need for a law of this kind. The universities of the country have united in a study of the subject and have recommended action of the kind proposed.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

MARKETING OF FARM COMMODITIES

The Senate proceeded to consider the bill (S. 2212) to provide for the development of marketing and marketing services for farm commodities, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and to insert:

That for the purpose of organizing, fostering, promoting, and developing marketing and marketing services for farm commodities, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1940, and for each fiscal year thereafter, the sum of \$5,000,000, of which amount not to exceed \$150,000 shall be available to the Secretary of Agriculture for the administration of this act, including the employment of persons and means in the District of Columbia and elsewhere. The sums made available under this act shall be apportioned by the Secretary of Agriculture among the several States to the department of agriculture (or, if the State department of agriculture is not engaged in marketing activi-

ties, or there is no State department of agriculture, to such other State agency as is engaged in marketing activities) under such rules and regulations as the Secretary of Agriculture may prescribe, for the purpose of organizing, fostering, promoting, and developing marketing and marketing services for farm commodities in such State, with a particular view to providing a marketing system which will furnish a steady flow of standardized farm commodities to centers of distribution and will provide for farmers adequate and readily available marketing services for commodities produced by

them.

SEC. 2. Funds shall be apportioned under this act by the Secretary sec. 2. Funds shall be apportioned under this act by the Secretary of Agriculture in accordance with an agreement between the Secretary of Agriculture, or his authorized representative, and the department of agriculture or other State agency in each State engaged in activities of the kind authorized by this act. With respect to the funds allocated under this act, such agreement shall constitute a part of the rules and regulations of the Secretary of Agriculture and shall clearly set forth the procedure to be followed in the employment and dismissal of personnel by the State agency, the character of marketing services to be rendered, and the responsibility of each party to the agreement in order to develop marketing methods and marketing services in each State that will be of maximum benefit to producers and consumers of farm products. If more than one agency in a State is carrying on marketing and marketing services, the Secretary of Agriculture shall require that such agencies enter into a cooperative agreement to prevent duplication of work in connection with such activities.

Sec. 3. In allocating funds to the cooperating States under this act, the Secretary of Agriculture shall take into account the total population, the population on farms, the income from agricultural production, and the character of and need for the services to be rendered under this act: Provided, That not less than \$20,000 shall be made available for each cooperating State. That in the discretion of the Secretary of Agriculture no additional allotment or expenditures therefrom shall be made under this act until a sum or sums at least equal to such additional allotments or expenditures shall have been appropriated, subscribed, or contributed by the State or agency or individual within the State.

tures shall have been appropriated, subscribed, or contributed by the State or agency or individual within the State. SEC. 4. In the event there is no State department of agriculture,

the funds that would be available for allotment to such State shall be available to the Secretary of Agriculture for allotment to another State or States for carrying out approved projects.

Sec. 5. That if any portion of the moneys received by the Department of Agriculture or other agency designated under this act shall by any action or contingency be diminished or lost or be misapplied, it shall be replaced by the State to which it belongs, and until so replaced no subsequent appropriation shall be apportioned or paid to such State.

or paid to such State.

SEC. 6. That the sums apportioned by the Secretary of Agriculture to the States under this act shall be paid in equal semiannual payments on the 1st day of January and July of each year by the Secretary of the Treasury of the United States to the treasurer or other officer of the State authorized by the laws of the State to receive the same, and such funds shall be made available promptly, upon requisition, to the head of the cooperating agency responsible for their expenditure. The head of the cooperating agency in the State shall be required to report to the Secretary of Agriculture, on or before the 1st day of September of each year, a detailed statement of the amounts so received during the previous fiscal year and of their disbursement on forms prescribed by the Secretary of Agriculture.

SEC. 7. Sums appropriated in pursuance of this act shall be in addition to, and not in substitution for, appropriations for marketing and marketing services in the United States Department of

Agriculture.

Mr. KING. Mr. President, will not the Senator from North Carolina make an explanation, because so much authority has been given to the Department of Agriculture, and we have appropriated this year over \$1,400,000,000 for agriculture?

Mr. BAILEY. Mr. President, what we have done in the measures to which the Senator refers has been to authorize the expenditure of vast sums of money. This bill does not carry an appropriation, but merely authorizes one with a view to aiding the several departments of agriculture in the respective States to bring about a system of marketing for the farmers in order to provide a regular flow of agricultural commodities. It is my judgment that if we could have such a system started, we would save a very great deal of money in the long run.

The main trouble in the country has been the distribution of goods. This bill has been pending for some time, it is supported by the Department, it is unanimously recommended by the committee. I hope there will be no objection. Anyone who wishes to object may object when the appropriation bill comes up next year. This is a mere authorization measure, not an appropriation bill.

Mr. KING. Mr. President, will the Senator yield? Mr. BAILEY. I yield.

Mr. KING. Already there are more than 105,000 employees in the Department of Agriculture. The Department has large staffs in every county, and in most of the precincts. It would seem that with such an enormous army there would be an ample number of employees to make the investigation for which the bill calls.

Mr. BAILEY. I suggest to my very able friend, with whose views on economy I am in very hearty sympathy, as he knows, that those thousands of men are not devoted to the matter of developing the means of bringing local goods forward in the markets. They work on the top end, and it cannot be handled in that way. This measure has in view setting up marketing systems in the several States looking to the standardization of farm products, and providing for a steady flow of such commodities.

I think that if we should appropriate the money next year it would be saved a hundred times over, and it would be reflected in reduced appropriations by way of subsidies to the farmers. This bill is designed to provide markets, not to provide appropriations. I do not know anything in this country that is more needed than a system of marketing of farm products. I hope the Senator will let the bill pass.

The PRESIDING OFFICER. The question is on the

amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

RELATIONSHIP BETWEEN AMERICAN REPUBLICS

The bill (H. R. 5835) to authorize the President to render closer and more effective the relationship between the American republics, was announced as next in order.

Mr. PITTMAN. Mr. President, I believe that I should make a statement with regard to this bill. On the last call of the calendar the junior Senator from Georgia [Mr. RUSSELL] objected to the consideration of the measure. Since that time I have been informed by that Senator that he will no longer object.

The bill deals solely with the State Department. The State Department desires to establish a division of cultural relations. The measure does not deal with the Agricultural Department, or any other Department except the State Department. It is largely for the purpose of enabling the Department to superintend the exchange of professors and students from colleges in South America and the United States. It also provides for an advisory commission, but the members of the advisory commission will draw no salaries and no mileage except when actually meeting in the United States.

Mr. AUSTIN. Mr. President, I am requested by the Senator from Massachusetts [Mr. Lodge], who is necessarily absent from the Senate, to object to the consideration of the

The PRESIDING OFFICER. On objection, the bill will be passed over.

PREVENTION OF MISREPRESENTATION OF SEEDS

The bill (H. R. 5625), an act to regulate interstate and foreign commerce in seeds, to require labeling and to prevent mispresentation of seeds in interstate commerce, to require certain standards with respect to certain imported seeds, and for other purposes, was announced as next in order.

Mr. GURNEY. Let the bill go over.

Mr. GILLETTE. Mr. President, will not the Senator from South Dakota withhold his objection so that I may make a statement in regard to the bill?

Mr. GURNEY. I withhold the objection.

Mr. GILLETTE. I hope the Senator will withhold his objection to the consideration of this bill. The bill is of most extreme importance to all the farming sections of the country. It represents 2 years of collaboration in the preparation of this legislation by all the major farm organizations, by the Bureau of Plant Industry, and by the representatives of the seed dealers of the United States. Changes which have been made in the Soil Conservation Act will cause increased importation of seed for forage crops. The necessity for having seeds that will germinate, the necessity for having seeds that are not mixed with noxious weed seeds make it of paramount importance that the proposed legislation be passed at this session. I hope that the Senator will withhold his objection.

Mr. GURNEY. Mr. President, I have objection to the consideration of the bill at this time because I propose to offer certain amendments, which should be considered before the bill is passed. As I understand, the amendments cannot be offered at this time.

Mr. LA FOLLETTE. Mr. President, amendments to the bill can be offered at this time.

The PRESIDENT pro tempore. The Chair will state to the Senator from South Dakota that amendments to the bill can be offered at this time.

Mr. LA FOLLETTE. Mr. President, if the Senator from Iowa will yield to me, I join with the Senator from Iowa in urging the Senator from South Dakota to permit this bill to be considered and to let his amendments be considered at this time.

Mr. KING. Let the bill be read and let us see what it is about.

Mr. GILLETTE. Mr. President, in view of the fact that objection has been made, I wish to give notice that at the earliest possible moment I shall ask for consideration of the measure

Mr. BARKLEY. Mr. President, the Senator from South Dakota has been informed that it is in order for him to present his amendments at this time if he wishes.

Mr. GURNEY. I shall be glad to do so in a few moments. I wish to make sure of the page and line at which the amendments should be placed.

Mr. GILLETTE. Mr. President, I understand that the Senator from South Dakota desires to offer amendments to the bill but has temporarily mislaid them.

May I ask that the measure be laid over temporarily until the Senator is ready to offer the amendments.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GILLETTE subsequently said: Mr. President, I ask unanimous consent that the vote by which the amendments to House bill 5625 were ordered to be engrossed and the bill to be read a third time, be reconsidered for the purpose of allowing the Senator from South Dakota to present certain amendments to the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the votes are reconsidered. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5625) to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes.

Mr. GURNEY. Mr. President, I offer an amendment to the bill on page 16, line 8, to strike out the words "or vegetable."

Mr. GILLETTE. Mr. President, I have no objection to

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. Gurney].

The amendment was agreed to.

Mr. GURNEY. I also offer an amendment on page 16, line 9, after the word "keep", to strike out "such records as may be prescribed by rules and regulations prescribed under section 402 of this act," and to insert the words "for a period of 3 years a complete record of origins, germination, and purity of each lot of agricultural seed offered."

Mr. GILLETTE. I have no objection to that amendment, The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. Gurney].

The amendment was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

OKIE MAY FEGLEY-CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 875) for the relief of Okie May Fegley, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

respective Houses as follows:
That the Senate recede from its amendment and agree to the sum of "\$6,000" to be inserted in lieu of "\$5,000" in line 7, page 1.

H. H. SCHWARTZ,
J. G. TOWNSEND, Jr.,
ALLEN J. ELLENDER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
EUGENE J. KEOGH,
J. PARNELL THOMAS,
Managers on the part of the House.

The report was agreed to.

BILLS PASSED OVER

The bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2110) to provide for purchase of fish (including shellfish) and products thereof by the Federal Surplus Commodities Corporation, was announced as next in order. Mr. KING. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

SAFETY OF NAVIGATION

The bill (S. 2259) to amend laws for preventing collisions of vessels to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that the bill be passed over. The PRESIDENT pro tempore. The bill will be passed

Mr. BAILEY subsequently said: Mr. President, did anyone object to Calendar No. 728, being Senate bill 2259?

Mr. VANDENBERG. I objected. There are some amendments to be tacked onto the bill which thus far I have not had opportunity to do.

Mr. BAILEY. I am sorry I did not hear what the Senator said. What was it?

Mr. VANDENBERG. I am opposed to the bill until amended, as requested by the authorities of the Great Lakes.

Mr. BAILEY. Will the Senator offer the amendments? Mr. VANDENBERG. Not at the present time. I think the bill is safer where it is.

The PRESIDING OFFICER. Objection is heard.

REQUISITIONING OF VESSELS

The Senate proceeded to consider the bill (H. R. 4983) to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. BAILEY. This bill was prepared by the Maritime Commission. It provides a more constructive and more reasonable system for requisitioning vessels under the United States flag in an emergency or in time of war. As the Senate knows, the present statute permits the requisitioning of vessels, but does not provide for proper appraisal or for proper valuation, or for any payments before final adjudication. The bill provides that the authorities acquiring the vessel on behalf of the United States may find the value, whereupon they may pay three-quarters of the value to the

owner of the ship requisitioned, and the remainder of the sum in question may properly be adjudicated. It is to prevent the harshness of a sudden requisitioning of a vessel without compensation to the owner. It provides at any rate for 75-percent compensation to the extent of the valuation to be found by the Commission, and the valuation is not to be on any enhanced value due to the emergency, but on the value prior to the emergency. So there cannot be any loss, and, on the other hand, it is a merciful and just provision to provide for the owners of vessels. The bill is supported by the Commerce Committee, after careful consideration. I think it is a very good bill and a very timely one. I hope there will be no objection.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION AND BILLS PASSED OVER

The joint resolution (S. J. Res. 145) proposing an amendment to the Constitution of the United States relating to old-age assistance was announced as next in order.

Mr. KING. I ask that the joint resolution be passed over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 1296) to amend paragraphs (b), (c), and (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended by the acts of July 3, 1926, and February 27, 1931, and for other purposes, was announced as next in order.

Mr. THOMAS of Oklahoma. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

RANK AND TITLE OF LIEUTENANT GENERAL OF THE ARMY

The Senate proceeded to consider the bill (S. 2354) to provide for the rank and title of lieutenant general of the Regular Army for commanders of corps areas and foreign departments, which had been reported from the Committee on Military Affairs with amendments.

Mr. McKELLAR. I ask that the bill be passed over.

Mr. SHEPPARD. Mr. President, will the Senator withhold his objection for a moment?

Mr. McKELLAR. Yes.

Mr. SHEPPARD. Under the national-defense plan, the Regular Army is divided into four armies. The War Department feels that the commanding officer of each of these four armies, only while serving as such, should have the rank of lieutenant general. The rank is temporary and lasts only so long as the general commands the army. If he retires while lieutenant general, he will retire in his original rank of major general. The total cost involved is only about \$2,000, and the War Department feels it is necessary that the bill be passed in keeping with its plan.

The PRESIDENT pro tempore. The Chair calls attention to the fact that House bill 7093, being Calendar No. 849, is an identical bill, and has already passed the House. Is there objection to the substitution of the House bill for the Sen-

ate bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 7093) to provide for the rank and title of lieutenant general of the Regular Army for commanders of corps areas and foreign departments, which was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 2354 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 2264) for the relief of Frank P. Hoyt was announced as next in order.

Mr. KING. Mr. President, the bill has been vetoed by the President once. I think it should go over.

The PRESIDENT pro tempore. The bill will be passed over.

BANKS BUSINESS COLLEGE

The Senate proceeded to consider the bill (S. 1881) for the relief of Banks Business College, which had been reported from the Committee on Claims with an amendment.

Mr. GUFFEY. Mr. President, Senate bill 1881 is a bill for the relief of the Banks Business College. House bill 777 is an identical bill. I ask that the House bill be substituted for the Senate bill, and that the House bill be immediately considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 777) for the relief of Banks Business College, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Banks Business College, a corporation organized in 1885 and existing under the laws of the State of New Jersey, and having its principal place of business at Philadelphia, Pa., is hereby authorized to bring suit against the United States of America in the Court of Claims for the purpose of recovering any alleged damages suffered by the said Banks Business College which the Court of Claims may find to be attributable to the United States Government, by reason of the said Banks Business College being evicted on January 1, 1918, from the premises which it occupied.

Sec. 2. Jurisdiction is hereby conferred upon the Court of Claims

SEC. 2. Jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, consider, and determine such action upon its merits, with the view of rendering judgment, if any, in favor of the claimant for any such alleged damages described in

section 1.

SEC. 3. This act shall not be interpreted as raising any presumption or conclusion of fact or law but shall be held solely to provide for trial upon facts as may be alleged.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

JAMES E. BARRY

The Senate proceeded to consider the bill (S. 2496) for the relief of James E. Barry, which was read as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army James E. Barry shall be held and considered to have been honorably discharged on October 16, 1919, as a private, Medical Department, United States Army: Provided, That no pension, pay, bounty, or other benefit, except the benefits of the World War Adjusted Compensation Act, as amended and supplemented, shall be held to accrue by reason of this act prior to its passage.

Mr. KING. Mr. President, I ask that the bill be passed

Mr. MINTON. Mr. President, will the Senator withhold his objection?

Mr. KING. Yes.

Mr. MINTON. This soldier, James E. Barry, went overseas in August 1917, as I recall, as a member of the Coast Artillery, and while over there, in the performance of some work on the construction of a barracks or something of the kind, received an injury to his eye and lost his eye. His superiors wanted to send him home then.

Mr. KING. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. KING. There is a very strong opposition to the bill by the War Department, but it seems to be that that is one case where perhaps the Department should have strained a little in favor of the claim. I have no objection to the bill.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REIMBURSEMENT OF COTTON COOPERATIVE ASSOCIATIONS—BILL PASSED OVER

The bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes was announced as next in order.

Mr. KING and Mr. McKELLAR. Over.

Mr. THOMAS of Oklahoma. Mr. President, will the Senators withhold their objections so that I may make a brief statement?

Mr. McKELLAR. I have no objection to the Senator doing that, but if the matter is to be argued I wish to argue it also.

Mr. THOMAS of Oklahoma. Mr. President, I understand that the Senator from Mississippi [Mr. Bilbo] has an amendment which he desires to submit to this bill. Would it be agreeable to have the amendment considered now and acted upon, and then later, at the convenience of the Senate, the bill could be called up for consideration?

Mr. McKELLAR. I have no objection to the Senator from Mississippi offering his amendment. I do not know what it is. But I do not want it considered until I know what it is.

Mr. BILBO. Does the Senator have objection to amending the bill at this time?

Mr. McKELLAR. I do not know. Will the Senator say what the amendment is?

Mr. BILBO. I send the amendment to the desk and ask that it be stated.

The PRESIDENT pro tempore. The amendment will be

stated. The CHIEF CLERK. On page 5, line 16, after the semicolon, it is proposed to insert:

Staple Cotton Cooperative Association, Mississippi, \$93,373.15.

Mr. McKELLAR. I have no objection to the adoption of that amendment.

Mr. BILBO. I understand the Senator from Oklahoma has no objection.

I ask that my other amendment be stated.

The PRESIDENT pro tempore. The amendment will be

The CHIEF CLERK. On page 6, line 10, it is proposed to strike out the figures "\$1,512,068.07" and to insert in lieu thereof the figures "\$1,605.441.22."

Mr. THOMAS of Oklahoma. Mr. President, just a brief word in explanation of this bill. Some years ago, when the cotton situation became acute, the Government initiated a loan program. The program was intended to help the price of cotton and to stabilize the price of cotton. A great number of State cooperatives went into this loan, and the headquarters were opened up at New Orleans, as I understand. At the time the loan was placed in operation cotton was selling for approximately 171/2 cents per pound. The loan was 16 cents per pound. A great number of States, as I understand, went into this program. Later on the price of cotton fell, and when the cotton was finally disposed of it was sold at about 131/2 cents a pound, which showed a loss to the cooperatives. A good many of these cooperatives had a reserve built up, so in the adjustment with the national headquarters of the cooperatives the State cooperatives lost all of their reserves and were forced to sign notes to make the record complete, to square up with the national association. This bill is only intended to adjust that business transaction. It is the opinion of those in the cotton-producing States, or very many of them at least, that it is only fair that the Government should adjust all losses between the State cooperatives and the national association.

In order that the record may be more complete I ask unanimous consent that a statement more in detail be placed in the RECORD at this point in connection with my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

S. 2585—REIMBURSING THE COTTON COOPERATIVE ASSOCIATIONS FOR LOSSES OCCASIONED BY THE FEDERAL FARM BOARD'S STABILIZATION

The Federal Farm Board during the 1929-30 season made available to all farmers through the Cotton Cooperative Associations a

able to all farmers through the Cotton Cooperative Associations a loan of 16 cents per pound on cotton. The cooperatives were required to give their notes to the Board for the amounts advanced. When the loan program was announced, the market level for spot cotton was about 17½ cents. When the loans were discontinued, prices had declined to around the 13½-cent level, or some \$20 per bale. The value of the cotton in the loan at the then existing price was materially less than the loans authorized and

made by the Federal Farm Board.

At the conclusion of the loan a settlement was agreed upon between the Farm Board and the cooperatives, providing for a stabilization corporation to take over the cotton at the loan price plus the carrying charges and the estimated overhead expenses.

stabilization corporation to take over the cotton at the loan price plus the carrying charges and the estimated overhead expenses. Following the agreement for settlement, the Attorney General ruled that since the Farm Board held the notes of the cooperatives for all advances made, it must require payment in full, otherwise a settlement could be made only upon the basis of insolvency.

The cooperatives had reserves accumulated over a period of years, of approximately \$2,500,000, which, in the settlement made, were applied on the deficit. In addition, the cooperatives were required to give their notes to the Board for \$1,700,000, making the total losses incurred \$4,200,000, which is the amount provided for in this bill. Of the total amount involved, \$2,749,700.18 is to offset obligations due to the Farm Credit Administration and \$1,512,068.07 is authorized to be appropriated.

The Farm Board's 16-cent loan was just like the Commodity Credit Corporation's 8.30, 9, and 12-cent loans, except that the Farm Board used the cooperatives in making the loans. It was not the intention of the Farm Board to penalize the cooperatives in handling the loan, yet that is what resulted.

The purpose of this bill is to pay the actual losses experienced by the cooperatives, the difference between the carrying charges and operating cost and the amount paid in the settlement with the Federal Farm Board.

The action of your committee was based primarily on the information contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the formation contained in properts submitted on the bill by the bill by the formation contained in properts.

The action of your committee was based primarily on the information contained in reports submitted on the bill by the Farm Credit Administration, which are given in full in the committee's

report.

In arriving at its decision to recommend the prompt passage of the bill as amended and reported to the Senate, your committee, among other things, considered five factors:

1. Was the 16-cent loan initiated by the Federal Farm Board and was it for stabilization of the price of cotton?

The Farm Credit Administration in its reports submitted on the

of the purposes of the program was stabilization of the price of cotton."

2. Did the cooperatives lose money, their own money, in the

16-cent loan operation?

The Farm Credit Administration states: "The settlement therefore rendered each association insolvent and still owing the Federal Farm Board large sums of money. Consequently it appears that the cooperative associations did sustain losses in connection with the operation."

3. Have the losses of the cooperative associations been properly verified?

The Farm Credit Administration states: "The associations have employed certified public accountants to review the record of each association for the purpose of estimating the carrying charges and operating expenses for which they believe they should be reimbursed. * * * Our check of the reports submitted by the accountants shows some errors in the development of averages, additions, and extensions. In the case of four associations these errors resulted in an underclaim of \$14.651.76. With respect to six associations the errors caused an overclaim of \$19.881.41. The result is a net overclaim against the United States in the amount of \$5,229.65. * * * For such assistance as it may be to the committee we are enclosing a summary showing the result of our checks of the claim. The formulas used and the methods of computation seem to us to be fair."

4. Should the cooperative associations be reimbursed for their losses in carrying charges and overhead expenses incurred in the employed certified public accountants to review the record of each

losses in carrying charges and overhead expenses incurred in the handling of the 16-cent loan?

arm Credit Administration states: "The record does not show that there is any legal responsibility on the part of the Government in regard to the claims in question. However, it is clear that the associations did sustain losses in connection with the 16-cent loan program and there is evidence to show that the Federal Farm Board would have considered a settlement which would have provided for some of the carrying charges and operating expenses had it been legally possible for the Board to do so."

5. Was a settlement agreed upon between the Federal Farm Board and the convertige expension of the carrying the settlement agreed upon between the Federal Farm

Board and the cooperative associations following the termination

of the 16-cent loan?

James C. Stone, Chairman of the Federal Farm Board, succeeding Alexander Legge, its first chairman, testified at the McKellar hearing in Memphis, Tenn., in part as follows: "The original thing we did, which we agreed to do, which we thought was the fair thing to do, and which was agreed to by Mr. Legge and myself and Mr. Stanley Reed and the balance of the Board, was the agreement which the Attenuer Coursel turned down. ment which the Attorney General turned down as not being legal. * * * I figure it was never fair to hold the members of the cooperatives responsible for an act which was done for the purpose of maintaining a price for all cotton."

Mr. McKELLAR. Mr. President, a word in reply.

Mr. C. O. Moulton, head of the A. C. C. A., or the organization preceding the A. C. C. A., at that time recommended to the Farm Board the purchase of cotton, or the fixing of the price of cotton at 16 cents a pound. The Farm Board acted on that recommendation; and if my recollection is correct-if I am mistaken about it the Senator from Oklahoma will correct me—the loss to the Government was only \$79,000,000. That was all. Seventy-nine million dollars was lost to the Government by the recommendation from the American Cotton Cooperative Association or its predecessors. Thereupon there was a compromise between the Government and the associations which are now asking for relief. The compromise was agreed to, and the Government took the loss which had been forced upon it by the various cotton associations. My recollection is-and I will ask the Senator if I am not correct—that all the corporations except one, the one with respect to which the Senator from Mississippi [Mr. Bilbo] has just submitted an amendment, have gone into bankruptcy since that time.

Mr. THOMAS of Oklahoma. Mr. President, the policy of the Government forced them into bankruptcy.

Mr. McKELLAR. Their own speculations forced them into bankruptcy. This proposal calls for a renewal of the associations. Ever since they have been in existence, whenever they become hard up and want some more money, they come back with claims. This very claim has been before the Congress for a number of years. It was first introduced by my distinguished friend from South Dakota. Of course, South Dakota raises a lot of cotton, and in that way, I suppose, the claim came before the Congress at that time. The claim has been before the Congress for years. There is nothing in it. It is a species of racketeering on the part of the American Cooperative Association; and this bill should not be passed. I hope the Senate will not pass it. When it is taken up it will certainly be debated before it is passed. I object to it coming up today.

Mr. KING. I object, Mr. President.

Mr. THOMAS of Oklahoma. Mr. President, the bill seeks to adjust the difference between the Government and some 10 or 12 States. The bill has been pending before the Congress for some time. If it goes over at this time I serve notice that at the earliest opportunity I shall try to obtain consideration and final action on the bill.

The PRESIDENT pro tempore. The bill will be passed

ISSUANCE OF COMMEMORATIVE COINS

The bill (H. R. 2750) to prohibit the issuance and coinage of certain commemorative coins, and for other purposes, was announced as next in order.

Mr. PEPPER. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

Mr. MALONEY subsequently said: Mr. President, I am concerned with Calendar No. 803, House bill 2750, which was called while I was temporarily absent from the Chamber. May I ask what disposition was made of it?

The PRESIDENT pro tempore. The bill went over on objection.

Mr. MALONEY. I ask unanimous consent to recur to House bill 2750.

There being no objection, the Senate proceeded to consider the bill (H. R. 2750) to prohibit the issuance and coinage of certain commemorative coins, and for other purposes.

Mr. PEPPER. Mr. President, a bill introduced by the Senator from Connecticut [Mr. Maloney] has already passed the Senate and is over in the House. This is not the same

Mr. MALONEY. No; this is an entirely different bill. May I explain it to the Senator?

Mr. PEPPER. Yes. I should like to hear the Senator's explanation.

Mr. MALONEY. The bill originated in the House of Representatives, on the recommendation of the Secretary of the Treasury and as a result of expressions of opinion on the part of the President and the Treasury Department. The bill provides that the long-time practice of putting out new issues of coins be discontinued. At present, as a result of laws passed a long time ago, we are continuing to issue coins, or reissue commemorative coins, from year to year, with new dates, and coined at different mints. Many of them are returned to the Treasury. A tremendous expense is involved. There have been abuses by people engaged in the sale of coins, and I am very hopeful, because of these abuses, that the Senator will withdraw his objection to the bill. I am not the author of it.

Mr. PEPPER. Mr. President, I should like to ask the Senator a question. If the bill should become law, would it hereafter prohibit the issuance of any commemorative coins whatever?

Mr. MALONEY. No; it has nothing whatever to do with that matter. The bill would merely discontinue the minting of new issues of coins heretofore minted and issued under acts of Congress passed sometime ago. The present condition actually acts to deter the aims of the Senator from Florida.

Mr. PEPPER. I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTIONS PASSED OVER

The joint resolution (S. J. Res. 84) proposing an amendment to the Constitution of the United States for a referendum on war, was announced as next in order.

Mr. KING. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 140) proposing an amendment to the Constitution relating to the power of the Congress to declare war, was announced as next in order.

SEVERAL SENATORS. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

AMENDMENT OF PATENT STATUTES

The bill (S. 2688) to amend section 4884 of the Revised Statutes (U. S. C., title 35, sec. 40) was announced as next in

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? If not, let it go over.

Mr. BONE. Mr. President, will the Senator withhold his objection for a moment?

Mr. McKELLAR. I will withhold my objection so that the Senator may make an explanation.

Mr. BONE. Senate bill 2688 is one of the bills recommended by the Commissioner of Patents to correct a condition which exists in the patent law of the country by which, unhappily, due to the mechanics of enforcement, patents are sometimes continued indefinitely, as long as a period of 44 years. The bill compels the applicant for a patent to expedite the obtaining of a patent after he announces his invention to the world. He would have 3 years to obtain his patent. The bill provides that the life of the patent may not extend beyond a 20-year period. It is one of the recommendations of the Commissioner of Patents. I believe five bills were introduced in the House, and are now on the calendar. I sincerely hope they will be passed.

Mr. McKELLAR. As I understand, the bill limits the life of a patent to 20 years.

Mr. BONE. From the time an applicant makes his application, the patent may not go beyond 20 years. Some patents have been dragged through the courts for as long as 44 years.

Mr. McKELLAR. I think the proposed legislation is very wise.

Mr. BONE. It seems so to us. Mr. KING. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. KING. I will say to my friend from Tennessee [Mr. McKellar] that the question came up before the so-called monopoly committee, and we received a great amount of testimony from experts and lawyers who were familiar with patent practice. The Commissioner of Patents, Mr. Coe, a man of very great ability, was the principal witness; and he made a number of recommendations which our committee favored, if I may be permitted to state the action of the committee.

Mr. McKELLAR. Are his recommendations included in

Mr. KING. His recommendations were incorporated in a number of bills which were introduced by the Senator from Washington [Mr. Bone] and reported by his committee. As to most of the bills, I am in favor of them. With respect to one of them, I shall ask that it go over.

Mr. BONE. I call the attention of the Senator from Utah and the Senator from Tennessee to the fact that on page 13 of the calendar, Calendar Nos. 916 to 920, are five of the bills which went through the committee on which the Senator from Utah [Mr. King] served, of which committee the Senator from Wyoming [Mr. O'MAHONEY] was chairman. The bills were introduced in the House and passed unanimously by the House. There was not a single murmur of disapproval. I sincerely hope those bills will pass.

Mr. KING. Let us take them up seriatim.

Mr. McKELLAR. I should like to ask the Senator from Washington [Mr. Bone] about the next bill on the calendar. Senate bill 2687, to establish a circuit court of appeals for patents.

Mr. BONE. There have been objections to that bill. It is a rather important bill. The Senator from Rhode Island [Mr. Gerry] objected to it the other day.

Mr. KING. Let the bill go over.

Mr. BONE. Referring to Senate bill 2687, of course I should like to have it passed, but inasmuch as several Senators would like to discuss it, it had probably better go over. However, I should like to see Senate bill 2688, Calendar 809, passed.

Mr. TAFT. Mr. President, I still object to Calendar No. 809, Senate bill 2688.

Mr. O'MAHONEY. Mr. President, may I ask the Senator from Ohio to state the grounds of his objection? I think if the matter were developed a little it would become perfectly clear, and perhaps there might not be any basis for objection.

Mr. TAFT. No; I think I understand the subject; and I object.

Mr. O'MAHONEY. I have no doubt the Senator understands the subject.

Mr. TAFT. The bill may be brought up later.

The PRESIDENT pro tempore. The bill will be passed

BILLS PASSED OVER

The bill (S. 2687) to establish a circuit court of appeals for patents was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 409) to protect American labor and stimulate the employment of American citizens on American jobs was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF COPYRIGHT LAWS

The bill (S. 2689) to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill by the Senator from Washington [Mr.

Mr. BONE. Mr. President, this bill was reported from the Committee on Patents by the Senator from Idaho [Mr. CLARK]. It was my recollection that this particular bill was passed the other day. I had the impression that it was passed on the call of the calendar. The Senator from Vermont [Mr. Austin] had raised some question about the bill, and I believe its provisions were explained to his satisfaction.

There are now provisions in the law forbidding the importation into the country of pirated American works. The Treasury Department and the Post Office Department have found some difficulty in the enforcement of the law against the importation of pirated works. The bill would merely au-

thorize the two Departments to set up recording systems by which they would be better able to give their employees, the collectors of customs, and the Post Office Department officials. an opportunity to know what the list of American authors is, and to exclude the pirated works.

Mr. McKELLAR. Are both Departments in favor of the

Mr. BONE. Both Departments are in favor of the bill.

Mr. McKELLAR. I have no objection.

Mr. BONE. Their attorneys drew the bill, and I think there is no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, is amended to read as follows:

"SEC. 33. That the Secretary of the Treasury and the Postmaster General are hereby empowered and required to make and enforce individually or jointly such rules and regulations as shall prevent the importation into the United States of articles prohibited importation by this act, and may require, as conditions precedent to exclusion of any work in which copyright is claimed, the copyright proprietor or any person claiming actual or potential injury by reason of actual or contemplated importations of copies of such by reason of actual or contemplated importations of copies of such work to file with the Post Office Department or the Treasury Department a certificate of the Register of Copyrights that the provisions of section 12 of this act, as amended, have been fully complied with, and to give notice of such compliance to post-masters or to customs officers at the ports of entry in the United States in such form and accompanied by such exhibits as may be deemed necessary for the practical and efficient administration and enforcement of the provisions of sections 30 and 31 of this act."

BILLS PASSED OVER

The bill (H. R. 5643) to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alier ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes, was announced as next in order.

Mr. BURKE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 2573) to amend the Agricultural Adjustment Act of 1938, as amended; for the purpose of regulating interstate and foreign commerce in rice and providing for the orderly marketing of rice at fair prices in interstate and foreign commerce was announced as next in order.

Mr. BURKE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

FLIGHT OFFICERS, AIR CORPS, REGULAR ARMY

The bill (S. 2225) to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer was announced as next in order.

Mr. KING. Let the bill go over.

Mr. SHEPPARD. Mr. President, will the Senator withhold his objection?

Mr. KING. Yes.

Mr. SHEPPARD. This bill involves no additional cost. It makes it possible for Reserve flight officers, who are now among the most experienced and capable flight officers we have, to continue in service under this special rank. They take the places of those who would come in to fill the required officer personnel without increasing the total established number. The Federal Government has spent millions of dollars in training these officers; and it is to the interest of the Government that they be retained.

Mr. KING. I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs, with an amendment, to strike out all after the enacting clause and insert:

That a separate commission be authorized for the Regular Army Air Corps for the purpose of inducting on a commission status those Reserve officer pilots who are serving on extended active duty with the Army Air Corps or who are eligible for such duty with the Army Air Corps, warrant officer pilots and enlisted pilots on duty with the Regular Army Air Corps, who are not eligible for a commission as second lieutenant, Regular Army Air Corps, under existing regulations, who are graduates of the Army Air Corps Training Center, who have a minimum of 1,000 flying hours in military aircraft as pilot, such commission in the Regular Army Air Corps to be designated "flight officer," such commission to consist of three separate grades as follows: Junior flight officer, to consist of three separate grades as follows: Junior flight officer, flight officer, and senior flight officer. The rank pay, and allowances of a junior flight officer shall be equal of a second lieutenant, ances of a junior flight officer shall be equal of a second lieutenant, Air Corps, United States Army; the rank, pay, and allowances of a flight officer shall be equal of a first lieutenant, Air Corps, United States Army; and the rank, pay, and allowances of a senior flight officer shall be equal of a captain, Air Corps, United States Army. Junior flight officers will be promoted automatically to flight officers within and not to exceed 3 years' satisfactory active service performed after graduation from the Air Corps Training Center; flight officers to be promoted automatically to senior flight officers within and not to exceed 10 years' satisfactory active service after graduation from the Air Corps Training Center. Those officers who are commissioned in, or to be commissioned into the Air Corps, United States Army, as flight officers of the three grades indicated, shall be given constructive service for all duties served by them as Reserve officers, warrant officers, flying cadets, and indicated, shall be given constructive service for all duties served by them as Reserve officers, warrant officers, flying cadets, and enlisted pilots, serving as such in the Air Corps after graduation from the Air Corps Training Center: Provided, That this constructive service will count to the credit of such Reserve officers, warrant officers, flying cadets, or enlisted pilots when so commissioned for pay purposes, longevity, retirement, and rank, except this commission will not affect the promotion list of the permanent establishment as it now exists, but will be a separate promotion list; the uniforms and insignia of the flight officer grades will be the same as that of the second lieutement, first lieutement, and capitain the uniforms and insignia of the flight officer grades will be the same as that of the second lieutenant, first lieutenant, and captain, United States Army, Air Corps, or as the War Department may prescribe: Provided further, That the status of a flight officer shall be the same with respect to command, accountability, responsibility, and privileges in the same manner and to the same extent as that of officers of equal grade in the Regular Establishment: Provided further, That at the end of 17 years' service senior flight officers will receive the pay, privileges, allowances, and the emoluments equal to that of a major, Air Corps, United States Army, the grade, however, to be not increased. No further increase in pay scale shall be allowed this commission except longevity or except as Congress may provide. The commissioned personnel of the flight officers grade shall receive retirement and disability equal except as Congress may provide. The commissioned personnel of the flight officers grade shall receive retirement and disability equal of the grade in which serving at time of disability or retirement, except when having served over 17 years' time, in which case retirement or disability will be on the basis equal of a major, Air Corps, United States Army. The pay, allowances, travel, disability, retirement, pensions, and so forth, of the flight officer grades so commissioned pursuant to this act, shall be made available from the appropriations made annually for the pay of the Regular Army personnel: Provided further, That the number of flight officer personnel shall not exceed 20 percent of the officer personnel of the United States Army, Air Corps, and that vacancies existing off the United States Army, Air Corps, and that vacancies existing subsequent to the effective date of this act shall be filled from Air Corps Reserve officers on extended active duty, who are ineligible for the Regular Army commissions under existing requirements, as prescribed by the War Department.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF AMERICAN NATIONALS AGAINST SOVIET GOVERNMENT

The joint resolution (H. J. Res. 315) to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the joint resolution?

Mr. HARRISON. Mr. President, this is a House joint resolution which passed the House on July 5. The joint resolution is approved by the President and by the State Department. A large number of claims have been filed in the State Department by American nationals against the Soviet Union. The majority of these claims are the result of action taken by the Soviet Government after the revolution of 1917, at which time that Government nationalized property and repudiated the bonds and other obligations of prior Russian Governments. The United States Government also

has a large claim against the Soviet Government as a result of this action, the claim resulting from the failure of predecessor Governments to meet notes given in exchange for cash advances and supplies furnished by this Government on credit. No agreement has been made with the Soviet Government for the settlement of these claims. However, in November 1933 the Soviet Government assigned to this Government certain assets, some of which have been liquidated and deposited in the Treasury, preparatory to the settlement of all such claims and counter claims.

An effort has been made by the Department of State to have claimants submit their claims against the Soviet Government; but so far only a small number have been filed. It is desirable that these claims be filed and passed upon at the earliest possible date. It is anticipated that the amount of funds required for determining the value and validity of these claims would be small in comparison with the total amount of the claims, and that it would require about 2 years to perform the work of adjudicating them. The bill provides for the appointment of a commissioner who would have a very small staff to assist him. The joint resolution was reported from the Committee on Foreign Relations without opposition and without amendment.

Mr. KING. To whom are they to present their claims? Citizens of the United States have claims against the Soviet Government or its predecessors for a very large sum, running into the tens of millions of dollars. I understand that those claims, with proper authentication, have been presented to the State Department.

Mr. HARRISON. Yes.

Mr. KING. In the past the Soviet Government has not indicated a desire or willingness to pay the claims, notwithstanding the fact that there has been no attempt to deny their validity. I was wondering what benefit would be obtained. The bill would create jobs for a number of persons, some with salaries as high as \$9,000 per annum. The State Department is now familiar with the claims, because they have been brought to the attention of the Department many times. If the plan were to have a committee selected by the Soviet Government and the United States for the purpose of ascertaining exactly the amount due, with a view to paying them. I think that would be a very proper thing; but it seems to me this is merely a work of supererogation. We know what the claims are. They have been presented to the State Department; and I do not see any advantage to be gained by having a further recapitulation.

Mr. HARRISON. The State Department thinks that the procedure recommended in the President's message should be followed. I do not know of any other way for American nationals to have an opportunity to present their claims against the Soviet Government. I cannot see any harm in the bill. It would afford the claimants a vehicle through which to present their claims.

Mr. KING. I think it is unnecessary. However, I shall not object. It is a waste of money.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2289) for the relief of the Leesburg Welding & Garage Co. was announced as next in order.

Mr. KING. Mr. President, I ask that the bill go over. I was promised some information in regard to it, which I have not as yet received.

The PRESIDENT pro tempore. The bill will be passed over.

GEORGE SLADE

The Senate proceeded to consider the bill (H. R. 2452) for the relief of George Slade, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$4,500", and insert "\$500, and the additional sum of \$50 per month in

an amount not to exceed \$4,000", so as to make the bill

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George Slade, of Nor-folk, Va., out of any money in the Treasury not otherwise appropri-ated, the sum of \$500, and the additional sum of \$50 per month in an amount not to exceed \$4,000, in full settlement of all claims against the United States on account of permanent injuries sustained by him in Norfolk County, Va., on October 31, 1924, as a result of being shot and crippled for life by J. G. Griffin, an officer of the United States engaged in the enforcement of prohibition: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PURCHASE AND DISTRIBUTION OF SURPLUS FISH PRODUCTS

The bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry was announced as next in

Mr. KING. I ask that the bill go over.

Mr. DANAHER. Mr. President, in connection with the bill, which has already passed the House, I have an amendment which I should like to submit and explain. The purport and intendment of the bill are perfectly sound, but the bill does go too far.

Mr. LA FOLLETTE. Mr. President, the consideration of

the bill has been objected to.

Mr. DANAHER. Mr. President, I should like very much to explain the amendment, if I may, and have it pending.

Mr. McKELLAR. I inquire what is the number of the bill?

The PRESIDENT pro tempore. The bill will be stated by

The CHIEF CLERK. A bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

To which Mr. Danaher offers the following amendment:

On page 1, line 3, to strike out "any part."
On page 1, line 7, after the word "amended", to insert "not to exceed \$1,500,000."

On page 1, line 8, after the word "surplus", to insert the words "edible fresh, frozen, salted or dried but not canned."
On page 1, line 9, to strike out the words "shellfish" and insert in lieu thereof the words "mollusks and."

On page 1, line 9, to strike out the words "and similar forms of

aquatic life and."

On page 1, line 10, to strike out the words "byproducts thereof"; On page 2, line 8, to insert section 2, subparagraph (a): "Sec. 2. (a) From the fund authorized to be transferred by "Sec. 2. (a) From the fund authorized to be transferred by section 1 hereof the Secretary of Agriculture is authorized to transfer to the Secretary of Commerce sums as follows, to be maintained in a separate fund, \$75,000, which shall be used by the Secretary of Commerce to promote the free flow of domestically produced dishery products in commerce by conducting a fishery educational service; and \$100,000, which shall be used by the Secretary of Commerce to develop and increase markets for fishery products of domestic origin."

Mr. KING. From a reading of the bill it seems to me to be objectionable.

Mr. DANAHER. I should like to explain to the Senate the general purpose of the bill and the purpose of the amendment. Of course, I must have the consent of the Senate to proceed. I inquire if the Senator from Utah has the bill before him?

Mr. KING. I have.

Mr. DANAHER. Mr. President, may I point out-

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from New York. Mr. WAGNER. I want to inquire who is in charge of the bill? I hardly think it is proper to offer an amendment to the bill unless the Senator in charge of the bill is present.

Mr. DANAHER. I may say in answer to the Senator from New York that both Senators from Florida [Mr. Andrews and Mr. Pepperl are in the Chamber. They are both vitally interested in the bill and have discussed the bill with me, it seems, hours on end.

Mr. WAGNER. I beg the Senator's pardon. I did not understand that.

Mr. DANAHER. Of course I think we all know what we are trying to do.

Mr. President, the reason why this bill is susceptible to amendment at this time is that I objected to it when it was previously called on the Calendar, but upon ascertaining what the intendment of the bill was, and after conference with the Chief of the Bureau of Fisheries of the Department of Commerce, as well as enlightening discussions with both Senators from Florida, I drew this proposed amendment. The idea back of it is that if this bill can be kept on the basis of aiding the consumers, it has immense merit and would have my wholehearted support. The moment this bill is allowed, however, to take another turn, and to reach into the field of assisting manufacturers and canners of fish and fish products, including that type of fish products which is not edible, then I think that this bill is susceptible to objection and should be rejected.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Georgia. Mr. RUSSELL. I have examined casually the amendment proposed by the Senator from Connecticut. If I understand the purport of the amendment, it will eliminate from the products that could be purchased such commodities as canned shrimp. Does the Senator from Connecticut intend to eliminate canned shrimp?

Mr. DANAHER. Very definitely. I submit to the Senator from Georgia that the amendment would include edible fish, frozen, salted or dried fish, and mollusks, which will include all kinds of oysters and clams; and crustacea, which will include shrimp, crawfish, and lobsters. There is no reason in the world why we should allow manufacturers to produce a manufactured surplus and then unload that surplus on the Surplus Commodities Corporation or anybody else at Government expense.

Mr. RUSSELL. The same argument might hold true against those who are engaged in the refrigeration of fish. Why should they be permitted to refrigerate large quantities of fish, and then have the Senator's amendment specifically empower the Federal Commodities Corporation to purchase such fresh fish but exclude canned fish? It is the practice to preserve fish for food by refrigeration and by canning, and the Senator's amendment would permit the purchase of refrigerated fish but would debar the purchase of the other kind of preserved fish, namely, canned fish.

Mr. DANAHER. Precisely; I realize that, and I know that somewhere we have got to draw the line. It is what we do every day. As Justice Holmes said, we draw the line between day and night, between youth and age. We have to draw the line somewhere, I will say to the Senator from Georgia.

When we undertake to include a manufacturer's surplus, then we might just as well reach out further and include the manufacturer of the tin cans who had expected to sell the tin cans but for whose product there was not a sufficient demand. We might just as well extend it to the miner who mines too much coal and therefore would like to unload his surplus on the Government. Not a bit of it. If we want to make this a consumer bill, I will say to the Senator from Georgia, if we want to help those who buy fish and hence enlarge the market for fresh, frozen, and salted fish, I am willing to go along; I want to see that type of bill succeed, but I am not willing to permit manufactured surpluses to be unloaded at the expense of the Government any more than I would be willing to see surpluses of any other kind of manufactured goods so unloaded.

Mr. KING. Mr. President, I object to the bill.

Mr. RUSSELL. Mr. President, I may say to the Senator from Connecticut that the Federal Surplus Commodities Corporation does buy manufactured products of several kinds. They have bought several thousand cases of canned beans, beets, tomatoes, peas, and various other vegetables. I do not see why the Senator should seek by this amendment to discriminate.

Mr. KING. Objection has been made.

The PRESIDENT pro tempore. Objection has been made.

Mr. KING. I ask for the regular order.

Mr. HARRISON. Mr. President, will the Senator withhold his objection for a minute? I hope the Senator will not include canned shrimp in his amendment. If there is anything that gives employment to vast numbers of men in my part of the State it is the canned-shrimp industry, and the price of no other commodity has gone down more than that of shrimp. The amendment would affect the men who go out and catch shrimp and take the shrimp into the factories. Certainly I know nothing would be of greater help to that industry than this particular bill without the amendment. I hope the Senator will not include canned shrimp in his amendment.

Mr. DANAHER. Please let me point out to the Senator from Mississippi that this is not a relief bill; it is not a work bill; it is not intended to provide employment. This is a bill to take up surpluses. When the Senator from Georgia says that the Surplus Commodities Corporation purchases canned beans, remember that that is done under section 32 of the Agricultural Adjustment Act. Never mind whether or not what I think is a mistaken agricultural policy has forced the Government to buy canned agricultural products. That is not the point. This bill would put fish in that category. Certainly a person has a right to say whether he will or will not catch too many fish or too many shrimp, and if as a net result he catches a surplus and the manufacturer cans them and then cannot sell them, that is no justification whatever, I will say to the Senator from Mississippi, for unloading that type of surplus on the Government. It seems to me that the amendment as submitted would cure the situation; it would confine it to a consumer bill. I want to make it a consumer bill. If that be done, then we can go ahead and educate the people to buy and eat fish and crustacea, whether canned, frozen, or otherwise, and thus have an opportunity to enlarge the market. I should think the Senator from Mississippi would jump at the chance to support this amendment, and hence enlarge the market for shrimp.

Mr. KING. Mr. President, objection has been made to the consideration of the bill.

The PRESIDENT pro tempore. Objection has been made. Mr. HARRISON. Mr. President, if the Senator from Connecticut could taste the canned shrimp made down in my State, he would be against the proposal he suggests.

Mr. DANAHER. Mr. President, I ask unanimous consent to have an order for the printing of my amendment. I should like to have the amendment printed, please.

Mr. KING. The amendment may be printed.

Mr. RUSSELL. If the Senator is to have his amendment printed, may I suggest that his amendment say "not exceeding \$1,500,000"? In my opinion, there should be added "in any one fiscal year"; otherwise the Senator's amendment would cause the bill to operate only for 1 year.

Mr. DANAHER. It may well be, I will say to the Senator from Georgia, that that is as long as it should operate. I do not know. I was trying to do something to help those who want to sell fish, but in that connection let us have the amendment printed, please.

The PRESIDENT pro tempore. Without objection, the amendment will be printed and lie on the table.

Mr. KING. I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded. The clerk will state the next bill on the calendar. ONE HUNDRED AND FIFTIETH ANNIVERSARY OF SETTLEMENT OF GALLIPOLIS, OHIO

The joint resolution (H. J. Res. 272) to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio, was announced as next in order.

Mr. KING. Mr. President, I do not find that joint resolution in my calendar. I ask that the clerk read it.

The PRESIDENT pro tempore. The joint resolution will be read.

The Chief Clerk read the joint resolution, as follows:

Whereas the settlement of the Northwest Territory, which comwhereas the settlement of the Northwest Territory, which commenced at Marietta, Ohio, in 1788, started the greatest movement of pioneer settlers in the history of the world; and Whereas in 1790 the third settlement in that great program of development was made at Gallipolis, Ohio; and Whereas the establishment of Gallipolis was made by the famous "French 500," who with their families came direct from their native

Whereas by reason of the inestimable services rendered the American Colonies by the French Nation and thousands of their patriotic citizens led by General Lafayette there has been established an indissoluble bond of friendship between the French Nation and the United States; and

Whereas there is no more fitting time or place to again prove this friendship than at Gallipolis, Ohio, on the occasion of its cele-bration of its sesquicentennial in 1940; and

Whereas the citizens of Gallipolis, a small city of 7,000 population, have planned and will carry out at great personal sacrifice of time, energy, and wealth a season of pageantry, patriotic demonstrations, and cultural entertainments that will rank with the best that can be produced anywhere, regardless of expense: Therefore be it

Resolved, etc., That there is hereby established a commission to be known as the Gallipolis Sesquicentennial Commission and composed of seven members, as follows: The common pleas judge of Gallia County, the probate judge of Gallia County, the chairman of the board of county commissioners of Gallia County, the municipal judge of the city of Gallipolis, the city manager of the city of Gallipolis, the postmaster of the city of Gallipolis, and the president the chamber of commerce.

SEC. 2. These commissioners shall serve without compensation and shall select a chairman from among their number. It shall be and shall select a chairman from among their number. It shall be the duty of the commission to cooperate with all authorized agencies in charge of the sesquicentennial celebration to be held in the city of Gallipolis during the year 1940 and to expend any appropriation made herein for the promotion of said celebration and in commemoration of heroic deeds of the noble Frenchmen and their families who settled Gallipolis under such difficult circumstances, all the better to strengthen the bonds of friendship that have existed between the French Nation and the United States of America of America

SEC. 3. There is authorized to be appropriated the sum of \$10,000, or so much thereof as may be necessary, to carry out the purpose

of this resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

PRELIMINARY EXAMINATIONS AND SURVEYS FOR FLOOD CONTROL

The Senate proceeded to consider the bill (H. R. 6634) amending previous flood-control acts and authorizing certain preliminary examinations and surveys for flood control, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. CLARK of Missouri. Mr. President, this bill was unanimously passed, I believe, or passed by a practically unanimous vote, in the House of Representatives. It does not contain any new flood-control projects, but simply carries a number of authorizations for preliminary surveys and provides a few corrections in the language of previous floodcontrol bills; also an adjustment in the matter of the Muskingum Valley in Ohio, on the basis on which contributions of the United States should be figured in order to put the Muskingum Valley project on the same footing as other projects heretofore authorized by law.

The committee further reported an amendment having to do with a project in New Mexico proposed by the Senator from that State [Mr. HATCH]. I have here a committee amendment which I intend to offer, if consideration is allowed the bill, making it clear that there is no intention by this measure to interfere with the present functions of the Federal Power Commission. I believe, with that amendment, every objection which has ever been made to this bill would be met. I hope we will be permitted to have the bill considered.

Mr. KING. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield. Mr. KING. I understood that a bill carrying a large appropriation for rivers and harbors would not be acted upon at this session of the Congress.

Mr. CLARK of Missouri. This bill has nothing whatever to do with that bill. It is entirely a separate measure. This bill does not contain an authorization for any new projects. It merely provides for preliminary surveys in connection with a number of projects and also provides for some clarification of the law to correct defects which have developed in practice since the enactment of the preceding law.

Mr. KING. Does the committee that has charge of the

river and harbor bill approve of this bill?

Mr. CLARK of Missouri. The Commerce Committee have charge of both of them. That was considered by a different subcommittee.

Mr. BAILEY. Mr. President, this bill is approved but it is not an appropriation bill; it is a survey bill, providing for preliminary surveys.

Mr. KING. I have no objection.

Mr. CLARK of Missouri. Mr. President, may the amendments be stated?

The PRESIDENT pro tempore. The amendments reported by the Committee on Commerce will be stated.

The first amendment of the Committee on Commerce was, on page 3, line 13, after the name "District", to insert a colon and the following additional proviso: "Provided further, That the Secretary of War is authorized to pay to said district forthwith on the passage of this act, the sum of \$1,500,000, on verification of the fact that reimbursable expenditures in such amount have been made by the district, and on the agreement of the district, duly certified to the Secretary of War, that it will proceed immediately to convey and transfer any assets acquired through such expenditures not already conveyed, but such payment may be made prior to the actual transfer of title to lands, easements, rights-of-way, and other property."

The amendment was agreed to.

The next amendment was, at the top of page 4, to insert a new section, as follows:

a new section, as follows:

SEC. 5. Section 2 of Public Law No. 761, Seventy-fifth Congress, is hereby amended by adding the following: "Provided further, That in all cases of the acquisition hereunder by the United States from the Los Angeles County Flood Control District or the Muskingum Watershed Conservancy District of lands, easements, or rights-of-way, wherein the written opinion of the Attorney General in favor of the validity of the title to such lands, easements, or rights-of-way is or may be required or authorized by law, the Attorney General may, in his discretion, base such opinion upon a certificate of title of the district from which said lands, easements, or rights-of-way are to be acquired accompanied by an agreement, duly executed by the district in conformity with the constitutions and laws of the State where the district in question is situated, to indemnify the United States against all claims, liabilities, loss, expenses, and attorneys' fees of whatsoever kind or nature, resulting from or arising out of any defect or defects whatsoever in the title to any such lands, easements, or rights-of-way so conveyed to the United States, including all just compensation, costs, veyed to the United States, including all just compensation, costs, and expenses which may be incurred in any condemnation proceeding deemed necessary and instituted by the United States in order to perfect title to any such lands, easements, or rights-of-way."

The amendment was agreed to.

The next amendment was, on page 6, after line 13, to insert:

Mohawk River, N. Y.

The amendment was agreed to.

The next amendment was, at the top of page 7, to insert: Purdy Reservoir on Rush Creek, Okla,

The amendment was agreed to.

The next amendment was, on page 7, after line 1, to insert: Dirty Creek, Muskogee County, Okla.

The amendment was agreed to.

The next amendment was, on page 7, after line 2, to insert: Mangum-Salt Fork, Greer County, Okla.

The amendment was agreed to.

The next amendment was, on page 7, after line 4, to insert: Hobolochito River, Miss.

The amendment was agreed to.

The next amendment was, on page 7, after line 8, to insert: Whiteoak and Straight Creeks, Ohio.

The amendment was agreed to.

The next amendment was, on page 7, after line 11, to

Kentucky River and its tributaries, Kentucky.

The amendment was agreed to.

The next amendment was, on page 7, after line 21, to

South Platte River and its tributaries, Colorado, Wyoming, and

The amendment was agreed to.

The next amendment was, on page 7, after line 23, to insert:

Neskowin Creek, Oreg.

The amendment was agreed to.

The next amendment was, at the top of page 8, to insert: Skykomish River, Wash.

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to insert:

SEC. 7. That the Alamogordo Dam and Reservoir on the Pecos River, N. Mex., is hereby authorized and declared to be for the purposes of controlling floods, regulating the flow of the Pecos River, providing for storage and for delivery of stored waters, for the reclamation of lands, and other beneficial uses, and said dam and reservoir shall be used, first, for irrigation; second, for flood control and river regulation; and, third, for other purposes. The Chief of Engineers and the Secretary of War are directed to report to the Congress the amount of the total cost of said control. The Dam and Reservoir which is properly allocable to flood control. The Dam and Reservoir which is properly allocable to flood control. The appropriation and transfer of such amount from the general fund of the Treasury to the reclamation fund, for credit by reduction of the maximum obligation of the Carlsbad Irrigation District to repay the total cost thereof, is hereby authorized.

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I offer a further amendment on behalf of the Committee on Commerce.

The PRESIDENT pro tempore. The Clerk will state the amendment.

The CHIEF CLERK. It is proposed to amend section 6 of the bill, on page 5, line 18, after the word "Congress", to insert a colon and the following proviso:

Provided, That the power and authority conferred by the Flood Control Act of June 28, 1938, and previously conferred upon the Federal Power Commission shall remain in full force and effect.

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, I offer an amendment. The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 2, after line 15, it is proposed to insert:

SEC. 3a. Buffalo Bayou and its tributaries, Texas; the project set forth in House Document No. 456, Seventy-fifth Congress, and authorized by Public Law No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public Law No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated.

Mr. SHEPPARD. Mr. President, this amendment has the effect of bringing the project to which it refers under the Flood Control Act of 1938, where all other flood-control projects now are.

The amendment was agreed to.

Mr. WALSH. Mr. President, I move that, on page 6, after line 7, the words "Green River, Mass." be inserted. I believe this matter has been taken up with the committee.

Mr. CLARK of Missouri. Mr. President, the amendment has been submitted, and the committee has no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. Walsh].

The amendment was agreed to.

Mr. MINTON. Mr. President, I submit an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the end of the bill, on page 9, after line 3, after the committee amendment heretofore agreed to, the following:

SEC. 8. In the case of any local flood-protection work in the Ohio River Basin authorized to be prosecuted by the provisions of section 4 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 28, 1938, the President is authorized to waive the requirements of section 3 of the Flood Control Act, approved June 22, 1936, with respect to local cooperation to the extent of not to exceed 50 percent of the estimated cost of the lands, after investigation, that the city or town to be benefited by such work is, by reason of its financial condition, unable to comply with the requirements of such section 3 with respect to local cooperation. the requirements of such section 3 with respect to local cooperation.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, on page 7, after line 3, I move to amend by inserting the following:

Fairfax-Kaw City, Osage County, Okla.

The amendment was agreed to.

Mr. SCHWARTZ. Mr. President, I object to the consideration of the bill at this time.

Mr. CLARK of Missouri. Mr. President, this is a very important matter, and I give notice that at the earliest possible moment I will move that the Senate proceed to the consideration of the bill. I think it ought not to be disposed of on one objection.

Mr. CLARK of Missouri subsequently said: Mr. President, I ask unanimous consent that we return to the consideration of House bill 6634.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 6634) amending previous floodcontrol acts and authorizing certain preliminary examinations and surveys for flood control, and for other purposes.

Mr. BONE. Mr. President, I should like to ask the Senator from Missouri a question. Does this bill make provision similar to those which have been heretofore made, which would take out of the hands of any department of the Government which might have to do with flood control any authority they have over power-development matters? If so I desire to object.

Mr. CLARK of Missouri. The only suggestion we have heard of that kind in connection with the bill was on the part of some employees of the Federal Power Commission who came to Congress undertaking to allege that there was something in the bill which would separate them from some of their authority. After consultation with the Senator from Kentucky I submitted an amendment, I suppose while the Senator from Washington was temporarily absent from the floor, which would protect the Federal Power Commission from any interference.

Mr. BONE. I remember a measure which came back from a conference containing a provision that would have made it impossible for anyone but the Army engineers to have anything to do with power development.

Mr. CLARK of Missouri. There was no such language in the pending bill originally, and in order to meet the fear of the Federal Power Commission, an amendment was inserted just a few moments ago which specifically protects them against any such thing.

Mr. BONE. I am really seeking information. I am glad to accept the Senator's statement.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of

The amendments were ordered to be engrossed and the bill read a third time.

The bill was read the third time, and passed.

Mr. HARRISON subsequently said: Mr. President, a few minutes ago we reached House bill 6634 on the calendar, a bill which the Senator from Missouri [Mr. CLARK] had in charge, and the bill went over on objection made by the Senator from Wyoming [Mr. Schwartz], but it was afterward passed. I had an amendment which was going to be accepted for a survey, and I merely ask, so that I may offer the amendment, that the vote by which the bill was ordered to a third reading and passed be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the bill was ordered to a third reading, and passed, is reconsidered.

Mr. HARRISON. Mr. President, I offer an amendment at the end of line 5, page 7, after the committee amendment heretofore agreed to, to read as follows:

Hatchie River and tributaries, Mississippi and Tennessee.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. BARKLEY subsequently said: Mr. President, I had to step over to the other end of the Capitol for a few minutes. May I inquire what happened to calendar No. 881, House bill 6634?

The PRESIDENT pro tempore. The bill was passed.

Mr. BARKLEY. Was an amendment offered by the Senator from Missouri [Mr. CLARK]?

The PRESIDENT pro tempore. An amendment was offered by the Senator.

Mr. BARKLEY. Was it agreed to?

The PRESIDENT pro tempore. Yes.

BILL PASSED OVER

The bill (S. 2626) to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway in the States of Virginia and North Carolina by the Secretary of the Interior, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed

USE OF NATIONAL PARKS FOR ELEMENTARY SCHOOL PURPOSES

The Senate proceeded to consider the bill (S. 29) to authorize the use of certain facilities of national parks and national monuments for elementary school purposes, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 8, after the word "buildings", to strike out "and to permit the use, without charge, of Government-owned transportation facilities, when available", and to insert "when such space may be available for such purposes;" and on page 2, line 1, after the word "monuments", to strike out "for conveying such children to and from schools when not conveniently accessible by public transportation," so as to make the bill read:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments the Secretary of the Interior is hereby authorized in his discretion to make available for elementary school purposes therein, without charge, space in Government-owned buildings, when such space may be available for such purposes without detriment to the official business of such national parks and national monu-

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADMINISTRATION OF OATHS BY INTERIOR DEPARTMENT EMPLOYEES

The Senate proceeded to consider the bill (S. 2627) to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior, as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties, which was read as follows:

Be it enacted, etc., That special agents and such other employees of the Division of Investigations, Department of the Interior of the United States, as are designated by the Secretary of the Interior for that purpose, are authorized and empowered to administer for that purpose, are autorized and empowered to attain section or take from any person an oath, affirmation, affidavit, or deposition whenever necessary in the performance of their official duties. Any such oath, affirmation, affidavit, or deposition administered or taken by or before a special agent or such other employee

of the Division of Investigations, Department of the Interior, designated by the Secretary of the Interior, when certified under his hand, shall have like force and effect as if administered or taken before an officer having a seal.

Mr. McKELLAR. Mr. President, may we have an explanation from the chairman of the committee?

Mr. ADAMS. Mr. President, Senate bill 2627 authorizes special agents and employees of the Division of Investigations of the Department of the Interior to administer oaths. It seems that this power is vested in the investigating authorities of practically all the other departments, and the Interior Department states that they are frequently handicapped by not having the authority in their agents. They are making investigations frequently in remote places, where notaries public and courts are not available. Of course, as Senators know, it does not constitute a foundation for perjury indictments, but it does aid in making a complete record of investigations.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DISPOSITION OF SURPLUS ANIMALS

The bill (S. 2625) to authorize the Secretary of the Interior to sell or otherwise dispose of surplus animals inhabiting the national parks and national monuments, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in his discretion, and under regulations to be prescribed by him, to sell, donate, or otherwise dispose of surplus elk, deer, bison, moose, bear, or the parts of any such animals, inhabiting any of the national parks or national monuments. Any other animals found dead within the aforesaid areas, or the parts of such animals, may be donated to scientific and educational institutions.

SEC. 2. All moneys received from the sale of any such surplus animals, or products thereof, shall be deposited in the Treasury of the United States as miscellaneous receipts.

SEC. 3. All laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

RECREATIONAL FACILITIES IN CHOPAWAMSIC RECREATIONAL DEMONSTRATION PROJECT

The bill (S. 2493) to provide for the operation of the recreational facilities within the Chopawamsic recreational demonstration project, near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter the lands comprising the Chopawamsic recreational demonstration project transferred to the Secretary of the Interior by Executive Order No. 7496, dated November 14, 1936, shall be administered by the Secretary of the Interior through the National Park Service as part of the park system of the National Capital and its environs.

SEC. 2. The Director of the National Park Service, under the direction of the Secretary of the Interior, is authorized—

(a) To prescribe and collect fees and charges for such recrea-

(a) To prescribe and collect fees and charges for such recreational and other facilities, conveniences, and services as may be furnished by the National Park Service for the accommodation of the public within the said area.

(b) To enter into a contract or contracts with any reliable person, organization, or corporation, without advertising and without securing competitive bids for the operation or performance of any such recreational or other facilities, conveniences, and services within the said area.

All revenues collected by the National Park Service, pursuant to the authority of this section, shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts.

SEC. 3. The Director of the National Park Service, under the

SEC. 3. The Director of the National Park Service, under the direction of the Secretary of the Interior, is authorized to exercise and perform with respect to the said area all the powers and duties that are conferred and imposed upon him by law in relation to the construction, maintenance, care, custody, policing, upkeep, and repair of the public buildings and parks in the District of Columbia.

HUBERT RICHARDSON

The bill (S. 2299) for the relief of Hubert Richardson, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to issue patent on Western Navajo Indian Reservation Exchange selection 078942 filed on October 18, 1938, by Hubert

Richardson in the district land office at Phoenix, Ariz., under the act of May 23, 1930 (46 Stat. 378), as amended by the act of February 21, 1931 (46 Stat. 1204), for lots 2, 3, and 4 of section 22, township 29 north, range 9 east, Glia and Salt River base and meridian, upon the submission of satisfactory proofs covering both the offered and the selected lands, as required by section 2 of the act of May 23, 1930, cited above, notwithstanding that the selected lands are within the boundaries of the Western Navajo Indian Reservation, and notwithstanding the provisions of the act of June 14, 1934 (48 Stat. 960). The patent hereby authorized to be issued shall be subject to the provisions and conditions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063), as amended.

ANTIETAM BATTLEFIELD

The Senate proceeded to consider the bill (S. 1780) to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes, which was read, as follows:

and for other purposes, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to acquire in behalf of the United States, through donations or by purchase at prices deemed by him reasonable or by condemnation in accordance with the act of August 1, 1888 (25 Stat. 357), lands, buildings, structures, and other property, or interests therein, which he may determine to be of historical interest in connection with the Antietam Battlefield site, the title to such property or interests to be satisfactory to the Secretary of the Interior: Provided, That payment for such property or interests shall be made solely from donated funds. All such property and interests shall be a part of the Antietam Battlefield site and shall be subject to all laws and regulations applicable thereto.

Mr. KING. Mr. President, I should like to ask the Senator from Maryland whether the acquisition of this property is desirable and what it would cost.

Mr. RADCLIFFE. Mr. President, the property referred to would cost the Government nothing. The Federal Government at this time owns nearly all the land where the battle of Antietam was fought, but there are four or five remaining tracts which can be acquired by the Federal Government without cost to it, provided the Government becomes empowered to take title to them. These tracts will either be donated or they will be bought with donated funds. At any rate there will be no cost whatever to the Federal Government. The Secretary of the Interior is in favor of the bill and no objections have been raised to its passage.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE BONNEVILLE PROJECT

The Senate proceeded to consider the bill (S. 2375) to amend the Bonneville Project Act, which had been reported from the Committee on Commerce with amendments.

Mr. KING. Mr. President, I shall object to the consideration of this bill unless the amendment, on line 10, page 1, shall be disagreed to.

Mr. SCHWELLENBACH. Mr. President, this bill was introduced by the senior Senator from Oregon [Mr. McNary]. I have an amendment which I had intended to offer with reference to the engineering staff of the Bonneville project. So far as the question of the amount which might be received is concerned, I have no authority to speak for anyone.

Mr. KING. Unless the amendment to which I have referred shall go out, I shall object to the consideration of the bill at this time.

The PRESIDENT pro tempore. Is there objection to the bill being read for amendment?

Mr. KING. It seems to me that if it is to go over, there is no necessity of taking up time to read the amendments.

Mr. AUSTIN. Mr. President, will the Senator withhold his objection?

Mr. KING. Certainly.

Mr. AUSTIN. I have no particular interest in the bill, but on account of the necessary absence of the Senator from Oregon [Mr. McNary], the distinguished leader of the minority, I feel like interposing in behalf of the bill. If there is no really valid objection to passing it, I hope the Senator will not insist upon his objection.

Mr. KING. I stated that I would object unless there was assent to the rejection of the amendment on line 10. They have increased the salaries of a large staff from \$8,000 a year, which was ample, to \$9,000. That amendment is not necessary. If the proponents of the bill will abide by the bill in its present form and agree that that amendment may be stricken out. I shall have no objection to consideration.

Mr. HOLMAN. Mr. President, the senior Senator from Oregon [Mr. McNary] conferred with me before he left concerning this bill. I had hoped that it would pass as presented. It has the recommendation of the Bureau of the Budget and of Secretary Ickes. But knowing the views of the Senator from Utah in regard to the matter, I am willing to accept the figure \$8,000 instead of \$9,000, if by so doing the bill may be passed.

The PRESIDENT pro tempore. The bill will be read for amendment.

The first amendment of the Committee on Commerce was. on page 1, line 8, to insert "without regard to the civil-service laws."

The amendment was agreed to.

The next amendment of the committee was, on page 1, line 10, after the word "exceeding", to strike out "\$8,000" and to insert "\$9,000."

The amendment was rejected.

The next amendment of the committee was, on page 2, after line 4, to insert a new section, as follows:

SEC. 2. Section 2 (a) of said act is hereby further amended by adding at the end of said section the following:

"The office of the administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall be under the jurisdiction and control of the Secretary of the Interior. All functions vested in the administrator of the Bonneville project under this act may be exercised by the Secretary of the Interior and, subject to his supervision and direction, by the administrator and other personnel of the project."

The amendment was agreed to.

Mr. SCHWELLENBACH. Mr. President, I desire to present an amendment to the bill, and I ask to have it stated.

The PRESIDENT pro tempore. The clerk will state the

The CHIEF CLERK. It is proposed to insert at the end of the bill a new section, as follows:

SEC. 3. Section 10 of such act is amended by adding at the end thereof the following:

"No engineering inspector, surveyor, field draftsman, field engineer, or other field engineering employee appointed under the provisions of this section shall, except in the case of an extraordinary emergency, be required or permitted to work more than 40 hours in any workweek."

The amendment was agreed to.

Mr. KING. Mr. President, has the Senator from Oregon considered the amendment which provides that the office of the administrator of the Bonneville project shall be constituted an office in the Department of the Interior? being a project in Oregon, it seems to me the officer in charge should be there, and should be independent, so to speak, except under general law, of the Interior Department in Washington.

Mr. HOLMAN. Mr. President, the Secretary makes the argument that experience has demonstrated the necessity of a closer cooperation and understanding between the projects and the executive offices in Washington. My colleague the senior Senator from Oregon and I were following the Secretary's wishes in the matter.

Mr. KING. Of course, that is in harmony with the present tendency to concentrate all administrative authority in Washington. I should like to see a little decentralization, to have the engineers in charge function in the field rather than function in Washington.

Mr. HOLMAN. The Secretary makes the appointment. Would the Senator like to have me read his argument?

Mr. KING. No. I can imagine what the argument would I shall not object to consideration, but I deplore the tendency referred to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading. read the third time, and passed, as follows:

Be it enacted, etc., That section 2 (a) of chapter 720 of the acts of the Seventy-fifth Congress, first session (50 Stat. 731, 732), is hereby amended by inserting after the second sentence ending "in the vicinity of the Bonneville project," the following sentence: "The Secretary of the Interior shall also appoint, without regard to the civil-service laws, an Assistant Administrator, chief engineer, and general counsel and shall fix the compensation of each at not exceeding \$8,000 per annum. The Assistant Administrator shall perform the duties and exercise the powers of the Administrator, in the event of the absence or sickness of the Administrator. trator, in the event of the absence or sickness of the Administrator until such absence or sickness shall cease, and, in the event of a vacancy in the office of Administrator until a successor is appointed."

SEC. 2. Section 2 (a) of said act is hereby further amended by

adding at the end of said section the following:
"The office of the Administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall be under the jurisdiction and control of the Secretary of the Interior. All functions vested in the Administrator of the Bonneville project under this act may be exercised by the Secretary of the Interior and, subject to his supervision and direction, by the Administrator and other personnel of the project." SEC. 3. Section 10 of such act is amended by adding at the end

Sec. 3. Section 10 of such act is amended by adding at the end thereof the following:

"No engineering inspector, surveyor, field draftsman, field engineer, or other field engineering employee appointed under the provisions of this section shall, except in the case of an extraordinary emergency, be required or permitted to work more than 40 hours in any workweek."

PURCHASE OF COAL AND WOOD IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 2751) to repeal sections 3711, 3712, and 3713 of the Revised Statutes which relate to the purchase in the District of Columbia of coal and wood for public use, and for other purposes, which had been reported from the Committee on Expenditures in the executive departments with an amendment, on page 1, line 9, to strike out "Public, No. 453, Seventy-fifth Congress," and insert "52 Stat. 139", so as to make the bill read:

Be it enacted, etc., That sections 3711, 3712, and 3713 of the Revised Statutes (U. S. C., title 40, sec. 109) are hereby repealed.

SEC. 2. Those parts of the acts making appropriations for the

SEC. 2. Those parts of the acts making appropriations for the Treasury and Post Office Departments approved March 15, 1934 (48 Stat. 425), May 14, 1935 (49 Stat. 218), June 23, 1936 (49 Stat. 1827), May 14, 1937 (50 Stat. 137), and March 28, 1938 (52 Stat. 139), which provide "That the requirements of sections 3711 and 3713 of the Revised Statutes (U. S. C., title 40, sec. 109) relative to the weighing of coal and wood and the separate certificate as to the weight, measurement, or quantity of coal and wood purchased shall not apply to purchases by the Procurement Division at f. o. b. destination outside of the District of Columbia" (U. S. C., title 40, sec. 109a), are hereby repealed.

Mr. KING. I should like to have an explanation of the bill.

Mr. VAN NUYS. Mr. President, this is a House bill to repeal sections 3711, 3712, and 3713 of the Revised Statutes which relate to the purchase of wood, coal, and other supplies for public use in the District of Columbia. The sections of the Revised Statutes referred to require a multitude of inspection of coal being purchased; so the Procurement Division was created under the act of 1918 by Executive order, which has been in effect since June 10, 1933.

They purchase coal on the net basis of 2,000 pounds. These old statutes provide the basis of 2,240 pounds. The bill seeks to amend that procedure. The old statutes have not been followed, as a matter of fact, for several years.

They are obsolete and should be repealed.

Mr. WALSH. Mr. President, all the departments of the Government favor the passage of the bill. Many of them, including the Navy Department, have been put to a great deal of trouble by reason of the continuance in effect of the old statute providing that a ton of coal shall consist of 2,240 pounds, when it is bought in every other section of the country on the basis of 2,000 pounds to the ton. There is a provision that there shall be a payment of 20 cents a ton for inspection and measurement of the coal.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

HENRY T. RAINEY DAM. ALTON, ILL.

The bill (S. 2578) to designate the lock and dam at Alton. Ill., as the Henry T. Rainey Dam, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in honor of the late Henry T. Rainey, former Speaker of the House of Representatives, the navigation lock and dam at Alton, Ill., otherwise identified as Mississippi River Lock and Dam No. 26, shall hereafter be known as the Henry T. Rainey Dam.

SAFEGUARDS ON STEAMSHIPS

The bill (S. 2755) to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first two sentences appearing in paragraph 1 of section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481), is hereby amended to read as follows:

"Sec. 4488. Every steamer navigating the ocean, or any lake, bay, or sound of the United States, shall be provided with such numbers of lifeboats, floats, rafts, life preservers, line-carrying projectiles, and the means of propelling them, and drags, as will best secure the safety of all persons on board such vessel in case of disaster; and every seagoing vessel carrying passengers, and every such vessel navigating any of the northern or northwestern lakes, shall have the lifeboats required by law, provided with suitable boat-disengaging apparatus, so arranged as to allow such boats to be safely launched. And the board of supervising inspectors shall fix and determine, by their rules and regulations, the character and arrangements of boat-disengaging apparatus and the character and ensured the means of propelling them, and drags that shall be used on such vessels, and also the character and capacity of pumps or other appliances for freeing the steamer from water in case of heavy leakage, the capacity of such pumps or appliances being suited to the navigation in which the steamer is employed."

FIRE PROTECTION ON STEAMSHIP

The bill (S. 2754) to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 edition, title 46, sec. 464), is hereby amended to read as follows:

"SEC. 4471. Every steamer permitted by her certificate of in-"SEC. 4471. Every steamer permitted by her certificate of inspection to carry as many as 50 passengers or upward, and every steamer carrying passengers, which also carries cotton, hay, or hemp, shall be provided with a good double-acting steam fire pump or other equivalent apparatus for throwing water. Such pump or other apparatus for throwing water shall be kept at all times and at all seasons of the year in good order and ready for immediate use, having at least two pipes of suitable dimensions, one on each side of the vessel, to convey the water to the upper decks, to which pipes there shall be attached, by means of stop-cocks or valves, both between decks and on the upper deck, good and suitable hose of sufficient strength to stand a pressure of not less than 100 pounds to the sequere inch. long enough to reach to and suitable hose of sufficient strength to stand a pressure of not less than 100 pounds to the square inch, long enough to reach to all parts of the vessel and properly provided with nozzles, and kept in good order and ready for immediate service. Each fire pump thus prescribed shall be supplied with water by means of a suitable pipe connected therewith, and passing through the side of the vessel so low as to be at all times under water when she is afloat. Every steamer shall also be provided with a pump which shall be of sufficient strength and suitably arranged to test the boilers thereof. boilers thereof.

boilers thereof.

"On and after October 1, 1937, every passenger vessel with berthed or stateroom accommodation for 50 or more passengers shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection, of a type prescribed by the board of supervising inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and, when of fire-resisting construction, toilets, bathrooms, and spaces of similar construction) shall be protected by an automatic sprinkler system: Provided, That if after investigation the Bureau of Marine Inspection and Navigation finds in the case of a particular vessel the application of this paragraph is unnecessary properly to protect life on such vessel, an exception may be made. The Bureau of Marine Inspection and Navigation shall cause to be made suitable tests and inspections exception may be made. The Bureau of Marine Inspection and Navigation shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Marine Inspection and Navigation is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems to be fitted. The term 'type' as used in this paragraph shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some certain

COMMISSIONED PERSONNEL OF THE COAST GUARD

The bill (H. R. 5611) to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes," was considered, ordered to a third reading, read the third time, and passed.

RETIREMENT OF OFFICERS OR EMPLOYEES OF THE LIGHTHOUSE SERVICE

The Senate proceeded to consider the bill (H. R. 6747) relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 ed., title 33, sec. 763), as amended, apply, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

enacting clause and to insert:

That any officer or employee of the Lighthouse Service who, on June 30, 1939, meets the requirements (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., title 33, sec. 763), as amended or supplemented, and who shall (1) reach the age of 64 years prior to July 1, 1940, or (2) be the occupant of an office or position abolished prior to July 1, 1940, may in the discretion of the head of his executive department be retired with annual compensation as provided in said section 6: Provided, however, That no such officer or employee shall be retired hereunder unless he shall have been in the service of the Government not less than 30 years at the time of retirement. Any officer or employee to whom this act applies who is not retired hereunder prior to reaching the age of 65 years shall, upon reaching such age, become eligible for retirement in accordance with the provisions of said section 6 of the act of June 20, 1918, and may not be retired under the provisions of this act. Nothing contained in this act shall be construed to affect the application of said section 6 to any officer or employee of the Lighthouse Service to whom this act does not apply.

The amendment was agreed to.

The amendment was agreed to.

The bill was ordered to a third reading, read the third time, and passed.

SGT. SAMUEL WOODFILL, UNITED STATES ARMY

The bill (S. 2608) authorizing the President of the United States to appoint Sgt. Samuel Woodfill a captain in the United States Army and then place him on the retired list, was considered, ordered to be engrossed for a third reading. read the third, and passed, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized, by and with the advice and consent of the Senate, to appoint Sgt. Samuel Woodfill, late of Headquarters Company, Eleventh Regiment United States Infantry, an officer with the rank of captain in the United States Army and then to place him on the retired list in that grade.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (H. R. 6039) to amend laws for preventing collisions of vessels; to regulate equipment of certain motorboats on navigable waters of the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that the bill be passed over. The PRESIDENT pro tempore. The bill will be passed

The joint resolution (S. J. Res. 101) defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians, was announced as next in order.

Mr. KING. I ask that the joint resolution be passed

The PRESIDENT pro tempore. The joint resolution will be passed over.

JOINT RESOLUTION RECOMMITTED

The joint resolution (S. J. Res. 128) to amend section 5 of Public Law No. 360, Sixty-sixth Congress, was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, this joint resolution came from the Committee on Indian Affairs and the report was submitted by me. I now ask unanimous consent that the joint resolution be recommitted to that committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

JUDGMENT FUND OF KLAMATH AND MODOC TRIBES AND YAHOOSKIN BAND OF SNAKE INDIANS

The Senate proceeded to consider the bill (S. 1968) to provide for the distribution of the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, which had been reported from the Committee on Indian Affairs with amendments, on page 3, line 8, after the word "authorized", to insert a colon and the following proviso: "Provided, however, That of the aforesaid \$2,000 to be prorated to each person, \$100 shall be paid to each member of said tribes as per capita payment, free from the aforesaid restrictions, under rules and regulations prescribed by the Secretary of the Interior"; on page 4, line 8, after the word "sum", to insert a comma and "from any unobligated funds, principal or interest, on deposit to the credit of the Klamath Tribe, except the capital reserve fund set forth in subsection (c) hereof"; in line 16, after the period, to strike out "The said capital reserve fund shall not be appropriated by Congress without the approval of the general council of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians of the Klamath Reservation, Oreg., both as to the purpose and amount of the expenditure"; on page 5, line 11, after the word "fund", to insert "or interest thereon"; in line 12, after the word "administration", to strike out "over the Klamath Reservation"; and after line 13, to strike out:

SEC. 4. That the act of June 25, 1938 (52 Stat. 1207), be, and it is hereby, amended as of July 1, 1938, so as to provide that the official delegates of the tribe engaged in the business of the tribe shall receive the usual railroad and sleeping-car transportation to and from the seat of government, or, in lieu thereof, if travel be by automobile, an amount equal to the cost of the usual railroad and sleeping-car transportation.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed, from the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians created as the result of the passage of the act of June 25, 1938, and accrued interest thereon, to credit the sum of \$2,000 upon the books of the Office of Indian Affairs, to each person determined by the Secretary of the Interior to be entitled to enrollment upon the annuity roll of said tribes of the Klamath Reservation, Oreg., living upon the date of the enactment of this act. The share of each adult member and not to exceed \$1,500 of the share of any minor shall be available for expenditure, under such rules and regulations as the Secretary of the Interior may prescribe for the following purposes:

Purchase of land; improvement of lands acquired or already held

Purchase of land; improvement of lands acquired or already held by the Indian; erection and improvement of suitable homes; repayment of any loans received from the United States or from the Klamath tribal funds; purchase of building material, farming equipment, livestock, feed, food, seed, grain, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in farming, livestock, industry, or such other pursuits or vocations, including education, as will enable them to become self-supporting; and health purposes: Provided, however, That the funds of the aged, infirm, decrepit, and incapacitated members, and of minors, may be used for their proper maintenance and support. The remainder of the share of each minor Indian shall be held intact until such Indian reaches his majority, when it, together with interest at the rate of 4 percent per annum, shall be available for expenditure for the purposes specified herein. As herein used, the term "minor" shall include all members of the tribe less than 21 years of age, except that minors 18 years of age or over and who are married or have families of their own to support, shall be regarded as adults. On the death of any enrolled member, adult, or minor, the sum on deposit to his credit shall be distributed as personal property, and shall be available for expenditure by the distributees only for the purposes herein authorized: Provided, however, That of the aforesaid \$2,000 to be prorated to each person, \$100 shall be paid to each member of said tribes as a per capita payment, free from the aforesaid restrictions, under rules and regulations prescribed by the Secretary of the Interior.

SEC. 2. That after the segregation provided for in section 1 hereof shall have been made, the remainder of such judgment fund, including interest, shall be available for expenditure subject to the following limitations and conditions:

(a) Three hundred thousand dollars shall be transferred to and added to the loan fund authorized by the act of August 28, 1937

(50 Stat. 872). After the fiscal year 1939 no further sums shall be transferred to and added to the loan fund authorized by said act from the unobligated tribal funds on deposit in the Treasury

of the United States, and said act is hereby amended accordingly.

(b) Three hundred and seventy-five thousand dollars for immediate payment in a lump sum of \$1,500 to each adult unallotted Indian found to be entitled to payment in lieu of allotment, as authorized in the act of June 1, 1938 (52 Stat. 605): Provided, That the amount due any minor under the provisions of said act shall be withheld until he becomes an adult, as herein defined, when it shall be paid to him in a lump sum, from any unobligated funds, principal, or interest, on deposit to the credit of the Klamath Tribe, except the capital reserve fund set forth in subsection (c) hereof, and section 2 of said act of June 1, 1938, is hereby amended accordingly.

of the Klamath Tribe, except the capital reserve fund set forth in subsection (c) hereof, and section 2 of said act of June 1, 1938, is hereby amended accordingly.

(c) Such moneys as shall remain in the principal fund shall be transferred to and become a part of the capital reserve fund created by section 1 of the act of August 28, 1937 (50 Stat. 872). No part of said capital reserve fund shall be expendable by the Secretary of the Interior without specific authorization by Congress. Said capital reserve shall constitute a trust fund, and the whole of said fund shall bear interest at 4 percent per annum. The interest upon such fund shall be available for expenditure only at the request of or with the consent of the tribes and the Secretary of the Interior, for tribal use and benefit including the purchase of land, and said act of August 28, 1937, is hereby amended accordingly.

SEC. 3. That in no event shall any portion of the said judgment fund become liable, payable, or subject to any debt or debts contracted prior to the passage of this act by any Indian of the Klamath Tribe except debts to the United States or to the tribe, and in no event shall any portion of the Klamath judgment fund or interest thereon be expended to defray the cost of Federal administration.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1802) authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States, was announced as next in order.

Mr. VANDENBERG. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6037) to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1083), was announced as next in order.

Mr. MINTON. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

CHARLES H. PARR

The bill (S. 2798) for the relief of Charles H. Parr was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of Charles H. Parr for disability alleged to have been incurred by him on or about September 14, 1933, when engaged in authorized activities while an enrollee of the Civilian Conservation Corps at North Vernon, Ind., and to determine said claim upon its merits under the provisions of said act: Provided, That said claim shall be filed with the United States Employees' Compensation Commission not later than 60 days after the approval of this act.

IMOGENE ENLEY

The bill (H. R. 543) for the relief of Imogene Enley was considered, ordered to a third reading, read the third time, and passed.

WILLIAM H. KEESEY

The bill (H. R. 1436) for the relief of William H. Keesey was considered, ordered to a third reading, read the third time, and passed.

WOMEN'S BOARD OF DOMESTIC MISSIONS

The Senate proceeded to consider the bill (H. R. 1875) for the relief of the Women's Board of Domestic Missions, which had been reported from the Committee on Claims with an amendment on page 1, line 7, to strike out "\$2,500" and to insert "\$1,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Women's Board of Domestic Missions, Reformed Church in America, the sum of \$1,500, in full settlement of all claims against the United States on account of destruction by fire of a building belonging to the Women's Board of Domestic Missions while being used without compensation by the United States Government for Indian-school purposes: Provided, That no part of the amount appropriated in act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MARJORIE BUCHEK

The Senate proceeded to consider the bill (S. 2560) for the relief of Marjorie Buchek, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of" to strike out "\$500" and to insert "\$250", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marjorie Buchek the sum of \$250, in full settlement for injuries suffered by her in an automobile accident on June 16, 1937, the responsibility for which has been placed on the driver of a Government truck: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

G. E. WILLIAMS

The bill (H. R. 2514) for the relief of G. E. Williams, was considered, ordered to a third reading, read the third time, and passed.

CORABELL WUENSCH AND OTHERS

The bill (H. R. 4264) for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt, was considered, ordered to a third reading, read the third time, and passed.

CHARLES ENSLOW

The bill (H. R. 4609) for the relief of Charles Enslow was considered, ordered to a third reading, read the third time, and passed.

WILLIAM L. RIILL

The bill (H. R. 4725) for the relief of William L. Rull was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of that bill? If we cannot have an explanation at this time, let the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over. FUNERAL COSTS AND TRANSPORTATION OF BODIES OF DECEASED VETERANS

The Senate proceeded to consider the bill (S. 2756) relating to the funeral costs and transportation of bodies of certain deceased veterans, which had been reported from the Committee on Military Affairs with amendments, on page 2, line 6, after the word "travel", to insert "within the continental limits of the United States"; and in line 9, after the word "travel", to insert "within the continental limits of the United States", so as to make the bill read:

Be it enacted, etc., That paragraph III of Veterans Regulation No. 9 (a), as amended by Veterans Regulation No. 9 (b), preceding subparagraph 2, be amended to read as follows:

"(III) Where death occurs in a Veterans' Administration facility, the Veterans' Administration will (a) assume the actual cost (not to exceed \$100) of burial and funeral, and (b) transport the body to the place of burial within the continental limits of the United States."

SEC. 2. That paragraph III of Veterans Regulation No. 6 (a), as

amended, be amended to read as follows:

"(III) To persons unable to defray the cost thereof, transportation and other necessary expenses incidental thereto will be supplied to cover travel, within the continental limits of the United States, to a Veterans' Administration facility for domiciliary or hospital care; to cover return travel, within the continental limits of the United States, to the place from which the person proceeded to the facility, when he is regularly discharged upon completion of such care; and to cover travel involved in a transfer, deemed necessary, from one Veterans' Administration facility to another. All such travel will be subject to grant of prior authorization therefor. In the event of death of any such person prior to his discharge from such care transportation expenses (including prans discharge from such care, transportation expenses (including preparation of the body) for the return of the body to the place of burial within the continental limits of the United States may be paid.

Mr. WALSH. Mr. President, prior to an explanation of that bill may I say to the Senator from Texas [Mr. Sheppard] that attention has been called by some members of the Subcommittee on Veterans' Affairs of the Committee on Finance to the fact that bills such as the pending bill should have been referred to that committee rather than to the Committee on Military Affairs. I cannot state whether this is such a bill.

Mr. SHEPPARD. We have been dealing with bills of this kind for some years, both in the Committee on Naval Affairs and in the Committee on Military Affairs. The point has not been raised, and it would be just as well to continue as we have done during the remainder of the present session and

discuss the proposed change in practice later.

Mr. WALSH. Mr. President, I have no objection to that procedure. I am afraid, however, that if two or three committees, such as the Veterans' Committee, the Naval Affairs Committee, and the Military Affairs Committee, as well as the Finance Committee, deal with legislation dealing with veterans the result will be to break down the precedents and to establish a variety of policies that will not only be harmful to the veterans but to the country as well.

Mr. SHEPPARD. That is a question which should be considered and solved, and which must be solved in the near

Mr. CLARK of Missouri. Mr. President, bearing on what the Senator from Massachusetts just said, I know of one case in which a bill had been introduced in at least three Congresses and referred to the Committee on Finance, and by the Committee on Finance referred to the Veterans' subcommittee, and adversely acted on by that subcommittee. I happen to know because I was the subcommittee to investigate the matter, and in each case it was reported favorably by me but rejected by the subcommittee on veterans of the Finance Committee. Later on, when the bill came up in the Military Affairs Committee, I raised no objection to it there. I voted for it, because I had previously voted for it. But that seems to be true in other cases, that a bill is introduced and rejected by one committee and then another committee acts on it favorably.

Mr. SHEPPARD. This all goes to show the need for the establishment of a Committee on Veterans' Affairs in the Senate. I have been urging such a step for several years, and during the last session of Congress the Senator from Georgia [Mr. George] suggested such a committee.

Mr. WALSH. I agree with that.

Mr. CONNALLY. While I agree with my colleague with respect to veterans' affairs, there is a subcommittee of the Committee on Finance which performs all the functions to all intents and purposes which the Senator has in mind. These veterans' bills as to funerals ought to go to the Committee on Military Affairs, because the Committee on Military Affairs deals with them in the service, and we deal with with them out of the service. I am not going to object to this bill, but hereafter all bills which relate to funerals of veterans ought to go to the Committee on Finance, so as to have a uniform policy.

Mr. WALSH. I have reported such bills back and asked that they be sent to the Committee on Finance, the Subcommittee on Veterans' Affairs. I do not think there will be any need to do that in this case, but I do think in special private bills where it is sought to have a compensation granted, which has been refused or turned down by the Veterans' Administration, if one committee has one policy and another committee has another policy there is bound to be very bad conflict of precedents.

Mr. SHEPPARD. I agree with the Senator that the matter should be straightened out, and I shall be glad to join with him and others interested in straightening it out.

Mr. WALSH. Mr. President, I ask if this bill is approved by the Veterans' Administrator, General Hines.

Mr. SHEPPARD. It is. It carried no increase in cost. It clears up a number of complications. At present the body of a deceased veteran may be shipped to any one of three different places without reaching place of interment. Under this bill it is shipped directly to place of burial.

The PRESIDENT pro tempore. The committee amendment will be stated.

The amendments were, on page 2, line 6, after the word "travel", to insert "within the continental limits of the United States"; in line 9, after the word "travel", to insert "within the continental limits of the United States."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERADICATION AND CONTROL OF PINK BOLLWORM

The joint resolution (S. J. Res. 85) authorizing the preparation of plans for the eradication and control of the pink bollworm affecting cotton in the United States and Mexico, was announced as next in order.

Mr. CONNALLY. Mr. President, House bill 4638 is similar to Senate Joint Resolution 85. It varies in only slight particulars. That bill is pending before the Committee on Agriculture and Forestry. I have consulted with the chairman of that committee and it is agreeable to him that the House bill be substituted for the Senate bill. So I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from further consideration of House bill 4638, and that House bill 4638 be substituted for Senate Joint Resolution 85 and be now considered. If that shall be done I will then ask that Senate Joint Resolution 85 be indefinitely postponed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 4638) authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm and for other purposes was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate joint resolution 85 will be indefinitely postponed.

APPOINTMENT OF HARLEY B. FERGUSON AS MAJOR GENERAL, UNITED STATES ARMY

The Senate proceeded to consider the joint resolution (S. J. Res. 159) authorizing the appointment of Harley B. Ferguson as a major general, United States Army.

Mr. KING. Mr. President, I ask that the joint resolution be passed over.

Mr. SHEPPARD. Mr. President, may I state to the Senator the consideration which moved the Senate Military Affairs Committee in recommending this action?

Mr. KING. I have read the report. There is a very strong recommendation against it by the War Department.

Mr. SHEPPARD. That is the usual recommendation.

Mr. KING. I think it is very strong.

Mr. SHEPPARD. Will the Senator permit me to state the reasons which prompted the committee in recommending the proposed action?

Mr. KING. Very well.

Mr. SHEPPARD. During his tenure of office as president of the Mississippi River Commission, General Ferguson rendered distinguished service to the United States in controlling the floods of the Mississippi River. He developed, and over opposition and severe criticism executed, his plans

for construction of cut-offs and straightening the long bends in the Mississippi River. The execution of his plans has resulted in shortening the distance between the mouths of the Arkansas River and the Red River by approximately 110 miles and has to a considerable extent solved the problem of flood control on the lower Mississippi River.

Your committee is of the opinion that General Ferguson is deserving of appropriate recognition for distinguished service to the United States as an engineer and believes that his appointment as a major general in the Army is fully war-

rented by his service.

Mr. MILLER. Mr. President, I wish to add a word with respect to the work performed by General Ferguson. He has saved the United States Government countless millions of dollars because of the work he has performed. He has made it possible for the Congress to abandon the Eudora floodway, thereby saving hundreds of thousands of dollars. He has done work in my section which is second to none so far as the development of our country and the actual saving of money are concerned. I think General Ferguson is richly entitled to the proposed honor.

Mr. CLARK of Missouri. Mr. President, I should like to add to what the Senator from Arkansas [Mr. Miller] has said, that I think the straightening out of the flood-control situation on the main stem of the Mississippi River, particularly in the lower region, is possibly as great an achievement as has been made by any engineer officer of the United States Army, or any other engineer in the history of the United States. I do not believe General Goethals' work in Panama, or any other engineering work in the history of this country was superior to the work performed by General Ferguson, or possibly even comparable to the work done under his supervision down there. The bill provides little enough recognition of the work he has done.

Mr. KING. Mr. President, because of the splendid work which has been done by this officer, personally I should like to see some measure of compensation accorded him. However, the War Department makes a very strong adverse report. My hesitation in supporting the measure results entirely from the position of the War Department. I shall not object to the consideration of the joint resolution, but I think there is very much to support the position of the War Department.

Mr. SHEPPARD. I thank the Senator.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF PATENT STATUTES

The bill (H. R. 6872) to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U. S. C., title 35, secs. 31, 32, 69, and 73) was considered, ordered to a third reading, read the third time, and passed.

The bill (H. R. 6873) to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63) was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6874) to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78) was announced as next in order.

Mr. DANAHER. Mr. President, an amendment will be suggested which will be clarifying in nature. I have not quite finished the preparation of the amendment. I ask that the bill be passed over temporarily.

The PRESIDENT pro tempore. The bill will be passed over temporarily.

AMENDMENT OF PATENT STATUTES

The Senate proceeded to consider the bill (H. R. 6878) to amend section 4894 of the Revised Statutes (U. S. C., title 35, sec. 37), which had been reported from the Committee on Patents with an amendment on page 1, line 6, after the word "days" and the comma, to insert "or any extensions thereof," so as to make the bill read:

Be it enacted, etc., That section 4894 of the Revised Statutes (U. S. C., title 35, sec. 37) be amended by inserting after "six

months", second occurrence, the words "or such shorter time, not less than 30 days, or any extensions thereof, as shall be fixed by the Commissioner of Patents in writing to the applicant."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The bill (H. R. 6875) to amend section 4903 of the Revised Statutes (U. S. C., title 35, sec. 51) was considered, ordered to a third reading, read the third time, and passed.

Mr. O'MAHONEY. Mr. President, was Calendar No. 920,

House bill 6875, passed?

The PRESIDENT pro tempore. The bill was passed. Mr. BONE. Mr. President, was Calendar No. 918, House

bill 6874, held up?

Mr. O'MAHONEY. Yes. The Senator from Connecticut [Mr. Danaher] suggested that he wished to offer an amendment to the bill. The bill was temporarily passed over.

RECOMMENDATIONS OF TEMPORARY NATIONAL ECONOMIC COMMITTEE WITH RESPECT TO PATENT PROCEDURE

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point the recommendations of the Temporary National Economic Committee with respect to the procedural bills which have just been passed. They cover four of the seven procedural recommendations made by the Temporary National Economic Committee. The bill which was temporarily passed over, as well as two bills earlier on the calendar, which also have been passed over for the time being, cover recommendations of

the Temporary National Economic Committee.

The PRESIDENT pro tempore. Without objection, the recommendations of the Temporary National Economic Committee will be printed in the RECORD.

The recommendations are as follows:

RECOMMENDATIONS

PATENTS

Except for certain items, the study has not been carried far enough to warrant specific and detailed legislative recommendations. The Committee does feel, however, that modification of the patent laws should be undertaken by Congress forthwith. It endorses the action of the Committees on Patents of the two Houses which have approved the proposals for modification of the mechanics of the patent system as submitted by the Department of Commerce were developed at hearings before the Committee, and are herewith formally recommended to the Congress.

In addition, the Department of Justice has submitted certain

are herewith formally recommended to the Congress.

In addition, the Department of Justice has submitted certain recommendations for legislation based on its hearings, designed to draw a sound line between the legitimate use of patents and uneconomic extensions of the patent privilege which seriously invade the national policy against monopoly and restraints of trade. The recommendations of the Department of Justice relate primarily to the misuse of patents to effect restrictions upon price and production and upon freedom of opportunity for competitive enterprise. They, too, are approved by the Committee for immediate action by Congress. Summaries of the recommendations of both agencies are hereinafter set forth.

The Department of Commerce suggests:

The Department of Commerce suggests:

1. A single court of patent appeals, having jurisdiction coextensive with the United States and its Territories, should be created. Such a court would reduce the time and cost of litigation, and would end the conflict of decisions between the various appellate tribunals, before whom cases often are brought for the purpose of harassing both inventors and others who can-not afford to fight back, and corporations which must contest ridiculous claims.

2. The life of a patent should be limited to 20 years from the date of filing application, to obviate the possibility of a patentee's prolonging a patent monopoly by keeping his application in the Patent Office for a number of years. If a 20-year law is enacted, a patentee who diligently prosecutes his application and obtains his patent in 3 years would enjoy the full 17-year monopoly. If, however, he delays the prosecution, or attempts to keep his case in the Patent Office, he will be positively penalized by the

ase in the Patent Office, he will be positively penalized by the shortening of the monopoly.

3. Not all the delays in the Patent Office are the fault of the applicant, and indeed some cannot be avoided. This is especially true when his application becomes involved in an interference proceeding instituted for the purpose of determining priority between him and another applicant. There is no question that the interference procedure has been greatly abused, and that in some instances it has been invoked for unworthy purposes, as, for example, to delay a competitor's application in the Patent for example to delay a competitor's application in the Patent for example, to delay a competitor's application in the Patent Office. It is evident that concurrently with the enactment of the 20-year proposal there must be a radical change in inter-ference procedure.

It is recommended that the interference procedure be terminated with a single decision of the examiner of interferences and that a patent be promptly granted on the basis of that decision. This would abolish all appeals to the Board of Appeals within

the Patent Office in interference cases.

From an adverse decision of the examiner of interferences, appeals would be taken directly to a court which could, in a single proceeding, review the decision of the examiner of inter-

4. Renewal applications should be abolished. Under the present practice an applicant may prosecute his application to the point of allowance, fail to pay the final fee required by the law, and thereafter renew the application and resume prosecution. This procedure seems to be wholly unnecessary, and its abolition is recommended.

recommended.

5. Under the present law an inventor may make public use of his invention for 2 years before filing his application. As a further step in accomplishing an earlier filing of the application looking to an earlier issuance of the patent, it is recommended that the public use period be reduced from 2 years to 1.

6. The present law allows an applicant 2 years within which to copy claims from an issued patent for the purpose of asserting the priority of his invention. As a parallel to the other steps which have been recommended to rid the patent procedure of this element of elapsed time, it is proposed that this period of 2 years also be reduced to 1.

7. Finally, it is recommended that the authority of the Commissioner of Patents be enlarged so that under proper circumstances he may require an applicant to respond to an office action within less than the normal statutory period of 6 months. This

within less than the normal statutory period of 6 months. This grant of authority is necessary to the curtailment of the period

of pendency of applications.

The Department of Justice suggests:

The record before the Temporary National Economic Committee abundantly demonstrates that patent practices now current, under the assumed protection of existing statutes and judicial decisions, greatly exceed the measure of privileges which rent, under the assumed protection of existing statutes and judicial decisions, greatly exceed the measure of privilege which might presumably be deemed necessary "to promote science and useful arts," and seriously invade the deep-rooted national policy against monopoly and restraints of trade, of which the antitrust laws are the most popular reflection. It seems clear that:

laws are the most popular reflection. It seems clear that:

1. It should be made unlawful for any person to sell or assign a patent, or to grant any right or license under a patent, on any condition which restricts the assignee or grantee in respect of the amount of any article which he may produce under the patent, the price at which he may sell any such article, the purpose for which or manner in which he may use the patent or any article produced thereunder, or the geographical area within which he may produce or sell such article. The foregoing prohibitions should be supplemented by a further prohibition against any other restriction embodied in a condition to any such assignment or license, which would tend substantially to lessen competition or to create a monopoly, unless such restriction is necessary to promote the progress of science and useful arts. These prohibitions, however, should not apply to any assignment of a patent or any grant of a license under a patent for use exclusively outside the United States and its Territories and possessions. and possessions.

In short, the owner of a patent would enjoy the full patent monopoly if he elected to retain the exclusive privilege of producing or selling under the patent himself. He would be free to assign the or selling under the patent himself. He would be free to assign the patent; to grant an exclusive license; and to grant licenses to anyone he pleased. But, if he grants a license, the license must be general and unrestricted, unless he is prepared to demonstrate that a particular restriction (other than restrictions in respect of price, production, use, or geographical area) is necessary to promote science and useful arts. Restrictions in respect of price, production, use, or geographical areas would be unconditionally outlawed.

2. It should be made unlawful for any person to whom a patent has been issued or who has in any other way acquired any patent or any interest in or right or license under a patent, to sell, lease, or otherwise dispose of any article produced or sold under such patent or any such right or license on any restrictive condition of the kind described in paragraph 1.

3. It should be made mandatory for any sale, assignment, or other disposition of any patent or of any interest in or right or license under a patent to be evidenced by an instrument in writing. Similarly, any condition, agreement, or understanding relating to any sale or other disposition of any article produced or sold under a patent by a person to whom such patent has been issued or who

sale or other disposition of any article produced or sold under a patent by a person to whom such patent has been issued or who has in any other way acquired such patent or any interest in or right or license thereunder, should be required to be evidenced by an instrument in writing. The seller or assignor in such case would be required to file a copy of such written instrument with the Federal Trade Commission within 30 days after execution. A register of these copies should be kept by the Federal Trade Commission, and both the register and the copies should be held available for inspection by the Attorney General, the Commissioner of Patents, or any officer designated by either.

4. No action based upon a charge of infringement of any patent, whether for damages, for an infunction, or for any other relief.

whether for damages, for an injunction, or for any other relief, should be permitted against any licensee under a patent or against any purchaser or lessee of any article unless either (a) the plaintiff has previously prosecuted to successful judgment an action against the grantor of the license or the seller or lessor of the article, as the case may be, for infringement arising out of or in connection with the granting of such license or the sale or lease of such article;

or (b) jurisdiction over the grantor, seller, or lessor cannot be obtained in any court of the United States.

A provision to the foregoing effect would help meet one of the most serious abuses in the patent field: The use of litigation as a deliberate weapon of business aggression, rather than as an instrument for adjudicating honest disputes.

ment for adjudicating honest disputes.

5. If any person who owns a patent or an interest in or exclusive right under a patent, violates any of the prohibitions described in paragraphs 1 and 2 above, he should forfeit his patent or his interest in or right under a patent to the United States, and such forfeiture should be recoverable in a civil action against such person by the United States. It should be provided that, upon a proper showing in such an action, a judgment should be entered requiring the defendant to assign his patent, or interest in, or right under a patent, to the United States, such assignment to be received by the Secreto the United States, such assignment to be received by the Secretary of the Treasury in the name of the United States. Thereafter, the patent or patent right would be offered for sale under the direction of the Secretary of the Treasury in the manner prescribed

A provision to the foregoing effect would adapt to the patent situation a familiar principle of law: That the abuse of a privilege granted by the State—e. g., public-utility franchises, licenses to sell securities, etc.—should result in forfeiture of that privilege. In this case, it seems wise to provide that the patent should be seized and resold, and so kept alive for useful exploitation, rather than to

provide for its cancelation.
6. It should be made clear that the provisions described in paragraphs 1 to 5 shall be applicable to any extension, renewal, or modification of any existing license, contract of assignment, or contract of sale or other disposition, with the same force and effect as to any new license, sale, assignment, or other disposition.

Mr. O'MAHONEY. I think it may be important to remark at this time that, although the Temporary National Economic Committee has made recommendations having to do with other phases of the patent law, no bill covering those other recommendations has yet been presented, because it is the purpose of the Temporary National Economic Committee to make certain that full consideration shall be given to its recommendations before action is taken.

Mr. President, no member of the committee has any purpose of obtaining precipitate action on any recommendation. The procedural recommendations approved today have been suggested from time to time, but the importance of their enactment was made clear by the Department of Commerce during the hearings before the Temporary National Economic Committee.

House bill 6872, which reduces from 2 years to 1 the period during which an inventor may make public use of his inventions before filing application, was the fifth of the Temporary National Economic Committee recommendations.

House bill 6873, which provides for a substantial and necessary improvement in the so-called interference practice, was third on the list of our recommendations.

The fourth recommendation, which deals with the abolition of renewal applications, so-called, was embodied in House bill 6874.

The next bill, House bill 6878, is No. 7 on our list of recommendations, and authorizes the Commissioner of Patents, under proper circumstances, to require an applicant to respond to an Office action within less than the normal statutory period, which is 6 months.

House bill 6875 is No. 6 on the list of Temporary National Economic Committee recommendations, and reduces from 2 years to 1 the period within which an inventor may copy claims from an issued patent for the purpose of asserting his own priority.

Senate bill 2688, which has been temporarily passed over. and which I think will be considered again later, embodies the suggestions contained in the second recommendation of the Temporary National Economic Committee. It provides that the life of a patent shall be limited to 20 years from the date of filing the application. Under the present law, the life of a patent is 17 years from the date of issuance, so that by delays in the Patent Office, frequently procured by the applicant, the actual period of monopoly is often unduly extended. By this practice there have been cases of patents being, in effect, extended as long as 40 years.

The bill increases the statutory period of protection by 3 years; but by fixing the date of application as the date upon which protection begins the bill would have the effect of expediting action in the Patent Office.

The other patent recommendations of the Temporary National Economic Committee deal rather with the uses to which the patent privileges are put in the control of industry. As I have already stated, no bills have as yet been introduced by any congressional member of the committee dealing with these recommendations because of the desire of the committee that full consideration be given to the recommendations which have been made.

BESSIE BEAR ROBE

The bill (H. R. 1177) for the relief of Bessie Bear Robe was considered, ordered to a third reading, read the third time, and passed.

WATER FOR WAPATO INDIAN IRRIGATION PROJECT, WASHINGTON

The Senate proceeded to consider the bill (S. 1065) to authorize an appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington, which had been reported from the Committee on Indian Affairs with an amendment, to strike out all after the enacting clause and insert:

That there is hereby authorized to be appropriated out of any That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, not to exceed \$1,731,500 to defray the actual cost of furnishing a water supply for the Yakima Indian Reservation provided for in the act of August 1, 1914 (38 Stat. 604), and the agreement pursuant to said act between the Bureau of Reclamation and the Office of Indian Affairs approved by the Secretary of the Interior on September 3, 1936. Of the amount authorized to be appropriated, not to exceed \$931,500 shall be available for immediate transfer to the reclamation fund and not to exceed \$900,600 shall be made. the reclamation fund, and not to exceed \$800,000 shall be made available in amounts not to exceed \$20,000 annually for 40 years.

Mr. KING. Mr. President, I inquire whether or not more than \$1,000,000 is to be paid out of the Treasury of the United States; and if so, why are there not tribal funds or appropriations heretofore made to meet this obligation.

Mr. SCHWELLENBACH. Mr. President, this bill is designed really to correct an estimate which was made in 1914. The 1914 act provided for certain reclamation work on the Wapato Indian Reservation portion of the Yakima Indian Reservation. At that time an estimate was made as to the cost, based upon other reclamation work taking water out of the Yakima River. Since 1914, through various acts of Congress, the Yakima River has been used for the purpose of supplying water to other projects. The result is that the provision which was made for the Indian reservation has been entirely insufficient.

The purpose of the bill is simply to give to the Indian reservation the allowance which was supposed to have been given in 1914, but of which the Indians have been deprived because of other diversions from the river. If the Senator from Utah will look at the report he will see that the bill meets with the approval of the Department of the Interior. The Secretary says:

There is urgent need for this legisltion and I recommend that the bill, amended as above, receive favorable consideration.

Objection is raised by the Bureau of the Budget; and if the Senator will look at the letter from the Bureau of the Budget he will see that it says:

No satisfactory explanation has been furnished this office concern-No satisfactory explanation has been furnished this office concerning the excess cost (\$931,500) over the amount authorized to be and actually appropriated. Furthermore, there does not appear to be any good reason for appropriating \$800,000 as a gratuity from the Federal Treasury to provide additional water for the lands involved.

The record itself shows that there is a full and complete, and, in my opinion, a satisfactory, explanation. I cannot understand why the Bureau of the Budget should have made the statement that there was no explanation. The reports of the Bureau of Indian Affairs and of the Reclamation Service very definitely show that the explanation of the failure of the 1914 plan to provide the reservation with the amount of water which was contemplated in the plan resulted from taking water from the same river for other purposes to be used for other reclamation projects. As I previously stated, the sole purpose of the bill is to provide for the Indians on the reservation the amount of water which they were supposed to obtain under the act of 1914.

Mr. KING. Mr. President, I do not think the explanation, lucid and important as it is, quite meets the situation. However, if the Senator will bargain with me-

Mr. SCHWELLENBACH. I will say to the Senator that it is the best explanation I can give. I have simply stated the facts.

Mr. KING. If the Senator will bargain with me, I will let the bill pass and enter a motion to reconsider the vote by which it shall have passed, so as to give me an opportunity to confer with the Bureau of the Budget and with the Secretary of the Interior. If, upon receiving full information from them as to the validity of the claim I shall be satisfied, I shall withdraw the motion.

Mr. SCHWELLENBACH. I would appreciate that action by the Senator.

Mr. KING. Otherwise we will dispose of it at a later time. The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Mr. President, with respect to Calendar 922, Senate bill 1065, which has just passed, I desire to enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. The motion will be en-

RENT-A-CAR CO.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1258) for the relief of the Rent-A-Car Co., which was on page 1, line 11, to strike out all after "Provided", down to and including "\$1,000" in line 11 of page 2, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. McKELLAR. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

N. F. CLOWER AND ELIJAH WILLIAMS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2056) for the relief of N. F. Clower and Elijah Williams, which was, on page 2, to strike out all after line 17 down to and including "belonging" in line 6 of page 3, and insert "second civil district, county of Shelby, and State of Tennessee, to wit: Lot 42, block 1, of W. O. Crump's Warford Avenue subdivision, as shown in plat book 8, at page 205, of the register's office for the county of Shelby in the State of Tennessee, said land beginning on the north side of Calvert Avenue at the northwest corner of Branch Street 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with hereditaments and appurtenances thereunto belonging."

Mr. McKELLAR. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WALTER J. HOGAN AND W. R. LARKIN

The bill (S. 2419) for the relief of Walter J. Hogan and W. R. Larkin, in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of June 20, 1938 (52 Stat. 1363), entitled "An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho," is hereby amended by substituting the amounts of \$400 and \$2,000, respectively, in lieu of the amounts of \$100 and \$1,300 appearing in the act immediately following the names of Walter J. Hogan and W. R. Larkin.

LEASING OF CERTAIN LANDS OF CHOCTAW AND CHICKASAW NATIONS IN OKLAHOMA

The Senate proceeded to consider the bill (S. 2617) to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma, which was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to lease any of the unsold and undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma, in accordance with the terms of the act of April 21, 1932 (47 Stat. 88), except as otherwise provided herein, and under such rules and regulations as he may prescribe. Leases made under this act may be for any term not to exceed 15 years. All acts or parts of acts authorizing the sale of said coal and asphalt deposits are hereby repealed.

Sec. 2. That the rate of royalty in coal leases made under this act shall not be less than 10 cents per ton on all coal mined, including what is commonly known as slack: Provided, That such leases shall require the mining of a minimum of 1,000 tons each year the first and second years after approval of the lease, 3,000 tons the third year, 5,000 tons the fourth year, and 15,000 tons the fifth and each succeeding year thereafter, or the payment of royalty thereon the same as if the coal had actually been mined: Provided further, That the lesses shall pay as advance royalty on each lease the sum of \$100 each year for the first and second years, \$300 for the third year, and \$500 for the fourth and each year thereafter. The advance royalty paid for any year may be credited on the royalty becoming due on coal mined during the year for which said advance royalty has been paid, but shall not be credited on royalty on coal mined in any previous or subsequent year. SEC. 2. That the rate of royalty in coal leases made under this

year.

SEC. 3. That the rate of royalty in asphalt leases made under this act shall not be less than 15 cents per ton on all crude asphalt mined: Provided, That such leases shall require the mining of a minimum of 10,000 tons the first year after approval of the lease and 15,000 tons each year thereafter, or the payment of royalty thereon the same as if the asphalt had been mined: Provided further, That the lessee shall pay as advance royalty on each lease the sum of \$500 in advance for each year. The advance royalty paid for any year may be credited on the royalty becoming due on asphalt mined during the year for which said advance royalty had been paid but shall not be credited on royalty on asphalt mined in any previous or subsequent year.

SEC. 4. That the act of April 21, 1932 (47 Stat. 88), is hereby amended to provide that leases made thereunder may be for any term not to exceed 15 years.

Mr. KING. Mr. President, I ask the Senator from Oklahoma, who has given attention to the bill, whether or not there is sufficient provision to protect the Indians?

Mr. THOMAS of Oklahoma. The Choctaw and Chickasaw Nations still have a large amount of coal lands. The coal lands are under lease, and the leases are about to expire in some instances. It is the desire of the managers of the tribe, as well as of the Indian Office, that this bill be passed so that the lands may be kept under lease. The bill is recommended by the Department.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESTORATION OF CERTAIN LANDS TO UMATILLA INDIANS

The Senate proceeded to consider the bill (H. R. 4540) authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment, at the end of the bill to add an additional section, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to restore to tribal ownership the undisposed of surplus lands of the Umatilla Indian Reservation, Oreg., heretofore opened to entry or other form of disposal under the public-land laws: Provided, That restoration shall be subject to any existing valid rights.

SEC. 2. For the purpose of effecting land consolidations between Indians and non-Indians within the reservation, the Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to acquire through purchase, exchange, or re-Inquishment, any interest in lands, water rights, or surface rights to lands within said reservation. Exchanges of lands hereunder shall be made on the basis of equal value and the value of improvements on lands to be relinquished to the Indians or by Indians to non-Indians shall be given due consideration and allowance made therefor in the valuation of lieu lands. This section shall apply to tribal, trust, or otherwise restricted Indian allotments whether the allottee be living or deceased.

SEC. 3. Title to lands or any interest therein acquired pursuant to this act for Indian use shall be taken in the name of the United

States of America in trust for the tribe or individual Indian for

which acquired.
SEC. 4. For the purpose of carrying into effect the land-purchase provision of this act, the Secretary of the Interior is hereby authorized to use so much as may be necessary of any funds heretofore or hereafter appropriated pursuant to section 5 of the act of June 18, 1934 (48 Stat. 984).

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF GOVERNMENT LOSSES IN SHIPMENT ACT

The Senate proceeded to consider the bill (H. R. 6614) to amend the Government Losses in Shipment Act, which had been reported from the Committee on Expenditures in the Executive Departments with an amendment, in section 7, on page 6, line 21, after the word "Board" and the comma, to strike out "whether upon a bank or upon the Treasurer or other paying officer of the United States, but does not include money, coins, or currency of the United States nor instruments issued by any corporation or other entity owned or controlled by the United States, whether in whole or in part, against such corporation's or entity's own funds; as used in subsection (d) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department," and insert "including instruments issued by any corporation or other entity owned or controlled by the United States, the funds of which are deposited and covered into the Treasury of the United States or deposited with the Treasurer of the United States, but does not include money, coins, or currency of the United States; as used in subsection (d) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department", so as to make the section read:

SEC. 7. Section 9 (f) of the Government Losses in Shipment Act (50 Stat. 484; U. S. C., 1934 ed., Supp. IV, title 31, sec. 528 (f)) is hereby amended to read as follows:

"(f) The term 'original check' wherever used in this section means any check, warrant, or other order for the payment of money, payable upon demand and not bearing interest, drawn by a duly authorized officer or agent of the United States, the District of Columbia, or the District Unemployment Compensation Board, on their behalf against an account or funds of the United States, the District of Columbia, or the District Unemployment Compensation the District of Columbia, or the District Unemployment Compensation Board, including instruments issued by any corporation or other entity owned or controlled by the United States, the funds of which are deposited and covered into the Treasury of the United States or deposited with the Treasurer of the United States, but does not include money, coins, or currency of the United States, but does not include money, coins, or currency of the United States; as used in subsection (d) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department."

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. VAN NUYS. Mr. President, in 1937 the act known as the Government Losses in Shipment Act was passed, creating a revolving fund of half a million dollars to enable the Government to carry its own insurance in the shipment of valuables, including coin, money, securities, bonds, and so forth.

Formerly we appropriated each year the sum of \$250,000 to pay insurance premiums covering such shipments. From August 15, 1937, to April 30, 1938, we have saved more than half a million dollars in premiums by carrying our own in-The losses during that period of time have been only \$376.10, with a claim of \$65.88 pending. Instead of paying \$250,000 yearly for insurance premiums we have paid out less than \$500 in losses. The purpose of the bill is simply to clarify the act, defining more clearly what valuables are meant, covering the checks and securities of the new corporations owned by the Government, and clarifying the intendment of the act. That is the sole purpose of the bill.

Mr. McKELLAR. Mr. President, I notice that the bill refers to losses of the Post Office Department while acting as agent of the Treasury Department.

Mr. VAN NUYS. That is correct.

Mr. McKELLAR. Has the bill been submitted to the Treasury and Post Office Departments?

Mr. VAN NUYS. It has the approval of all departments.

made any recommendations.

Mr. VAN NUYS. No; but as chairman of the Committee on Expenditures in the Executive Departments I called all the departments, and they all verbally approved it. We have written approval from the Comptroller.

Mr. McKELLAR. The departments do not seem to have

Mr. KING. Mr. President, will the Senator yield?

Mr. VAN NUYS. I yield.

Mr. KING. Are the provisions of the bill retroactive or merely prospective?

Mr. VAN NUYS. Prospective.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (S. 2420) relating to certain inspections and investigations in coal mines for the purpose of obtaining information relating to health and safety conditions, accidents, and occupational diseases therein, and for other purposes, was announced as next in order.

Mr. AUSTIN. Mr. President, on behalf of the Senator from North Dakota [Mr. Frazier] and the Senator from

Wisconsin [Mr. WILEY] I object.

The PRESIDENT pro tempore. The bill will be passed over.

MUNICIPAL BANKRUPTCY LAW

The bill (H. R. 6505) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. AUSTIN. Let the bill go over.

Mr. PEPPER. Mr. President, did some Senator ask that the bill go over?

Mr. AUSTIN. Yes, Mr. President; I asked that it go over. Mr. PEPPER. Will the Senator withhold his objection while I make a brief explanation?

Mr. AUSTIN. Certainly.

Mr. PEPPER. The subcommittee of the Senate Committee on the Judiciary, the chairman of which at the time of the hearing was the able Senator from Utah, with a number of other Senators participating, conducted hearings and had a lengthy discussion of the merits of the bill before they made a favorable report on it.

The bill does three things. First, it extends for an additional 2 years' emergency period the existing municipal bankruptcy law, which otherwise would expire in the rela-

tively near future.

Secondly, it authorizes counties and parishes to become eligible for the benefit of the legislation as did the original Municipal Bankruptcy Act.

In the third place, it provides that the physical acceptance of refunding bonds by creditors of an eligible political subdivision shall be taken as evidence of the agreement of those creditors to the plan of composition which provided for

the issuance of the refunding bonds.

Mr. President, my colleague [Mr. Andrews] and I have jointly offered the measure in question. In Florida there are some forty-odd counties which are in a very precarious financial condition which can only be remedied by passage of the bill. It seems to me the bill would not be detrimental to anybody. It has received very careful consideration in the committee. It has the approval of constitutional lawyers of national reputation who deal with bond matters. I do not know what may be the basis of the Senator's objection, but I hope he will not insist upon the objection and will allow the passage of the bill at this time. I shall be glad to answer any questions about it. Has the Senator from Vermont any question to ask about the bill?

Mr. AUSTIN. I have too many questions to be carefully considered in the time allowed on the call of the Senate

Calendar. I stand on the objection.

Mr. PEPPER. I wish to give notice that upon the completion of the call of the calendar, a motion will be made to take up and consider this bill.

Mr. ANDREWS. Mr. President, I want to join in the statement that a motion will be made to take up the bill for consideration.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 153) to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project was announced as next in order.

Mr. McKELLAR. Let us have an explanation of the joint resolution. In the absence of explanation let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

AMENDMENT OF PATENT STATUTES

Mr. BONE. Mr. President, may we revert to Calendar No. 918, House bill 6874, which was reported from the Committee on Patents by the Senator from Connecticut [Mr. DANAHER], who desired to offer an amendment. I believe he has further inspected the bill and is now satisfied with it.

The PRESIDENT pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6874) to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78), which had been reported from the Committee on Patents, with amendments, on page 1, line 6, after the word "by", to strike out the words "striking out the word 'six' and substituting the word 'three' and by"; in line 9, after the word "That", to strike out "upon proof satisfactory to"; in line 10, after the word "Patents", to strike out "filed at any time after the application is allowed that the delay is or was justifiable the final fee may be" and insert "may in his discretion receive the final fee if"; on page 2, line 2, after the word "the", to strike out "3 months" and insert "6 months"; and on page 2, section 3, at the end of line 8, to insert the figures "\$10", so as to make the bill read:

Be it enacted, etc., That section 4897 of the Revised Statutes (U.S.C., title 35, sec. 38) be repealed.

SEC. 2. That section 4885 of the Revised Statutes (U.S.C., title 35, sec. 41) be amended by adding at the end thereof the following: "Provided, however, That the Commissioner of Patents may in his discretion receive the final fee if paid within 1 year after the 6 months' period for payment has passed and the patent shall issue."

SEC. 3. That section 4834 of the Period Statutes (U.S.C.)

SEC. 3. That section 4934 of the Revised Statutes (U. S. C., title 35, sec. 78) be amended by changing the last sentence to read: "On filling each petition for the revival of an abandoned application for

a patent or for the delayed payment of the fee for issuing each patent, \$10."

Sec. 4. This act shall take effect upon approval: Provided, however, That in all cases in which the notice of allowance had been sent prior to the time at which this act takes effect the final fee may be paid and other proceedings may be taken under the statutes in force at the time of approval of this act as if such statutes had not been amended or repealed.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROVISION AS TO PATENTS

Mr. BONE. Mr. President, may we now recur to Calendar No. 809, which is Senate bill 2688, to which the Senator from Ohio [Mr. TAFT] objected? I am going to send to the desk an amendment to be inserted after the word "patent" and the semicolon in line 5, on page 2, which I understand makes the bill satisfactory to the Senater from Ohio, and that he is willing to withdraw his objection.

The PRESIDENT pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2688) to amend section 4884 of the Revised Statutes (U.S.C., title 35, sec. 40).

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington will be stated.

The LEGISLATIVE CLERK. On page 2, line 6, after the word "patent", it is proposed to insert a colon and the following:

"Provided, however, That the Commissioner of Patents in his discretion may, before the patent issues, extend such 20-year period by adding thereto not to exceed 2 years to compensate for unavoidable delays during the pendency of the application not chargeable to the applicant; and in the case of any application which has become the property of the Government of the United States or any office or agency thereof, and which has been certified as important to the armament or defense of the United States as provided by Revised Statutes 4894 (U. S. C., title 35, sec. 37), such 20-year period shall be extended by adding thereto any period or periods of delay authorized by said Revised Statutes 4894", so as to make the bill read:

Be it enacted, etc., That section 4884 of the Revised Statutes (U. S. C., title 35, sec. 40) be amended to read as follows:

"Every patent shall contain a short title or description of the invention or discovery, correctly indicating its nature and design, and a grant to the patentee, his heirs or assigns, for the term of the patent, of the exclusive right to make, use, and vend the invention or discovery (including in the case of a plant patent the exclusive right to asexually reproduce the plant) throughout the United States and the Territories thereof, referring to the specification for the particulars thereof. The term of the patent shall begin with the issuance thereof and shall terminate at a date begin with the issuance thereof and shall terminate at a date not more than 20 years from the date of filing by the applicant in the United States of his earliest application disclosing the in the United States of his earliest application disclosing the invention covered by any of the claims of said patent: Provided, however, That the Commissioner of Patents in his discretion may, before the patent issues, extend such 20-year period by adding thereto not to exceed 2 years to compensate for unavoidable delays during the pendency of the application not chargeable to the applicant; and in the case of any application which has become the property of the Government of the United States or any office or agency thereof, and which has been certified as important to the armament or defense of the United States as provided by Revised Statutes 4894 (U. S. C., title 35, sec. 37), such 20-year period shall be extended by adding thereto any period or periods of delay authorized by said Revised Statutes 4894; but in no case shall the term of any patent be more than 17 years. A copy of the specifications and drawings shall be annexed to the patent and be a part thereof." part thereof.'

SEC. 2. This act shall take effect upon approval but shall apply only to all applications thereafter filed and all patents granted on such applications: *Provided, however,* That applications for patent actually filed prior to the time this act takes effect and all patents granted on such applications are to be governed by the statutes in force prior to the approval of this act as if such statutes had not been amended.

Mr. TAFT. Mr. President, the amendment removes the reason for my objection, and I withdraw the objection which

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. Bone].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LANDS UNDER SAN CARLOS AND FLATHEAD INDIAN IRRIGATION PROJECTS

The joint resolution (H. J. Res. 264) to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects was considered, ordered to a third reading, read the third time. and passed.

LANDS OF CROW TRIBE OF INDIANS, MONTANA

The bill (S. 2609) to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the period of trust on lands allotted to Indians of the Crow Reservation, Montana, upon which the trust period expired July 14, 1931, or at any other time prior to the approval of this act, and for which lands patents in fee have not been issued, is hereby reimposed and extended to May 23, 1940: Provided, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. 388), and the act of June 21, 1906 (34 Stat. 326).

BILLS PASSED OVER

The bill (H. R. 4965) for the relief of J. Harry Walker was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (H. R. 5506) to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont., was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill? If not, let it go over.

The PRESIDENT pro tempore. The bill will be passed

WESTERN OR OLD SETTLER CHEROKEES

The bill (S. 2261) for the relief of the Western or Old Sattler Cherokees, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, cut of any money in the Treasury not otherwise appropriated, the sum of \$6,416.42; and when appropriated the said sum priated, the sum of \$6,416.42; and when appropriated the said sum shall be placed to the credit of the Western or Old Settler Cherokees in the Treasury of the United States in reimbursement of the said sum of \$6,416.42 taken by the United States without the consent of said Cherokees by act of Congress approved June 5, 1924 (43 Stat. 406), out of a fund belonging to the Western or Old Settler Cherokees appropriated by act approved August 23, 1894 (28 Stat. 451), to pay a judgment of the Court of Claims in their favor (27 Ct. Cls. 1; affirmed by the Supreme Court of the United States 148 U. S. 427), and used to pay for a dormitory at Sequeval States, 148 U. S. 427), and used to pay for a dormitory at Sequoyah Orphan Training School, the exclusive property of the United States, in which the Western or Old Settler Cherokees have no ownership nor proprietary interest, and had none at the time of said taking.

When appropriated and placed to the credit of the Western or Old Settler Cherokees in the Treasury, the Secretary of the Treasury shall pay the said money to the attorney of record of the Western or Old Settler Cherokees selected by them in pursuance of the act of April 25, 1932 (47 Stat. 137), to reimburse and pay said attorney of record expenses heretofore incurred, or hereafter to be incurred, in the preparation and prosecution of the claims of said Cherokees against the United States.

EMPLOYMENT OF CARL L. RISTINE BY DEPARTMENT OF JUSTICE

The Senate proceeded to consider the bill (S. 2709) to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases, which had been reported from the Committee on the Judiciary with an amendment at the end of the bill to insert:

SEC. 2. Compensation for the duties to be performed under section 1 hereof shall be at the rate of \$10,000 per annum. SEC. 3. This act shall expire August 1, 1941.

So as to make the bill read:

Be it enacted, etc., That the employment of Carl L. Ristine as an attorney or counselor specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the conduct of actions against the United States arising out of the cancelation of domestic air-mail contracts in 1934, now pending in the Court of Claims, including all proceedings therein and any other case or proceeding, appellate or ceedings therein and any other case or proceeding, appellate or otherwise, that may arise out of or pertain to the matters or any of them involved in the said cases, shall not be construed to be employment within the meaning of sections 109 and 113 of the Criminal Code of the United States, as amended (U. S. C., title 18, secs. 198 and 203), or section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99).

Sec. 2. Compensation for the duties to be performed under section 1 hereof shall be at the rate of \$10,000 per annum.

Sec. 3. This act shall expire August 1, 1941.

Mr. AUSTIN. Mr. President, I should like to inquire whether the particular bill refers to some special counsel?

Mr. KING. Yes, it does. The PRESIDING OFFICER (Mr. HILL in the chair). The Chair is advised that it refers to the appointment of Mr. Carl L. Ristine.

The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT AFFECTING TOBACCO

The bill (H. R. 6538) to amend the Agricultural Adjustment Act of 1938, was announced as next in order.

Mr. GEORGE. Mr. President, there are four bills on the calendar proposing to amend the Agricultural Adjustment Act, all of them relating to tobacco. None of them are controversial, in that they are approved by the Department and have been worked out and agreed to by the representatives of the growers of tobacco, who met here early in January of this year. The first bill, House bill 6538, merely provides against the holding of a second referendum on burley and fire-cured tobacco. So far as I know there is no objection to the bill.

Mr. BARKLEY. Mr. President, I agree with the Senator's statement. These four bills provide amendments to the Agricultural Adjustment Act of 1938 which have been worked out by the tobacco growers, in conjunction with the Department of Agriculture. There is no controversy over them, and they should be passed.

Mr. SMITH. Mr. President, may I say that it is essential that the bills be passed as early as possible, because they do affect this year's operations.

Mr. BARKLEY. That is correct.

Mr. ANDREWS. Mr. President, I join in the request that these four bills be passed as soon as possible.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill, the title of which has been

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as

Be it enacted, etc., That subsection (b) of section 312 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end of the last sentence and inserting in lieu thereof a comma and the following: "nor for any marketing year for which a marketing quota was proclaimed pursuant to the provisions of subsection (a) of this section."

The bill (H. R. 6539) to amend the Agricultural Adjustment Act of 1938, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (a) of section 312 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the expression "on the 15th day of November of any calendar year" and the commas immediately preceding and following said expression; and by adding at the end thereof the following new sentence: "The amount of the national marketing quota or proclaimed may not later then December 21 by increased by not so proclaimed may, not later than December 31, be increased by not more than 10 percent if the Secretary determines that such increase is necessary in order to meet market demands."

The bill (H. R. 6540) to amend the Agricultural Adjustment Act of 1938 was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 313 of the Agricultural Adjust-ment Act of 1938, as amended, is amended by addition of the follow-

ing new subsection:
"(g) Notwithstanding any other provision of this section, the Secretary, on the basis of average yield per acre of tobacco for the State during the 5 years last preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production, may convert the State marketing quota into a State acreage allotment, and allot the same through the local committees among farms on the basis of the factors set forth in committees among farms on the basis of the factors set forth in subsection (b), using past acreage (harvested and diverted) in lieu of the past marketing of tobacco; and the Secretary, on the basis of the national average yield during the same period, similarly adjusted, may also convert into an acreage allotment the amount reserved from the national quota pursuant to the provisions of subsection (c), and on the basis of the factors set forth in subsection (c) and the past tobacco experience of the farm operator, allot the same through the local committees among farms on which no tobacco was produced during the last 5 years. Except for farms last mentioned or a farm operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced the farm-acreage allotment shall be person who also operates, controls, or directs another farm on which tobacco is produced, the farm-acreage allotment shall be increased by the smaller of (1) 20 percent of such allotment or (2) the percentage by which the normal yield of such allotment (as determined through the local committees in accordance with regulations prescribed by the Secretary) is less than 3,200 pounds, in the case of flue-cured tobacco, and 2,400 pounds in the case of other kinds of tobacco: *Provided*, That the normal yield of the

estimated number of acres so added to farm-acreage allotments in any State shall be considered as a part of the State marketing quota in applying the proviso in subsection (a). The actual production of the acreage allotment established for a farm pursuant to this subsection shall be the amount of the farm marketing quota. If any amount of tobacco shall be marketed as having been produced on the acreage allotment for any farm which in fact was produced on a different farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quota, except that such reduction for any such farm shall not be made which such amount was of the respective farm marketing quota, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of tobacco is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such tobacco is produced shall be reduced by a percentage similarly computed."

The bill (H. R. 6541) to amend the Agricultural Adjustment Act of 1938 was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 314 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the first sentence of said section and inserting in lieu thereof the following new sentence: "The marketing of any tobacco in excess of the marketing quota for the farm on which the tobacco is produced shall be subject to a penalty of 10 cents per pound in the case of flue-cured, Maryland, or burley tobacco and 5 cents per pound in the case of all other kinds of tobacco."

The bill (S. 1970) to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. WHITE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REGISTRATION OF CERTAIN PERSONS EMPLOYED TO DISSEMINATE PROPAGANDA

The bill (H. R. 5988) to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.), was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.), be, and it is hereby, amended to read as follows: "That as used in this act—

"That as used in this act—
"(a) the term 'person' means an individual, partnership, association, or corporation;
"(b) the term 'United States' includes the United States and any place subject to the jurisdiction thereof;
"(c) the term 'foreign principal' includes the government of a foreign country, a political party of a foreign country, a person domiciled abroad, any foreign business, partnership, association, corporation, or political organization, or a domestic organization subsidized, directly or indirectly, in whole or in part by any of the entities described herein:

entities described herein;
"(d) the term 'agent of a foreign principal' means any person
who acts or engages or agrees to act as a public-relations counsel, publicity agent, or as agent, servant, representative, or attorney for a foreign principal, and shall include any person who receives compensation from or is under the direction of a foreign principal: Provided, however, That such term shall not include—

"(1) a duly credited diplomatic or consular officer of a foreign

overnment who is so recognized by the Department of State of the

the United States; nor

"(2) any official of a foreign government recognized by the United States as a government other than a public-relations counsel or publicity agent or a citizen of the United States, whose status and the character of whose duties as such official are of record in the Department of State of the United States; nor

"(3) any member of the staff of or person employed by a duly

accredited diplomatic or consular officer of a foreign government who is so recognized by the Department of State of the United States, other than a public-relations counsel or publicity agent, whose status and the character of whose duties as such member or employee are of record in the Department of State of the United States: nor

"(4) any person performing only private, nonpolitical, financial, mercantile, or other activities in furtherance of the bona fide trade

or commerce of such foreign principal; nor

"(5) any person engaged only in activities in furtherance of bona
fide religious, scholastic, academic, or scientific pursuits or of the fine arts.
"(e) The term 'Secretary' means the Secretary of State of the

United States."
SEC. 2. That section 3 of the act entitled "An act to require the registration of certain persons employed by agencies to disseminate

propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.), is hereby amended to read as follows:

"SEC. 3. Every person who has filed a registration statement required by section 2 shall, within 30 days after the expiration of each period of 6 months succeeding the first filing, file with the Secretary a statement, under oath, on a form prescribed by the Secretary, which shall set forth with respect to such preceding 6 months' period—

"(a) Such facts as may be necessary to make the information required under section 2 hereof accurate and current with respect

required under section 2 hereof accurate and current with respect to such period;

"(b) The amount and form of compensation received by such person for acting as agent for a foreign principal which has been received during such 6 months' period either directly or indirectly from any foreign principal; and

"(c) A statement containing such details required under this act as the Secretary shall fix, of the activities of such person as agent of a foreign principal during such 6 months' period."

SEC. 3. That section 4 of the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.), is hereby

June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.), is hereby amended to read as follows:

amended to read as follows:

"Sec. 4. The Secretary shall retain in permanent form all statements filed under this act, and such statements shall be public records and open to public examination and inspection at all reasonable hours, under such rules and regulations as the Secretary may prescribe: Provided, That the Secretary is hereby authorized to withdraw from the public records the registration statement of any person whose activities have ceased to be of a character which requires registration under the terms of this act."

BILL PASSED OVER

The bill (H. R. 2953) authorizing States owning lands or interests therein acquired from the United States to include the same in certain agreements for the conservation of oil and gas resources was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of this bill? I inquire if the Senator from Colorado [Mr. ADAMS] is familiar with it.

Mr. ADAMS. I am not. I shall be glad to look it up. Mr. KING. Let the bill be passed over temporarily. The PRESIDING OFFICER. The bill will be passed over.

MINIMUM-WAGE RATES FOR PUERTO RICO AND VIRGIN ISLANDS

The bill (S. 2682) to amend the Fair Labor Standards Act of 1938 to provide a special procedure for fixing minimumwage rates for Puerto Rico and the Virgin Islands was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) section 5 of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following:

"(e) No industry committee appointed under subsection (a) of this section shall have any power to recommend the minimum rate or rates of wages to be paid under section 6 to any employees in Puerto Rico or in the Virgin Islands. Notwithstanding any other provision of this act, the Administrator may appoint a special industry committee to recommend the minimum rate or rates of wages to be paid under section 6 to all employees in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce, or the Administrator may appoint separate industry committees to recommend the minimum rate or rates of wages to be paid under section 6 to employees therein engaged in commerce or in the production of goods for commerce in particular industries. An industry committee appointed under this subsection shall be composed of residents of such island or islands where the employees with respect to whom such committee was appointed are em-Be it enacted, etc., That (a) section 5 of the Fair Labor Standards with respect to whom such committee was appointed are employed and residents of the United States outside of Puerto Rico and the Virgin Islands. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such in-dustry committees and the Administrator shall be subject to the provisions of section 8, and no such committee shall recommend, nor shall the Administrator approve, a minimum wage rate which will give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands."

(b) No wage orders issued by the Administrator prior to the enactment of this act pursuant to section 8 of the Fair Labor Standards Act of 1938 shall after such enactment be applicable with respect to any employees engaged in commerce or in the production of goods for commerce in Puerto Ricc or the Virgin Islands.

SEC. 2. Section 6 of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following:

"(a) The province of personness (1) (2) and (3) of subsection

amended by adding at the end thereof the following:

"(c) The provisions of paragraphs (1), (2), and (3) of subsection
(a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order issued by the Administrator pursuant to the recommendations of a special industry committee appointed pursuant to section 5 (e)."

ALABAMA LEWIS POOLE

The bill (S. 2201) for the relief of Alabama Lewis Poole was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the proceedings and findings of the board of medical officers which investigated the circumstances and facts surrounding the death of First Lt. John K. Poole, and the confirmation thereof by the War Department, the War Department is hereby authorized and directed to pay to Alabama Lewis Poole, widow of First Lt. John K. Poole, a sum equal to formative receiving as provided by low 6 months' pay which her husband was receiving as provided by law because the facts reported by the board of medical officers shows on its face that First Lieutenant Poole was in line of duty at the time of his death, and that his death was not the result of his own misconduct.

INSIGNIA OF VETERANS' ORGANIZATIONS

The Senate proceeded to consider the bill (S. 2365) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 3, after the word "the", to strike out "manufacturing, wearing, purchase, or sale, either separately or appended to, or to be appended to, or the reproduction on any articles of merchandise manufactured or sold" and insert "manufacture or sale in interstate commerce"; and in line 8, after the word "thereof", to insert "or the reproduction thereof for commercial purposes", so as to make the bill read:

to make the bill read:

Be it enacted, etc., That the manufacture or sale in interstate commerce of the badge, medal, emblem, or other insignia, or any colorable imitation thereof, or the reproduction thereof for commercial purposes, of any veterans' organization incorporated by act of Congress, or the printing, lithographing, engraving, or other like reproduction on any poster, circular, periodical, magazine, newspaper, or other publication, or the circulation or distribution of any such printed matter bearing a reproduction of such badge, medal, emblem, or other insignia, or any colorable imitation thereof, of any such veterans' organization, shall be unlawful and is prohibited except when authorized under such rules and regulations as may be prescribed by such organization so incorporated. Any person who knowingly offends against any provision of this act shall, on conviction, be punished by a fine not exceeding \$250 or by imprisonment not exceeding 6 months, or by both such fine

or by imprisonment not exceeding 6 months, or by both such fine and imprisonment.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ABRAHAM LINCOLN NATIONAL PARK

The Senate proceeded to consider the bill (S. 2046) to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland.

Mr. AUSTIN. Mr. President, I should like to inquire to what name the bill changes the name of the park in the State of Kentucky?

The PRESIDING OFFICER. The bill will be read. The legislative clerk read the bill, as follows:

Be it enacted, etc., That the Abraham Lincoln National Park, in Be it enacted, etc., That the Abraham Lincoln National Park, in the State of Kentucky, authorized by the act of July 17, 1916 (39 Stat. 385), and the Fort McHenry National Park, in the State of Maryland, authorized by the act of March 3, 1925 (43 Stat. 1109), shall hereafter be called and known as the "Abraham Lincoln National Historical Park," and the "Fort McHenry National Monument and Historic Shrine," respectively, and all moneys heretofore or hereafter appropriated for these areas under previous designations may be used in these areas as redesignated.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS FOR EDUCATIONAL USE IN ALASKA

The bill (H. R. 3025) to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15), was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress approved March 4, 1915 (38 Stat. L. 1214-1215), being an act to reserve lands of the

Territory of Alaska for educational uses, and for other purposes, be, and the same is hereby, amended by adding to the first section of the act the following: "Timber on the reserved lands may be sold by the Secretary of the Interior under the provisions of section 11 of the act of Congress approved May 14, 1898 (30 Stat. 409–414), and such lands and the minerals therein shall be subject to disposition under the mining and mineral leasing laws of the United States upon conditions providing for compensation to any Territorial lessee for any resulting damages to crops or improvements on such lands, but the entire proceeds or income derived by the United States from such sale of timber and disposition of the lands or the minerals therein are hereby appropriated and set apart as permanent funds in the Territorial treasury, to be invested and the income expended for the same purposes and in the manner herein-before provided for. Any leases issued by the Territory after a valid appropriation of such reserved lands under the mining laws or the mineral leasing laws of the United States shall be with due regard to the rights of the mineral claimant.

"The Secretary of the Interior is hereby authorized to make all necessary rules and regulations in harmony with the provisions and purposes of this act for the purpose of carrying the same into effect." Territory of Alaska for educational uses, and for other purposes, be,

BILL PASSED OVER

The bill (H. R. 3959) to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill? If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

RIGHT-OF-WAY, CHILKOOT BARRACKS, ALASKA

The bill (H. R. 3795) to provide a right-of-way to the Chilkoot Barracks Military Reservation, Alaska, was considered, ordered to a third reading, read the third time, and passed.

XCHANGE OF LANDS BETWEEN WAR AND LABOR DEPARTMENTS

The bill (H. R. 4008) to authorize an exchange of lands between the War Department and the Department of Labor was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to transfer to the control and jurisdiction of the Secretary of Labor that portion of the Fort Armstrong Military Reservation, Honolulu, T. H., now occupied by the Department of Labor under revocable permit from the Secretary of War dated August 24, 1935, and in exchange therefor the Secretary of Labor is hereby authorized to transfer to the control and jurisdiction of the Secretary of War that portion of the adjoining immigration station site now occupied by the War Department under revocable permit from the Secretary of Labor dated September 18, 1935. Labor dated September 18, 1935.

RIGHT-OF-WAY, MIDDLETOWN AIR DEPOT, PA.

The bill (H. R. 4783) to provide a right-of-way was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant to Keystone Pine Line Co., its successors and/or assigns, an easement for a right-of-way for oilpipe lines over, across, in, and upon the Middletown Air Depot Military Reservation, in the State of Pennsylvania: Provided, That such right-of-way shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: Provided further, That all or any part of such right-of-way may be annulled and forfeited by the Secretary of War if the property is needed for governmental purposes or for failure to comply with the terms or conditions of any grant hereunder, or for nonuse or for abandonment of rights granted under authority hereof.

RIGHT-OF-WAY, FORT MIFLIN MILITARY RESERVATION, PA.

The bill (H. R. 4784) to provide a right-of-way was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant to the Atlantic Refining Co., its successors and/or assigns, an easement for the right-of-way for oil pipe lines over, across, in, and upon the Fort Mifflin Military Reservation, in the State of Pennsylvania: Provided, That such Reservation, in the State of Pennsylvania: Provided, That such right-of-way shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: Provided further, That all or any part of such right-of-way may be annulled and forfeited by the Secretary of War if the property is needed for governmental purposes or for failure to comply with the terms or conditions of any grant hereunder, or for nonuse or for abandonment of rights granted under authority hereof. authority hereof.

FORT DOUGLAS MILITARY RESERVATION, UTAH

The bill (H. R. 5912) authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized to permit the Board of Commissioners of Salt Lake City, Utah, to construct and maintain such roads, streets, and boulevards across lands of the United States located within the Fort Douglas Military Reservation in the State of Utah as he may determine will not interfere with the use of such lands in such manner as the public interest may require. Any great of permission to construct and interest may require. Any grant of permission to construct and maintain any such road, street, or boulevard shall be made subject to such conditions as the Secretary may prescribe for the purpose of protecting the public interest.

PENSIONS AND BENEFITS, RESERVE OFFICERS

The bill (S. 2575) to provide pensions, compensation, retirement pay, and hospital benefits for certain Reserve officers of the Army of the United States was announced as next in

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. SHEPPARD. Mr. President, this bill proposes to give retired pay and allowances identically with Regular officers to Reserve officers of the Air Corps of the Army of the United States who have been disabled while on active military service in excess of 30 days from July 1, 1928, to April 3, 1939. This is to take care of those who have been similarly disabled in the period from 1928 to the time of the passage of the National Defense Act this year, which act provided such pay and allowances from the date of that act forward.

Mr. McKELLAR. Mr. President, this bill does not have the approval of the Veterans' Administration under General Hines.

Mr. SHEPPARD. Let me see as to that.

Mr. KING. No; they do not approve it. Let the bill go

Mr. SHEPPARD. I shall look into that phase of the matter and bring up the bill later.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATURALIZATION LAW

The bill (H. R. 3215) to amend the act of March 2, 1929 (45 Stat. 536), was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (a) (1) of the act of March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes" (45 Stat., ch. 536, p. 1512), which now reads "(1) Entered the United States prior to June 3, 1921", is hereby amended, effective as of the date this act is enacted, so as to read as follows: "(1) Entered the United States prior to July 1, 1924."

DEPORTATION OF CERTAIN ALIENS

The bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens was announced as next in order.

Mr. DANAHER. I ask that the bill go over. Mr. RUSSELL. Mr. President, I inquire if objection was made to the consideration of House bill 6724?

The PRESIDING OFFICER. Objection was interposed.

Mr. RUSSELL. Mr. President, if the Senator who interposed objection will withhold it for just a moment, I should like to make a brief explanation of the bill. It merely proposes to add to the class of aliens who are subject to deportation those who admit in writing that they have engaged in or been convicted of espionage or sabotage for a foreign government since their entry into the United States. It also adds to the class of deportable aliens those who have been guilty of violating the antinarcotic laws of any of the States.

I cannot conceive of any possible objection to the bill. It has passed the House unanimously, and the Senate Committee on Immigration has carefully considered it. The bill merely adds the two classes of aliens I have mentioned to those who are now deportable under the immigration laws, namely, those who have admitted in writing that they are guilty of espionage at the behest of a foreign power, and those who have violated the narcotic laws of any State.

Under our present immigration laws an alien who has violated a Federal narcotic statute is subject to deportation. This merely makes the same rule apply to those who have been guilty of violating a State narcotic law.

Mr. McKELLAR. The Department has recommended it, has it not?

Mr. RUSSELL. No objection was interposed by the Department.

Mr. DANAHER. Mr. President, in order that my reason for asking that the bill go over may be made known to the Senator from Georgia, let me observe that the provision, on line 9, page 1, affecting anyone who admits in writing that he was engaged in the specified acts, invites coercion and invites third-degree treatment; it invites a hysterical surrender.

There are so many possibilities under which one ill-advised can and does admit in writing his assumed or alleged guilt of a given offense, and I personally have seen so much of that kind of thing in my own experience in the practice of the law, that I would hesitate, and I would think that this body should hesitate, to submit to the country a law providing that anyone who admits in writing that he has performed a given act shall therefore be subject to deportation. There are many illustrations of people, for instance, having signed deeds, having signed leases, having signed notes. The books are full of instances of people claiming relief on the ground that they did not know what they were signing. I am certain that in time of war, for instance, this bill, if enacted, would lead to very real hardship. I would much rather that there be a trial and conviction and thereafter deportation than that anyone be deported as a matter of penalty merely because he admits in writing his alleged offense.

With reference to page 2, it points out that a person who at any time after entry has been convicted of violation of the particular specified act shall be subject to deportation. If a person were brought here at the age of 1, and at the age of 19 or 20 were convicted of violation of a State law, he might be deported to a foreign country, the penalty therefore being wholly inordinate, because he might not know the language of the people or the customs of the country, having grown up here. If we in this environment cannot do better than to submit him to a penalty of ultimate deportation for a violation of an offense which in and of itself might call for a 30-day jail sentence, it seems to me we are failing in our duty. The bill is fundamentally defective in going much too far. Because of that I object.

Mr. RUSSELL. Mr. President, of course the Senator has a right to object, but the argument he makes would be just as cogent against the present Federal law regarding the deportation of alien criminals.

Mr. DANAHER. Is not most of this matter already covered in the so-called Hobbs bill, which is on the calendar? Mr. RUSSELL. I am not familiar with the bill to which the Senator from Connecticut refers. It was referred to the

Committee on the Judiciary, I have understood.

Mr. DANAHER. That is true.
Mr. RUSSELL. But I do not think these identical provisions are in that bill.

Mr. DANAHER. I think that if the Senator will examine he will find that the matter to which I have referred is already pretty well covered, and there is a right of action by way of habeas corpus to the circuit court of appeals in a given instance, particularly for violations of laws involving moral turpitude and those involving narcotic violations and those involving the statute against anarchy, and similar offenses. I think that if the Senator will check he will find I am right. I think the calendar number of the Hobbs bill is 821, House bill 5643. I would therefore ask the Senator to check his bill against House bill 5643, and meanwhile let the matter be passed over.

The PRESIDING OFFICER. The bill will go over.

NATURALIZATION OF CLERGYMEN

The bill (H. R. 4100) to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States, was considered, ordered to a third reading, read the third time, and passed.

REDEMPTION OF INTERNAL-REVENUE STAMPS

The Senate proceeded to consider the bill (S. 2712) to amend section 2803 (c) of the Internal Revenue Code, which had been reported from the Committee on Finance with amendments, on page 1, line 7, after the word "redeem", to insert the words "or make allowance for"; on line 8, after the word "under", to strike out "this act" and insert "section 203 of the Liquor Taxing Act of 1934 or subsection (b) of this section"; and on page 2, after line 9, to insert a new section, so as to make the bill read:

Be it enacted, etc., That section 2803 (c), Internal Revenue Code,

be amended to read as follows:

"(c) Unused or spoiled stamps: The Commissioner of Internal Revenue, under regulations approved by the Secretary of the Treasury, may redeem or make allowance for any stamps issued under section 203 of the Liquor Taxing Act of 1934 or subsection (b) of this section by exchanging them for other stamps of the same kind or by refunding moneys received therefor: Provided, That stamps may be exchanged or the value thereof refunded only in quantities of the value of \$5 or more: And provided further, That no claim for the exchange of strip stamps or refund therefor shall be allowed unless presented within 1 year after the date on which such stamps were lawfully purchased, or if lawfully purchased prior to the date of the enactment of this act, within 1 year after such date. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this provision."

SEC. 2. Notwithstanding the limitation contained in section 2803 (c) of the Internal Revenue Code, as amended by this act, as to the time within which claims under such section must be pre-sented, claims under such section for the exchange of or refund for stamps lawfully purchased prior to the date of enactment of this act may be allowed if presented within 1 year from the date

of enactment of this act.

The amendments were agreed to.

Mr. BARKLEY. Mr. President, I have an amendment to submit which will strike out certain language made unneces-

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, line 4, it is proposed to strike out the comma in line 4 and the words "or if lawfully purchased prior to the date of the enactment of this act, within 1 year after such date."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REGULATION OF THE SALE OF LIQUOR

The bill (H. R. 6479) amending section 2857 of the Distilled Spirits Act was considered, ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "An act amending section 2857 of the Internal Revenue Code."

LEAKAGE AND EVAPORATION OF BRANDY

The bill (H. R. 6268) to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR APPLYING FOR ADJUSTED COMPENSATION

The bill (H. R. 5450) to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. WALSH subsequently said: Mr. President, I should like to inquire what disposition was made of Order of Business 962, House bill 5450?

The PRESIDING OFFICER. The bill went over on objection of the Senator from Utah [Mr. King].

Mr. WALSH. Mr. President, will not the Senator from Utah permit the Senator from Missouri to make an explanation of the bill?

Mr. KING. I have examined the report, and find there is an adverse recommendation from General Hines, and I thought we should have a chance to examine it before the next call of the calendar.

Mr. CLARK of Missouri. Mr. President, will the Senator withhold his objection until an explanation may be made?

Mr. KING. Certainly.

Mr. CLARK of Missouri. All the bill does is to extend for a period of 5 years the time within which a veteran may file an application for adjusted-service compensation. It is true the bill is reported adversely by the Veterans' Administration, as every other bill I can remember for the welfare and benefit of the veterans of the United States has been reported on adversely by the Veterans' Administration.

There are many men who have never filed applications for adjusted-service certificates. Some of them are men who are mental cases, and may never file applications. Others are men who, owing to their economic circumstances, did not need the bonus or adjusted-service compensation. Others are men who, by reason of lack of educational advantages or other causes, did not know of their right to file these applications.

It is entirely probable that a very small proportion of those who have not, over the period of years already passed, filed applications, will ever file them, but it seems to me that in a time of economic stress, to have a very arbitrary rule and cut these men off is not right. All the bill does is extend the time for a period of 5 years.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WALSH. The present law expires on January 2, 1940?

Mr. CLARK of Missouri. That is correct.

Mr. WALSH. Unless this bill shall be enacted-

Mr. CLARK of Missouri. Unless this bill shall be enacted at this session of the Congress it will be impossible for the Congress to act without reestablishing the whole system, and reenacting the law.

Mr. WALSH. I have in mind at least one and perhaps two cases of very brave soldiers, men who performed very valuable services during the World War, who have felt that, because of their economic condition, they should not ever ask for the adjusted-service compensation. But a condition has arisen now when they are really in need.

Mr. KING. I withdraw the objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6556) to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes, was announced as next in order.

Mr. AUSTIN. Mr. President, on behalf of the Senator from Delaware [Mr. Townsend], I object.

The PRESIDING OFFICER. The bill will be passed over.

ENFORCEMENT OF NARCOTIC LAW

The bill (H. R. 6555) to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws, was considered, ordered to a third reading, read the third time, and passed.

VETERANS' ADMINISTRATION BENEFICIARIES' EXPENSES

The bill (S. 2866) to provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treatment was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized, under regulations to be prescribed by the President, to pay the actual necessary expenses of travel, including lodging and subsistence, or in lieu thereof an allowance based upon the mileage traveled, of any person to or from a Veterans' Administration facility, or other place for the purpose of examination, treatment, or care: Provided, That payment of mileage upon termination of examination, treatment, or care may be made prior to completion of such travel: And provided further, That when any such person requires an attendant other than an exployee of the Veterans' Administration for the performance of such travel, such attendant may be allowed expenses of travel upon a similar basis.

TRANSFER OF LAND AT VETERANS' ADMINISTRATION FACILITY, COATESVILLE, PA.

The bill (S. 2867) to authorize the Administrator of Veterans' Affairs to transfer by quitclaim deed to the Pennsylvania Railroad Co. for right-of-way purposes, a small strip of land at Veterans' Administration facility, Coatesville, Pa., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to transfer by quit-claim deed to the Pennsylvania Railroad Co., the followingdescribed property located at Veterans' Administration facility, Coatesville, Chester County, Pa.:

Beginning at a point, said point being marked by an iron pin and set in the southwest corner of the Veterans' Administration Reservation as now constituted, said point also being in the northerly right-of-way line of the Pennsylvania Railroad right-of-way and 50 feet distant from the center thereof; said point also way and 50 feet distant from the center thereof; said point also being directly opposite center line station 1972 plus 28.5 of the eastern region, eastern Pennsylvania division, Philadelphia division of the Pennsylvania Railroad; thence north, 0°50'0" west along the westerly boundary line of the Government reservation, a distance of 42.41 feet to a point; thence, along a curve to the left having a radius of 5,640 feet, a distance of 631.97 feet, the chord of which curve bears south 74°34'6" east, a distance of 631.64 feet; thence south 34°51'0" west along one of the boundary lines of the Government reservation, a distance of 43.31 feet to a point, said Government reservation, a distance of 43.31 feet to a point, said point being in the northerly right-of-way line of the Pennsylvania Railroad right-of-way and 50 feet distant from the center thereof, said point also being directly opposite center line station 1966 plus said point also being directly opposite center line station 1866 plus 17.55; thence, along a curve to the right having a radius of 5,680 feet a distance of 605.65 feet the chord of which curve bears north 74°33′20′ west, a distance of 605.36 feet; said curve being the south boundary line of the Government reservation and the north boundary line of the Pennsylvania Railroad right-of-way to the point of beginning, containing in all an area of 0.568 acre, more or less.

RETURN OF RECORDS TO WILLIAMSBURG LODGE, NO. 6, F. A. A. M.

The joint resolution (H. J. Res. 183) authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons of Virginia, the original manuscript of the record of the proceedings of said lodge was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF PERIOD OF AMORTIZATION OF HOME LOANS

The Senate proceeded to consider the bill (S. 628) to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 7, to strike out "fifth" and insert "sixth", on page 2, line 9, after the word "extension", to strike out "and/or" and to insert "or", and after the word "revision" to strike out "and no payment of any installment of principal shall be required during the period of 3 years from the date this act takes effect if the home owner shall not be in default with respect to any other condition or covenant of his mortgage", so as to make the bill read:

Be it enacted, etc., That (a) the fourth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended, is amended by striking out before the semicolon the words "fifteen years" and substituting therefor the words "twenty-five years".

amended by striking out before the semicolon the words "fifteen years" and substituting therefor the words "twenty-five years".

(b) That the sixth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended, is further amended to read as follows: "The Corporation may at any time grant an extension of time to any home owner for the payment of any installment of principal or interest owed by him to the Corporation or may at any time during the existence of the mortgage grant an extension and revision of its terms to provide for the

amortization by means of monthly payment sufficient to retire the interest and principal within a period not to exceed twentyfive years from the date of its execution if in the judgment of the Corporation the circumstances of the home owner and the condition of the security justify such extension or revision.

Mr. KING. Mr. President, I think we ought to have an

explanation, or let the bill go over.

Mr. WAGNER. Mr. President, this is a very simple bill, and I am sure the Senator will have no objection to it. The bill is purely permissive. It authorizes the Home Owners' Loan Corporation to extend the amortization period on home owners' loans from 15 to 25 years, if the circumstances of the home owner and the condition of the security justify such extension. There is an identical provision in the Federal Housing Administration Act, in which we give the owner of a home valued at \$6,000 or less a period of 25 years in which to amortize the mortgage.

The Home Owners' Loan Corporation favors the proposed legislation. It is purely permissive, but at least provides the opportunity for some who are in danger of having their homes foreclosed, an added period in which to amortize their debts. It does not reduce the debts by 1 cent, however. The monthly payments will be somewhat reduced, and the payments will be made easier. We have heretofore conferred this privilege upon home owners not in the distressed class, who have their mortgages insured under the F. H. A. They have 25 years in which to pay off their mortgages, plus interest.

This bill does not affect the 5-percent interest rate now being paid on these H. O. L. C. loans. I might point out, however, that only yesterday the F. H. A. reduced the interest rate from 5 to 41/2 percent for the home owner who is not distressed. Yet the home owner who had to refinance his mortgage because of his distressed condition must continue to pay 5 percent. The newly appointed Administrator of the Federal Lending Agency, Mr. Jesse Jones, has assured me of his deep interest in the problems of these distressed home owners, and of his intention to give sympathetic consideration to a possible reduction in the interest rate, a matter within his discretion under the law.

All we are asking now is that we accord the same privileges and benefits regarding amortization to the distressed home owner as other home owners now enjoy under the

F. H. A. I think this is both fair and humane.

I want to take this oportunity to pay deserving tribute to my colleague, Mr. MEAD, for his persistent and sympathetic efforts in behalf of these unfortunate home owners. He has been pressing this legislation from the moment he entered the Senate, and he is to be congratulated for having secured a favorable report from the Banking and Currency Committee, by unanimous vote. I cannot urge too strongly that the Senate adopt the pending bill.

Mr. McKELLAR. Mr. President, I am in entire sympathy with the purposes of the bill, but I understand that a great many of these home owners' mortgages are being foreclosed. The bill does not seem to make any provision for notifying those who are in distress that they might secure

the advantages of such an act, if it were passed.

Mr. WAGNER. They are very much interested. As a matter of fact, they have formed an organization.

Mr. McKELLAR. I am told there are a very large number being foreclosed every day.

Mr. WAGNER. They were very reasonable in their request. They came before our committee and made a very favorable impression. They pleaded with us: "We are American citizens. We want to pay our debts. We do not want anything for nothing. We simply want fair treatment, and certainly we are entitled to a period of 25 years within which to amortize our debts, just as the more fortunate home owners are accorded under Federal law."

Mr. McKELLAR. I am in favor of the legislation if its provisions may be communicated to the people who need it.

Mr. MEAD. I am sure they will be notified.

Mr. WAGNER. My colleague the junior Senator from New York [Mr. Mead] will see that those who are entitled to the benefits are notified.

Mr. McKELLAR. He may be able to notify those in his State; I do not know whether his voice will reach all around the country or not.

Mr. MEAD. I will assume that responsibility. I might

say a word in explanation of the bill.

I am interested in liberalization of the Home Owners' Loan Act not because I am in any way desirous of disparaging the excellent efforts which have been put forth by the Home Owners' Loan Corporation, or because I would wish to cast reflection upon that agency's splendid record in saving thousands of homes from foreclosure. However, for the past 2 or 3 years, I have been receiving a great many appeals from H. O. L. C. borrowers who cite their circumstances and who demonstrate the helpful possibilities which might result from a more lenient policy than was originally adopted.

A number of bills have been introduced in the House and in the Senate to provide for increased leniency in dealing with H. O. L. C. borrowers. These bills are aimed to assist the man who has shown his good faith and honorable intention to repay the Government, but who may have run into unexpected difficulties through sickness, unemployment, or other unforeseen situations which have temporarily crippled him

financially.

This bill would not release any H. O. L. C. borrower from his rightful obligation to the Government, but would pave an easier road for him to follow in fulfilling that obligation.

I do not propose to recite the infinite good the H. O. L. C. has accomplished for the distressed American home owner. The agency was established when home foreclosures were being made on a wholesale scale. Through a reasonable refinancing means the H. O. L. C. averted those foreclosures in thousands of cases. The American home owner fully appreciated that aid and, with rare exception, he desires to repay his Government for it.

Many of us read the Home Loan Bank Board's statement at the close of 1938, which indicated the honesty and integrity of the average H. O. L. C. borrower. That statement said that H. O. L. C. borrowers are paying \$1,000,000 every working day to charge off their debt to Uncle Sam. It stated that the H. O. L. C. borrowers now on the books of the Corporation have paid back 91 cents on every dollar of obligation to date. The statement went on to say:

It is only a few years since foreclosures in this country were tabulated at the rate of 1,000 a day. More than a million home owners were literally without hope. Today nearly three-fourths of that million are on their way to debt-free home ownership and thousands of others are making a good fight; the majority will win, barring unforeseen economic difficulties.

that million are on their way to debt-free home ownership and thousands of others are making a good fight; the majority will win, barring unforeseen economic difficulties.

H. O. L. C. borrowers to date have paid back \$540,000,000, or 17 percent of their entire principal indebtedness. About 1,500 a month are paying off their loans in full; 44,000 already have paid in more than \$100,000,000 to get their names crossed off our books. We are collecting about \$15,000,000 a month in principal and \$9,500,000 in interest.

These observations, indeed, appear to bear out the truth of the remarks of General Manager Charles A. Jones that "the American home owner is the world's best risk."

However, as in all situations, there is an unhappier side to this picture, and it is to those more unfortunate borrowers that we are addressing ourselves in urging some liberalization of the existing law.

As I am informed, 1,018,413 H. O. L. C. loans have been made throughout the entire United States. To date, the H. O. L. C. has authorized foreclosure on 168,010 cases—perhaps the number has slightly increased since I obtained that information. Of this number, approximately 16,265 cases are temporarily withdrawn. The total number definitely assured of foreclosure is approximately 151,745. Of this number, actual title has been taken to at least 122,555 properties.

In my own State of New York, 80,154 loans were originally made. Of this number, at least 25,158 foreclosures have been authorized by the H. O. L. C. One thousand one hundred and ten pending foreclosures have been temporarily withdrawn, so that actually 24,048 homes appear certain to be foreclosed on. As a matter of fact, over 17,750 homes have already been acquired. As a result, in New York State, over 30

percent of the total amount of loans seem certain to be foreclosed.

That is a large percentage of foreclosures and there must be some good reason for it. Assuming that, with very rare exception, the borrower wants to retain his home and wants desperately to find a way to repay his loan, it seems that some means should be provided for him to more easily meet his obligation.

As I understand it, something like 15 percent is the average percentage of H. O. L. C. foreclosures throughout the country. In New York State, the percentage is double that, and it is serious enough to merit our very careful attention and consideration.

The foreclosure policy of the H. O. L. C., particularly in the New York area, deserves study. In the first place, considerable legal expense is incurred in effecting foreclosures. Then, considerable additional expense is incurred in repairing the premises. After that, a substantial loss is sustained in the resale when, of course, a brokerage fee must be paid. After this procedure, a new owner steps in and gets a new mortgage for 15 years. In cases where the houses are not sold, which seems to be in the majority of instances, many times a foreclosed home is rented to a tenant at a less amount than the dispossessed owned was willing to pay.

When we consider that the F. H. A. program spreads the amortization payments over a period of 25 years and permits the purchaser to buy a home with a 10-percent down payment, it is readily understandable why the houses acquired by the H. O. L. C. will have to be sold at a substantial loss in order to compete with the newly constructed F. H. A. homes. It is my thought that if we were to spread the amortization period over a greater number of years that a large proportion of those who have already lost their homes and those who are about to lose their homes, might more easily be able to carry on. Most of these owners have a sentimental interest in their homes and, if given the chance, will struggle to meet their obligations.

There are other phases to the problem, such as wiping out deficiency judgments, reducing interest rates, and establishing a moratorium on principal payments for a period of time, all of which should be helpful but are not contained in this bill. However, to spread the amortization period over an additional 10 years would accomplish a real step in the right direction.

This bill, S. 628, will allow the H. O. L. C. to extend the period of amortization of home loans from 15 to 25 years. I have read the Corporation's report and note that, among other things, it is stated:

In our judgment, an unfortunate consequence of legislation of this character would be to single out that 3 percent of the country's families which already have Corporation loans; to confer on these borrowers, who as a group are able to pay their own way, the unneeded concession of a phenomenally liberal loan at less than actual cost, and to call on the citizens of the country as a whole to foot the heavy bill involved. Under the circumstances, the Board is firmly convinced that the weight of all pertinent considerations is in favor of continuing the Corporation's loans through to maturity on the basic plan originally provided, and that it must counsel against legislative proposals seeking to alter the Corporation's loan contracts.

As I stated before, I am fully and deeply conscious of the remarkable work that the Corporation has accomplished. I realize that its officials hold a justifiable pride in the record that has been made generally throughout the Nation. I compliment them on that record. Nevertheless, it does seem that in New York State, a foreclosure rate of 30 percent is much, much too high. That mars the record which is broadly so good. Cannot something be done to help these people in our State who are surely as dependable and sincere and conscientious as those people in any other State?

A principal objection to this proposal is that those who are now meeting their obligations would be affected, as well as those who cannot meet their obligations. In that event, they will all probably seek the benefit of this leniency. Granting that this might be the case, I do not understand that it would prove to be so offensive nor particularly burdensome. If such a measure would improve the economic

status of all concerned, through a more lenient policy of repayment, it could only have a salutary effect on our whole economy. Some might be benefited more than others, but, in my judgment, the happy results would more than justify this slight generosity on the part of our Government.

H. O. L. C. borrowers in New York State, and especially in Greater New York, have unquestionably suffered in their efforts to satisfy H. O. L. C. requirements. Other agencies of the Government are more liberal and, with particular reference to F. H. A., such liberalization of regulation has proven beneficial.

Let it be understood that H. O. L. C. borrowers are not asking that they be released from any obligation, but they are asking that they be given a fair and reasonable opportunity to keep the home that the H. O. L. C. has once saved for them. I believe we should very carefully and considerately weigh all the factors involved in my State and endeavor to work out some more lenient methods to help them in their efforts to make good. They deserve that much consideration from a Government agency especially designed to assist them.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SIMPLIFICATION OF ACCOUNTS OF TREASURER OF THE UNITED STATES

The Senate proceeded to consider the bill (S. 844) to simplify the accounts of the Treasurer of the United States, and for other purposes, which was read as follows:

Be it enacted, etc., That after the reimbursement to the Treasury from funds derived from assessments made pursuant to section 8 of the act of July 12, 1882, 22 Stat. 164, as amended (U. S. C., title 12, sec. 177), of all costs lawfully charged thereto for the fiscal year ending June 30, 1940, the balance of such funds shall be covered into the Treasury as miscellaneous receipts; and thereafter the cost of transporting and redeeming such outstanding national bank notes and Federal Reserve bank notes as may be presented to the Treasurer of the United States for redemption shall be paid from the regular annual appropriations for the Treasury Department.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. WAGNER. The bill merely has to do with the book-keeping in the Treasury Department. A fund was created in the Treasury Department into which were paid by the national banks an assessment of 5 percent of their outstanding bank notes, that is, the bank notes in circulation. Those notes have all been redeemed and the national banks owe nothing to the Federal Government, so that the fund has no longer any need for continued extension. Assessments are made upon the banks for the transportation of these notes when redemption takes place, and it is provided that the money shall go into the general fund of the Treasury, and that whatever expenses are paid by the Government for transportation shall be paid by direct appropriation made by Congress.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE LOUIS ARTICK

The bill (S. 1510) for the relief of George Louis Artick was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws George Louis Artick, sometimes known as George Attick, of Danbury, Conn., shall be held and considered to have been legally admitted to the United States for permanent residence during July 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of said George Louis Artick, sometimes known as George Attick, upon the ground of unlawful residence in the United States.

JOHN ULLMANN, JR.

The bill (S. 2427) authorizing the naturalization of John Ullmann, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, at any time within 1 year after the date of enactment of this act, John Ullmann, Jr., of the United States Navy, retired, may be naturalized as a citizen of the United States by taking the naturalization oath of allegiance before any court having jurisdiction of the naturalization of allens.

NATHAN KAPLAN

The bill (S. 166) for the relief of Nathan Kaplan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Nathan Kaplan, of Minneapolis, Minn., shall be held and considered to have been legally admitted to the United States for permanent residence on December 1, 1929.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of said Nathan Kaplan upon the ground of unlawful residence in the United States.

MIRA FRIEDBERG (MIRA DWORECKA)

The Senate proceeded to consider the bill (S. 2030) for the relief of Mira Friedberg (Mira Dworecka), which had been reported from the Committee on Immigration with amendments on page 2, line 3, after the word "offense", to strike out "alleged" and to insert "admitted"; in line 4, after the word "abroad", to strike out "while said Mira Friedberg (Mira Dworecka) was about 20 years of age, and during her legal infancy, and"; and at the end of the bill to insert a new paragraph, so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration laws relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 139 (e)), which excludes from admission into the United States persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude, shall not hereafter be held to apply to Mira Friedberg (Mira Dworecka), who is the wife of Louis Friedberg, a citizen of the United States of America, on account of an offense admitted to have been committed abroad, prior to her marriage to said Louis Friedberg at Danzig, Europe, on or about May 30, 1933. If she is found otherwise admissible under the immigration laws, an immigration visa shall be issued to her and admission granted to said Mira Friedberg (Mira Dworecka) under this act, for permanent residence in the United States of America.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENNO VON MAYRHAUSER AND OSKAR VON MAYRHAUSER

The bill (S. 2355) for the relief of Benno von Mayrhauser and Oskar von Mayrhauser was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Benno von Mayrhauser and Oskar von Mayrhauser, of Kiel, Germany, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

Mr. CLARK of Missouri subsequently said: Mr. President, a few moments ago the Senate passed, without objection, Senate bill 2355, Calendar No. 974. Since that time a bill, generally similar, although not identical, but containing an additional proviso, has been received from the House of Representatives.

I ask unanimous consent that the vote by which the Senate bill was passed be reconsidered, and that House bill 6546 be substituted for the Senate bill, considered and passed, and that the proviso on line 7 be stricken out, in order that the bill be expedited to passage.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Chair lays before the Senate a bill coming over from

The bill (H. R. 6546) for the relief of Benno von Mayrhauser and Oskar von Mayrhauser, was read the first time by title, and the second time at length, as follows:

Be it enacted, etc., That Benno von Mayrhauser and Oskar von Mayrhauser, of Kiel, Germany, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect: Provided, That the said Benno von Mayrhauser and Oskar von Mayrhauser shall not be eligible to become citizens of the United States.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CLARK of Missouri. I send forward an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 7, after the word "effect", it is proposed to strike out the proviso as follows: "Provided, That the said Benno von Mayrhauser and Oskar von Mayrhauser shall not be eligible to become citizens of the United States."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2355 will be indefinitely postponed.

KURT WESSELY

The Senate proceeded to consider the bill (S. 2598) for the relief of Kurt Wessely, which had been reported from the Committee on Immigration, with an amendment, at the end of the bill to add a new paragraph, so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Kurt Wessely shall be held and con-

sidered to have been lawfully admitted to the United States for permanent residence on August 3, 1937, at Ellis Island, N. Y.

Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the quota during the current

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DANE GOICH

The bill (S. 2492) for the relief of Dane Goich was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Dane Goich shall be held and considered to have been legally admitted to the United States for permanent residence on June 15, 1925.

Sec. 2. The Secretary of Labor is authorized and directed to can-

cel any warrants of arrest or orders of deportation which may have been issued in the case of the said Dane Goich upon the ground of unlawful residence in the United States.

KAM N. KATHJU

The Senate proceeded to consider the joint resolution (S. J. Res. 37) for the relief of Kam N. Kathju, which had been reported from the Committee on Immigration with an amendment to strike out all after the resolving clause, and to insert the following:

That the Secretary of Labor is hereby authorized and directed to consider the entry of Kameshwar Nath Kameshwar at the port of New York on December 5, 1933, ex steamship *Majestic*, as a lawful admission for permanent residence, entitling the said Kameshwar Nath Kathju to remain in the United States as an alien immigrant.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

REGISTRATION OF ALIENS

The bill (S. 2830) to provide for the registration of aliens was announced as next in order.

Mr. SCHWELLENBACH. Over.

Mr. STEWART. Mr. President, will the Senator withhold his objection just for a moment? I should like to make a statement concerning the bill.

Mr. SCHWELLENBACH. Very well.

Mr. STEWART. The bill provides for the registration of aliens. That is all it provides for. A number of bills concerning aliens have been presented to the Committee on Immigration during the present session of Congress. One bill on the calendar which has already been passed was much more drastic in its nature than the bill under consideration. With the idea of undertaking to accomplish something along the line of registration of foreigners or aliens, I introduced Senate bill 2830, which is Calendar No. 978, and which was referred to the Committee on Immigration and reported by that committee favorably to the Senate without amendment.

Mr. President, the reason I am interested in the passage of the bill at this time is because of the fact that as a part of the method of registration of aliens we propose to use the mechanics of the census takers for next year. The census, as Senators know, will be taken in 1940, and if some legislation along this line is not had at this session, action might have to be deferred for another period of 10 years. I think it is very important that we have some information about the number of foreigners or aliens in the country. That is the only purpose of the bill. Of course, objection has been heard. I simply want to serve notice now that at the first opportunity I shall ask that the Senate give consideration to the bill.

Mr. SCHWELLENBACH. Mr. President, I have objected to the present consideration of the bill because of the fact that it involves not only the use of the census but involves registration. It may be, if the Senator is willing to separate the bill into two parts and simply ask for consideration of that part which refers to the census, that it may be passed. As I stated to the committee, while I do object to the bill and will oppose it when it comes up, I do not intend to talk indefinitely against that part of the bill dealing with the census. Against the other part of the bill I should talk until the session is over.

Mr. STEWART. Would the Senator be willing that we consider the part of the bill to which the Senator has no objection at this time?

Mr. SCHWELLENBACH. No. I do not think a bill of this importance should be taken up on the call of the calendar. I do not object to it being taken up in the regular way later.

The PRESIDING OFFICER. Objection is heard.

INVESTIGATION OF PRODUCTION AND IMPORTATION OF WOOD PULP The Senate proceeded to consider the resolution (S. Res. 160) directing the Tariff Commission to investigate the facts concerning domestic production and importation of wood pulp or pulpwood, which had been reported from the Committee on Finance with an amendment, on page 1, line 11, after the word "than", to strike out "January" and insert "April", so as to make the resolution read:

Resolved, That the United States Tariff Commission, under authority conferred by section 332 of the Tariff Act of 1930, is directed to investigate and report to the Senate all facts relating to wood to investigate and report to the Senate all facts relating to wood pulp or pulpwood, showing the volume of importations compared with domestic production and the conditions, causes, and effects relating to foreign competition, and all other facts showing the differences in, or which affect competition between, the production of wood pulp or pulpwood in the United States or that imported in the principal markets of the United States. Such report to be made to the Senate not later than April 15, 1940. made to the Senate not later than April 15, 1940.

The amendment was agreed to.

The resolution, as amended, was agreed to.

EXTENSION OF BOUNDARIES OF HOT SPRINGS NATIONAL PARK, ARK.

The Senate proceeded to consider the bill (H. R. 3409) to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 1, after the words "authorized to be", to strike out the word "used" and to insert "appropriated a sum", and in line 2, after the figures "\$8,000", to strike out "of the unexpended balance allotted from the Emergency Relief Appropriation Act of 1935 for the acquisition of certain property for addition to Yosemite National Park", so as to make the bill read:

Be it enacted, etc., That the proviso in the act of June 15, 1936 (49 Stat. 1516), reading as follows: ": Provided, That the lands herein above described may be acquired within funds already appropriated and at a cost not to exceed \$15,000," is hereby repealed, and the said act of June 15, 1936, is hereby further amended by the addition thereto of the following new sections:

"SEC. 2. That there is hereby authorized to be appropriated a sum not to exceed \$8,000 to supplement funds in the amount of \$15,000 heretofore made available for the purchase of the lands

described in section 1 hereof.

"Sec. 3. The Secretary of the Interior is hereby authorized, in his discretion, to accept on behalf of the United States donations of lands or interests in land within the city limits of Hot Springs, Ark., the title to such lands or interests in land to be satisfactory to said Secretary. Upon the acquisition of such lands or interests in land, they shall become a part of the Hot Springs National Park and shall be subject to all laws and regulations applicable thereto."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

UNITED STATES COAST GUARD ACADEMY LIBRARY

The bill (H. R. 4306) to make the United States Coast Guard Academy library a public depository for Government publications was considered, ordered to a third reading, read the third time, and passed.

CONSOLIDATION OF THE LIGHTHOUSE SERVICE WITH THE COAST GUARD

The Senate proceeded to consider the bill (S. 2859) to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes, which had been reported from the Committee on Commerce with amendments.

The first committee amendment was, in section 1, page 1, line 9, after the words "serving in", to strike out "professional and scientific grades 1 to 8, inclusive, of the classified civil service" and to insert "grades 1 to 8, inclusive, of the professional and scientific service" as defined in the Classification Act of 1923, as amended (U. S. C., title 5, sec. 673), so as to make the section read:

Be it enacted, etc., That the President is hereby authorized to commission, by and with the advice and consent of the Senate, in the line of the Coast Guard in grades appropriate to their qualifications, experience, and lengths of service, as determined by the Secretary of the Treasury (hereinafter referred to as the "Secretary"), such personnel of the Lighthouse Service as, on June 30, 1939, were serving in grades 1 to 8, inclusive, of the professional and scientific service as defined in the Classification Act of 1923, as amended (U. S. C., title 5, sec. 673), and who, on that date, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608), as amended and supplemented (U. S. C., title 33, sec. 763): Provided, That no person shall be commissioned under the provisions of this section who does not possess such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

The amendment was agreed to.

The next amendment was, in section 3, page 3, line 8, after the word "service", to strike out "classified in professional and scientific grades one to eight, inclusive, of the classified civil service" and to insert "formerly held by personnel described in section 1 of this act", so as to make the section read:

SEC. 3. Each vacancy (1) hereafter occurring in the extra numbers of officers commissioned pursuant to section 1 of this act; (2) existing on the date of the enactment of this act in positions in the Lighthouse Service formerly held by personnel described in section 1 of this act; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 1 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified,

do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

The amendment was agreed to.

The next amendment was, in section 5, page 4, line 25, after the word "filled", to strike out "by commission, appointment, or enlistment in an appropriate chief warrant or warrant grade or rating, as the case may be" and to insert "from among the chief warrant, warrant, or enlisted personnel of the Coast Guard", so as to make the section read:

SEC. 5. Vacancies created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 4 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission, appointment, or enlistment thereunder, may or may not be filled, in the discretion of the Secretary, in accordance with the existing needs of the service. If such vacancy be filled it shall be filled from among the chief warrant, warrant, or enlisted personnel of the Coast Guard.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTION OF CERTAIN MOTORBOATS FROM ACT OF JUNE 9, 1910

The bill (H. R. 6273) to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 134) providing for continuing retirement pay under certain conditions of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. Mr. GEORGE. I agree with the Senator from Utah. There is no need to press consideration of that bill now.

LOUISIANA-VICKSBURG BRIDGE COMMISSION

The bill (H. R. 3224) creating the Louisiana-Vicksburg Bridge Commission, defining the authority, power, and duties of said commission, and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La. and Vicksburg, Miss., was announced as next in order.

Mr. TRUMAN. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.
Mr. KING. Is this a part of the large rivers and harbors
bill that passed a few moments ago, or one which was to
come over from the House?

Mr. SHEPPARD. This is a bridge bill.

Mr. KING. Let it go over.

The PRESIDING OFFICER. The bill has been passed

Mr. HARRISON subsequently said: Mr. President, objection was made a moment ago when Calendar 985 was reached, being House bill 3224. The Senator from Missouri [Mr. Truman] objected. I understand he now withdraws his objection. The bill affects both the State of Louisiana and the State of Mississippi, and relates to the refinancing of a bridge. The bill has been reported favorably by the Committe on Commerce.

Mr. TRUMAN. Mr. President, I withdraw the objection. Mr. KING. May I inquire of the Senator from Mississippi whether the bill imposes any obligation on the Federal Government?

Mr. HARRISON. None at all. Mr. President, I ask unanimous consent for the immediate consideration of the measure.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 3224) creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of

said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss., which had been reported from the Committee on Commerce with amendments, on page 2, line 4, after the word "act", to strike out "For like purposes said Commission and its successors and assigns are hereby authorized to acquire, maintain, and operate all or any ferries across the Mississippi River within 15 miles of said bridge, subject to the conditions and limitations contained in this act" and to insert "Whenever, and for the time only, that said bridge is not in operative condition by reason of accident, damage, repair, or other causes beyond the control of said Commission, said Commission and its successors and assigns are hereby authorized to maintain and operate a ferry, or ferries, across the Mississippi River at or within 15 miles of said bridge, subject to the conditions and limitations contained in this act: Provided, That the acquisition and operation of a ferry or ferries shall only be in the event that the condition of said bridge is such that it cannot be used and as soon as repaired or again usable no ferry or ferries shall be operated: Provided further, That no permission shall be given for the operation of a ferry or ferries within 15 miles of said bridge without the direct repeal of this section of the act"; on page 10, line 4, after the word "to", to strike out "common carriers, transportation companies, bus lines, or anyone transporting passengers or freight for hire unless the Commission or the owning interest shall otherwise specifically provide" and insert "railroad or railroads using bridge"; on the same page, line 16, after the word "property", to insert "only insofar as is essential and necessary in the operation of the bridge"; on the same page, line 22, after the word "persons" and the comma, to strike out "two of whom shall be appointed by the Governor of Louisiana and the other by the Governor of Mississippi" and insert "one of whom shall be appointed by the Governor of Louisiana from the congressional district in the State of Louisiana wherein is located the west approach to said bridge, one of whom shall be appointed by the Governor of Mississippi from the congressional district in the State of Mississippi wherein is located the east approach to said bridge, and one of whom shall be appointed by the Secretary of Agriculture"; on the same page, line 17, after the word "appointed", to insert a comma and "and/or by the Secretary of Agriculture as herein provided"; on page 12. line 10, after the word "exceed", to strike out "\$500" and insert "\$1,200"; and on page 14, after line 16, to insert the following new section:

SEC. 13. The cost of acquisition of said bridge by said Commission sec. 13. The cost of acquisition of said bridge by said commission shall not include goodwill, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of construction, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring interests in the necessary real property; (3) actual financing and promotion costs, not to exceed 2 percent of the cost of construction of such a bridge and its approaches and acquiring such interests in the necessary real property; and (4) actual expenditures for necessary improvements.

The amendments were agreed to.

Mr. HARRISON. Mr. President, I wish to submit certain amendments. On page 11, line 6, I ask that the vote by which the committee amendment was adopted be reconsidered in order that I may offer an amendment thereto.

The PRESIDING OFFICER. Without objection, the vote is reconsidered.

Mr. HARRISON. I move to amend the committee amendment on page 11, line 6, after the words "appointed by the", to strike out "Secretary of Agriculture" and to insert "Commissioner of Public Roads." That is merely because of the reorganization.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. HARRISON. On page 11, line 10, after the words "office of the", I move to strike out "Secretary of Agriculture" and to insert "Commissioner of Public Roads."

The amendment was agreed to.

Mr. HARRISON. I ask that the vote by which the committee amendment in lines 17 and 18 on the same page was agreed to be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment was agreed to is reconsidered.

Mr. HARRISON. I move to strike out in line 18 in the committee amendment the words "Secretary of Agriculture" and to insert in lieu thereof "Commissioner of Public

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. HARRISON. In line 22, on the same page, after the words "Roads of the", I move to strike out "Department of Agriculture" and to insert "Federal Works Agency."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the Louisiana-Vicksburg Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission") and its successors and assigns be, and is hereby, authorized to acquire by purchase or otherwise, from its owners, and to maintain and operate a bridge and approaches thereto across the Mistain and operate a bridge and approaches thereto across the Mississippi River at or near the cities of Delta Point, La., and Vicksburg, Miss., subject to the conditions and limitations contained in this act. Whenever, and for the time only, that said bridge is not in operative condition by reason of accident, damage, repair, or other causes beyond the control of said commission, said commission and its successors and assigns are hereby authorized to maintain and operate a ferry, or ferries, across the Mississippi River at or within 15 miles of said bridge, subject to the conditions and limitations contained in this act: Provided, That the acquisition and operation of a ferry or ferries shall only be in the event and limitations contained in this act: Provided, That the acquisition and operation of a ferry or ferries shall only be in the event that the condition of said bridge is such that it cannot be used and as soon as repaired or again usable no ferry or ferries shall be operated: Provided further, That no permission shall be given for the operation of a ferry or ferries within 15 miles of said bridge without the direct repeal of this section of the act.

SEC. 2. There is hereby conferred upon the commission and its successors and assigns the right and power to acquire, condemn, occupy, possess, and use said bridge and such real estate and other property in the State of Louisiana and the State of Mississippi as may be needed for the acquisition and maintenance of such bridge and its approaches, and, if by condemnation, upon making just

and its approaches, and, if by condemnation, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or property is located, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said States, respectively.

spectively.

SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge and such ferry or ferries in accordance with the provisions of this act

bridge and such ferry or ferries in accordance with the provisions of this act.

Sec. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches (including any approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the ferry or ferries and the necessary land, easements, and appurtenances thereto by an issue or issues of negotiable bonds of the Commission, bearing interest at not more than 4½ percent per annum, the principal and interest of which bonds and any premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with this act. Such bonds may be registrable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 20 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 102 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds, before the maturity thereof, which it may issue: Provided, That the refunding bonds shall mature at such time or times, not exceeding 30 years from date of approval of this act, as the Commission may determine. The Commission may enter into an agreement with any bank or bond or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commiss funds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corpora-Such trust agreement may contain such provisions for

protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law and also provisions for approval by the original purchasers of the bonds of the employment of consulting engineers and of the security for said bonds and by any bank or trust company in which the proceeds of bonds or of bridge or ferry tolls or other moneys of the Commission shall be deposited. Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 44 percent interest on the money received

ment of more than 4½ percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge and its approaches and the land, easements, and appurtenances used in connection therewith, and, in the event the ferry or ferries are to be acquired, also the cost of such ferry or ferries, and the lands, easements, and appurtenances used in connection therewith. The cost of the bridge and envisements and envised the bridge and envisements. and approaches and approach highways and ferry or ferries shall be deemed to include all engineering, legal, architectural, traffic-surveying, and other expenses incident to the acquisition of the surveying, and other expenses incident to the acquisition of the bridge or the acquisition of the ferry or ferries, and the acquisition of the necessary property, and incident to the financing thereof subject to the limitation as is provided in section 13. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definitive bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates with or without coupons of any denomination

whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery.

Sec. 5. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining. repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund suf-ficient to pay the principal and interest of such bonds as the ficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the issuance of the bonds. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge, so that the tolls shall be so fixed way an traine over the bridge, so that the toils shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within any such reasonable class, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of the tolls so fixed and adjusted.

SEC. 6. Nothing herein contained shall require the Commission or its successors to maintain or operate any ferry or ferries purchased hereunder, but in the discretion of the Commission or its successors any ferry or ferries so purchased, with the appurtenances and property thereto connected and belonging, may be sold or otherwise disposed of or may be abandoned and/or dismantled whenever in the judgment of the Commission or its successors it may seem expedient so to do. The Commission and its successive may seem expedient so to do. sors may fix such rates of toll for the use of such ferry or ferries as it may deem proper, subject to the same conditions as are hereinabove required as to tolls for traffic over the bridge. All hereinabove required as to tolls for traffic over the bridge. All tolls collected for the use of the ferry or ferries and the proceeds of any sale or disposition of any ferry or ferries shall be used, so far as may be necessary, to pay the cost of maintaining, repairing, and operating the same, and any residue thereof shall be paid into the sinking fund hereinabove provided for bonds. An accurate record of the cost of purchasing the ferry or ferries, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 7. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge, that part within Louisiana to the State of Louisiana or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Louisiana interest) and that part within Mississippi to the State of Mississippi or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Mississippi interest) under the condition that the bridge shall thereafter be free of tolls (except the railroad portion of said bridge and except as otherwise herein provided) and be properly maintained, operated, and repaired by the Louisiana interest and the Mississippi interest as may be agreed upon; but

if either the Louisiana interest or the Mississippi interest shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission as a free bridge until such time as both the Louisiana interest and the Mississippi interest shall be authorized to accept and shall accept such conveyance under such conditions. After the conveyance by the Commission to the Louisiana interest and Mississippi interest, the said interests may collect from the railroad or railroads using the bridge reasonable tolls, either under the then-existing contract between the Commission and the railroad or railroads, or a new contract to be made by the Mississippi interest and Louisiana interest with the said railroad or railroads. If at the time of such conveyance the Commission or its successor shall not have disposed of such ferry or ferries, the same shall be disposed of by sale as soon as practicable, at such price and upon such terms as the Commission or its successors may determine. Free toll provisions of this act if either the Louisiana interest or the Mississippi interest shall not

practicable, at such price and upon such terms as the Commission or its successors may determine. Free toll provisions of this act shall not apply to railroad or railroads using bridge.

Sec. 8. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Louisiana-Vicksburg Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property only insofar as it is essential and real estate and other property only insofar as it is essential and necessary in the operation of the bridge; may accept and receive

necessary in the operation of the bridge; may accept and receive donations or gifts of money or other property and apply the same to the purpose of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of three persons, one of whom shall be appointed by the Governor of Louisiana from the congessional district in the State of Louisiana wherein is located the west approach to said bridge, one of whom shall be appointed by the Governor of Mississippi from the congressional district in the the Governor of Mississippi from the congressional district in the State of Mississippi wherein is located the east approach to said bridge, and one of whom shall be appointed by the Commissioner of Public Roads. Such Commission shall be a body corporate and politic. Each member of the Commission shall qualify within 30 days after the approval of this act by filing in the office of the Commissioner of Public Roads an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall qualify in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Governor of the State from which the said Commissioner was appointed, and/or by the Commissioner of Public Roads as herein provided. Before the issuance of bonds as herein above provided, each member of the Commission shall give such bond as may be fixed by the Chief the Governor of Mississippi from the congressional district in the the issuance of bonds as herein above provided, each member of the Commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Federal Works Agency, conditioned upon the faithful performance of all duties acquired by this act. The Commission shall elect a chairman and a vice chairman from its members, and may establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 9. The Commission shall have no capital stock or shares of interest or participation, and all revenue and receipts thereof shall

interest or participation, and all revenue and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of \$20 per day for each day actually spent in the business of the Commission, but the maximum compensation in any year of each members shall not exceed \$1200. The maximum business of the Commission, but the maximum compensation in any year of each member shall not exceed \$1,200. The members of the Commission shall also be entitled to receive traveling expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and other such experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission. assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine: Provided, They are absolutely necessary in the carrying out of the purpose of this act in the acquisition and management of said bridge. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Louisiana interest and the Mississippi interest as herein provided, and any ferry or ferries shall have been sold, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after public hearings in the cities of Delta, La., and Vicksburg, Miss., notice of the time and place of which hearings and purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the city of Vicksburg. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided into two equal parts, one of which shall be paid to said Louisiana interests and the other to said Mississippi interests.

SEC. 10. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the Louisiana State Highway Department and the State Highway Department of Mississippi whereby said highway departments or either of them may

operate, and maintain or participate with the Commission in the operation and maintenance of said bridge and approaches.

SEC. 11. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided by this act. No obligation created or liability incurred pursuant to this act shall be an obligation or liability of any member or members of the Commission, but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to

bers of the Commission, but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 12. All provisions of this act may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy brought by the attorney general of the State of Louisiana, the attorney general for the State of Mississippi, or the United States district attorney for any district in which the bridge may be located in part, in any court having competent jurisdiction of the subject matter and of the parties.

SEC. 13. The cost of acquisition of said bridge by said Commission shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of construction, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring interests in the necessary real property; (3) actual financing and promotion costs, necessary real property; (3) actual financing and promotion costs, not to exceed 2 percent of the cost of construction of such a bridge and its approaches and acquiring such interests in the necessary real property; and (4) actual expenditures for necessary improvements.

SEC. 14. The maintenance and operation of said bridge shall be in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," ap-

proved March 23, 1906.

SEC. 15. The right to alter, amend, or repeal this act is hereby expressly reserved.

BILL PASSED OVER

The bill (S. 2892) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JANET HENDEL, NEE JUDITH SHAPIRO

The bill (S. 1326) for the relief of Janet Hendel, nee Judith Shapiro, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigra-tion and naturalization laws, the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the authorized and directed to cancel the warrant of arrest and the order of deportation against Janet Hendel, nee Judith Shapiro, heretofore issued on the grounds that on December 1, 1926, admission to the United States had been fraudulently gained pursuant to the commission of a passport or visa offense which, subsequent to such admission, has heretofore been held by the Attorney General of the United States to be within the purview of "crimes involving moral turpitude," and thereupon Janet Hendel, nee Judith Shapiro, shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New York, N. Y., on December 1, 1926. Any declaration of intention to become a citizen or any petition for citizenship heretofore filed by, or any admission to citizenship ordered and certificate of naturalization heretofore issued to, Janet Hendel, nee Judith Shapiro, which were predicated upon the claim of lawful admission to the United States for permanent residence on December 1, 1926, shall United States for permanent residence on December 1, 1926, shall hereafter be deemed valid, unless the original 7-year period of validity of such declaration of intention has heretofore expired or Janet Hendel, nee Judith Shapiro, has heretofore been found otherwise not eligible to such benefit under the naturalization

LOUISE WOHL

The Senate proceeded to consider the bill (H. R. 6435) to authorize cancelation of deportation in the case of Louise Wohl, which had been reported from the Committee on Immigration with an amendment at the end of the bill, to add a new paragraph, so as to make the bill read:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the pending order and warrant of deportation issued in the case of Louise Wohl, any provision of existing law to the contrary notwithstanding. From and after the date of the approval of this act, Louise Wohl shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest and shall be deemed to have been lawfully admitted to the United States for permanent residence as of June 21, 1929.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

NICHOLAS CONTOPOULOS

The bill (S. 2277) for the relief of Nicholas Contopoulos was announced as next in order.

Mr. SCHWELLENBACH. Mr. President, House bill 5056, Calendar No. 994, is an identical bill. I ask that the House bill 5056 be substituted for the Senate bili, and be now considered. I shall then ask that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5056) for the relief of Nicholas Contopoulos, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2277 will be indefinitely postponed.

JOHN NICHOLAS CHICOURAS

The bill (S. 1617) for the relief of John Nicholas Chicouras was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws John Nicholas Chicouras, of Aberdeen, Miss., shall be held and considered to have been legally admitted to the United States for permanent residence on November 25, 1925, and the Secretary of Labor is authorized and directed to permit said John Nicholas Chicouras to reenter the United States.

DIONIS MOLDOWAN

The bill (S. 1870) for the relief of Dionis Moldowan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Dionis Moldowan, of Detroit, Mich., shall be held and considered to have been legally admitted to the United States for permanent residence on January 2, 1923.

MARY NOUHAN

The bill (S. 2527) for the relief of Mary Nouhan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Mary Nouhan, of Paterson, N. J., shall be held and considered to have been legally admitted to the United States for permanent residence on April 17, 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of the said Mary Nouhan upon the ground of unlawful entry into the United States.

AMENDMENT OF THE CIVILIAN CONSERVATION CORPS ACT

The bill (S. 1110) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, was announced as next in order.

Mr. THOMAS of Utah. Mr. President, I move that a similar House bill, which has just passed that body, be substituted for the Senate bill, and that the House bill be considered and passed, and the Senate bill indefinitely postponed.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House.

The bill (H. R. 2990) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, was read the first time by its title and the second time at length, as

Be it enacted, etc., That section 1 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937 (50 Stat. 319), as amended, is amended by striking out of the second proviso the words "for the period of 3 years after July 1, 1937, and no longer" and inserting in lieu thereof the words "July 1, 1943."

SEC. 2. Section 13 of said act is amended by substituting a colon for a period after the last word in the section and inserting the following: "Provided, That the Director may designate an appropriate official seal for the corps which shall be judicially

noticed and which shall be preserved in the custody of the

SEC. 3. This act shall be immediately effective.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1110 is indefinitely postponed.

CHALMETTE NATIONAL HISTORICAL PARK, LA.

The bill (H. R. 4742) to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MEMORIAL MILITARY PARK, KENNESAW MOUNTAIN, GA.

The Senate proceeded to consider the bill (H. R. 4938) to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes," which had been reported from the Committee on Public Lands and Surveys with an amendment on page 2, line 8, after the word "act", to strike out "such sums as the Congress may from time to time determine" and to insert "Not to exceed the sum of \$55,000", so as to make the bill read:

Be it enacted, etc., That section 5 of the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes", be, and the same is hereby, amended by striking out the period at the end thereof and inserting a colon and the following proviso: "Provided, That if, after the expenditure of the funds herein authorized, the Secretary of the Interior shall determine that the acquisition of additional lands is necessary in order to perfect the symmetry of the park area or to acquire locations of historic interest adjacent to the park area already acquired upon which fortifications or entrenchments are located which are likely to deteriorate or be destroyed under private ownership, he is authorized to acquire additional lands for such purposes." lands for such purposes."

SEC. 2. There is hereby authorized to be appropriated to carry

out the purposes of this act not to exceed the sum of \$55,000.

SEC. 3. That the Secretary of the Interior, in his discretion, is hereby authorized to convey without consideration, but under such terms and conditions as he may deem advisable, to the New Salem School District of Dade County, Ga., not to exceed 10 acres of land located within lot No. 114, eleventh district, fourth section, of Dade County, Ga., now a part of the Chickamauga-Chattanooga National Military Park.

Mr. KING. Mr. President, what cost will the bill incur? Mr. GEORGE. I may say that the amendment is intended to authorize the rounding out of the Kennesaw Mountain Park in the State of Georgia, and the limitation of the additional cost is fixed by the amendment at \$55,000. It is not an appropriation outright, but the \$55,000 may be cared for, as I understand, out of a fund already appropriated by merely transferring it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONSOLIDATION OF LIGHTHOUSE SERVICE WITH COAST GUARD

Mr. CLARK of Missouri. Mr. President, a few moments ago the Senate passed Calendar No. 982, Senate bill 2859, for the consolidation of the Lighthouse Service with the Coast Guard. An identical House bill has been passed by the House. Senate bill 2859 was passed during the temporary absence from the Chamber of the chairman of the Committee on Commerce, the Senator from North Carolina [Mr. BAILEY]. I ask unanimous consent that the vote by which Senate bill 2859 was passed be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which Senate bill 2859 was passed is reconsidered.

Mr. CLARK of Missouri. I ask that House bill 7288 be laid before the Senate and substituted for Senate bill 2859.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 7288) was read the first time by its title, and the second time at length, as follows:

Be it enacted, etc., That the President is hereby authorized to commission, by and with the advice and consent of the Senate, in the line of the Coast Guard in grades appropriate to their qualifications, experience, and lengths of service, as determined by the Secretary of the Treasury (hereinafter referred to as the "Secretary"), such personnel of the Lighthouse Service as, on June 30, 1939, were serving in grades 1 to 8, inclusive, of the professional and scientific service as defined in the Classification Act of 1923, as amended (U. S. C., 1934 ed., Supp. IV, title 5, sec. 673), and who, on that date, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608), as amended and supplemented (U. S. C., title 33, sec. 763): Provided, That no person shall be commissioned under the provisions of this section who does not possess such mental, moral, provisions of this section who does not possess such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

Secretary.

SEC. 2. Any officer commissioned pursuant to section 1 of this act shall be an extra number in his grade and in the grades to which he may be promoted. He shall take precedence (1) with other officers commissioned in his grade pursuant to section 1 of this act as the Secretary may determine, and (2) with other line officers in his grade in accordance with the respective dates of their commissions in such grade. He shall be eligible for promotion, if otherwise qualified, at such time as the officer in a regular number in line of promotion next above him on the seniority list becomes eligible for promotion; or if there be no such officer in his grade, he shall be eligible for promotion, if otherwise qualified, when a vacancy occurs eligible for promotion, if otherwise qualified, when a vacancy occurs in the next higher grade: *Provided*, That an officer commissioned pursuant to section 1 of this act shall be assigned to duty for which

pursuant to section I of this act shall be assigned to duty for which he is specially qualified, and professional examinations for promotion given to such officer shall embrace only subjects which pertain to the duty to which he is assigned.

SEC. 3. Each vacancy (1) hereafter occurring in the extra numbers of officers commissioned pursuant to section 1 of this act; (2) existing on the date of the enactment of this act in positions in the Lighthouse Service formerly held by personnel described in section 1 of this act; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 1 of this act who do not possess the qualifications prescribed by the Secretary, or who, being the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

Sec. 4. (a) The President is hereby authorized to commission,

by and with the advice and consent of the Senate, as chief war-rant officers of the Coast Guard as the needs of the service may require, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relat-ing to age and period of service) of section 6 of the act approved June 20, 1918, as amended and supplemented, and who possess when mostly professional and physical qualifications as

such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

(b) Under such regulations as he may prescribe the Secretary is hereby authorized to appoint or cause to be enlisted, in the Coast Guard, in warrant grades or enlisted ratings appropriate to their countries. their qualifications, experience, and lengths of service, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918, as amended and supplemented.

(c) Chief warrant officers and warrant officers commissioned or appropriate the previous of this section of the section of

appointed under the provisions of this section shall take precedence among themselves as the Secretary may determine, and with other chief warrant and warrant officers in accordance with the dates

chief warrant and warrant officers in accordance with the dates of their respective commissions or warrants in such grades.

SEC. 5. Vacancies created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 4 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission, appointment, or enlistment thereunder, may or may not be filled, in the discretion of the Secretary, in accordance with the existing needs of the service. If such vacancy be filled, it shall be filled from among the chief warrant, warrant, or enlisted personnel of the Coast Guard.

enlisted personnel of the Coast Guard.

SEC. 6. In computing length of service, for the purpose of retirement in the Coast Guard, of any person commissioned, appointed, or enlisted under the provisions of this act, there shall be included all service computable for retirement under the provi sions of section 6 of the act of June 20, 1918, as amended and supplemented.

SEC. 7. No person commissioned, appointed, or enlisted in the Coast Guard pursuant to this act shall suffer any reduction in the total of the annual compensation and allowances which he was receiving on the date of his commission, appointment, or enlistment. Upon his retirement from active duty in the Coast enlistment. Upon his retirement from active duty in the Coast Guard, the retired pay of any person so commissioned, appointed, or enlisted, shall not be less than an annuity computed in accordance with the provisions of section 6 of the act of June 20, 1918, as amended and supplemented, substituting, however, for purposes of such computation, the annual compensation which he was receiving on the date of his commission, appointment, or enlistment in the Coast Guard for the average annual pay received by him for the last 5 years of service.

Sec. 8. All persons commissioned, appointed, or enlisted in the Coast Guard pursuant to this act, shall be subject to all laws and regulations for the government of the Coast Guard, and nothing contained in this act shall be construed to prevent the application to any of such persons of laws and regulations concerning the military discipling of commissioned and warrant officers and enmilitary discipline of commissioned and warrant officers and en-listed men of the Coast Guard.

SEC. 9. All acts or parts of acts, inconsistent with the provisions

of this act, are hereby repealed.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the bill (H. R. 7288) to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2859 is indefinitely postponed.

POWERBOAT SERVICE IN ALASKA FOR POST OFFICE DEPARTMENT

The bill (S. 882) to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Postmaster General may, in his discretion, contract for a period of not exceeding 4 years, without advertisement therefor, for the carriage of all classes of mail, by steamboat or other powerboat of United States registry, on the route from Seward, by points on Kenal Peninsula, Kodiak Island, Alaska Peninsula, the Aleutian Islands to Umnak Island, and points on Bristol Bay, Alaska, and vicinity, and back, by a schedule and under the conditions prescribed by the Postmester General; the contractor to furnish and use in the service a safe and seaworthy boat of sufficient size to provide adequate space for mail, passengers, and freight, the annual cost not to exceed \$125,000, payment therefor to be made from the appropriation for powerboat service. for to be made from the appropriation for powerboat service.

EQUALIZATION OF LETTER CARRIERS

The Senate proceeded to consider the bill (H. R. 2001) for the equalization of letter carriers, which had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 1, line 12, after the word "from", to strike out "\$1,300 to \$1,500" and insert in lieu thereof "\$1,200 to \$1,400", so as to make the bill read:

Be it enacted, etc., That section 10 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, sec. 106), is amended to read as follows: "That the pay of carriers in the village delivery service, under such rules and regulations as the Postmaster General may prescribe, shall be from \$1,200 to \$1,400 per annum. The pay of substitute letter carriers in the village delivery service shall be at the rate of 60 cents per hour."

Sec. 2. This act shall take effect the first day of the month following its approval. Be it enacted, etc., That section 10 of the act entitled "An act

following its approval.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

FLORENCE SINCLAIR COOPER AND MARGARET LAVALLIE

Mr. RUSSELL. Mr. President, I ask unanimous consent that Senate bill 1789, to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, be recommitted to the Committee on Immigration. I have discussed the matter with the author of the bill and he concurs in the request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ARMISTICE DAY HOLIDAY FOR RAILWAY MAIL CLERKS

The Senate proceeded to consider the bill (H. R. 4322) giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day, which had been reported from the Committee on Post Offices and Post Roads, with an amendment on page 1, after line 8, to insert "That this act shall become effective as of October 1, 1939", so as to make the bill read:

Be it enacted, etc., That the third proviso of the first section of the act, entitled "An act to fix the hours of duty of postal em-

ployees, and for other purposes," approved August 14, 1935, as amended, is amended by striking out the words "306 days" and inserting in lieu thereof the words "305 days."

That this act shall become effective as of October 1, 1939.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

AUTHORIZATION OF POSTMASTERS IN ALASKA TO ADMINISTER OATHS.

The bill (H. R. 6114) to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PUBLIC WORKS ON RIVERS AND HARBORS

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent to return to Calendar No. 986, Senate bill 2892, to which objection was made a few minutes ago, for the purpose of making a very brief explanation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears

none, and it is so ordered.

Mr. CLARK of Missouri. I do this, Mr. President, at the request of the Senator from North Carolina [Mr. Balley], the chairman of the Committee on Commerce, who is temporarily necessarily absent from the Chamber. All the bill does is to authorize certain preliminary surveys. It is not a project bill in any sense. It has been agreed that the river and harbor bill shall go over until the next session of Congress. The river and harbor bill carried certain survey authorizations in addition to project authorizations. The bill before us contains nothing whatever except authorizations for pre-liminary surveys. I hope the bill may have consideration. I ask that House bill 7411, an identical bill, be laid before the Senate and substituted for the Senate bill.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representa-

tives, which will be read.

The bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the

present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KING. My understanding is that the bill makes provision for surveys and makes no appropriations.

Mr. CLARK of Missouri. The bill contains nothing except an authorization for surveys.

Mr. TAFT. Mr. President, I offer an amendment to the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The CHIEF CLERK. On page 11, between lines 14 and 15, it is proposed to insert:

Cleveland Harbor, Ohio, the existing project set forth in House Document Numbered 84, Seventy-fourth Congress, and authorized by Public Law Numbered 392, Seventy-fifth Congress, is hereby modified to provide that cuts or partial cuts may be made before the related railroad bridges are modified or rebuilt when in the opinion of the Chief of Engineers such procedure will be advantageous to navigation.

The amendment was agreed to.

Mr. WHITE. Mr. President, I desire to offer an amendment at the appropriate place in the bill. Following other Maine items, on page 2, after line 10, I wish to insert the words "Wood Island Harbor and the Pool at Biddeford Pool, Maine."

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in

this or some prior act or joint resolution shall be made: Provided further, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no supplemental or additional report or estimate shall be made unless authorized by law: And provided further, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law:

Beals Harbor, Maine

Blue Hill Harbor, Maine. Bunganuc Creek, Maquoite Bay, Maine.

Wood Island Harbor and the Pool at Biddeford Pool, Maine.

Cathance River, Maine. Winterport Harbor, Maine.

Waterway from Plum Island Sound to the Annisquam River, Essex County, Mass.
Provincetown Harbor, Mass.

Provincetown Harbor, Mass.
Eightmile River, Conn.
Norwalk Harbor, Conn.
Centerport Harbor, Long Island, N. Y.
Shinnecock Inlet, Long Island, N. Y.
Hudson River at the mouth of Endikill Creek, N. Y., with a view to constructing a small-boat anchorage basin.

Salem River, Salem County, N. J.
Cheesequake Creek, New Jersey.
Toms River, N. J., from the bridges at Toms River to a connection with the Intracoastal Waterway.

Broadkill River, Del. Nanticoke River, Del. Broad Creek, Del

Waterway from Indian River Inlet to Rehoboth Bay, Del. Potomac River and tributaries, at and below Washington, D. C., with a view to elimination of the water chestnut.

St. Patricks Creek, Md. Ross Cove (Magothy River), Md

Ross Cove (Magothy River), Md.
Hellens Creek, Calvert County, Md.
Taylors Landing, Worcester County, Md.
Channel from Ocean City to Chincoteague Bay and Harbor at
Public Landing, Worcester County, Md.
Finneys Creek, Accomac County, Va., and the channel connecting
said creek with Wachapreague Inlet and the Atlantic Ocean.
Browns Bay, Gloucester County, Va., and the channel connecting
said bay with Mobjack Bay.
The Hague (Smith Creek), Va.
Southern Branch of Elizabeth River, Norfolk Harbor, Va.
Chuckatuck Creek, Nansemond and Isle of Wight Counties, Va.
Parrotts Creek, Middless County, Va.
Purviance Creek, Middless County, Va.
Edisto River and tributaries, S. C., with a view to its improvement
in the interest of navigation and the development of hydroelectric
power. power

Jeffers Creek, Florence County, S. C.

Savannah Harbor, Ga. Channel from the Intracoastal Waterway to, and harbor at,

Titusville, Fla.

Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., including all appropriate side channels and spur channels, with a view to increasing the navigable capacity and commercial utility of

the existing project.

Channel from the Intracoastal Waterway to, and harbor at, New

St. Lucie Inlet, Fla. Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., with a view to providing an auxiliary side channel from the Intracoastal Waterway near Titusville through, and easterly of, Merritt
Island via Banana Creek and River, to, or near, Eau Gallie, Fla.
Channel leading from the Intracoastal Waterway across Indian
River to the Lighthouse Service depot at Taylor Creek, adjacent to
Fort Pierce Harbor, Fla.
Channel and harbor at Francischer College Country Fla.

Channel and harbor at Everglades, Collier County, Fla

Channel and narbor at Evergiades, Collier County, Fig.
Jupiter Inlet, Fig.
Intracoastal Waterway from Jacksonville, Fig., to Miami, Fig.,
with a view to determining whether the existing project should be
modified in any way at the present time, including rectification of
alinement, increase in width or depth, either or both, and provision of appropriate side channels and spur channels leading to
the various communities on or near the banks of said waterway—
all with a view to increasing the analyzable conscitute and commercial all with a view to increasing the navigable capacity and commercial utility of the existing project.

Channel from the Intracoastal Waterway to, and a turning basin

at, Fort Pierce, Fla.

Kissimmee River, Fla., with a view to improvement for naviga-tion, flood control, conservation of water, and increase of low-water

Channel to Pahokee on Lake Okeechobee, Fla. Lake Okeechobee and its tributary streams, Florida, with a view to removing the water-hyacinth.
Channel, turning basin, and improvements at Horseshoe, Dixie

County, Fla.

Channel from the deep water in St. Joseph Sound to, and turning

basin at, Ozona, Fla. Chassahowitzka River, Fla.

Intracoastal Waterway from the St. Marks River, Fla., to the

Sarasota Bay, Fla: Channel from Caseys Pass (Venice Inlet), through Dona Bay to the bridge on United States Highway No. 41, including a turning basin at the eastern terminus of the channel.

Oklawaha River, Fla., from Lake Eustis to Lake Griffin, and thence from Lake Griffin to Silver Springs Run.

Oklawaha River, Fla., from Lake Apopka through Lake Dora to

Lake Eustis and adjoining waterways.

St. Marks River, Fla.

Entrance to Perdido Bay, Ala. and Fla., from the Gulf of Mexico to deep water in Perdido Bay, via the most practicable route.

Waterway from the Escambia River to the Alabama River, Fla.

Big Sand Creek, Miss., with a view to determining the advisability of undertaking measures for the prevention of bank caving in the vicinity of North Carrollton, Miss.

Grand Bayou, connecting Bayou Boeuf and Bayou Chevreuil, La.
Bayou Boeuf, Lafourche Parish, La.
Lake Pontchartrain, La., with a view to the construction of a seaplane or Army Air Corps base in the vicinity of New Orleans.
Barataria Bay and connecting channels to provide a continuous waterway from the Gulf of Mexico to the Intracoastal Waterway La way, La.

Bayou Schofield, La., from the Gulf of Mexico to Buras and Empire.

Grand Bayou Pass, La., from the Gulf of Mexico to Buras and Empire. Bayou Lafourche, La., from the Gulf of Mexico to Leeville or

to Golden Meadow. Mermentau River, La., from the Gulf of Mexico to Grand

Vermillon Bay and Bayous Petit Anse, Carlin, and Tigre, from the Gulf of Mexico to Erath and to Jefferson Island, La.

Pine Island Bayou, Tex. Little Bay, Tex. Cypress Creek, Tex.

Cypress Čreek, Tex.
Waterway from the Neches River, by way of Pine Island Bayou and extension, to Trinity River, Tex.
Mississippi River: Davenport (Iowa) harbor and refuge.
Mississippi River at Cassville, Wis.
Mississippi River at Prairie du Chien, Wis.
Mississippi River at Alma, Wis.
Mississippi River at Maiden Rock, Wis.
Red River of the North Drainage Basin, Minnesota, South Dakota, and North Dakota, with a view to improvement for navigation, flood control, power development, irrigation, conservation of water, and increase of low-water flows for domestic and sanitary numbers. sanitary purposes.

sanitary purposes.

Missouri River in South Dakota with a view to improvement to make power available to develop deposits of manganese and other strategic minerals, and for pumping and other uses.

West Fork River and its tributaries, West Virginia, with a view to determining the advisability of constructing a system of several multiple-use reservoirs in the West Fork River Basin instead of the proposed West Fork Reservoir.

Tofte Harbor, Minn.

Algomar Harbor, Wis.

Harbor at mouth of Au Train River, Mich.

Shelldrake Harbor, Mich.

Galien River, Mich.

Galien River, Mich.
Pinconning River, Mich.
Pine River, Mich.
Saint Marys River, Ohio and Ind.
Harbor at Ballast Island, Ohio.
Rocky River, Ohio.

Little River (branch of Niagara River), at Cayuga Island, Niagara

Falls, N. Y.
Chaumont River, N. Y.
Harbor in Hamburg Township, N. Y.
At and in the vicinity of Henderson, N. Y., with a view to constructing a harbor.

Point Dume, Calif.

Moss Landing, Monterey Bay, Calif.

Pillar Point, Half Moon Bay, San Mateo County, Calif.

Nelscott, Oreg., with a view to protection of the beach.

Channel at Charleston, south slough, Oregon.

Grays Harbor, Wash., with a view to constructing a channel into

Bay City.

Gastineau Channel, Alaska, with a view to its improvement for navigation, both water and air, and flood control, both tidal and

Neva Strait and Olga Strait, Alaska.

Kodiak Harbor, Alaska

Kalaupapa Landing, Island of Molokai, Hawaii.
Kalepolepo Boat Harbor, Island of Maul, Hawaii.
Humacao Playa, Punta Santiago, P. R.
SEC. 2. That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that hereafter all duties performed by the Chief of Engineers under the direction of the Secretary of War shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise spe-

refically provided by act of Congress:

Passaic River, N. J.; House Document No. 430, Seventy-sixth

Onancock River, Va.; House Document No. 358, Seventy-sixth

Congress;
Buffalo Bayou and its tributaries, Tex.; the project set forth in House Document No 456, Seventy-fifth Congress and authorized by Public Law No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public Law No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated;
Ouachita and Black Rivers, Ark. and La.; House Document No. 164, Searchty-siyth Congress.

104, Seventy-sixth Congress; Mississippi River between Missouri River and Minneapolis: The

Mississippi River between Missouri River and Minneapolis: The construction of lock and dam No. 26 at Alton, Ill., is hereby declared to be in accord with the project authorized by the River and Harbor Act of August 30, 1935;

Mississippi River between Missouri River and Minneapolis: The existing project is hereby modified to provide for remedial works in accordance with the recommendation of the district engineer in the report submitted in House Document No. 137, Seventy-sixth Congress; and for remedial works in layer and desirated districts. In the report submitted in House Document No. 137, Seventy-sixth Congress; and for remedial works in levee and drainage districts in lieu of the annual payments of increased cost of operating and maintaining such districts authorized by the River and Harbor Act of August 26, 1937, when deemed advisable by the Chief of

Engineers;
Cleveland Harbor, Ohio; the existing project set forth in House Document No. 84, Seventy-fourth Congress, and authorized by Public Law No. 392, Seventy-fifth Congress, is hereby modified to provide that cuts or partial cuts may be made before the related railroad bridges are modified or rebuilt when in the opinion of the Chief of Engineers such procedure will be advantageous to navigation;
Oswero Herbor, N. T.

navigation;
Oswego Harbor, N. Y.; in accordance with the plans recommended in House Document No. 96, Seventy-sixth Congress, and subject to the conditions set forth in such document.

SEC. 3. The second proviso in section 2 of the act of August 26, 1937 (50 Stat. 844, 850), authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, is hereby amended to read as follows: "Provided further, That the entire Central Valley project, California, heretofore authorized and established under the provisions of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is gency Rener Appropriation Act of 1835 (49 Stat. 183) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is hereby reauthorized and declared to be for the purposes of improv-ing navigation, regulating the flow of the San Joaquin River and ing navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for construction under the provisions of the Federal reclamation laws of such distribution systems as the Secretary of the Interior deems necessary in connection with lands for which said stored waters are to be delivered, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and college of electric progress as presents of financially said and seniority and excitating

for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings, and in order to permit the full utilization of the works constructed to accomplish the aforesaid purposes:"

SEC. 4. That the paragraph in section 1 of the River and Harbor Act, approved July 25, 1912, authorizing the removal of temporary obstructions from tributaries of waterways under Federal improvement (37 Stat. L. 722), as amended in section 3 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, is hereby amended to read as follows:

"The Chief of Engineers, in his discretion, and after approval by the Secretary of War, is hereby authorized to make preliminary examinations and minor surveys preliminary thereto and to remove snags and other temporary or readily removable obstructions from tributaries of waterways already under Federal improvement or in general use by navigation, to be paid from funds appropriated for the maintenance and improvement of rivers and harbors: Provided, That the cost of such work in any single year shall not exceed \$3,000 per tributary."

SEC. 5. That (a) the consent, permission, and authority granted to the Commissioners of Lincoln Park, now superseded by the Chicago Park District, a municipal corporation organized and existing under the laws of the State of Illinois to exercise jurisdiction over the navigable waters of Lake Michigan which lie within the following-described boundaries:

Beginning at a point at the intersection of the existing bulkhead along Lake Shore Drive in Chicago. III. with the existing bulkhead along Lake Shore Drive in Chicago. III. with the existing

lowing-described boundaries:

Beginning at a point at the intersection of the existing bulkhead along Lake Shore Drive in Chicago, Ill., with the existing pier which is parallel to and north of Ohio Street extended and south of Ontario Street extended; thence easterly along said pier to a point in a line parallel to and 350 feet easterly of said bulkhead along the Lake Shore Drive; thence northwesterly along said last-described line to a point in a curve of 200 feet radius and tangent both to said last-described line and to a line 350 feet southerly from the southerly side of and parallel to the shore arm extension breakwater extending into Lake Michigan from a point near the intersection of Oak Street and Lake Shore Drive; thence along said curve to a point in said line last described; thence easterly along said line to a point in a line at right angles with said shore arm extension breakwater at the eastern extremity thereof; thence northward along said last-described line to said shore arm extension breakwater; thence westward along said shore

arm extension breakwater to the shore line; and (b) the right granted to said the Commissioners of Lincoln Park, now super-seded by the Chicago Park District, to destroy the navigability of the above-described waters altogether; and (c) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to erect an additional breakwater to connect the said shore arm extension breakwater near the inter-section of Oak Street and Lake Shore Drive with the shore line; and (d) the transfer of possession of said shore-arm extension breakwater to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, and the obligation for the permanent care, custody, and maintenance of said shore arm extension breakwater by the Commissioners of Lincoln Park, now superseded by the Chicago Park District, all as provided for by the act entitled "An act granting to the Commissioners of Lincoln Park the right to erect a breakwater in the navigable waters of Lake Michigan, and transferring jurisdiction over certain navigable waters of Lake Michigan to the Commissioners of Lincoln Park," approved March 3, 1931, be rescinded.

The United States of America hereby resumes jurisdiction over the above-described waters and the above-described shore-arm extension breakwater, and hereby discharges the Chicago Park District, successor to the superseded the Commissioners of Lincoln Park, from its liability for the permanent care, custody, and maintenance of said shore-arm extension breakwater.

Said Chicago Park District shall signify its acceptance of this breakwater to said the Commissioners of Lincoln Park, now super-

Said Chicago Park District shall signify its acceptance of this act by written notice to the Secretary of War within 60 days after the passage of this act, and this section shall become effective immediately upon its acceptance by said Chicago Park District. In the event of nonacceptance within 60 days this section shall become null and void.

become null and void.

SEC. 6. Amounts hereafter collected from private parties or other agencies for any services rendered; for the use of any facility or property; for the sale of any property or for the exchange value of any property traded in on new property, when the cost of such services, facilities, and property is borne by funds appropriated for the maintenance or improvement of rivers and harbors, or flood-control work, excluding any amounts received for the sale or rental of land with or without buildings thereon, shall be deposited in the Treasury to the credit of the appropriation to which the cost of such services, facilities, or property has been charged.

SEC. 7. The Chief of Engineers is authorized, with the approval of the Secretary of War, in the prosecution of river and harbor, flood control, or other civil works under his supervision, to provide such facilities as are determined by him to be necessary for the

such facilities as are determined by him to be necessary for the health or welfare of the employees engaged in the prosecution of the work, on projects located at isolated points where such facilities are not otherwise available, and to pay for the same from funds allotted or appropriated for the projects. Payments heretofore made for such facilities on projects of the character specified in

this section are approved.

SEC. 8. That the Secretary of War is authorized and directed to SEC. 8. That the Secretary of War is authorized and directed to require the Chief of Engineers to make surveys of such portions of the North Atlantic coast line as were damaged by the flood and hurricane of September 21, 1938: Provided, That such surveys shall be made for the purpose of determining the nature and cost of the work which will be necessary in order to (1) restore such coast line to its condition prior to such hurricane and flood, (2) stabilize the beach along such coast line: Provided further, That notwithstanding the provisions of the act entitled "An act for the interpretation of the beaches along the shores of the standing the provisions of the act entitled "An act for the improvement and protection of the beaches along the shores of the United States," approved June 26, 1936, all costs of the surveys authorized by this section and by the second section of that act as well as by a River and Harbor Authorization Act, shall be borne by the United States and paid from appropriations heretofore or hereafter made for the maintenance and improvement of rivers and harbors, and such surveys shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers: And provided further, That reports of surveys on beach erosion and shore protection shall include an estimate of the public interests involved, and such plan of improvement as is found justified, together with the equitable distribution of costs in each case.

each case.

SEC. 9. That the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., in township 24 south, range 13 west, Willamette meridian, authorized to be constructed by the State of Oregon, acting through its highway department, the North Slough Drainage District, and the North Slough Diking District by an act of Congress approved August 26, 1937, is extended 1 and 3 years, respectively, from August 26, 1939. The right to alter, amend, or repeal this section is hereby expressly reserved. INCLUSION OF CERTAIN LANDS WITHIN KANIKSU NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 2752) to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States, which had been reported from the Committee on Public Lands and Surveys with an amendment, at the end of the bill, to insert:

Lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development,

and patent, in accordance with the mining laws of the United States.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? I shall not object to it. Let it pass, and I may move to reconsider it hereafter.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ADDITION OF CERTAIN LANDS TO WENATCHEE NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 5747) to authorize the addition of certain lands to the Wenatchee National Forest, which had been reported from the Committee on Public Lands and Surveys, with an amendment on page 2, line 10, after the word "act", to insert "Lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States." so as to make the bill read:

States," so as to make the bill read:

Be it enacted, etc., That any of the following-described lands which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes may be exchanged under the provisions of the act entitled "An act to consolidate national forest lands," approved March 20, 1922, as amended, and upon acceptance of title therefor shall become parts of the Wenatchee National Forest: Township 25 north, range 21 east, Willamette meridian, section 5; section 6, north half. Township 26 north, range 21 east, Willamette meridian, sections 1 to 8, inclusive; section 17, west half; sections 18 and 19; section 20, west half; section 29, west half; sections 30 and 31. Township 27 north, range 21 east, Willamette meridian, sections 19 to 36, inclusive. SEC. 2. All public lands within the areas described in section 1 are hereby added to the Wenatchee National Forest and shall hereafter become subject to all laws and regulations applicable to national forests. The addition of such lands shall not affect any

SEC. 2. All public lands within the areas described in section 1 are hereby added to the Wenatchee National Forest and shall hereafter become subject to all laws and regulations applicable to national forests. The addition of such lands shall not affect any entry or vested right under the public-land laws initiated prior to the passage of this act. Lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

HIGHWAYS IN SHENANDOAH NATIONAL PARK

The joint resolution (S. J. Res. 160) to provide for the maintenance for public use of certain highways in the Shenandoah National Park was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of the Interior is authorized and directed to keep open and available to the public in a safe condition for travel, the following-named highways, from their intersection with the Skyline Drive to the boundary line of the Shenandoah National Park: State Highways No. 629 and 663, known as the Browns Gap Road, and State Highways No. 611 and 649, known as the Gordonsville-New Market Turnpike.

The preamble was agreed to.

ANNE BOICE

The bill (H. R. 1881) for the relief of Anne Boice was announced as next in order.

Mr. KING. Mr. President, I notice that the Veterans' Administration does not approve the bill. Let it go over.

Mr. SCHWELLENBACH. Mr. President, I have been absent from the Chamber for about 15 minutes. I understand objection is made to Calendar 1004, House bill 1881.

Mr. KING. The Veterans' Administration does not recommend the bill. The amount involved seems to be small. In view of the adverse recommendation, I ask for an explanation.

Mr. SCHWELLENBACH. The amount involved is \$361. This lady is the widow of a veteran who resigned and thereby lost his rights. Later he died, and his widow lost her rights to the adjusted-compensation certificate. Last year a bill was passed by the Senate and the House, after being approved by the Committee on Military Affairs, of which the Senator from Texas [Mr. Sheppard] is chairman. That bill restored the rights of the man as a veteran. After

the bill was passed the War Department objected to it, and the President vetoed it.

The present bill is limited solely to the payment of a small amount to the widow. The theory of both the bills was that the man was prevailed upon by his superior officer to resign when he should not have resigned. He served during a sufficient period of time to have earned the portion of his adjusted-compensation certificate represented in the bill.

Mr. KING. Mr. President, General Hines is usually so merciful and just that any adverse report by him is almost a command to me. However, I shall disobey his command this time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONSTRUCTION WORK FOR THE ARMY

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2562) to facilitate certain construction work for the Army, and for other purposes, which was, on page 1, line 6, to strike out "outside the continental limits of the United States" and insert "in Alaska and the Panama Canal Zone."

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

BARNET WARREN

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2271) for the relief of Barnet Warren.

Mr. BROWN. Mr. President, I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees.

The motion was agreed to, and the Presiding Officer appointed Mr. Schwartz, Mr. Brown, and Mr. Townsend conferees on the part of the Senate.

DISTRIBUTION OF JUDGMENT FUND OF KLAMATH AND MODOC TRIBES AND YAHOOSKIN BAND OF SNAKE INDIANS

Mr. HOLMAN. Mr. President, I ask unanimous consent to return to Calendar No. 901, Senate bill 1968. Yesterday, a similar bill, House bill 2738, passed the House with certain amendments to meet the objections of the Bureau of the Budget. The House bill has now reached the Senate, and I ask unanimous consent that it be taken from the table and be considered at this time. I am willing to accept the amendments of the House in order to obtain passage of the bill at this session. I ask that the House bill be

Mr. KING. Mr. President, I move that the vote by which Senate bill 1968 was passed be reconsidered.

The motion was agreed to.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill, H. R. 2738, providing for the disposition of certain Klamath Indian tribal funds, was read the first time by its title, and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed, from the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians created as the result of the passage of the act of June 25, 1938, and accrued interest thereon, to credit the sum of \$2,000 upon the books of the Office of Indian Affairs, to each person determined by the Secretary of the Interior to be entitled to enrollment upon the annuity roll of said tribes of the Klamath Reservation, Oreg., living upon the date of the enactment of this act. The share of each adult member and not to exceed \$1,500 of the share of any minor shall be available for expenditure, under such rules and regulations as the Secretary of the Interior may prescribe, for the following nurroses:

each adult member and not to exceed \$1,500 of the share of any minor shall be available for expenditure, under such rules and regulations as the Secretary of the Interior may prescribe, for the following purposes:

Purchase of land; improvement of lands acquired or already held by the Indian; erection and improvement of suitable homes; repayment of any loans received from the United States or from the Klamath tribal funds; purchase of building material, farming equipment, livestock, feed, food, seed, grain, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves

for or to engage in farming, livestock, industry, or such other pursuits or vocations, including education, as will enable them to become self-supporting; and health purposes: Provided, however, That the funds of the aged, infirm, decrepit, and incapacitated members, and of minors, may be used for their proper maintenance and support. The remainder of the share of each minor Indian shall be held intact until such Indian reaches his majority, when it, together with interest at the rate of 4 percent per annum, shall be available for expenditure for the purposes specified herein. As herein used, the term "minor" shall include all members of the tribe less than 21 years of age, except that minors 18 years of age or over and who are married or have families of their own to support, shall be regarded as adults. On the death of any enrolled member, adult, or minor, the sum on deposit to his credit shall be distributed as personal property, and shall be available for expenditure by the distributes only for the purposes herein authorized: Provided, however, That of the aforesaid \$2,000 to be prorated to each person, \$100 shall be paid to each member of said tribes as a per capita payment, free from the aforesaid restrictions, under rules and regulations prescribed by the Secrerestrictions, under rules and regulations prescribed by the Secretary of the Interior.

SEC. 2. That after the segregation provided for in section 1

SEC. 2. That after the segregation provided for in section 1 hereof shall have been made, the remainder of such judgment fund, including interest, shall be available for expenditure subject to the following limitations and conditions:

(a) Three hundred thousand dollars shall be transferred to and added to the loan fund authorized by the act of August 28, 1937 (50 Stat. 872). After the fiscal year 1939 no further sums shall be transferred to and added to the loan fund authorized by said act from the unobligated tribal funds on deposit in the Treasury of the United States, and said act is hereby amended accordingly.

(b) Three hundred and seventy-five thousand dollars for immediate payment in a lump sum of \$1,500 to each adult unallotted Indian found to be entitled to payment in lieu of allotment, as authorized in the act of June 1, 1938 (52 Stat. 605): Provided, That the amount due any minor under the provisions of said act shall be withheld until he becomes an adult, as herein defined, when it shall be paid to him in a lump sum from any funds, principal, or interest, ou deposit to the credit of the Klamath Tribe, and section 2 of said act of June 1, 1938, is hereby amended secondingly. accordingly

(c) Such moneys as shall remain in the principal fund shall be

transferred to and become a part of the capital reserve fund created by section 1 of the act of August 28, 1937 (50 Stat. 872). Sec. 3. That in no event shall any portion of the said Judgment fund become liable, payable, or subject to any debt or debts contracted prior to the passage of this act by any Indian of the Klamath Tribe except debts to the United States or to the tribe.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1968 will be indefinitely postponed.

ADA FULLER

The bill (H. R. 2102) for the relief of Ada Fuller was considered, ordered to a third reading, read the third time, and passed.

NINETY SIX OIL MILL, OF NINETY SIX, S. C.

The Senate proceeded to consider the bill (H. R. 3345) for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. BYRNES. Mr. President, the bill represents the payment of the claim of the Ninety Six Oil Mill, of Ninety Six, S. C., which was one of a large number of mills making contracts for the sale of linters to the Government.

Mr. McKELLAR. The only question involved is the statute of limitations, is it not?

Mr. BYRNES. The Court of Claims said that had the petition been filed within the time it would have found judgment for the claimant, but that it had not been filed in time. The court therefore certified the facts to Congress. There is a statement in the RECORD, furnished by the Senator from Nebraska [Mr. Burke], as to the reason why the claim of this small corporation was not filed within the time provided by the statute. The claim had been placed in the hands of a lawyer in the city of Washington, who advised the claimant that its claim would be filed along with other claims. There was a test case. The case went to the Supreme Court of the United States, and when the Supreme Court had decided the case it was found that in the case of this claim and one other the petitions had not been filed in time, and therefore the claims were barred by the statute.

Mr. McKELLAR. I notice that Judge Green, in delivering the opinion of the Court of Claims, states:

If the plaintiff's action had been begun in time this court would have rendered a judgment in his favor, but the remedy has been lost by reason of failure to file the petition within the period of limitations.

Under the circumstances it seems to me the claim is just. Mr. BYRNES. I think it is a just claim.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF BONNEVILLE PROJECT ACT

Mr. HOLMAN. Mr. President, I ask unanimous consent to return to Calendar 890, Senate bill 2375.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none.

Mr. HOLMAN. Mr. President, yesterday a similar but not identical bill, House bill 7270, passed the House and has now reached the Senate. I move that the vote by which Senate bill 2375 was passed be reconsidered.

The motion was agreed to.

Mr. HOLMAN. Mr. President, I ask the Chair to lay before the Senate House bill 7270.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 7270) to amend the Bonneville Project Act was read the first time by its title, and the second time at

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLMAN. I offer an amendment to strike out all after the enacting clause and insert the text of Senate bill 2375, as approved by the Senate today. I suggest this procedure in order that the bill may go to conference to adjust the difference between the Houses.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert the following:

That section 2 (a) of chapter 720 of the acts of the Seventy-fifth Congress, first session (50 Stat. 731, 732), is hereby amended by inserting after the second sentence ending "in the vicinity of the Bonneville project.", the following sentence: "The Secretary of the Interior shall also appoint, without regard to the civil-service laws, an Assistant Administrator, chief engineer, and general council and health of the companyant of second that the companyant of the council and health of the companyant of second that the companyant of the council and health of the companyant of the council and the council and health of the companyant of the council and the council sel and shall fix the compensation of each at not exceeding \$9,000 per annum. The Assistant Administrator shall perform the duties and exercise the powers of the Administrator, in the event of the absence or sickness of the Administrator until such absence or sickness shall cease, and, in the event of a vacancy in the office of Administrator until a successor is appointed."

SEC. 2. Section 2 (a) of said act is hereby further amended by adding at the end of said section the following:

"The office of the Administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall be under the jurisdiction and control of the Secretary of the Interior. All functions vested in the Administrator of the Bonne-ville project under this act may be exercised by the Secretary of the Interior and, subject to his supervision and direction, by the Administrator and other personnel of the project.'

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

LELAND J. BELDING

The bill (H. R. 4847) for the relief of Leland J. Belding was considered, ordered to a third reading, read the third time, and passed.

J. MILTON SWENEY

The Senate proceeded to consider the bill (H. R. 4260) for the relief of J. Milton Sweney, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "the sum of", to strike out "\$2,000" and insert "\$800.90", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. Milton Sweney, Shenandoah, Iowa, the sum of \$800.90. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said J. Milton Sweney as the result of personal injuries received on January 6, 1937, near Shenandoah, Iowa, when he was struck by a truck in the service of the Department of Agriculture: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

FRANKLIN LOPEZ

The bill (H. R. 3157) for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased, was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF ARTHUR WELTNER

The bill (H. R. 3337) for the relief of the estate of Arthur Weltner was considered, ordered to a third reading, read the third time, and passed.

WALTER C. HOLMES

The bill (H. R. 5743) for the relief of Walter C. Holmes was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 5333) to amend the act granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ARKANSAS STATE PENITENTIARY

The bill (S. 2804) for the relief of the Arkansas State Penitentiary, was announced as next in order.

Mr. McKELLAR. I notice that the bill is for the relief of the Arkansas State Penitentiary.

Mr. MILLER. Yes.

Mr. McKELLAR. Is it for the relief of the prisoners? What relief does it propose? Will the Senator explain?

Mr. MILLER. Mr. President, the Arkansas State Penitentiary is a self-sustaining institution. It provides its own funds from the operation of its own property. The obligation of \$11,000 accrued in 1937. At the request of the Federal Government the penitentiary furnished 955 convicts to the Government to work on the levee, and thereby saved great expense to the Federal Government. The claim has been duly audited, and the amount represents merely the expenses paid out of the penitentiary fund.

Mr. McKELLAR. The convicts were used on a temporary flood emergency matter?

Mr. MILLER. They were used for weeks at the request of the Army engineers and the Secretary of War.

Mr. President, I ask that House bill 6641 be substituted for Senate bill 2804, and that it be now considered.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 6641) for the relief of the Arkansas State Penitentiary was read the first time by its title, and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Arkansas State Penitentiary the sum of \$11,414.17, in full settlement of all claims against the United States for expenses incurred by the Arkansas State Penitentiary as a result of furnishing, at the request of the United States district engineer, 955 convicts for emergency work in maintaining the levees in the lower St. Francis levee district of Arkansas during the flood emergency in January and February 1937, on the Mississippi River: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-

standing. Any person violating the provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

LUKE A. WESTENBERGER

The bill (S. 419) for the relief of Luke A. Westenberger was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as extended and limited by the acts of February 15, 1934 (48 Stat. 351), and June 22, 1936 (49 Stat. 1608), the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of Luke A. Westenberger, of Gettysburg, Pa., for loss of his left eye as the result of an injury on May 27, 1936, allegedly sustained in the performance of his duties at Gettysburg College, Pennsylvania, while a recipient of student aid under the National Youth Administration: Provided, That claim hereunder shall be filed within 6 months after the approval of this act.

W. C. AND JAMES LATANE AND WILLIE JOHNSON

The bill (S. 2699) for the relief of W. C. and James Latane and Willie Johnson was announced as next in order.

Mr. WHITE. Mr. President, yesterday the House passed House bill 4115, which is identical with the Senate bill. I ask unanimous consent that the House bill be substituted for the Senate bill and be considered in lieu of the Senate bill. that shall be done, I shall then ask that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 4115) for the relief of W. C. and James Latane and Willie Johnson was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. C. Latane and James Latane, of Westmoreland County Va., the sum of \$2,267.50, and to Willie Johnson, of Westmoreland County, Va., the sum of \$387.50, in full settlement of all claims against the United States because of the loss of cattle and horses by death in November 1937 from arsenic poisoning as a result of Japanese beetle-control operations at George Washington Birthplace National Monument in the State of Virginia in September 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. Without objection, Senate bill 2699 is indefinitely postponed.

G. W. NETTERVILLE

The bill (H. R. 2610) for the relief of G. W. Netterville was considered, ordered to a third reading, read the third time, and passed.

VIOLET DEWEY

The bill (H. R. 3084) for the relief of Violet Dewey was considered, ordered to a third reading, read the third time, and passed.

J. ARISTIDE LEFEVRE

The bill (S. 146) for the relief of J. Aristide Lefevre was announced as next in order.

Mr. WALSH. Mr. President, the House has passed a similar bill, House bill 3569, which I ask be substituted for the Senate bill and be considered at this time.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 3569) for the relief of J. Aristide Lefevre was read twice by its title.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to J. Aristide Lefevre, of Holyoke, Mass., out of any money in the Treasury not otherwise appropriated, the sum of \$108, in full settlement of all claims against the United States for reimbursement of the amount paid by the said J. Aristide Lefevre in settlement of a judgment rendered against him in favor of Corrine E. Dupuis, of Willimansett, Mass., who was injured on August 13, 1936, as a result of being struck by a United States mail truck operated by him in the regular performance of his duties as an employee of the Post Office Department: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. Without objection, Senate bill 146 is indefinitely postponed.

WATER CONSERVATION AND UTILIZATION PROJECTS IN GREAT PLAINS AREA

Mr. GURNEY. Mr. President, I ask unanimous consent to revert to order of business 902, Senate bill 1802, authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

This bill went over a while ago. I should like to have it taken up for consideration now.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Mr. President, the bill went over under objection, and I think we had better adhere to that action for the present.

The PRESIDING OFFICER. The bill has been passed

KYLE BLAIR

The Senate proceeded to consider the bill (H. R. 3104) for the relief of Kyle Blair, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the word "sum of" to strike out "\$3,500" and insert "\$2,500", so as to make the bill read:

"\$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Kyle Blair, of Whirlwind, Logan County, W. Va., the sum of \$2,500, in full satisfaction of all claims against the United States for injuries sustained by him on February 27, 1934, through negligence on the part of employees of the Civil Works Administration, while engaged in the building of a road on Harts Creek in Logan County, W. Va.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

FARM UNITS UNDER FEDERAL RECLAMATION PROJECTS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2410) relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration, which was, on page 1, line 3, after the word "That," to insert a comma and "during the fiscal year 1940,".

Mr. WHEELER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HISTORICAL MUSEUM IN CUSTER BATTLEFIELD NATIONAL CEMETERY, MONT.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 28)

to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont., which was, on page 2, line 17, to strike out "\$75,000" and insert "\$25,000."

Mr. WHEELER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF SECTION 77 OF BANKRUPTCY ACT AS TO PREFERRED CLAIMS

The bill (S. 2654) to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims was announced as next in order.

Mr. KING. May we have an explanation of the bill?

Mr. TRUMAN. Mr. President, the bill proposes merely to amend the Bankruptcy Act in the case of equity receiverships so that employees who may be injured shall have a preference of their claims allowed in equity receivership proceedings as well as in reorganizations under section 77.

The Senate passed a bill in relation to that situation, but it probably will not get through on account of the situation in the House. This is an amendment of the Bankruptcy Act so as to put equity receiverships in exactly the same situation as reorganizations under section 77.

Mr. KING. Will this bill, if it should be passed, meet the sanction of the other House?

Mr. TRUMAN. I think so.

Mr. GERRY. I understand the Senate to say that this bill refers to section 77 of the Bankruptcy Act?

Mr. TRUMAN. It is an amendment of section 77 of the Bankruptcy Act, putting equity receiverships under the same provision.

. The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 3, after the word "that", to strike out "the Bankruptcy Act" and insert "the first sentence of"; in line 4, after "(n)", to insert "of the Bankruptcy Act"; in line 8, after the word "any", to strike out "Federal"; in the same line, after the word "court", to insert "of the United States"; on page 2, line 2, after the word "action", to strike out the word "brought"; and in line 4, after the word "section", to insert "brought during the period of receivership or trust", so as to make the bill read:

Be it enacted, etc., That the first sentence of section 77, subsection (n), of the Bankruptcy Act, as amended, be further amended to read as follows:

"(n) In proceedings under this section, and in equity receiverships of railroad corporations now or hereafter pending in any court of the United States, claims for personal injuries to employees of a railroad corporation, claims of personal representatives of deceased employees of a railroad corporation, arising under State or Federal laws, and claims now or hereafter payable by sureties upon supersedeas, appeal, attachment, or garnishment bonds, executed by sureties without security, for and in any action against such railroad corporation or trustees appointed pursuant to this section, brought during the period of receivership or trust, shall be preferred and paid out of the assets of such railroad corporation as operating expenses of such railroad."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROCUREMENT OF AIRCRAFT FOR NATIONAL DEFENSE

The Senate proceeded to consider the bill (S. 2868) to facilitate the procurement of aircraft for the national defense which was announced as next in order.

Mr. LA FOLLETTE. Mr. President, will the Senator from Texas please explain the bill briefly?

Mr. SHEPPARD. Mr. President, the bill authorizes the Secretary of War and also the Secretary of the Navy to make awards in cases where competitive bids have been received to not more than three bidders found by the Secretary to be the lowest responsible bidders that can satisfactorily perform the work or the service required to the best advantage of the Government.

The authority given in the bill is to run only until June 30, 1941.

The approved Army Air Corps expansion program contemplates the acquisition of approximately 2,600 military airplanes in addition to those already contracted for, and the completion of delivery thereof not later than June 30, 1941. It is materially in the interest of national defense that such program be completed within the time contemplated. If awards for aircraft, parts, and accessories must be made within the strict terms of existing law, danger exists that the greater part of the contemplated procurement for the Army Air Corps may fall into the hands of a limited number of companies unable to make timely delivery. The bill, if enacted, will act as an assurance of the completion of the program. It is not the desire of the War Department to abandon the competitive bidding system nor even to resort to the authority contained in the bill except under circumstances where the public interest clearly requires such action.

Mr. LA FOLLETTE. Mr. President, will the Senator from Texas briefly explain in what respect this bill proposes to

amend existing law?

Mr. SHEPPARD. Under the existing law, if one company makes the lowest bid, it gets the contract for all the airplanes that are offered for construction in connection with that particular proposal. This bill would permit the Department to divide the planes among the three lowest responsible bidders in order to complete the program if it deems such action advisable in the public interest.

Mr. McKELLAR. I inquire, is it not likely in time of war to cost an immense amount of money and will it not virtually allow three companies to monopolize the business?

Mr. SHEPPARD. No awards are to be made at prices in excess of those offered by the bidders in any competition,

and all prices must be found to be reasonable.

Mr. McKELLAR. Let me see if I understand it. company making the lowest bid for aircraft or aircraft parts will have to share that bid with two others if the Department thinks it is wise to do it. Is that the idea?

Mr. SHEPPARD. That is true. It is a spread of the

Mr. McKELLAR. Is that all the bill proposes to do? Mr. SHEPPARD. That is all.

Mr. AUSTIN. Let me interject that this is a sort of antidote for monopoly.

Mr. SHEPPARD. That is correct.

Mr. WALSH. Mr. President, have amendments been inserted in the bill so as to make it applicable to the Navy and so that the Navy may have the same advantage in the construction of naval aircraft?

Mr. SHEPPARD. There is such a provision in the amended bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Military Affairs with amendments on page 1, line 5, after the word "Department", to insert "or the Navy Department"; in line 7, after the word "War", to insert "or the Secretary of the Navy"; in line 10, before the word "Secretary" insert "said"; on page 2, at the beginning of line 2, before the word "Secretary", to insert "said"; in line 12, before the word "Secretary", to insert "said"; in line 15, after the word "Secretary", to insert "of the Department concerned"; in line 23, after the word "Secretary", to insert "of the department concerned"; on page 3, line 15, after the word "Secretary", to insert "of the Department concerned", so as to make the bill read:

Be it enacted, etc., That, until June 30, 1941, whenever contracts are to be awarded as a result of competitive bids for furnishing the are to be awarded as a result of competitive bids for furnishing the war Department or the Navy Department with aircraft, aircraft parts, and accessories therefor, the Secretary of War or the Secretary of the Navy is authorized to award a contract for the aircraft, aircraft parts, and accessories to be purchased as a result of any such competition to the bidder that the said Secretary shall find to be the lowest responsible bidder that can satisfactorily perform the work or service required to the best advantage of the Covernment or in his discretion and when such action is con-Government, or, in his discretion and when such action is considered necessary by the said Secretary in the interest of the national defense, to award contracts for such aircraft, aircraft parts,

and accessories to such bidders, not exceeding three in number, as said Secretary shall find to be the lowest responsible bidders that can satisfactorily perform the work or the service required to the best advantage of the Government. The determinations as such multiple awards and the necessity for making the same shall be based upon quality, times and rate of delivery, price, and the prevention of the overloading of a plant or plants, and such division of awards shall be made only when found by the said Secretary to be in the interest of the national defense: Provided, That no awards shall be made at prices in excess of those offered by the bidders in any such competition and that the decision of the Secretary of the Department concerned as to the award of any such contract, or contracts, the interpretation of the provisions thereof, and the application and administration of the same shall not be reviewable, otherwise than as may be therein provided for, by any officer or tribunal of the United States except the President and the Federal courts: Provided further, That a report shall be made to the Congress by the Secretary of the Department concerned in the case of any competition as a result of which quantity contracts are entered into under authority of this act with more than one bidder, immediately upon the execution of such contracts, setting forth the articles purchased, the prices paid therefor, the name or names of each bidder, and of each contractor receiving a contract, and the particular reasons for awarding each of such contracts: Provided further, That any contract entered into under the authority hereby granted, for the construction of any com-plete aircraft or any portion thereof, shall be subject to the appli-cable profit-limitation provisions of the Act of March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926), and as further amended by the act of April 3, 1939 (Public, No. 18, 76th Cong.): Provided further, That procurement of aircraft, aircraft parts, and accessories therefor shall be made under authority of this act only when in the opinion of the Secretary of the Department concerned such action is necessary in the public interest. Provided further. That the authority herein greated shall the Department concerned such action is necessary in the public interest: Provided further, That the authority herein granted shall not be construed to abrogate, repeal, or suspend any of the provisions of Revised Statutes (3709, U. S. C. 41:5), the act of March 2, 1901 (31 Stat. 905), the act of July 2, 1926 (44 Stat. 787), section 14 of the act of April 3, 1939 (Public, No. 18, 76th Cong.), or of the act of July 13, 1939 (Public, No. 168, 76th Cong.), or to the act of July 13, 1939 (Public, No. 168, 76th Cong.), or to prohibit the award of any contracts in any manner now authorized by law, but shall be construed as additional legislation to be utilized under the conditions herein set forth, during the effective period of this act: And provided further, That this act shall be applicable under the conditions herein set forth to awards of contracts upon which competitive bids have been heretofore requested or received but as a result of which contracts have not been

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

AMENDMENT TO FAIR LABOR STANDARDS ACT

The Senate proceeded to consider the bill (S. 1234) to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069) entitled "Fair Labor Standards Act of 1938," which had been reported from the Committee on Education and Labor, with an amendment on page 1, line 6, after the word "follows", to strike out "or (11) operators employed in telephone exchanges having 1,000 subscribers or less" and insert "or (11) any switchboard operator employed in a public telephone exchange which has less than 500 stations", so as to make the bill read:

That section 13 (a) of the act approved June 25, 1938 (52 Stat. 69), entitled "Fair Labor Standards Act of 1938," be, and the 1069), entitled "Fair Labor Standards Act of 1938," be, and the same is hereby, amended by adding a new subsection 11, as follows: "or (11) any switchboard operator employed in a public telephone exchange which has less than 500 stations."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

INVESTIGATION OF FEASIBILITY OF ZONE RAILROAD RATES

The Senate proceeded to consider the joint resolution (S. J. Res. 58) providing for an investigation of the feasibility and desirability of fixing railroad rates on the basis of zones, which had been reported from the Committee on Interstate Commerce with amendments, on page 1, at the beginning of line 4, to strike out "and directed"; in the same line, after the "a", to strike out "thorough study and" and insert "preliminary"; in line 7, after the word "passengers", to strike out "and goods"; in line 10, after the word "passengers", to strike out "and goods"; on page 2, line 1, after the word "the", to strike out "carrying"; in line 3, after the word "of", to strike out "its study and" and insert "such"; in the same line, after the word "with", to strike out "such" and insert "many"; and at the end of the joint resolution to strike out "section 2", so as to make the joint resolution read:

Resolved, etc., That the Interstate Commerce Commission is authorized to make a preliminary investigation with respect to the feasibility and desirability of fixing the charges made by railroads, subject to its jurisdiction, for the transportation of passengers, on the basis of zones, with a particular view toward the establishment of a simplified rate structure for the transportation of passengers within or between such zones and the establishment of rates low enough to encourage full utilization of the facilities of such railroads. The Commission shall report to the Congress of the United States the results of such investigation, together with any recommendations relating thereto as it deems appropriate, at the earliest practicable date, but not later than January 3, 1940. In carrying out the purposes of this joint resolution the Commission shall have the same powers as are conferred upon it for carrying out studies and investigation in the performance of other duties imposed upon and investigation in the performance of other duties imposed upon it by law.

Mr. MILLER. Mr. President, I should like to ask the chairman of the committee who reported the bill what the purpose of the amendment is in line 7 and line 10, where the words "and goods" are stricken therefrom?

Mr. WHEELER. Those amendments simply limit the pro-

posed study to passenger fares.

Mr. MILLER. I notice that, and the point I wanted to make was that one of the major railroad questions in this country is the equalization of freight rates. I did not want the Commission to get the idea that the Congress would be content with letting them equalize passenger rates and pass over the question of freight rates.

Mr. WHEELER. I entirely agree with the Senator from Arkansas, but I felt that at this time this was all we could do. I intend at the next session of Congress, let me say to the Senator, to take that question up, a question in which he and others are vitally interested, and endeavor to have something done about it.

Mr. MILLER. I have no objection to the joint resolution in the form it now appears, but I did not want it to appear in anywise that, in the opinion of Senators or the Senate, a railroad problem of paramount importance could be settled by an adjustment of passenger rates.

Mr. WHEELER. I entirely agree with the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HEARINGS BEFORE COMMITTEE ON PRINTING

The resolution (S. Res. 171) submitted by Mr. HAYDEN, July 26, 1939, was considered and agreed to as follows:

Resolved, That the Committee on Printing, or any subcommittee thereof, is authorized, during the Seventy-sixth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee; the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

LITERATURE FOR GOLDEN GATE INTERNATIONAL EXPOSITION

The bill (H. R. 7263) to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939 was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act entited "An act relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939," approved April 29, 1939, is amended by inserting before the period at the end thereof a comma and the following the state of the College Cate Telescope 1999. and the following: "or at the Golden Gate International Exposition of 1939

REFUND OF INTERNAL-REVENUE TAX ON SPIRITS

The bill (H. R. 1648) to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations, was announced as next in order.

Mr. LA FOLLETTE. I ask that the bill go over.

Mr. BARKLEY. Mr. President, I hope the Senator from Wisconsin will not object to the bill. It merely permits a refund of taxes paid on spirits which were destroyed or rendered useless by the flood on the Ohio River in 1936 and 1937.

Mr. LA FOLLETTE. I am familiar with the bill, but, as the Senator knows, the Treasury Department has interposed a vigorous objection. It is a House bill, and, therefore, only remains to have action taken by the Senate to become a law. I will ask that it go over for today, in order that I may have an opportunity to study the matter further.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATIONAL FIREARMS ACT

The bill (S. 2785) to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act, was announced as next in order.

Mr. WHITE. Mr. President, reserving the right to object, I do not find in my book here any report on that bill.

Mr. STEWART. I have a report on it.

Mr. WHITE. Is the report from the Commerce Commit-

Mr. TAFT. The report of the House committee was before the Commerce Committee of the Senate.

Mr. WHITE. Will the Senator explain just what the effect of the bill would be?

Mr. STEWART. Yes. The purpose of the bill, Mr. President, is to amend the act of February 1938, which was an act defining ammunition for the purpose of keeping a check, as I understand, on gangsters, by excluding from the definition of the word "ammunition" as used in that act shotgun shells and .22-caliber rifle cartridges. It has the approval of the Attorney General and of the Treasury Department. Is that satisfactory?

I understand that the House bill on the same subject has come over the Senate. I ask that the House bill be substituted for the Senate bill and considered at this time.

The PRESIDING OFFICER. Is there objection?

The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 2883) to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1, subsection 8, of the Federal Firearms Act (Public, No. 785, 75th Cong.) be amended so as to

read as follows, to wit:
"(8) The term 'ammunition' shall include only pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any 22 caliber rimfire ammunition."

The PRESIDING OFFICER. Without objection, Senate bill 2785 is indefinitely postponed.

RELIEF OF PURCHASERS OF LOTS IN FLORIDA

The bill (S. 538) for the relief of certain purchasers of lots in Harding town site, Florida, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to any person who, as a result of an auction sale of lots in Harding town site, Florida, conducted during February 1924 by a representative site, Florida, conducted during February 1924 by a representative of the Department of the Interior, agreed to purchase a lot in such town site and who (1) prior to the date of approval of this act, has paid to the United States 75 percent or more of the agreed purchase price of such lot, or (2) within twelve months after the date of approval of this act makes payment to the United States which, together with payment previously made, amounts to 75 percent of the agreed purchase price of such lot.

SEC. 2. As used in this act, the term "person" includes an individual, partnership, corporation, or association.

MICHAEL M. COHEN

The bill (S. 2143) for the relief of Michael M. Cohen was announced as next in order.

Mr. WALSH. Mr. President, I ask that House bill 5775 be substituted for the Senate bill, and considered at this time. The PRESIDING OFFICER. The Chair lays before the

Senate a bill coming over from the House of Representatives.

The bill (H. R. 5775) for the relief of Michael M. Cohen

The bill (H. R. 5775) for the relief of Michael M. Cohen was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Michael M. Cohen, of Boston, Mass., the sum of \$1,000, representing the amount of a United States bond posted by him as security for an immigration bond executed by him in April 1937, and conditioned upon the appearance before immigration authorities of Salvatore Marino, such immigration bond having been forfeited as a result of the nonappearance of sald Salvatore Marino, who was subsequently apprehended and deported: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000.

The PRESIDING OFFICER. Is there objection to the consideration of House bill 5775?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2143 will be indefinitely postponed.

CONSERVATION PROJECTS IN THE GREAT PLAINS AREA

Mr. WHEELER. Mr. President, I ask unanimous consent to recur to Calendar No. 902, Senate bill 1802, authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

This bill was called up a short time ago and objected to by the Senator from Utah [Mr. King]. He has asked me to give an explanation of the bill. I understand he has no objection to my explaining the bill at the present time.

This bill does not call for any appropriation from the Treasury. It would authorize the President and the Secretary of the Interior to use W. P. A. workers on reclamation projects. Instead of using them, for instance, in building some project which would not be of any moment to the country at all, where there is a reclamation project in some of the arid sections and it cannot be paid for in 40 years, the cost can be cut down by using W. P. A. workers or C. C. C. workers on the project. The bill provides for something really constructive, and it is a procedure which has been tried out and used effectively in Montana in connection with other projects. The bill merely authorizes that this practice be followed in connection with the projects referred to.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Irrigation and Reclamation with an amendment, to strike out all after the enacting clause and to insert:

That the Secretary of the Interior is hereby authorized to undertake the construction, including acquisition of water rights, rights-of-way, and other interests in land, of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

of the United States.

SEC. 2. Any moneys expended on such construction from appropriations made under the authority of this act shall be repaid to the United States by the water users in not to exceed 40 annual installments. Any labor or materials supplied for such construction by the Work Projects Administration, the Civilian Conservation Corps, or any other Federal agency shall be utilized in such manner as the President may determine, and for such labor and materials the water users shall reimburse the United States in such amounts and on such terms as the President may fix for each project.

Sec. 3. No moneys may be expended on a project pursuant to the authority of this act unless and until (1) the Secretary of the Interior has found, and has certified to the President, that the project has engineering feasibility and that the moneys to be expended on the project from appropriations made under the authority of this act probably can be repaid by the water users within 40 years; and (2) the President has approved said findings and has determined that labor and materials for the construction of the project should be made available to the Department of the Interior by the Work Projects Administration or a similar Federal agency, in the amount found by the Secretary of the Interior to make up the difference, if any, between the estimated cost of construction and the amount which can be expended from appropriations made under this act and probably can be repaid by the water users: Provided, That the Secretary of the Interior may accept for the construction of the project such labor or materials as may be offered by any State or political subdivision thereof, State agency, or municipal corporation, and may reduce by the amount thereof the estimated cost of construction to be met by the expenditure of Federal moneys.

the expenditure of Federal moneys.

SEC. 4. In undertaking any project pursuant to the authority of this act the Secretary of the Interior, by cooperative agreements with the Department of Agriculture or other Federal agencies or State agencies, may arrange for such cooperation of governmental agencies in the construction or operation and maintenance of the project as he deems desirable.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this act, including investigations and surveys of projects proposed under the authority of this act, any sums appropriated to be subject to transfer by the Secretary of the Interior, in such amounts as he deems necessary to executive departments or other Federal agencies pursuant to cooperative agreements entered into under section 4 of this act; and, from such sums appropriated or transferred, expenditures may be made for personal services in the District of Columbia and may be made for the same purposes and under the same conditions as included in the appropriation acts for the departments, establishments, and other agencies to which sums may be made available by appropriation or transfer.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INA JONES

The Senate proceeded to consider the bill (S. 2561) for the relief of Ina Jones, which had been reported from the Committee on Claims with amendments, on page 1, line 5, to strike out "\$2,500" and to insert in lieu thereof "\$1,000," and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000 to Ina Jones, in full settlement for injuries suffered by her in an automobile accident, responsibility for which was placed on the driver of a Government truck, which accident occurred on June 16, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BELL GROCERY CO.

The Senate proceeded to consider the bill (S. 2529) for the relief of Bell Grocery Co., which had been reported from the Committee on Claims with amendments, on page 1, line 1, to strike out "That there is hereby appropriated", and to insert "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay", and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$427.50 to the Bell Grocery Co., of Pineville, Ky., to pay 28 months' rent on a warehouse which was used by the Works Progress Administration, and which sum shall be in full settlement of all claims against the United States by the Bell Grocery Co. growing out of such transaction: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a mis-

demeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STANLEY FALK AND OTHERS

The Senate proceeded to consider the bill (S. 2531) for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter, which had been reported from the Committee on Claims with amendments, on page 1, line 10, to strike out "\$500" and to insert "\$250", and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stanley Falk, of Little Rock, Ark., the sum of \$120.09; to Howard Franklin, of Little Rock, Ark., the sum of \$150; to Mrs. Nathan Falk, of Little Rock, Ark., the sum of \$200; and to Rose Winter, of Little Rock, Ark., the sum of \$250, in full satisfaction of all their claims against the United States for property damage and personal injuries sustained when the automobile in which they were riding was struck by a car driven by Charles L. Willis, an employee of the Public Works Administration, at Wooster, Ark., on July 2, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARRIE HOWARD STEEDMAN AND EUGENIA HOWARD EDMUNDS

The bill (S. 1962) granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Court of Claims be, and it is hereby, vested with jurisdiction and directed to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds against the United States, No. E-563, decided February 28, 1927, and reported in volume 63, Court of Claims Reports, at page 226, upon the evidence heretofore submitted to the said court in the said cause, giving due weight in such readjudication to any decision of the Supreme Court of the United States rendered since February 28, 1927, construing the relevant provisions of the applicable statutes, particularly the identical terms of section 402 of the Revenue Acts of 1918 and 1921, and if such Court of Claims in such readjudication shall find upon said evidence that, under the provisions of the Revenue Act of 1921, the plaintiffs are entitled to a judgment under the relevant statutes, as now construed by the Supreme Court of the United States, particularly the terms of section 402 of the Revenue Acts of 1918 and 1921, then the court shall enter its judgment in favor of the said Carrie Howard Steedman and Eugenia Howard Edmunds in said cause for such sums as said evidence will justify, not to exceed the amount claimed in the original petition in the Court of Claims, with interest as provided by law.

THERMAL SYNDICATE, LTD.

The Senate proceeded to consider the bill (S. 1638) for the relief of Thermal Syndicate, Ltd., which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,093.29 to Thermal Syndicate, Ltd., as equitable reimbursement and in full and final settlement and satisfaction of the damages and losses incurred and suffered by it, and for which it has not yet been reimbursed, in moving its equipment from the space in the Bush Terminal Buildings to its new location, and in otherwise complying with United States Navy commandeer order No. N-3255, dated June 18, 1918: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, I desire to ask the Senator from Michigan a question with regard to this bill, but I do not see him in the Chamber. Is the Senator from New York familiar with it?

Mr. MEAD. Mr. President, this is one of a series of bills, the object of the bill being to reimburse a tenant in the Bush Terminal who was ordered out by the Navy Department because of the desire for space during the war.

Mr. BROWN. Mr. President, the bill calls for the reimbursement of the expense of removal.

Mr. MEAD. It is to compensate the claimant for the expense of removal.

Mr. KING. It did not present its claim within the time the Government fixed for the presentation of claims to a board set up during the war?

Mr. MEAD. It is my understanding that the claimant went to the Court of Claims, and that court held that the company actually expended the amount of money asked for, but it has never been reimbursed, and there is need of legislation in order for them to collect this amount of money.

Mr. BROWN. Mr. President, we have taken similar action by way of private bills for several other corporations who were tenants in the same building, the Bush Terminal Warehouse, in Brooklyn. I assure the Senator that it is a perfectly legitimate claim.

Mr. KING. The only point I had in mind about it was that a large number of persons made claims against the Government for damages arising during the war, some of which claims were valid and some not, and the Government set up boards for the adjudication of all those claims. A great many persons, as well as corporations, did apply, and awards were made and were paid. Some failed to apply to the Board, and now, many years afterward, are trying to get special legislation to relieve them.

Mr. BROWN. The claimant here has been diligent in the prosecution of its claim.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EBERHART STEEL PRODUCTS CO., INC.

The Senate proceeded to consider the bill (S. 1790) for the relief of Eberhart Steel Products Co., Inc., which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the word "Claims", it is proposed to insert "notwithstanding the lapse of time, or any statute of limitations"; on line 6 to strike out "upon the basis of just compensation"; on line 16, page 2, after the word "judgment", to strike out "upon the basis of just compensation" and insert "notwithstanding the lapse of time, or any statute of limitations"; and on page 3, line 1, after the words "Provided, That", to strike out the word "suit" and insert the word "suits", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims, notwithstanding the lapse of time, or any statute of limitations, with instructions to hear and determine to judgment the claims of the Eberhart Steel Products Co., Inc., of Buffalo, N. Y., against the United States growing out of 43 certain contracts dated on and between January 28, 1920, and September 24, 1920, for the manufacture and delivery by said company to the War Department of certain material and parts for class B military trucks, notwithstanding any failure or error of any Government official to give proper written orders for changes made in any of said contracts, or fix the value thereof, or any previous decisions or decrees rendered with reference thereto, or any alleged settlement or adjustment heretofore made, or termination agreement, except only for proper credits to be given for any and all payments heretofore made: Provided, That no judgment rendered on this claim shall exceed the amount heretofore found by the Court of Claims as the fair cost of manufacture of supplies left on claimant's hands, manufactured in accordance with the terms of the foregoing original contracts and changes thereunder.

Sec. 2 Jurisdiction is further hereby conferred upon the United

SEC. 2. Jurisdiction is further hereby conferred upon the United States Court of Claims with instructions to hear and determine to judgment notwithstanding the lapse of time, or any statute of limitations, the claims of said company against the United States for losses and damages suffered on dies, tools, plant, material, and equipment procured for making class B military-truck parts pursuant to agreement of officers of the War Department to give additional orders to said company for these parts, notwithstanding any lack of authority of said officers or that said agreement was not properly executed or in the form required by

law: Provided, That suits shall be commenced within 4 months after this act becomes effective.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORVILLE WRIGHT

The bill (S. 2735) authorizing the issuance to Orville Wright of honorary aircraft pilot's certificate No. 1 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Civil Aeronautics Authority is authorized to issue to Orville Wright honorary aircraft pilot's certificate No. 1, in recognition of the outstanding service rendered by him in advancing the science of aeronautics.

APPOINTMENT OF SECOND LIEUTENANTS IN THE AIR CORPS

The bill (H. R. 6925) to waive the age limit for appointment as second lieutenants, Regular Army, of certain persons now on active duty with the Air Corps, was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF FLOOD SUFFERERS IN MISSOURI

The Senate proceeded to consider the bill (H. R. 1693) to confer jurisdiction on the District Court of the United States for the western district of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County in the State of Missouri, during the month of March 1934, which had been reported from the Committee on Claims with an amendment, on page 1, line 3, after the word "that", to insert "notwithstanding the lapse of time or any provisions of law to the contrary", so as to make the bill read:

Be it enacted, etc., That notwithstanding the lapse of time or any provisions of law to the contrary, jurisdiction is hereby conferred upon the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of the following-named people or their heirs, representatives, administrators, executors, successors, or assigns: G. M. McCrary, Paul N. Shouse, Emma Shults, Mrs. C. E. Johnson, Mrs. A. H. Wilber, G. E. Hutson, Elmer Willis, Ethel McDuff, W. J. Huter, W. C. Hood, J. P. Kuhnert, Florence O. Saunders, E. Cobb, James D. Kelly, W. H. Myers, Dora Weldin, Frank Dougherty, M. H. Whitnah, Charles C. Myers, H. A. Whitnah, W. F. Reese, George Willis, N. D. Gasaway, Paul Johnson, Harry Turpin, John H. Chapin, J. D. Fraizer, C. W. Pierson, L. K. Poos, Lula A. Jegglin, Mrs. E. T. Graham, A. F. Russell, E. O. Keene, H. F. Chapin, Goldie Noland, Mrs. Goldie Noland, B. F. Kabel, Oscar Swearinger, Argyle Reese, S. O. Daniels, Belle Wagner, and W. D. Shreve. Said claims arise out of a flood allegedly resulting from the defective or improper placing and construction of dikes or revetments in the Missouri River by the War Department of the United States at or near Bean Lake, in Platte County, and Sugar Lake, in Buchanan County, in the State of Missouri, in the month of March 1934. Suit hereunder may be instituted at any time within 1 year from the date of the enactment of this act, and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which such court has jurisdiction under the provisions of the Judicial Code.

Mr. TRUMAN. Mr. President, I have several amendments I desire to offer on behalf of the committee, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The first amendment of the Committee on Claims was, on page 1, line 6, after the word "judgment", to insert "without interest, but with costs, under and in accordance with the same provisions of law as if the United States were a private party".

The amendment was agreed to.

On page 2, after line 23, to insert the following:

SEC. 2. The United States district attorney for the western district of Missouri is hereby charged with the duty of defending the United States in any suit instituted under the authority of this act.

The amendment was agreed to.

The next amendment was, on page 2, after line 23, after the amendment heretofore agreed to, to insert the following:

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums

as may be necessary to pay judgments under this act. Such amounts shall be paid by the Secretary of the Treasury when the judgment of the district court has become final and on presentation to the Secretary of a duly authenticated copy of the judgment. Such payment shall be in full settlement of all claims against the United States on account of claims arising out of such flood damage.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to have an explanation of this claim. Is there any liability upon the part of the Government?

Mr. TRUMAN. Mr. President, that is what we are trying to find out. We are giving these people permission to sue in the Court of Claims to find out what the liability is. In this case the engineers put an obstruction in the Missouri River, which caused the ice to form a jam in the center of the river, and adjacent territory was flooded which had never been flooded before. Then the engineers took the obstruction out of the river, and there has not been a flood since, but the people who were damaged have never had a chance to file a claim for recovery, and all the bill does is to give them a chance to do so.

Mr. KING. This does not establish any liability on the part of the Government?

Mr. TRUMAN. No.

Mr. KING. Or fix the amount to be paid?

Mr. TRUMAN. No.

Mr. KING. It is just for the right to file a claim?

Mr. TRUMAN. It gives them a chance to go into the district court.

Mr. KING. Upon further investigation I may possibly desire to file a motion to reconsider.

The PRESIDING OFFICER. The question is on the engrossment of the amendments.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed, as follows:

The bill was read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the lapse of time or
any provisions of law to the contrary jurisdiction is hereby
conferred upon the District Court of the United States for the
Western District of Missouri to hear, determine, and render judgment without interest, but with costs, under and in accordance
with the same provisions of law as if the United States were a
private party upon the claims of the following-named people or
their heirs, representatives, administrators, executors, successors,
or assigns: G. M. McCrary, Paul N. Shouse, Emma Shults, Mrs.
C. E. Johnson, Mrs. A. H. Wilber. G. E. Hutson, Elmer Willis,
Ethel McDuff, W. J. Huter, W. C. Hood, J. P. Kuhnert, Florence O.
Saunders, E. Cobb, James D. Kelly, W. H. Myers, Dora Weldin,
Frank Dougherty, M. H. Whitnah, Charles C. Myers, H. A. Whitnah, W. F. Reese, George Willis, N. D. Gasaway, Paul Johnson,
Harry Turpin, John H. Chapin, J. D. Fraizer, C. W. Pierson, L. K.
Poos, Lula A. Jegglin, Mrs. E. T. Graham, A. F. Russell, E. O.
Keene, H. F. Chapin, Goldie Noland, Mrs. Goldie Noland, B. F.
Kabel, Oscar Swearinger, Argyle Reese, S. O. Daniels, Belle Wagner,
and W. D. Shreve. Said claims arise out of a flood allegedly
resulting from the defective or improper placing and construction of dikes or revetments in the Missouri River by the War
Department of the United States, at or near Bean Lake in Platte
County and Sugar Lake in Buchanan County, in the State of
Missouri, in the month of March 1934. Suit hereunder may be
instituted at any time within one year from the date of the
enactment of this Act, and proceedings therein, appeals therefrom,
and payment of judgment thereon, if any, shall be had in the
same manner as in the case of claims over which such court has
jurisdiction under the provisions of the Judicial Code.

Sec. 2. The United States district attorney for the western dis-

jurisdiction under the provisions of the Judicial Code.

SEC. 2. The United States district attorney for the western district of Missouri is hereby charged with the duty of defending the United States in any suit instituted under the authority of this set.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to pay judgments under this act. Such amounts shall be paid by the Secretary of the Treasury when the judgment of the district court has become final and on presentation to the Secretary of a duly authenticated copy of the judgment. Such payment shall be in full settlement of all claims against the United States on account of claims arising out of such flood damage.

JOANNES JOSEPHUS CITRON

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1954) for the relief of Joannes Josephus Citron, which were, in line 5, to strike out the word "lawfully" and in line

7, after the name "Idaho", to insert a colon and the following proviso: "Provided, That the said Joannes Josephus Citron shall not be eligible to become a citizen of the United States."

Mr. RUSSELL. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

CALLIOPE MINACA PILAVAKIS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 808) for the relief of Calliope Minaca Pilavakis, which were, in line 7, to strike out the word "legally", and in line 8, after the numerals "1936", to insert a colon and the following proviso: "Provided, That the said Calliope Minaca Pilavakis shall never be eligible to become a citizen of the United States."

Mr. RUSSELL. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MRS. PACIOS PIJUAN

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1654) for the relief of Mrs. Pacios Pijuan.

Mr. RUSSELL. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California conferees on the part of the Senate.

MATO, MILJENKO, BOZO, AND AUGUSTIN CIBILIC (OR ZIBILICH)

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich.

Mr. RUSSELL. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California conferees on the part of the Senate.

EMIL FRIEDRICH DISCHLEIT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1269) for the relief of Emil Friedrich Dischleit.

Mr. RUSSELL. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California conferees on the part of the Senate.

DAUMIT TANNAUS SALEAH

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas).

Mr. RUSSELL. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California conferees on the part of the Senate.

KONSTANTINOS DIONYSIOU ANTIOHOS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas).

Mr. RUSSELL. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California conferees on the part of the Senate.

BILLS PASSED OVER

The bill (H. R. 6898) granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ALFRED DAUGHERTY AND WILLIAM H. JONES

The bill (H. R. 6899) granting pensions to certain veterans of the Civil War was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. MINTON. Mr. President, will not the Senator from Utah withhold his objection? This bill merely provides pensions for two very old men in Kentucky who are about 94 years of age.

Mr. McKELLAR. I think the bill ought to pass.

Mr. KING. I do not object.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6901) granting increase of pensions to certain widows of veterans in the Civil War was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

GRIZELDA HULL HOBSON

The Senate proceeded to consider the bill (S. 161) granting a pension to Grizelda Hull Hobson, which had been reported from the Committee on Pensions with an amendment, on page 1, line 8, after the word "month", to insert "in lieu of that she is now receiving," so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisons and limitations of the pension laws, the name of Grizelda Hull Hobson, widow of Admiral Richmond Pearson Hobson, late of the United States Navy, and pay her a pension at the rate of \$100 per month in lieu of that she is now receiving.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting an increase of pension to Grizelda Hull Hobson."

SPANISH-AMERICAN WAR AND OTHER PENSIONS

The bill (H. R. 2875) to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran if claim is filed within 1 year thereafter was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF UNITED STATES EMPLOYMENT SERVICE RECORDS

The Senate proceeded to consider the bill (H. R. 4108) to provide for the transfer of United States Employment Service records, files, and property in local offices to the States, which had been reported from the Committee on Education and Labor with an amendment, on page 1, line 9, to strike out "Secretary of Labor" and insert "Federal Security Administrator", so as to make the bill read:

Be it enacted, etc., That for the purpose of assisting the State employment services established and maintained in accordance with the terms of the act of June 6, 1933, entitled "An act to provide for the establishment of a National Employment System and for cooperation with the States in the promotion of such system, and for other purposes," as amended (48 Stat. 113; 49 Stat. 216), the

Federal Security Administrator is hereby authorized without payment of compensation to transfer and assign to the States in which it is located all property, including records, files, and office equipment, used by the United States Employment Service in its administrative and local employment offices in the respective States, except the records, files, and property used in the Veterans' Service and in the Farm Placement Service maintained under the said act, as soon as such States establish and maintain systems of public employment offices, in accordance with the terms of sections 4, 5, and 8 of the said act and the regulations promulgated thereunder.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

FIRST-CLASS MAIL MATTER DELIVERY RATE

The bill (S. 2893) to provide for the local delivery rate on certain first-class mail matter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the proviso in section 1001 of the Revenue Act of 1932 (relating to postal rates) is amended to read as follows: "Provided, That such additional rate shall not apply to first-class matter mailed for local delivery or for delivery wholly within a county the population of which exceeds 1,000,000, provided said county is entirely within a corporate city."

CONVEYANCE OF LOCKWOODS BASIN, MASS., TO THE COMMON-WEALTH OF MASSACHUSETTS

The bill (S. 2144) providing for the conveyance by the Secretary of the Navy of Lockwoods Basin, East Boston, Mass., to the Commonwealth of Massachusetts, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized and instructed to convey, for and in behalf of the United States, to the Commonwealth of Massachusetts, when said United States, to the Commonwealth of Massachusetts, when said Commonwealth shall decide to accept the same, to be used for public purposes, the property known as Lockwoods Basin, East Boston, Mass., with all buildings and improvements thereon, the said property being bounded and described as follows: Northeasterly on Summer Street, 185 feet; northwesterly on a common driveway and the North Ferry of the city of Boston, 674 feet; southwesterly on the harbor line or the line limiting the ownership of the grantor in that direction, 219.6 feet; and southeasterly on land now or formerly of Henry Pigeon and others, 792.31 feet, to the point of beginning.

on land now or formerly of Henry Pigeon and others, 792.31 feet, to the point of beginning.

SEC. 2. Whenever, in the judgment of the President of the United States, the property herein ceded to the Commonwealth of Massachusetts is needed by the Navy Department, the United States may resume possession of the same.

SEC. 3. Should the United States resume possession of the said property as provided in section 2 of this act the value of any improvements made by the Commonwealth of Massachusetts shall be refunded to the Commonwealth of Massachusetts. The Secretary of the Navy shall ascertain and fix the value of such improvements, if any there be.

SEC. 4. If the Commonwealth of Massachusetts shall at any time.

SEC. 4. If the Commonwealth of Massachusetts shall at any time cease or fail to use the aforesaid property for public purposes, the property shall immediately revert to the United States. In such case no compensation shall be made by the United States for any improvements or betterments made by the Commonwealth

of Massachusetts.

TEMPORARY ACTING ASSISTANT SURGEONS

The Senate proceeded to consider the bill (S. 2284) to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service, which was read as follows:

Be it enacted, etc., That the act of May 4, 1898, entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1899, and for other purposes" (30 Stat. 369), is hereby amended so that the last paragraph of the appropriation for the Bureau of Medicine and Surgery (30 Stat. 380), which provides as follows: "The President is hereby authorized to appropriation for the surgery (30 Stat. 380), which provides as follows: "The President is hereby authorized to appropriate the surgery (30 Stat. 380), which provides as follows: point for temporary service 25 acting assistant surgeons, who shall have the relative rank and compensation of assistant surgeons," shall read as follows: "The President is hereby authorized to appoint for temporary service 100 acting assistant surgeons, who shall have the rank and compensation of assistant surgeons."

Mr. KING. Mr. President, let us have an explanation of this.

Mr. WALSH. Mr. President, the number of surgeons who are yearly required to take care of the health of the officers and enlisted men of the Navy is 75. Under the present law, before being appointed they must be graduates of a medical school and have had 1 year's interneship in a hospital. They are given permanent appointments under the present

It has been found that mistakes have been made from time to time in giving permanent appointments before these men are tried out in the naval service. The purpose of the pending bill is to do away with permanent appointments until after they are tried for 18 months. The number is fixed at a hundred so that there may be an elimination of 25, and still the usual number be named. There is no increase in the number, and the probationary period will cover the interneship and a preliminary trial to demonstrate whether they are fitted and capable of performing the medical work the Navy requires of surgeons.

Mr. KING. Mr. President, I think it is a good measure. The PRESIDING OFFICER. The question is on the en-

grossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

UNITED STATES NAVAL ACADEMY LAUNDRY

The bill (H. R. 6320) to establish the status of funds and employees of the United States Naval Academy laundry was considered, ordered to a third reading, read the third time, and passed.

CONTROL OF STOCK PURCHASES BY RAILROADS

The Senate proceeded to consider the bill (S. 2903) to amend the Interstate Commerce Act, and for other purposes, which is as follows:

Be it enacted, etc., That paragraph (3) of section 1 of the Inter-state Commerce Act, as amended, is hereby amended by inserting "(a)" before the first word, and by adding at the end the following:
"(b) The term 'person' as used in this part means an individual

"(c) The term 'company' as used in this part means a corpora-tion, partnership, association, joint-stock company, business trust, organized group of persons, whether incorporated or not; or any receiver, trustee, or liquidating agent of any of the foregoing in

organized group of persons, whether incorporated or not; or any receiver, trustee, or liquidating agent of any of the foregoing in his capacity as such.

"(d) The term 'subsidiary' as used in this part means—
"(A) a company 10 percent or more of the outstanding voting securities of which are directly or indirectly held with power to vote, owned, or controlled, by one or more carriers, by one or more persons which are subsidiaries by virtue of this subparagraph (d), or by one or more such persons and one or more carriers, unless the Commission, as provided in subparagraph (g) by order determines such company not to be a subsidiary; or

"(B) a company which the Commission, after notice and opportunity for hearing, by order finds to be controlled (directly or indirectly, by stock ownership, lease, agreement, or voting trust, by common officers, directors, or stockholders, by reason of circumstances surrounding organization or operation, or by any method whatsoever), by one or more carriers, by one or more companies which are subsidiaries by virtue of this subparagraph (d), by one or more such companies and one or more carriers, or by any other person or persons having such control under any indenture, trust, or other agreement or arrangement with, or by means of the assets of, one or more such companies or carriers. The Commission shall, upon application, revoke an order finding a company to be a subsidiary under clause (B) if, after notice and opportunity for hearing, it finds that such company has ceased to be a subsidiary. The Commission may require any company whose status as a subsidiary or nonsubsidiary is being determined to furnish such information as the Commission deems necessary in order to make such determination.

"(e) The term 'controlling person' as used in this part means—

to make such determination.

"(e) The term 'controlling person' as used in this part means—
"(A) a person which directly or indirectly holds with power to vote, owns, or controls, 10 percent or more of the outstanding voting securities of a carrier or of a person which is a controlling person by virtue of this subparagraph (e); or

"(B) a person which controls, directly or indirectly, alone or pursuant to an arrangement or understanding with one or more other persons by stock ownership lesses agreement or woting

pursuant to an arrangement or understanding with one or more other persons, by stock ownership, lease, agreement, or voting trust, by common officers, directors, or stockholders, by reason of circumstances surrounding organization or operation, or by any method whatsoever, a carrier or a person which is a controlling person within the meaning of this subparagraph (e).

"(f) The term 'affiliate' as used in section 20 of this part means—
"(A) a company 10 percent or more of the outstanding voting securities of which are directly or indirectly held with power to vote, owned, or controlled, by one or more controlling persons, by one or more persons which are affiliates by virtue of this subparagraph (f), or by one or more such persons and one or more controlling persons; or controlling persons; or

"(B) a person which is controlled (directly or indirectly, by stock ownership, lease, agreement, or voting trust, by common officers, directors, or stockholders, by reason of circumstances

surrounding organization or operation, or by any method whatsoever) by one or more controlling persons, by one or more persons which are affiliates by virtue of this subparagraph (f), by one
or more such persons and one or more controlling persons, or by
any other person or persons having such control under any indenture, trust, or other agreement or arrangement with, or by means
of the assets of, one or more such persons or controlling persons.

"(g) The Commission, upon application, shall by order declare
that a company is not a subsidiary under subparagraph (d) if
the Commission finds that the applicant is not controlled (directly or indirectly, by stock ownership, lease, agreement, or voting
trust, by common officers, directors, or stockholders, by reason or
circumstances surrounding organization or operation, or by any

circumstances surrounding organization or operation, or by any method whatsoever) by one or more carriers, by one or more subsidiaries, by one or more carriers and one or more subsidiaries, sidiaries, by one or more carriers and one or more subsidiaries, or by any other person or persons having such control under any indenture, trust, or other agreement or arrangement with, or by means of the assets of, one or more such carriers or subsidiaries. The filing of an application hereunder in good faith shall exempt the applicant from any obligation, duty, or liability imposed in this part upon the applicant as a subsidiary until the Commission has acted upon such application. The Commission may require the applicant to furnish such information as the Commission deems necessary for acting upon the application. Within a reasonable time after the receipt of an application hereunder, the Commission shall enter an order granting, or, after notice and sonable time after the receipt of an application hereunder, the Commission shall enter an order granting, or, after notice and opportunity for hearing, denying, or otherwise disposing of, such application. The Commission shall issue an order to show cause why any order declaring a company not to be a subsidiary should not be revoked, whenever it has reason to believe that such company has become a subsidiary, and, within a reasonable time thereafter, and after notice and opportunity for hearing, shall revoke the order declaring such company not to be a subsidiary if it finds that such company has become a subsidiary.

"(h) The term 'control' as used in this paragraph (3) shall be construed to include the power to exercise control."

SEC. 2. Section 5 of the Interstate Commerce Act, as amended, is hereby amended by omitting paragraph (18), and renumbering paragraphs (19), (20), and (21) as paragraphs (18), (19), and (20), respectively, and by changing paragraph (17) to read as follows:

"(17) As used in paragraphs (4) to (16), inclusive, the term 'carrier' includes a carrier by railroad subject to this part, and any corporation which, although not engaged in transportation, owns a railroad or other facilities used in transportation subject to this part, or is organized for the purpose of constructing or acquiring a railroad or other facilities to be used in transportation subject to this part."

acquiring a railroad or other facilities to be used in transportation subject to this part."

SEC. 3. Section 12 of the Interstate Commerce Act, as amended, is hereby amended by striking out everything in paragraph (1) to and including the first semicolon, and by striking out the next two words and inserting in lieu thereof "The."

SEC. 4. Paragraph (1) of section 20 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(1) That the Commission is hereby authorized to require annual reports from all common carriers subject to the provisions of this part, and from the owners of all railroads engaged in interstate commerce as defined in this part, to prescribe the manner in which such reports shall be made, and to require from such carriers and owners, and from subsidiaries, specific and full, true, and correct answers to all questions upon which the Commission may need information. Such annual reports shall show in detail may need information. Such annual reports shall show in detail the amount of capital stock issued, the amounts paid therefor, and the manner of payment for the same; the dividends paid; the and the manner of payment for the same; the dividends paid; the surplus fund, if any, and the number of stockholders; the funded and floating debts and the interest paid thereon; the cost and value of the property, franchises, and equipments of the carrier or owner; the number of employees and the salaries paid each class; the accidents to passengers, employees, and other persons, and the causes thereof; the amounts expended for improvements each year, how expended, and the character of such improvements; the earnings and receipts from each branch of business and from all sources: the operating and other expenses: the ments; the earnings and receipts from each branch of business and from all sources; the operating and other expenses; the balances of profit and loss; and a complete exhibit of the financial operations of the carrier or owner, each year, including an annual balance sheet. Such reports shall also contain such information in relation to rates or regulations concerning fares or freights, or agreements, arrangements, or contracts affecting the same as the Commission may require; and the Commission may in its discretion, for the purpose of enabling it the better to carry out the purposes of this part, prescribe a period of time within which all common carriers subject to the provisions of this part and owners of railroads engaged in interstate commerce shall have, as near as may be, a uniform system of accounts, and the manner in owners of railroads engaged in interstate commerces shall have, as near as may be, a uniform system of accounts, and the manner in which such accounts shall be kept. The Commission is hereby authorized to require that every subsidiary which is not a carrier or an owner or a motor carrier file with the Commission an annual report, which shall consist of its balance sheet as of the end of report, which shall consist of its balance sheet as of the end of the 12-month period determined under paragraph (2), its income account for such period, and its profit and loss account as of the beginning and the end of such period, and such report shall classify separately the accounts shown therein representing (a) transactions between the reporting subsidiary or subsidiaries and the controlling carrier, (b) transactions between the reporting subsidiary or subsidiaries and all other subsidiaries of the controlling carrier, and (c) all other transactions. The Commission in its discretion may permit two or more subsidiaries of the same carrier to report jointly, or to file consolidated reports, and shall have power to prescribe the form in which reports of subsidiaries shall be made pursuant hereto."

SEC. 5. Paragraph (2) of section 20 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(2) Said detailed reports shall contain all the required statistics for the period of 12 months ending on the 30th day of June in each year, or on the 31st day of December in each year if the Commission by order substitute that period for the year ending June 30, and shall be made out under oath and filed with the Commission at its office in Washington within 3 months after the close of the year for which the report is made, unless additional time be granted in any case by the Commission; and if any carrier, subsidiary, person, or corporation subject to the provisions of this part shall fail to or corporation subject to the provisions of this part shall fall to make and file said annual reports within the time above specified, or within the time extended by the Commission, for making and filing the same, or shall fall to make specific and full, true, and correct answer to any questions authorized by the provisions of this section within 30 days from the time it is lawfully required so to do, such party shall forfeit to the United States the sum of \$100 for each and every day it shall continue to be in default with respect thereto. The Commission shall also have authority by general or special orders to require said carriers or owners or any of eral or special orders to require said carriers or owners, or any of them, to file monthly reports of earnings and expenses, and to require such carriers and owners and subsidiaries to file periodical or special, or both periodical and special, reports concerning any matters about which the Commission is authorized or required by this or any other law to inquire or to keep itself informed or which it is required to enforce; and such reports shall be under oath whenever the Commission so requires; and if any such carrier, subsidiary, or owner shall fail to make and file any such report within the time fixed by the Commission, it shall be subject to the forfeitures last above provided."

SEC 6. Paragraph (5) of section 20 of the Tatashika Commission.

SEC. 6. Paragraph (5) of section 20 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(5) (a) The Commission may, in its discretion, prescribe the "(5) (a) The Commission may, in its discretion, prescribe the forms of any and all accounts and records to be kept by carriers subject to the provisions of this part, including the accounts and records of the movement of traffic, as well as of the receipts and expenditures of moneys. The Commission shall, as soon as practicable, prescribe, for carriers subject to this part, the classes of property for which depreciation charges shall be included under operating expenses, and the percentages of depreciation which shall be charged with respect to each of such classes of property, classifying the carriers as it may deem proper for this purpose. The Commission may, when it deems necessary, modify the classes and percentages so prescribed. The carriers subject to this part shall not charge to operating expenses any depreciation charges on classes of property other than those prescribed by the Commission, or charge with respect to any class of property a percentage of deprecicharge with respect to any class of property a percentage of depreci-ation other than that prescribed therefor by the Commission. No such carrier shall in any case include in any form under its operating or other expenses any depreciation or other charge or expenditure included elsewhere as a depreciation charge or otherwise under

ture included elsewhere as a depreciation charge or otherwise under its operating or other expenses.

"(b) The Commission shall have authority to inquire into the management of the business of all carriers and subsidiaries, and of all controlling persons and affiliates to the extent that the business of such controlling persons and affiliates is related to the control or management of the business of one or more carriers or subsidiaries, and the Commission shall keep itself informed as to the manner and method in which the same is conducted, and shall have the right to obtain from such carriers, subsidiaries, controlling persons, and affiliates such information as the Commission deems necessary to carry out the provisions of this part.

as the Commission deems necessary to carry out the provisions of this part.

"(c) The Commission, or any authorized agent thereof, shall at all times have authority to inspect and copy all accounts, books, records, memoranda, correspondence, and other documents, now or hereafter existing, of a carrier or subsidiary, and such accounts, books, records, memoranda, correspondence, and other documents, now or hereafter existing, of a controlling person or affiliate, as the Commission deems relevant to such controlling person's or affiliate's relation to or transactions with one or more carriers or subsidiaries.

person's or affiliate's relation to or transactions with one or more carriers or subsidiaries.

"(d) The Commission, or any authorized agent thereof, shall at all times have authority to inspect and copy such accounts, books, records, memoranda, correspondence, and other documents, now or hereafter existing, of any bank, trust company, trustee under any indenture, brokerage firm, investment banking firm, accounting firm, railway association, or person which sells or has sold equipment or supplies to carriers, as the Commission deems relevant to transactions or relations between such bank, firm, association, or person, and one or more carriers or subsidiaries.

"(e) It shall be unlawful for carriers subject to this part to keep any accounts, books, records, memoranda, and other documents, inconsistent with those prescribed or approved by the Commission. This provision shall apply to receivers and trustees of carriers."

of carriers

SEC. 7. Paragraph (6) of section 20 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(6) In case of failure or refusal on the part of any such carrier,

receiver, or trustee to keep such accounts and records, on the books and in the manner prescribed by the Commission, or in case of failure or refusal on the part of any carrier, receiver, trustee,

subsidiary, controlling person, affiliate, or other person to submit any accounts, books, records, memoranda, correspondence, or other documents to the Commission or any of its authorized agents or

any accounts, books, records, memoranda, correspondence, or other documents to the Commission or any of its authorized agents or examiners for inspection or copying, as required by this section, such carrier, receiver, trustee, subsidiary, controlling person, affiliate, or other person shall forfeit to the United States the sum of \$500 for each such offense and for each and every day of the continuance of such offense, such forfeitures to be recoverable in the same manner as other forfeitures provided for in this part."

Sec. 8. Paragraph (7) of section 20 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(7) Any person who shall willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required to be filed, or in the accounts of any book of accounts or in any record or memoranda kept by a carrier or a subsidiary thereof, or who shall willfully destroy, mutilate, or alter such accounts, books, or records, or by any means or device falsify the record of any such account, record, or memoranda, or any books, correspondence, or other documents, or who shall willfully neglect or fail to make full, true, and correct entries in any such accounts or records, of all facts and transactions appertaining to the business of the carrier or subsidiary, or shall keep any accounts, records, or memoranda inconsistent with those prescribed or approved by the Commission, or shall knowingly or willfully file with the Commission any false report or other document required to be filed by it, shall be deemed guilty of a misdemeanor, and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not less than \$1,000 nor more than \$5,000 or imprisonment for a term not less than 1 year nor more than 3 years, or both such fine and imprisonment: Provided, That the Commission may, in its discretion, issue orders specifying such operating, accounting, or financial papers, records, books, blanks, tickets, s books, blanks, tickets, stubs, correspondence, or documents of carriers and subsidiaries as may, after a reasonable time, be destroyed, and prescribing the length of time such books, papers, correspondence, or documents shall be preserved. As used in this part, the word 'keep' shall be construed to mean make, prepare, or compile, well as retain.

SEC. 9. Section 20a of the Interstate Commerce Act, as amended, is hereby amended by adding at the end two new paragraphs, which shall take effect 60 days after the approval of this act,

which shall take effect 60 days after the approval of this act, reading as follows:

"(13) Subsidiaries of carriers (other than subsidiaries which are carriers subject to this part, and other than common or contract carriers by motor vehicle, corporations organized for the purpose of engaging in transportation as such carriers, and corporations authorized by order entered under section 213 (a) (1) of part II to acquire control of any such carrier, or of two or more such carriers) shall be subject to the provisions of paragraph (2) to (6) and (8) to (11), inclusive, of this section, including penalties applicable in cases of violations thereof: Provided, That such paragraphs shall not apply to the issuance of securities by a wholly owned subsidiary to the carrier which owns such subsidiary to one or more other wholly owned subsidiaries of such carrier, but in such event it shall be unlawful for the carrier or subsidiary to which such securities are issued to sell or otherwise dispose of the same to any other person without the authorization of the Commission under paragraph (2) of this section: Provided further, That the Commission shall by order authorize an issue or assumption by any sion under paragraph (2) of this section: Provided further, That the Commission shall by order authorize an issue or assumption by any such subsidiary under paragraph (2) of this section only if it finds that such issue or assumption is compatible with the public interest in transportation, will not adversely affect the carrier or carriers in control of such subsidiary, and will not impair the ability of such carrier or carriers to perform their service to the public. As used in this paragraph, the term 'wholly owned subsidiary' means a subsidiary all of whose outstanding voting securities (exclusive of directors' qualifying shares) are owned by a carrier or by a company which is a wholly owned subsidiary by virtue of this sentence, or by both.

or by both.

"(14) After December 31, 1939, it shall be unlawful for any officer or director of a carrier to hold the position of officer or director of a subsidiary which is subject to paragraph (13) of this section and less than 100 percent of whose stock (exclusive of directors' qualifying shares) is held by such carrier or by another such subsidiary, unless such holding shall have been authorized by order of the Commission, upon due showing in form and manner as prescribed by the Commission, that neither public nor private interests will be adversely affected thereby. After this paragraph takes effect, the second and third sentences of paragraph (12) of this section shall apply to subsidiaries subject to paragraph (13) of this section." this section."

SEC. 10. The Interstate Commerce Act, as amended, is hereby amended by adding, after section 20a, a new section, which shall take effect 60 days after the approval of this act, reading as follows:

"Sec. 20b. (1) It shall be unlawful, except with the prior approval of the Commission under paragraph (2) of this section, for any carrier or subsidiary (or for any carrier and one or more subsidiaries which are controlled, directly or indirectly, by such carrier), directly or indirectly, by any method or device whatsoever—

"(i) to expend or effect the expenditure of any funds, transfer or effect the transfer of anything of value, or make, cause to be made, or guarantee any loan (whether or not in connection with any obligation, contract, or agreement), to an aggregate amount in excess of \$50,000 of money or value in any one calendar year;

"(ii) to incur any obligation or enter into any contract or agreement (other than an obligation which is, or a contract or agreement which is, and all terms and conditions of which are, agreement which is, and all terms and conditions of which are, conditional as to performance and validity upon the approval of such obligation, contract, or agreement by the Commission under paragraph (2) of this section), providing for the expenditure of funds, the transfer of anything of value, or the making or guaranteeing of any loan, by or effected by such carrier or subsidiary, to an amount in excess of \$50,000 of money or value, for or in connection with the acquisition, direct or indirect, or by any means whatseever by or in behalf of such carrier or for or in connection with the acquisition, direct or indirect, or by any means whatsoever, by or in behalf of such carrier or subsidiary, of any interest whatsoever in securities (including any note, stock, bond, debenture, any collateral-trust certificate, voting-trust certificate, certificate of deposit for a security, receiver's or trustee's certificate, or, in general, any instrument commonly known as a security; or any certificate for interest or participation in, temporary or interim certificate for, receipt for, guaranty of, assumption of liability on, or warrant or right to subscribe to or purchase, any of the foregoing).

"(2) (a) Any carrier or subsidiary which proposes to enter into or effect a transaction which is prohibited by paragraph (1) of this section unless the Commission approve such transaction, shall file an application for approval of such transaction with the Commission. Within a reasonable time after the filing of such application, and after investigation of the purposes and uses of the proposed transaction, the Commission shall issue an order approving, or, after notice and opportunity for hearing,

uses of the proposed transaction, the Commission shall issue an order approving, or, after notice and opportunity for hearing, denying or otherwise disposing of, such application. The Commission shall approve such a transaction by a carrier, or such a transaction by a noncarrier subsidiary in securities issued, assumed, or guaranteed by a carrier, if, but only if, it finds that such transaction constitutes a proper use of the funds, assets, or credit of the carrier or subsidiary, and will be compatible with the public interest, and that the terms and conditions of the proposed transaction are fair and reasonable, and shall approve proposed transaction are fair and reasonable, and shall approve such a transaction by a noncarrier subsidiary (other than a transaction in securities issued, assumed, or guaranteed by a carrier) if, but only if, it finds that such transaction is compatible with the public interest in transportation, will not adversely affect the carrier or carriers in control of such subsidiary, and will not impair the ability of such carriers or carriers are

versely affect the carrier or carriers in control of such subsidiary, and will not impair the ability of such carrier or carriers to perform their service to the public.

"(b) The provisions of paragraphs (3) and (4) of section 20a shall apply to applications under this paragraph (2).

"(3) (a) The provisions of paragraphs (1) and (2) of this section shall not apply to any acquisition which has been authorized by the Commission under any other provisions of this act, and shall not prohibit a carrier or subsidiary from investing its funds in obligations of, or guaranteed by, the United States of America, or such other obligations as are permissible for investment by savings banks and trustees under the laws of any State in which the carrier is incorporated, or in which the principal operating or carrier is incorporated, or in which the principal operating or executive office of the carrier is located.

"(b) The provisions of paragraphs (1) and (2) of this section shall not prohibit any carrier or wholly owned subsidiary of such carrier from using its funds or assets for the payment, retirement, or purchase of (1) the lawful obligations issued, assumed, or guaranteed by, or which are a lien upon properties of, such carrier existing on the effective date of this section or thereafter lawfully incurred or (ii) securities issued as guaranteed. incurred, or (ii) securities issued or guaranteed, or obligations assumed by, or which are a lien upon properties of, another carrier operated by such carrier, or in respect of which securities such carrier is lawfully obligated or liable as lessor, lessee, guarantor, endorser, surety, or otherwise, or (iii) securities issued by or which endorser, surety, or otherwise, or (iii) securities issued by or which are a lien upon properties of a company operated or owned or used by such carrier and one or more other cariers as a joint facility, or (iv) securities issued or guaranteed, or obligations assumed, by another subsidiary of such carrier if, at the time of such acquisition, 95 percent or more of its outstanding voting securities are owned by such carrier or by a wholly owned subsidiary of such carrier, or by both. As used in this paragraph, the term 'wholly owned subsidiary' means a subsidiary all of whose outstanding voting securities (exclusive of directors' qualifying shares) are owned by a carrier or by a company which is a wholly owned subsidiary by virtue of this sentence, or by both. Nor shall such provisions prohibit any subsidiary (whether or not a carrier) from using its own funds or assets (but not funds, assets, or credit furnished or supplied to such subsidiary, directly or indirectly, by any means or device whatsoever, by a carrier which controls such subsidiary) for the payment, requirement, or purchase of its lawful obligations existing on the effective date of this section or thereafter lawfully incurred.

"(c) The provisions of paragraphs (1) and (2) of this section shall not prohibit any carrier or subsidiary from exercising conversion privileges or subscription rights with respect to securities lawfully acquired, nor from acquiring securities in exchange for lawfully acquired securities in merger, consolidation, or reorganization proceedings, nor from receiving obligations issued for the purpose of extending, renewing, or refunding obligations held at the effective date of this section or lawfully acquired thereafter, nor from acquiring obligations secured by purchase money liens upon the sale of real property, nor from receiving securities in whole or partial satisfaction of lawful claims in bankruptcy or insolvency proceedings, nor shall such provisions prohibit any carrier, or subsidiary which is engaged (wholly or partially) in a commercial or industrial or other nontransportation enterprise, from accepting notes

(other than notes issued by a carrier or secured by securities issued, assumed, or guaranteed by a carrier) in the ordinary course of business of such enterprise for property sold or services (other than transportation services) rendered on credit.

"(4) Within ten days after the incurring or entering into of any

obligation, contract, or agreement which is conditional upon approval by the Commission under paragraph (2) of this section, and within such period as the Commission may prescribe after the within such period as the Commission may prescribe after the expenditure of any funds, the transfer of anything of value, the making or guaranteeing of any loan, the acquisition of any securi-

making or guaranteeing of any loan, the acquisition of any securities, or the incurring or entering into of any obligation, agreement, or contract to acquire any securities, by any carrier or subsidiary, as authorized by an order of the Commission under paragraph (2) of this section, such carrier or subsidiary shall file with the Commission a certificate of notification to that effect setting forth therein all such facts as may be required by the Commission.

"(5) Any director, officer, attorney, employee, or agent of a carrier or subsidiary who knowingly assents to or participates in any expenditure of funds, transfer of any thing of value, making or guaranteeing of any loan, acquisition of securities, or the incurring or entering into of any obligation, contract, or agreement to acquire securities, contrary to the provisions of this section, shall be subject to the penalties provided in paragraph (11) of section 20a."

Mr. WHEELER. Mr. President, this is a bill which was recommended by the Interstate Commerce Commission. It was drafted by the Commission in cooperation with a member of the legal staff of the Interstate Commerce Committee of the Senate. Hearings were held on the bill. The Senator from Missouri [Mr. Truman] was chairman of the subcommittee, and the Senator from Vermont [Mr. Austin], the Senator from New Hampshire [Mr. Tobey], the Senator from Alabama [Mr. Hill], and the Senator from Colorado [Mr. Johnson] were members of the subcommittee. During an extended adjournment of the hearings, every feature of the bill to which the attorneys for the railroads objected was discussed in detail in conference with them, and it was finally agreed by everyone concerned, including the Interstate Commerce Commission, that the bill in its present form will not unduly burden or hamper the regular conduct of the railroads' business and that they had no further suggestions with respect to its form. They all stated that they did not wish to be heard further on the bill.

Mr. McKELLAR. What is the purpose of the bill? Mr. WHEELER. The purpose of the bill is to prevent certain wasteful expenditures of money by the railroads such as those which took place between the years 1922 and 1929, when they speculated in the stocks and securities of other railroads, and suffered tremendous losses.

The PRESIDING OFFICER. The question is on the

engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONTROL OF DISEASE IN THE DISTRICT OF COLUMBIA

The bill (S. 2745) to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and empowered to promulgate and enforce all such reasonable rules and regulations as they may deem necessary to prevent and control the spread of communicable and preventable diseases in the District of Columbia.

and preventable diseases in the District of Columbia.

Sec. 2. The said Commissioners are authorized to prescribe a reasonable penalty of fine, not to exceed \$100, or of imprisonment, not to exceed 30 days, or both, for the violation of any rule or regulation promulgated under the authority of this act, and all prosecutions for violations of such rules and regulations shall be active to the property of the prop in the police court of the District of Columbia in the name of the District of Columbia upon information filed by the corporation counsel of the District of Columbia or any of his assistants.

SEC. 3. This act shall take effect from and after 90 days after its passage and approval, and from and after the expiration of said period the following acts are hereby repealed:

An act entitled "An act to prevent the spread of contagious diseases in the District of Columbia," approved March 3, 1897 (29 of the Columbia). Stat. 635);

An act entitled "An act for the prevention of scarlet fever, diphtheria, measles, whooping cough, chicken pox, epidemic cerebrospinal meningitis, and typhoid fever in the District of Columbia," approved February 1, 1907 (34 Stat. 839);

An act entitled "An act to provide for registration of all cases of tuberculosis in the District of Columbia, for free examination of sputum in suspected cases, and for preventing the spread of tuberculosis in said District." approved May 13, 1908 (35 Stat. 126); and

An act entitled "An act for the prevention of venereal diseases in the District of Columbia, and for other purposes," approved February 26, 1925 (43 Stat. 1001).

FARMERS' MARKET, DISTRICT OF COLUMBIA

The joint resolution (H. J. Res. 340) providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the remaining parts of these lots shall from now on be inviolate as a farmers' market and shall not be taken from them as long as needed by said farmers as a market place.

The preamble was agreed to.

AMENDMENT OF MOTOR-VEHICLE FUELS TAX

The bill (S. 2778) to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, be amended by striking from the last sentence of section 10 thereof the word "inirty" and inserting in lieu thereof the word "sixty."

The bill (H. R. 5516) for the relief of Charlotte E. Hunter was considered, ordered to a third reading, read the third time, and passed.

Mr. LA FOLLETTE. I ask unanimous consent that the report covering House bill 5516, Calendar No. 1053, may be printed in the RECORD in connection with the passage of the

There being no objection, the report (No. 1009) was ordered to be printed in the RECORD, as follows:

The Committee on the District of Columbia, to whom was referred the bill (H. R. 5516) for the relief of Charlotte E. Hunter, having considered the same, report thereon favorably with the recommendation that the bill do pass.

The bill was submitted by the Commissioners of the District of Columbia with the approval of the Budget Bureau, as shown by the following letter from the president Board of Commissioners:

the following letter from the president, Board of Commissioners: MAY 13, 1939.

Hon. JENNINGS RANDOLPH,

Hon. Jennings Randolph,

Chairman, Committee on the District of Columbia,

United States House of Representatives, Washington, D. C.

My Dear Mr. Randolph: The Commissioners have received for
the purpose of reporting thereon a copy of H. R. 5516, Seventysixth Congress, first session, entitled "A bill for the relief of
Charlotte E. Hunter."

This bill provides that, notwithstanding provisions of an act
entitled "An act for the retirement of public-school teachers in
the District of Columbia," approved January 15, 1920, as amended,
the Commissioners of the District of Columbia are authorized and
directed to place on the retirement list of teachers retired under directed to place on the retirement list of teachers retired under the provisions of such act the name of Charlotte E. Hunter, for-merly a teacher in the public schools of the District of Columbia, and to pay, out of the fund established by such act, an annuity computed as provided in such act; and that the said Charlotte E. Hunter shall be accredited with and entitled to count for such purposes, in addition to all other periods of service to which she may be legally entitled, the period of her employment as such school teacher from February 5, 1895, to April 12, 1919, both dates inclu-

The teachers' retirement fund is maintained by contributions made by acting teachers and augmented by District-appropriated funds. If this bill is enacted into law, it would mean that Charlotte E. Hunter would receive an annuity of approximately \$65 per month payable from the teachers' retirement fund, to which Miss Hunter did not contribute. There are a number of former teachers now living in the District of Columbia in the same position as Miss Hunter, in that they retired from the service prior to the passage of the above-mentioned act entitled "An act for the retirement of public-school teachers in the District of Columbia" and have not contributed to the teachers' retirement fund and do not, therefore, come within the provisions of the act.

The Commissioners feel that certain facts are present in Miss Hunter's case which entitle it to consideration on its own merits separate and apart from any other request that might be subsequently submitted. For example, it appears that Miss Hunter went to Germany to study the kindergarten system at the request of the late Superintendent G. F. T. Cook, in charge of colored schools, and upon her return undertook the supervision of the kindergarten for a number of years without additional compensation, there being no funds available for a salary to reward such services. She also directed a home for the blind at the Harriet Tubman Aid to the Blind, Inc., an institution supported entirely by voluntary contributions, without compensation.

You are advised that the Board of Education has formally acted

on this bill and has no objection to its passage.

The Commissioners believe the legislation is desirable and wish to report favorably on the bill and urge its early enactment. Respectfully.

M. C. HAZEN

President, Board of Commissioners, D. C.

This bill is solely a private bill for the relief of Charlotte E. Hunter and in no way exchanges existing law.

LICENSE TO PRACTICE CHIROPRACTIC TO GEORGE M. CORRIVEAU

The bill (H. R. 4732) to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau, was considered, ordered to a third reading, read the third time, and passed.

LICENSE TO PRACTICE CHIROPRACTIC TO LAURA T. CORRIVEAU

The bill (H. R. 4733) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau, was considered, ordered to a third reading, read the third time, and passed.

INCORPORATION OF GROUP HOSPITALIZATION, INC.

The bill (H. R. 6266) providing for the incorporation of certain persons as Group Hospitalization, Inc., was considered, ordered to a third reading, read the third time, and passed.

SALE OF PERSONAL REAL ESTATE IN THE DISTRICT OF COLUMBIA

The bill (H. R. 6405) authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, was considered, ordered to a third reading, read the third time, and passed.

INSANITY PROCEEDINGS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 7086) to provide for insanity proceedings in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF THE DISTRICT OF COLUMBIA REVENUE ACT OF 1939

The bill (H. R. 7320) to amend the District of Columbia Revenue Act of 1939, and for other purposes, was considered, ordered to a third reading, read the third time, and

AMENDMENT OF THE ACT TO REGULATE MEDICAL PRACTICE IN THE DISTRICT

The bill (S. 2779) to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27, 1929, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as

Be it enacted, etc., That the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the "Healing Arts Practice Act, District of Columbia," known as the "Healing Arts Practice Act, District of Columbia, 1928," approved February 27, 1929, be amended by striking from the first sentence of section 18 thereof the words "beginning on the second Monday in January and July of each year and at such other" and inserting in lieu thereof the words "at such."

ABATEMENT OF PERSONAL TAXES FROM INSOLVENT BUILDING ASSO-CIATIONS, DISTRICT OF COLUMBIA

The bill (H. R. 4434) to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

PERMANENT TENURE FOR CARRIERS OF MAIL ON STAR ROUTES

The Senate proceeded to consider the bill (S. 1214) to provide for a more permanent tenure for persons carrying the mail on star routes, which had been reported from the Committee on Post Offices and Post Roads, with an amendment, to strike out all after the enacting clause and insert:

That (a) section 3951 of the Revised Statutes, as amended by the act of August 11, 1876 (amending secs. 246 and 251 of the act of June 8, 1872) (U. S. C., 1934 ed., title 39, sec. 434), is hereby amended by striking out the last sentence of such section and inserting in lieu thereof the following: "In cases of regular contracts for carrying the mail upon star routes, the contract may, in the discretion of the Postmaster General, and in the interests of the Postal Service, be renewed for single periods

of 4 years from date of expiration, at the rate prevailing at the end of the contract term, and like renewals of such contracts may thereafter be made as often as the interests of the service may require. Any regular contract may be continued in force beyond its express terms for a period not exceeding 6 months, until a new contract with the same or another contractor shall be made by the Postmaster General by regular advertisement as required by existing law."

(b) That section 3951 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 39, sec. 434), is hereby amended by the addition of the following:

"The Postmaster General may, in his discretion and under such regulations as he may prescribe, allow additional compensa-tion to a star-route contractor for necessary increased travel caused by obstruction of roads, destruction of bridges, discontinuance of ferries, or any other cause occurring during the contract term, but such additional compensation allowed shall not be proportionately greater than the rate established by the contract involved: *Provided*, That the provisions of section 3960 of the Revised Statutes (U. S. C., title 39, sec. 440), that no compensation shall be paid for additional service in carrying the mail until such additional service is ordered, the sum to be allowed therefor to be expressed in the order and entered upon the books of the department and that no compensation shall be paid for of the department, and that no compensation shall be paid for any additional regular service rendered before the issuing of such order, shall not apply to any service authorized under this para-

graph.

"The Postmaster General may, in his discretion and in the interest of the Postal Service, readvertise and award new contracts for the purpose of releasing contractors and their sureties under the following conditions: (a) Where a change is ordered in the service involving a material increase or decrease in the amount of service required to such extent as to impose undue hardship on the contractor; (b) where an abnormal or sustained increase in the quantity of mail develops during a contract period or after a bid has been submitted, necessitating larger capacity equipment to maintain the service: (c) where a change in schedule equipment to maintain the service; (c) where a change in schedule is ordered that will necessitate the contractor being away from the initial terminal an excessively longer or an excessively shorter

initial terminal an excessively longer or an excessively shorter period than was required in the advertised schedule."

Sec. 2. As used in sections 3945 and 3946 of the Revised Statutes (U. S. C., 1934 ed., title 39, secs. 426 and 427) and in section 8 of the act entitled "An act to amend the act approved June 25, 1910, authorizing the Postal Savings System, and for other purposes," approved May 18, 1916, as amended (U. S. C., 1934 ed., title 39, sec. 344), the term "bidder" shall include a contractor who is an applicant for renewal of his contract under section 3951 of the Revised Statutes as amended. No proposal for a contract for star-route service shall be considered unless the bidder is a legal resident of the county or counties traversed by the roads over which the mails are to be carried, or a legal resident within the counties adjoining such county or counties; except that proposals for carrying the mail

be carried, or a legal resident within the counties adjoining such county or counties; except that proposals for carrying the mail tendered by firms, companies, or corporations shall be considered: *Provided*, That such firms, companies, or corporations are actually engaged in business within the counties in which individuals are herein restricted as to residence: *And provided further*, That the term "county," as used herein, shall include parish or other similar primary subdivision of a State.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING subsequently said:

Mr. President, I was diverted for a moment in conversation with the Senator from Kansas when Calendar No. 1062, Senate bill 1214, was called. I remember that we had considerable controversy over a measure, I think similar to this in the last session of Congress. I think we should have had an explanation of the bill. It is to provide for more permanent tenure for persons carrying the mail on star

Mr. McCARRAN. Mr. President, the subcommittee, after a long study, in connection with which it took the matter up with the Department, recommended the amendment which the bill proposes to make in the law. I wish to be frank with the Senator, and say that as to one part of the bill the Post Office Department does not express itself. The reason for that is that the Bureau of the Budget did not favor it. That is the part of the bill which would authorize the Postmaster General, when and if it was in the best interest of the service, to permit an extension of a contract already let, after that contract had been in force and effect for 4 years and the services were satisfactory. I hope the Senator will not object to the measure because, in my judgment and in the judgment of those who studied the matter, it will result in great benefit to the Service.

Mr. KING. The Senator may recall that at the last session when this measure was under considerationMr. McCARRAN. I remember it very well.

Mr. KING. There were very serious conflicts between those who had the contracts and those who desired them, and there was considerable evidence tending to show that the improvements were necessary, and would be made if there was open bidding and others might bid for the contracts.

Mr. McCARRAN. Mr. President, I may say in reply that, while I cannot state definitely that all the discrepancies and differences between the several groups in these regions have been ironed out, no objection has been filed against the bill, nor against its amended form, and everything has been done by the committee and by the subcommittee to attempt to iron out those differences. I had a group representing the star routes meet together with Mr. Cole and Mr. O'Connell, representing the Post Office Department, in my office for hours pursuant to the investigation of the committee, and this bill is the result. If the Senator does not object to the passage of the bill, I think he will find that great benefit will flow from it. I have in mind, in answering the Senator, the history of the legislation which we considered 2 years ago and then last year, and so on. The bill is the result of the study which was made of the subject over a considerable period of time.

Mr. KING. I should like to ask the Senator two questions. First, would the bill promote the best interests of the Government, and, secondly, is it intended to perpetuate in control those who already have contracts, and to prevent

any further competition?

Mr. McCARRAN. My answer is, first of all, to say that, in my judgment, it promotes the best interest of the Government. Second, it does not perpetuate the tenure of office of contractors for themselves. So that my answer may be fully understood, I will say that at all times at the expiration of a contract the Postmaster General may or may not grant continuance of the contract. He has it in his power to do it at any time.

PENSIONS RESULTING FROM DISABILITY OR DEATH IN CONFLICT IN FAR EAST

The Senate proceeded to consider the bill (S. 1643) to provide pensions at wartime rates for disability or death incurred in line of duty as a direct result of the conflict in the Far East, which had been reported from the Committee on Finance with an amendment on page 2, line 1, before the word "regulation", to strike out "the" and to insert "this", so as to make the bill read:

as to make the bill read:

Be it enacted, etc., That paragraph I of part II, Veterans Regulation No. 1 (a), as amended (U.S.C., title 38, ch. 12, appendix; Executive Order No. 6156, dated June 6, 1933, is hereby amended by adding a new subparagraph (d) to read as follows:

"(d) Any veteran or the dependents of any deceased veteran otherwise entitled to pension under the provisions of part II of this regulation shall be entitled to receive the rate of pension provided in part I of this regulation, if it is determined by the Administrator of Veterans' Affairs that the injury or disease resulting in disability or death was incurred in line of duty as a direct result of the conflict in the Far East: Provided, That if an injury or death for which pension is payable under this subparagraph is caused under circumstances creating a legal liability upon some foreign government to pay damages therefor, the Administrator of Veterans' Affairs shall require the beneficiary to assign to the United States all his right, title, or interest in the indemnity payments made by such foreign government before any payments shall be made under this subparagraph."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LIMITATIONS OF PROFITS OF CERTAIN CONTRACTORS

The Senate proceeded to consider the bill (S. 2464) to amend the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496; sec. 14 of Public, No. 18, 76th Cong.), to adjust the limitations on the profits of certain contractors with the United States, which had been reported from the Committee on Naval Affairs with an amendment to add a new section 2 at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the first proviso of section 3 (b) of the act of March 27, 1934 (48 Stat. 505), as amended by the act of June

25, 1936 (49 Stat. 1926; 34 U. S. C., Supp. IV, 496), and by section 14 of the act of April 3, 1939 (Public, No. 18, 76th Cong.), is hereby further amended to read as follows: "Provided, That if there is a net loss, or a net profit less than 10 percent, on all such contracts or subcontracts for the construction and/or manufacture of any complete naval vessel or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in deternet loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding 4 income taxable years; that if there is a net loss, or a net profit less than 12 percent, as aforesaid on all such contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding 4 income taxable years; and that the method of ascertaining the amount of excess profit initially fixed upon shall be determined on or before June 30, 1939, in the case of contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof. and/or manufacture of any complete aircraft or portion thereof, and shall be determined within 90 days from the date of enactment of this amendment in the case of contracts or subcontracts for the construction and/or manufacture of any complete naval vessel or portion thereof."

SEC. 2. The amendments made by this act shall be applicable to all contracts and subcontracts completed within an income taxable

year ending after April 3, 1939.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RILL PASSED OVER

The bill (S. 2904) a bill to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation was announced as next in

Mr. BYRNES. I ask that that bill be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF THE CANAL ZONE CODE

The Senate proceeded to consider the bill (S. 310) to amend the Canal Zone Code, which was read as follows:

Be it enacted, etc., That section 92, title 2, of the Canal Zone Code, approved June 19, 1934, be amended to read as follows:

Gote, approved June 19, 1934, be amended to read as follows:

"All employees to whom this article applies shall, after reaching the age of 62 years and having rendered at least 15 years of service on the Isthmus of Panama, be automatically separated from the service and retired on the annuity provided for herein and all salary, pay, or compensation shall cease from that date: Provided, That if the Governor of the Panama Canal certifies to the Civil Service Commission that by reason of his efficiency and willingness to remain in the service the continuance of such employee therein would be advantageous to the public service, such employee may be retained for a period of 1 year upon the approval and certification of the Civil Service Commission, and by similar certification and approval he may be continued for another year, and so on: Provided, however, That after June 30, 1939, no employee shall be continued in the service beyond the age of retirement for more than 3 years, unless so continued by Executive order when in the judgment of the President the public interest so requires: And provided further, That no such person heretofore or hereafter separated from the service under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment to which this article applies.

"All employees to whom this article applies who would be

or employment to which this article applies.

"All employees to whom this article applies who would be eligible for retirement from the service upon attaining the age of 62 years shall be eligible for retirement on an annuity as provided in section 96 of this title (1) after attaining the age of 58 years and having rendered at least 30 years' service computed as provided in section 97 of this title, not less than 15 years of which shall have been rendered on the Isthmus of Panama, or (2) after attaining the age of 55 years and having rendered at least 30 years' service on the Isthmus of Panama, computed as provided in section 97 of this title. Retirement under the provisions of this paragraph shall be at the option of the employee, but, if such option is not exercised prior to the date upon which the employee would otherwise be eligible for retirement from the service, the provisions of this article with respect to automatic separation from the service shall apply."

Sec. 2. Section 96, title 2, of the Canal Zone Code is amended by adding, after the fourth paragraph of said section, the following additional paragraph:

additional paragraph:

additional paragraph:

"Any employee retiring under the provisions of sections 92 or 93 of this title may at the time of his retirement elect to receive in lieu of the life annuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary designated by him at the time of his retirement, which designation shall be in writing and filed with the Civil Service Commission. The amount of the annuity of the surviving beneficiary shall be either equal to or 50 percent of the employee's

reduced annually as the employee shall elect in the writing herein-before provided for, and the said annuity shall be payable during the life of the beneficiary, and upon the death of the beneficiary all payments shall cease and no further annuity shall be due and pay-able. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forfeiture provided by this section: Provided, That no election in lieu of the life an-nuity provided herein shall become effective in case an employee nuity provided herein shall become effective in case an employee dies within 30 days after the effective date of retirement, and death within such period shall be considered as a death in active service. Any surviving beneficiary designated as provided in this paragraph may within a period of 6 months after the death of the paragraph may within a period of 6 months after the death of the retired employee, and under such regulations as may be prescribed by the Civil Service Commission, deposit a sum not exceeding \$10,000 for the purchase of an annuity to be added to the annuity payable to such surviving beneficiary as provided in this paragraph, and such added annuity shall likewise carry with it the proviso that no unexpended part of the principal upon the annuitant's death shall be returned."

SEC. 3. Section 94, title 2, of the Canal Zone Code, as amended, is further amended by striking out, wherever they appear, the words "90 days" and "90-day" and inserting in lieu thereof "1 year."

SEC. 4. Section 99, title 2, of the Canal Zone Code, is amended by adding, after the first paragraph of said section, the following adding after the first paragraph of said section, the following adding.

adding, after the first paragraph of said section, the following addi-

tional paragraph:

"At the option of any employee, to be exercised at any time prior to his retirement, and under such regulations as may be prescribed by the Civil Service Commission, additional sums in multiples of 1 percent, but not to exceed 20 percent, of his annual multiples of 1 percent, but not to exceed 20 percent, of his annual basic salary, pay, or compensation, for any period subsequent to June 30, 1931, may be deducted and withheld, or paid by the employee, and deposited as provided in the first paragraph of this section, which amount, together with interest thereon at 3 percent per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, in accordance with such rules and regulations as may be prescribed by the Civil Service Commission, with the approval of the board of actuaries, in addition to the annuity provided by this article, an annuity according to the experience of the Canal Zone retirement and disability fund as may from time to time be set forth in the tables of annuity values by the board of actuaries besed on an interest of annuity values by the board of actuaries based on an interest rate at 4 percent."

SEC. 5. Paragraph (b) of section 101, title 2, of the Canal Zone

Code is amended to read as follows:

"In the case of any employee to whom this article applies who shall be transferred to a position not within the purview of this article, or who shall become absolutely separated from the service before becoming eligible for retirement on an annuity, the amount credited to his individual account shall be returned to such employee together with interest at 4 percent per annum communication. ployee together with interest at 4 percent per annum compounded on June 30 of each year to June 30, 1939, and 3 percent per annum compounded on June 30 of each year thereafter: Provided, That when an employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, the total amount of his deductions with interest thereon the table of the percent per annum compounded on June 30 of each year. at 4 percent per annum compounded on June 30 of each year shall be returned to such employee: And provided further, That shall be returned to such employee: And provided further, That all moneys so returned to an employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this article, be redeposited with interest at 4 percent per annum compounded on June 30 of each year before such employee may derive any benefits under this article, except as provided in this section, but interest shall not be required covering any period of separation from the service."

Sec. 6. Section 101, title 2, of the Canal Zone Code, as amended, is further amended by adding at the end of the said section an additional paragraph designated "(g)" and reading as follows:

"(g) The provisions of this section shall be construed to apply to the additional deductions and deposits referred to in the second

"(g) The provisions of this section shall be construed to apply to the additional deductions and deposits referred to in the second paragraph of section 99 of this title as added by section 4 of this act: Provided, however, That under paragraph (a) of this section there shall be no additional deduction of \$1 per month or major fraction thereof, on account of said deductions and deposits: Provided further, That under paragraphs (b) and (d) of section 101, as amended, the interest payable upon return of the deductions and deposits referred to in this paragraph shall be computed at 3 percent per annum, compounded on June 30 of each year: And provided further, That under paragraph (b) of this section no part of such deductions and deposits or interest thereon returned to an employee upon his transfer or separation from the service as to an employee upon his transfer or separation from the service as provided in this section shall be required to be redeposited by him as a condition precedent to the receipt by him of benefits under this article.

SEC. 7. This act shall take effect on

Mr. LA FOLLETTE. Mr. President, will the Senator from Missouri explain the bill, please?

Mr. CLARK of Missouri. The bill can be explained by reference to page 2 of the report of the committee, which contains in parallel columns a statement of the difference between the present law and the proposed amendment.

Mr. LA FOLLETTE. With the celerity with which we are considering the bills on the calendar, I have no time to sit down and read the two parallel columns. Will the Sentor explain briefly what the bill proposes?

Mr. CLARK of Missouri. The items of difference in the bill are set out in those two columns more briefly than I could possibly explain them.

Mr. LA FOLLETTE. I ask that the bill go over until I can read the two columns.

Mr. CLARK of Missouri. I have no objection. I will say in explanation without going into the details, that the bill simply provides to equalize certain conditions affecting employees on the Canal Zone as far as may be. The fact is that service in tropical countries shortens the lives of men who work there. Experience has proved that men who have been employed by the Panama Canal authority, on leaving the Panama Canal Zone live only on an average of 2 years and 6 months.

This bill is sponsored by the American Federation of Labor. The representatives of the American Federation of Labor appeared before the committee to advocate certain slight changes, reducing the age of voluntary retirement after 30 years service from 62 to 58 years, and to make certain provisions for the buying of additional annuities. There are certain technical matters which will require more than the time allowed by the rules of the Senate when legislation is considered on the call of the calendar. If the Senator from Wisconsin desires to object, I am perfectly willing that the bill go over.

Mr. LA FOLLETTE. Mr. President, the statement which the Senator from Missouri has made completely satisfied my interest in the matter. All I asked for was a general statement as to what the bill sought to accomplish. The Senator having made the statement here, I am satisfied.

The PRESIDING OFFICER. Is there objection to the

present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 2178) to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 2642) to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 2510) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public kindergarten or kindergarten and nursery-school education was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over. CONSTRUCTION OF WATER AND SEWER SYSTEMS, FARGO, N. DAK.

The Senate proceeded to consider the bill (S. 2059) authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems, which had been reported from the Committee on Commerce with amendments on page 1, line 3, after the words "that the", to strike out "Secretary of Commerce" and to insert "Administrator of the Civil Aeronautics Authority" and at the end of the bill to insert a new section 2, so as to make the bill read:

Be it enacted, etc., That the Administrator of the Civil Aeronautics Authority is authorized and directed to grant to the city of Fargo, N. Dak., a permanent easement authorizing such city to construct and maintain a system of intercepter or trunk sewer lines and water mains under the west 60 feet of a tract of land owned by the United States and located north of such city of Fargo, in Cass County, N. Dak., such tract of land being now used as the site of an airways radio and range station and is more specifically described as follows: Beginning at the northwest corner southwest quarter of section 30, township 140 north, range 48 west, fifth principal meridian; thence east 880 feet to a point; thence south 645 feet to a point; thence west 880 feet to a point; thence north 645 feet to the place of beginning, containing in all 13½ acres. The easement authorized to be granted by this act shall be in lieu of the license revocable at the will of the Secretary of Commerce granted to such city by a certain instrument dated December. in lieu of the license revocable at the will of the Secretary of Commerce, granted to such city by a certain instrument dated December 20, 1934, and executed by Ewing Y. Mitchell, Assistant Secretary of Commerce, as amended by a certain instrument dated March 12, 1935, and executed by the said Ewing Y. Mitchell. Such easement shall be granted subject to such reasonable conditions as the Secretary of Commerce may deem desirable to include in the grant for the purpose of preventing interference with the operation and maintenance of the air-navigation facilities now or hereafter located upon such tract of land. upon such tract of land.

SEC. 2. Such easement shall be granted subject to the following

condition:

(1) The grantee shall not use any machines or erect any temporary structures on said land that will extend more than 10 feet above the surface of the immediately surrounding area without permission of the operator in charge of the station or erect any permanent structures above the ground;
(2) None of the operations of the city in the exercise of any of

the privileges granted by this easement shall interfere in any way with any wires, cables, conduits, pipes, sewers or other structures of any kind or character now installed in or across such tract or hereafter installed in such tract by the Government or by any subsequent owner of any part of the tract;

(3) The grantee shall not make any excavations that will present the product in trace in the present of the present of

(3) The grantee shall not make any excavations that will prevent or at any time unduly impede ingress and egress to the rest of the tract and, upon making any excavations, shall promptly restore the soil and surface of the land to its former condition;

(4) Such other reasonable conditions as the Administrator in the Civil Aeronautics Authority may deem desirable for the purpose of preventing interference with the operation and maintenance of the air navigation facilities now or hereafter located upon such tract of land. such tract of land.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6687) to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property measured by sales, purchases, or use thereof occurring in United States national parks, military and other reservations or sites over which the United States Government may have jurisdiction, was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

MERCHANTS DISTILLING CORPORATION

The Senate proceeded to consider the bill (S. 2210) for the relief of the Merchants Distilling Corporation, which had been reported from the Committee on Claims with amendments on page 1, line 10, after "March 25", to strike out "1937, together with interest at the rate of 6 percent per annum from the date of payment of such tax to the date of the approval of this act" and to insert "1937: Provided. That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000". so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Marchants Distilling Corporation, of Terre Haute, Ind., the sum of \$4,154.62, in full satisfaction of its claims against the United States for a refund. of the tax assessed and paid on 2,07731 proof gallons of distilled of the tax assessed and paid on 2,07731 proof gallons of distilled spirits lost in the process of manufacture on March 25, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EARLE EMBREY

The Senate proceeded to consider the bill (S. 2209) for the relief of Earle Embrey which had been reported from the Committee on Claims with an amendment at the end of the bill, to add a proviso so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earle Embrey, of New Albany, Ind., the sum of \$679.86, in full satisfaction of his claim against the United States for a refund of social-security taxes paid by him during the year 1938, under a misinterpretation of the provisions of title IX of the Social Security Act with respect to credit for the amount of contributions paid into an unemployment fund under a State law: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. Be it enacted, etc., That the Secretary of the Treasury is author-

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNA M. SHEA

The Senate proceeded to consider the bill (S. 2572) for the relief of Anna M. Shea, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$270.85" and to insert "\$161.50", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna M. Shea, of Portland, Oreg., the sum of \$161.50, in full satisfaction of her claim against the United sum of \$161.50, in full satisfaction of her claim against the United States for compensation and reimbursement for medical and hospital expenses incurred on account of personal injuries sustained by her as the result of being struck by an automobile operated by a Works Progress Administration employee on June 12, 1936, in Portland, Oreg.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000. any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HARRIETT BOSWELL AND OTHERS

The Senate proceeded to consider the bill (S. 1024) for the relief of Harriett Boswell, personally, and Harriett Boswell, guardian to Betty Fisher, which had been reported from the Committee on Claims, with an amendment to strike out all after the enacting clause and to insert:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harriett Boswell, of Paducah, Ky., guardian of Betty Fisher, the sum of \$3,000, in full settlement of any claim of Harriett Boswell, guardian of Betty Fisher, against the United States for personal injuries caused Betty Fisher, on January 21, 1937, by the negligent operation of a truck owned by the United States Government and driven by one of the employees in the Soil Conservation Service, which was at the time using said truck: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. Be it enacted, etc., That the Secretary of the Treasury be, and he

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Harriett Boswell, guardian of Betty Fisher."

KLAMATH GENERAL COUNCIL

The bill (S. 2153) to amend the act entitled "An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe." approved June 25, 1938, was announced as next in order.

approved June 25, 1938, was announced as next in order.
Mr. HOLMAN. Mr. President, on yesterday the House
passed the bill H. R. 5684, which is identical to Senate bill
2153. I ask unanimous consent that the House bill be substituted for the Senate bill and considered immediately.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 5684) amending the act of Congress of June 25, 1938 (ch. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, was read the first time by its title, and the second time at length, as follows:

Be it enacted, etc., That the act approved June 25, 1938 (52 Stat. 1207), be, and the same hereby is, amended by striking out the second proviso thereof and inserting in lieu thereof the following: "Provided further, That the official delegates of the tribe carrying on said business at the seat of government shall receive, if travel is by rail, the usual railroad and sleeping-car transportation to and from the seat of government or, if travel is by automobile, delegates furnishing such transportation shall receive an amount equivalent to the cost of their railroad and sleeping-car transportation to and from the seat of government, but salary and per diem shall not be paid to delegates traveling by automobile for any period in excess of the time required to perform the travel by railroad: Provided further, That the aforesaid official delegates shall also receive reimbursement for telegraphic expenses incurred on tribal business:".

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 5684?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2153 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 1789) to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, was announced as next in order.

Mr. RUSSELL. Mr. President, that appears to be a bill affecting the cancelation of deportation proceedings. It has never been considered by the Committee on Immigration. I object to the present consideration of the bill.

Mr. WHEELER. Mr. President, let me say to the Senator that the case is one involving an Indian woman and her daughter who came over to the United States from Canada. The wife and daughter did not have a visa. This woman is married to a Crow Indian in the United States. If she and her daughter were deported now she would have to go to Canada, be separated from her husband for a while, then come back to the United States.

Mr. RUSSELL. Mr. President, I do not doubt that the bill is very meritorious, but heretofore all bills which authorized cancelation of deportation proceedings have been referred to the Committee on Immigration.

Mr. WHEELER. I agree with the Senator that the bill should have gone to that committee, but because it related to an Indian it was sent to the Committee on Indian Affairs automatically.

Mr. RUSSELL. It would be just as logical to say that a bill dealing with the transportation of aliens to a foreign country should go to the Foreign Relations Committee rather than to the Committee on Immigration.

Mr. WHEELER. I entirely agree with the Senator from Georgia. The bill was, by error on the part of someone, sent to the Committee on Indian Affairs, and having gone there it was considered by that committee. The case is meritorious, and it should be passed in order to save this woman and her daughter from being deported. The Department has recommended the enactment of this measure.

Mr. RUSSELL. Mr. President, I have no doubt the measure is meritorious, but I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.
PUYALLUP INDIAN TRIBAL SCHOOL, TACOMA, WASH.

The Senate proceeded to consider the bill (S. 2141) to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes, which had been reported from the Committee on Indian Affairs, with amendments, on page 1, line 9, after "March 3", to strike out "1889" and to insert "1893"; in line 11, after the word "such", to strike out "form of relinquishment or deed to be executed by authorized members of the tribe elected by the tribe for that purpose" and to insert "tribal officials as the Puyallup Tribal Council shall authorize by resolution and by such form of relinquishment or deed as the Secretary of the Interior may designate."; on page 2, line 10, after the word "shares", to strike out "to the three hundred and forty members of the Puyallup Indian Tribe, whose names appear on the tribal roll approved May 12, 1930,"; and to insert "to the members of the Puyallup Indian Tribe, determined in accordance with the constitution and bylaws of the tribe approved May 13, 1936, as of the date of the passage of this act", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire, from the Puyallup Tribe of Indians of Washington, for Indian sanatorium purposes, tracts Nos. 6 and 7, containing 38 50/100 acres, including all tribalowned improvements thereon, of the Indian addition to the city of Tacoma, Wash., established under the act of March 3, 1893 (27 Stat. 633); title to be conveyed to the United States by such tribal officials as the Puyallup Tribal Council shall authorize by resolution and by such form of relinquishment or deed as the Secretary of the Interior may designate.

SEC. 2. In order to carry out the provisions of section 1 hereof there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of \$228,525, which sum shall be distributed by the Secretary of the Interior in equal shares to the members of the Puyallup Indian Tribe, determined in accordance with the constitution and bylaws of the tribe approved May 13, 1936, as of the date of the passage of this act under such rules and regulations as he may prescribe: Provided, That acceptance by each individual or by his or her natural or legal guardian or heirs of the pro rata share of the amount hereby authorized to be appropriated shall be recognized as completely extinguishing any and all right or interest such member of the tribe might have had in said property.

nized as completely extinguishing any and all right or interest such member of the tribe might have had in said property.

SEC. 3. The fulfillment of the provisions of section 2 hereof shall not bar the hospitalization of or medical attention to members of the Puyallup Tribe at the Indian sanatorium referred to in section 1.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DAM AND RESERVOIR, RIVERTON RECLAMATION PROJECT, WYOMING

The bill (S. 2843) granting easements on Indian lands of the Wind River or Shoshone Indian Reservation, Wyo., for dam site and reservoir purposes in connection with the Riverton reclamation project was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby granted to the United States and its assigns, including its successors in control of the operation and maintenance of the Riverton reclamation project, Wyoming, a flowage easement and an easement for a dam site, together with all rights and privileges incident to the use and enjoyment of said easements, over tribal and allotted lands of the Wind River or Shoshone Indian Reservation within that part of said reservation required for the construction of the Bull Lake Dam and Reservoir on Bull Lake Creek, a tributary of the Wind River, in connection with the Riverton reclamation project, Wyoming, and for the impounding of approximately 155,000 acre-feet of water, including a 10-foot free-board: Provided, That in consideration of the said rights insofar as they affect tribal lands there shall be deposited into the Treasury of the United States pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), for credit to the Shoshone and Arapaho Indians of the Wind River Reservation the sum of \$6,500, from moneys appropriated for the construction of the said Bull Lake Dam and Reservoir, and the said sum when so credited shall draw interest at the rate of 4 percent per annum.

credited shall draw interest at the rate of 4 percent per annum.

SEC. 2. That compensation to the individual Indian owners of the allotted lands within the area described in section 1 shall be made from moneys appropriated for the construction of the Bull Lake Dam and Reservoir at the appraised value of the easements: Provided, That should any individual Indian not agree to accept the

appraised value of the easement as it affects his land, the Secretary of the Interior be, and he is hereby, authorized to acquire such

easement by condemnation proceedings.

SEC. 3. The easements herein granted shall not interfere with the use by the Indians of the Wind River or Shoshone Indian Reservation of the lands herein dealt with and the waters of Bull Lake Creek and the reservoir insofar as the use by the Indians shall not be inconsistent with the use of said lands for reservoir purposes.

SEC. 4. The Secretary of the Interior is authorized to perform any and all acts and to prescribe such regulations as may be necessary to carry out the provisions of this act.

DAVID J. SAWYER

The bill (S. 2295) authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby authorized to reappoint David J. Sawyer, a second lieutenant of infantry, National Army, as of May 11, 1919, the date on which his dismissal by sentence of court martial took effect; and that the President be, and he is hereby, further authorized to grant said officer an honorable discharge to become effective as of that date: Provided, That no pay or emoluments, either heretofore or herefter; shell become disc or payable by virtue of the enactment of after, shall become due or payable by virtue of the enactment of this act.

FRANK CASEY

The bill (S. 2433) for the relief of Frank Casey was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Frank Casey (claim No. 904781) shall be held and considered to have been honorably discharged on November 18, 1889, as a sergeant, Company B, Fifth Regiment United States Infantry: Provided, That no pension, pay, bounty, or other benefit shall be held to have accrued by reason of this act prior to its passage.

CANCELATION OF CERTAIN NOTES ACQUIRED BY FARM CREDIT ADMINISTRATION

The Senate proceeded to consider the bill (S. 1710) to provide for the cancelation of certain notes acquired by the Farm Credit Administration as a result of the activities of the Federal Farm Board, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 1, line 4, after the word "notes", to strike out "executed" and insert "given for the purpose of acquiring capital stock in the Northwest Grain Association, Minneapolis, Minn."; and in line 7, after the word "the", to strike out "State of Montana" and insert "States of Montana, Minnesota, North Dakota, and South Dakota", so as to make the bill read:

Be it enacted, etc., That the Governor of the Farm Credit Administration is authorized and directed to cancel any notes given for the purpose of acquiring capital stock in the Northwest Grain Assothe purpose of acquiring capital stock in the Northwest Grain Association, Minneapolis, Minn., by any person, association, or corporation in the States of Montana, Minnesota, North Dakota, and South Dakota which have been assigned to or otherwise acquired by the United States, or the Farm Credit Administration as an agency of the United States, as security for the payment of any sums now or heretofore owed to the Northwest Grain Association. Upon the cancelation of such notes, all persons shall be relieved of all liability for making any payment of principal or interest upon such notes and of all liability for making any payment upon any judgment which may have been secured in any action based upon such notes.

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. SCHWELLENBACH. Mr. President, in 1930, as a part of the Farm Board activities, the Farm Board sent out to the States of Minnesota, North and South Dakota, and Montana, certain representatives who caused the farmers of those States to buy stock in a cooperative organization which was known as the Northwest Grain Association, and which was represented to the farmers of those States as being the organization with which they would be compelled to affiliate if they were to receive the benefits of the cooperative provisions of the Farm Act at that time.

A year later, in 1931, by the action of the Farm Board in connection with the National Grain Corporation, the activities of this more or less local organization were not only curtailed but practically eliminated. As a result of that circumstance the stock which these people purchased in the regional organization became worthless. They had made down payments on their stock. They are not asking for the return of the money which they paid. However, they are asking that the notes which were given for the balances due upon the stock be canceled, and the purpose of the bill, which was introduced by the Senator from Montana IMr. Wheelerl is to effect the cancelation of the

Mr. KING. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. KING. Why should not the Department of Agriculture, or some of its agencies which perpetrated this wrong-from the Senator's statement I assume there was some sort of wrong-be required to pay?

Mr. SCHWELLENBACH. I think undoubtedly it should be required to pay back the money received. However, the bill came to the committee in this form, to cancel certain

Mr. KING. What authority had Mr. Wallace or any of his agents-

Mr. SCHWELLENBACH. It was not Mr. Wallace. The events I have described happened in 1930, under the Farm Act of that year, when it was thought that by creating regional cooperative organizations it would be possible to solve the farm problem. The act which really resulted in damage to these people came a year later, when it was made impossible for the regional organization to function.

Mr. KING. What is the total amount of the outstanding

obligations?

Mr. SCHWELLENBACH. I think it amounts to only \$24,000 or \$25,000.

Mr. WHEELER. Mr. President, it is not that much. It amounts to about \$15,000.

Mr. KING. As I understand, the purpose of the bill is to cancel the obligations referred to.

Mr. SCHWELLENBACH. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CEMETERY, CRAB ORCHARD CREEK DAM PROJECT, WILLIAMSON COUNTY, ILL.

The bill (H. R. 5764) to provide for the establishment of a cemetery within the Crab Orchard Creek Dam Project, Williamson County, Ill., was considered, ordered to a third reading, read the third time, and passed.

DISPOSITION OF CERTAIN RECORDS OF THE UNITED STATES GOV-ERNMENT

The bill (H. R. 6585) to provide for the disposition of certain records of the United States Government, was considered, ordered to a third reading, read the third time, and passed.

COLUMBIAN FOUNTAIN, WASHINGTON, D. C.

The joint resolution (S. J. Res. 178) authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C., was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of approval of this joint resolution for that purpose to erect the Columbian Fountain on an appropriate site on grounds now owned by the United States in an appropriate site on grounds now owned by the United States in the District of Columbia other than those of the Capitol or the Library of Congress. The location of said fountain and the plan for the development of the site shall be submitted to the Commission of Fine Arts and the National Capital Park and Planning Commission for advisory assistance and the construction shall be under the direction of the Director of the National Park Service, Department of the Interior: Provided, That the United States shall be put to no expense in or by the erection of said fountain and that unless funds, which in the estimation of the Secretary of the Interior are sufficient to insure the completion of the fountain, are certified available, and the erection of this fountain because within 5 years from and after the passage of this joint. begun within 5 years from and after the passage of this joint resolution, the authorization hereby granted is revoked.

OIL PORTRAIT OF FORMER PRESIDENT HERBERT HOOVER

The joint resolution (H. J. Res. 208) authorizing the Joint Committee on the Library to procure an oil portrait of

former President Herbert Hoover was considered, ordered to a third reading, read the third time, and passed.

REFUND OF CERTAIN PROCESSING TAXES ON HOGS

The Senate proceeded to consider the joint resolution (S. J. Res. 66) making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax, which had been reported from the Committee on Agriculture and Forestry with amendments.

The first amendment of the Committee on Agriculture and Forestry was, on page 2, line 3, after the word "person", to strike out "or persons, or their heirs or assigns"; in line 6, after the word "Agricultural", to insert "Adjustment"; in line 7, after the word "that", to strike out "the" and insert "such"; at the beginning of line 8, to insert "or his legal representatives"; in line 8, after the word "such", to strike out "tax refunded, provided, such claimant or claimants or their heirs or assigns show" and insert "tax or part thereof, refunded to him, if it is shown"; in line 15, after the figures "1936", to insert "insofar as such title may be applicable"; and in line 18, after the word "by", to strike out "the raisers and the producers," and insert "such person", so as to read:

That any person who raised or produced and marketed hogs for slaughter on which there was levied, collected, or paid a processing tax, under the provisions of the Agricultural Adjustment Act, prior to the time that such act was held unconstitutional, or his legal representative, may have such tax, or part thereof, refunded to him, if it is shown to the satisfaction of the Commissioner, in accordance with regulations to be prescribed by the Commissioner with the approval of the Secretary, or to the satisfaction of the Board of Review, or the trial court, as the case may be, under provisions of title VII of the Revenue Act of 1936, insofar as such title may be applicable, that all or part of the burden of such processing tax was in fact charged to and borne by such person and was in fact deducted from the market price of such hogs.

The amendment was agreed to.

The next amendment was, on page 2, line 19, after the word "hogs", to insert: "The amount of refund of such processing tax to which any claimant shall be entitled with respect to any particular quantity of hogs marketed shall be an amount equal to the processing tax payable upon the processing of an equal quantity of hogs at the time such particular quantity of hogs was marketed minus any amount by which the spread between the average hog product value at Chicago of such particular quantity of hogs during the month in which they were marketed and the average hog price at Chicago of such particular quantity of hogs during the month in which they were marketed was less than the amount of such processing tax plus 65 cents. The account sales kept by the vendor, or by the vendee, or by an agent of either shall be accepted as proof when properly identified."

The amendment was agreed to.

The next amendment was, on page 3, line 13, after the word "Any", to strike out "person or persons or their heirs or assigns who raised or produced and marketed such hogs for slaughter", and insert "claimant"; in line 16, after the figures "1936," to insert "insofar as such title may be applicable"; in line 17, after word "and", to insert "shall"; in line 19, after the word "appeal" and the comma, to strike out the word "as"; in line 19, after the word "provided", to insert "for"; in line 20, after the figures "1936", to insert "insofar as such title may be applicable", so as to read:

Any claimant may prove his claim under the provisions of title VII of the Revenue Act of 1936, insofar as such title may be applicable, and shall be entitled to all the rights and benefits including the right of review and appeal, provided for by title VII of the Revenue Act of 1936 insofar as such title may be applicable.

The amendment was agreed to.

The next amendment was, on page 3, line 23, after the words "from the", to strike out the word "effective"; in the same line, after the word "date", to insert "of enactment"; on page 4, line 1, after the word "such", to strike out "effective"; and in line 3, after "Commissioner" and the period, to insert "No fees shall be charged for filing any such claim. It shall not be necessary that the claimant be represented by an attorney", so as to read:

Provided, however, That such claim, if not previously filed, must be filed with the Commissioner at Washington, D. C., within 1 year from the date of enactment of this act, and proof must be submitted on any and all claims within 18 months from such date in accordance with regulations to be prescribed by the Commissioner. No fees shall be charged for filing any such claim. It shall not be necessary that the claimant be represented by an attorney.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to have an explanation of the amount involved, and upon what ground it is alleged that the Government should make refunds.

Mr. GURNEY. Mr. President, the bill has been before the Committee on Agriculture and Forestry since the middle of February. The subcommittee has held extensive hearings on the bill, and the bill was reported favorably on July 25.

Mr. President, this is the last bill on the calendar. In my opinion, it has much greater merit than many of the bills which were hurriedly passed this afternoon.

The report of the committee states:

Under the terms of Senate Joint Resolution 66 there is provided the mechanics by which a farmer may proceed to recover hogprocessing taxes illegally levied under the Agricultural Adjustment Act of 1933.

The claimants have proved their claims to the satisfaction of the authorities, and the money is due them in accordance with the decision of the Supreme Court.

According to the report, the average claim is \$433. I do not know exactly what amount is involved; but I do know that the claims are just, and that the claimants should be given the right to submit their claims.

Mr. KING. Are the claimants residents of some particular section of the country?

Mr. GURNEY. No; the bill covers all sections of the country.

Mr. KING. Has the Senator any idea of the amount which will be claimed?

Mr. GURNEY. I do not believe many farmers keep such good records that the claims can be filed 100 percent. The claims go back to a period of time possibly 4 or 5 years ago, when the hog processing tax was being collected. As was shown by the testimony before the committee, the tax was all taken away from the producer, not the processor or the consumer. It was taken away from the producer, and it lowered the price the farmer actually received for his hogs.

Mr. KING. This was one of the illegal proceedings of the Department of Agriculture under which farmers were mulcted illegally and unjustly.

Mr. GURNEY. That is entirely correct.

Mr. KING. I think the joint resolution should be passed. The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

COLUMBIAN FOUNTAIN, WASHINGTON, D. C.

Mr. BARKLEY. Mr. President, the Senate just passed Calendar No. 1086, Senate Joint Resolution 178, authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C. My attention has been called to the fact that the House has passed and sent over to the Senate House Joint Resolution 159, covering the same matter.

I move that the vote by which Senate Joint Resolution 178 was passed be reconsidered.

The motion was agreed to.

Mr. BARKLEY. I ask that House Joint Resolution 159 be laid before the Senate and substituted for Senate Joint Resolution 178.

The PRESIDING OFFICER. The Chair lays before the Senate a joint resolution coming over from the House.

The joint resolution (H. J. Res. 159) authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C., was read the first time by its title, and the second time at length, as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of approval of this joint resolution for that purpose to erect the Columbian Fountain on an

appropriate site on grounds now owned by the United States in the District of Columbia other than those of the Capitol, the Library of Congress, the Mall, or the Tidal Basin area. The location of said fountain and the plan for the development of the site shall be submitted to the Commission of Fine Arts and the National Capital Park and Planking Commission for the site of the State of the Sta Park and Planning Commission for advisory assistance and the construction shall be under the direction of the Director of the National Park Service, Department of the Interior: Provided, That the United States shall be put to no expense in or by the erection of said fountain and that unless funds, which in the estimation of the Secretary of the Interior are sufficient to insure the completion of the fountain, are certified available, and the erection of this fountain begun within 5 years from and after the passage of this joint resolution, the authorization hereby granted is revoked.

The PRESIDING OFFICER. Is there objections to the present consideration of House Joint Resolution 159?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and

Mr. BARKLEY. Mr. President, I ask that Calendar No. 1086, Senate Joint Resolution 178, be indefinitely postponed. The PRESIDING OFFICER. Without objection, Senate Joint Resolution 178 is indefinitely postponed.

That concludes the calendar.

GEORGE ROGERS CLARK NATIONAL MEMORIAL, STATE OF INDIANA Mr. BARKLEY. Mr. President, from the Committee on the Library I report back favorably without amendment House bill 6528 and ask for its present consideration.

There being no objection, the bill (H. R. 6528) to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

FRANK M. SMITH

Mr. CONNALLY. Mr. President, has the calendar been concluded?

The PRESIDING OFFICER. The calendar has been concluded.

Mr. CONNALLY. Mr. President, earlier in the day there was reported from the Committee on Claims, with an amendment, Senate bill 2787, for the relief of Maude Smith. I ask that House bill 4261, for the relief of the estate of Frank M. Smith, which has been messaged over from the House and is now on the clerk's desk, be substituted for the Senate bill and immediately considered.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives. The bill (H. R. 4261) for the relief of the estate of Frank M. Smith, was read the first time by its title, and the second

time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Frank M. Smith, deceased, formerly of Kerens, Tex., the sum of \$2,500 on account of the death of the said Frank M. Smith, who was killed on January 5, 1939, as a result of a fall into an unguarded open drainage ditch of a Works Progress Administration project in the southwestern part of Kerens, in Navarro County, Tex.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection. agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the with this claim, and the salar standard of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 4261?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2787 is indefinitely postponed.

RETIREMENT OF CERTAIN EMPLOYEES OF THE ALASKA RAILROAD

Mr. KING. Mr. President, a few moments ago on the calendar we reached Calendar No. 1067, House bill 2178, and Calendar 1068, House bill 2642, dealing with the Alaska Railroad Retirement Act. I objected to them until I could obtain further information. Both bills are meritorious, and I ask unanimous consent to recur to them and for their present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bills?

There being no objection-

The bill (H. R. 2178) to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, was considered, ordered to a third reading, read the third time, and passed; and

The bill (H. R. 2642) to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

TAXES ON TANGIBLE PERSONAL PROPERTY IN UNITED STATES NATIONAL PARKS

Mr. HARRISON. Mr. President, a few moments ago on the call of the calendar we reached House bill 6687, Calendar 1071, a bill to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property or use thereof occurring in United States national parks.

The purpose of the bill was to assist the States which have a sales tax in the orderly collection of their taxes. However, there is some opposition to the bill from the Interior Department. I ask leave to have printed in the RECORD a letter from the Acting Secretary of the Interior in regard to the question, so that Senators from States which have Indian reservations may examine it, because it is hoped later to bring this measure up for consideration.

The PRESIDING OFFICER. Without objection, the letter

may be printed in the RECORD.

The letter is as follows:

THE SECRETARY OF THE INTERIOR, Washington, August 1, 1939.

Hon. PAT HARRISON,

Chairman of the Committee on Finance, United States Senate.

MY DEAR SENATOR HARRISON: It has come to my attention that H. R. 6687, entitled "A bill to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property measured by sales, purchases, or use thereof occurring in United States national parks, military, and other reservations or sites over which the United States Government may have jurisdiction," is now on the Senate Calendar.

Although the proposed legislation involves matters of vital concern to this Department, it has been passed by the House of Representatives and reported out by the Senate Finance Committee before our report thereon could be submitted. Therefore, I earnestly request that the bill be recommitted to the Senate Finance Committee for further consideration.

The bill presents a serious question as to whether it would are

The bill presents a serious question as to whether it would authorize the levy of State sales and other taxes on transactions within Indian reservations. We have been advised by the office of the Senate legislative counsel that it is not intended to apply to such transactions and will not be so construed. It is possible, however, that the bill, if enacted, may be construed otherwise by State-taxing authorities and by State courts. If the bill were to be construed to apply to Indian reservations, it would probably be in violation of established constitutional and treaty rights of the be construed to apply to Indian reservations, it would probably be in violation of established constitutional and treaty rights of the Indians and doubtless would lead to prolonged litigation. It certainly would be in contravention of the established departmental policy that transactions between Indians on Indian reservations should remain a matter of Federal rather than of State control. In order to avoid any possible question on this score, I recommend that the bill, if not recommitted to your committee, be amended by adding at the end thereof the following proviso: "Provided, That this act shall not affect existing law relating to taxation on Indian reservations."

Since this report has not been submitted for clearance to the Bureau of the Budget, no commitment can be made as to the relationship of the proposed legislation, or to the suggested amendment, to the program of the President.

Sincerely yours,

E. K. BURLEW, Acting Secretary of the Interior.

RIGHTS OF CITIZENS IN THE DISTRICT OF COLUMBIA

Mr. CAPPER. Mr. President, I would be untrue to my obligations as an American citizen were I to permit the first session of the Seventy-sixth Congress to close without calling to the attention of the Senate and the entire country the sad and humiliating plight of the more than half a million fellow

Americans who make up the community of the city of Washington, D. C.

Of all Americans of continental and contiguous United States, these are the only ones who are deprived of all voice in both their national and local governments. Of course, there are scattered throughout the States lunatics and convicts who likewise are deprived of participation, but their deprivation is a protective measure. No such reason exists as to the residents of the District of Columbia.

This great American community of the National Capital is subject to all national laws and all local laws enacted by the Congress of the United States, which is its only legislative body. These people have no representation in the Congress which legislates for them and really have little influence with legislators, who are selected by all the people throughout the country except those living in the District of Columbia.

These people, whose home is in the city of Washington, have no say whatever regarding their taxes, either as to kind or amount. Nor do they have any say as to the purposes for which the resulting tax money is to be spent. There was never a more flagrant example of taxation without representation.

When I contemplate such a deplorable state of affairs I am humiliated and ashamed that this Nation permits so flagrant a violation of fundamental American principles to exist at the very seat of the Government of the United States. The unfriendly attitude of some of the Members of our National Legislature toward these voteless and unrepresented Americans can be in part attributed to the lack of these political rights. However, I am constrained to believe that much of such manifestation of unfriendliness is due to the lack of knowledge of the true conditions prevailing in the District of Columbia and the circulation of misleading statements which lack even the slightest essence of truth.

It is my firm belief that if the people back in the States and in every one of the 435 congressional districts understood the true situation in the District of Columbia they would not tolerate the indifference or unfriendly attitude of their legislators, but would demand that American principles be put into operation at the Nation's Capital. The long list of grievances against King George III enumerated in the Declaration of Independence are more than matched by those which might be listed by the voteless and unrepresented people of the District of Columbia.

This is the Nation's city, and by the Constitution is placed under the exclusive legislative power of Congress. This was done by the founding fathers of our Republic in the national interest solely, and was to avoid the existence of any dual sovereignty. But I can see no justification for depriving these people from voting representation in the Congress, which exercises this exclusive power.

The national interest is the only reason or excuse which can be advanced for this departure from the principles of representative government; and there can be neither reason nor excuse for it being carried beyond what is required in the national interest.

While the District of Columbia is declared by law to be a municipal corporation, it is unlike any other in the country. Its problems, to a large extent, differ from those of any other community. Attempts to compare it with other communities have usually been unsuccessful and far from satisfactory.

The local government consists of a board of three Commissioners, two of whom are appointed by the President by and with the advice and consent of the Senate. The third Commissioner is an officer of the Corps of Engineers of the United States Army, detailed for a term of such service by the President. The two civilian Commissioners are required to have resided in the District for 3 years next preceding their appointment and not to have claimed residence elsewhere during such period.

The Board of Commissioners are the chief administrative officers of the District of Columbia and in addition have been given the authority to enact certain police and other municipal regulations. The local government is in no way responsible to the people of the District over whom it rules.

During the present Congress there has been considerable subcommittee and public discussion regarding proposals to reorganize the government of this District. A draft of what is in effect a new city charter has been introduced in both the House of Representatives and the Senate. While radical changes are proposed in the set-up of the local government there is no proposal to give the people participation in the national councils nor in the local government. Neither is there any proposal to give the people an opportunity to vote on the proposed new charter as would be permitted in any other municipality.

The distinguished Senator from Louisiana [Mr. Overton] has made a study of District of Columbia affairs and recently made an earnest effort, backed by the Senate, to have enacted into law a definite formula by which the United States would have to bear an equitable share of the cost of the maintenance and development of the Capital City. He was defeated in his praiseworthy efforts through prejudice based on misunderstanding and lack of knowledge of the true status of the District of Columbia.

Someone has referred to Washington as "the best known and at the same time the most unknown community in the world; the most misunderstood of all." After a service of more than 20 years in the Senate, and continuous membership on the Senate Committee on the District of Columbia throughout that period, I am ready to approve that statement.

The wrong ideas regarding the Capital City are as numerous as they are erroneous. To some this is a tax-free paradise to which the retired wealthy and the "economic royalists" flee to avoid taxation. In some minds the notion prevails that Washington, D. C., "is supported by the Nation with money wrung from the meager earnings of Americans and flung as beggars' alms to a mendicant people."

To some the population of the District of Columbia consists of a horde of Federal job holders who continue to hold their citizenship and vote in the States from which they came.

Many men come to Congress with such erroneous notions regarding this National Capital community and some continue to hold such impressions. Many are too engrossed in the job of representing their constituents to give any time or thought to learning the truth regarding this seat of the Government of the United States over which Congress by provision of the Constitution exercises exclusive legislation in all cases whatsoever.

But the District of Columbia is not a tax-free paradise. The people here pay both National and local taxes in the same manner as in other communities. However, unlike other communities, they have no voice in the enactment of the tax laws under which they are taxed nor any say as to the expenditure of the money collected from such taxes.

These voteless and unrepresented Americans pay annually in National taxes an amount greater than each one of more than half of the States and more than the combined collections from nine States. Such payments help make up the fund from which the complex Federal Government, with its far-flung ramifications, draws its chief support.

In local taxes the people of this District pay an amount comparable with the payments in other American cities similar in size and standards of municipal service.

Instead of being supported by the Federal Government, the National Capital community paid through local taxes during the last fiscal year, 1939, about 90 percent of its cost. The Federal Government made a payment of \$5,000,000 toward the expenses of the year. This was a very modest amount when one remembers the fact that the Federal realty holdings, that of foreign governments and of national organizations, and other property exempted from taxation aggregate a total of well over 50 percent of the entire taxable area.

These Federal holdings and other exemptions are annually increasing, while the tendency and the practice is to reduce the amount of the Federal payment. If we continue as things have been going with the rapid increase of Federal

holdings, there will be an increasing penalty on the residents of the District of Columbia for the privilege of remaining in this community.

Other items of evasion of obligation by the Federal Government which should not be overlooked are the water supply to the extensive Government establishments in Washington, without cost to the Government but at the expense of the private consumers of water and further the exemption from contribution to the highway fund as required of other users of the highways of the District. These highway funds come from the local tax on motor-vehicle fuel. Though the United States operates a great number of motor vehicles over the streets, avenues, and other highways of the District, it pays no tax on the gasoline consumed.

There is an equitable and logical obligation on the part of the Federal Government to pay substantially toward the operation, maintenance, and upbuilding of its Capital city and compelling reasons why it should not continue to unload this burden in an increasing degree upon the local community.

The following, quoted from an article in the Washington Star of June 20, 1939, sets forth forcibly some of the bases of the obligation of the Federal Government toward its Capital City:

THE EQUITABLE OBLIGATION

Washington contends that the true basis of the Nation's obligation of proportionate contributions to the maintenance and development of the Capital is not solely or primarily untaxed ownership of District real estate (the assessed value of which recently was placed at \$703,615,000 in a Federal report to Congress on Government property holdings), though a substantial and continuous obligation does arise in connection with such ownership. The strongest obligation resting upon the Nation is equitable in its nature and based primarily on the circumstances of the Capital's creation and the treatment of the Capital by the Nation's absolute despotic control of the Nation's City, including the Nation's absolute despotic control of the National Capital.

The general Government by the fact of planning a magnificent Capital covering a large area and characterized by broad streets and avenues and reservations unsuitable for a commercial city and by founding this Capital in a place comparatively uninhabited, as well as by the terms of the bargain with the owners of the soil, by its advertised promises to purchasers from it of donated Wash-Washington contends that the true basis of the Nation's obli-

well as by the terms of the bargain with the owners of the soil, by its advertised promises to purchasers from it of donated Washington lots and by the declarations of its representatives at the founding of the city and afterward showed an intention to build up a national city at the Nation's expense upon a grand scale irrespective of the future population of the District. The Capital was to be primarily a center of Federal action, and the expense of its support and adornment was not to be limited by the scanty resources of whatever permanent population it might acquire.

Obviously the primary obligation in the arrangement between

Obviously, the primary obligation in the arrangement between Nation and District taxpayers should be upon that party to it which absolutely controls every cent of the money contributed which absolutely controls every cent of the money contributed for Capital maintenance by both parties, local and national, and which has undivided and despotic power to fix the amount of local tax contribution, to decide by what method of taxation it shall be collected, to collect it and to spend it. Clearly in equity the primary obligation should not be shifted to the Capital, originally the incidental contributor, which has no power of contributor of its country where each whose selections. trol even of its own tax money at any stage, and whose sole func-tion in respect to taxation and its financial status is to petition, to obey, and to pay.

From the beginning the Nation's obligation in respect to Capital maintenance and upbuilding has been in equity and on principle primary, dominating and, like its power to govern, exclusive and

POLITICAL POWER AND FINANCIAL OBLIGATION COUPLED

Primary and full responsibility, both in respect to the control and to the maintenance and upbuilding of the Capital, is in Congress representing the Nation. Political power and financial obligation are inseparably coupled. If the Nation controls, it pays; and to the extent that it controls, it pays. Washington is the only capital in the world in which, if certain policies prevail, the Nation will do all the controlling and none of the paying.

Mr. President, this only scratches the surface of the fiscal problems of the District of Columbia. The citizens of the District, through well-organized and able civic committees for many years have submitted compelling information on the subject in the form of briefs, petitions, and graphic charts and tables of statistics. That Congress has not solved this problem is no fault of the local citizenry.

The people of our country, I fear, underestimate the importance of the District of Columbia from a population standpoint compared with the population of some of the sovereign States of the Union. The census of 1930, which is

the latest, gave the District population as 486,869. The latest estimate of population made by the United States Bureau of the Census, as of July 1, 1937, gives the number at that time as 627,000.

Mr. Theodore W. Noyes, editor of the Washington (D. C.) Evening Star, published on the last national election day some interesting population studies and other pertinent information, from which I quote the following excerpts:

DISTRICT MORE POPULOUS THAN EIGHT STATES

The Americans of the District of Columbia, according to the The Americans of the District of Columbia, according to the census of 1930, outnumber the Americans of eight of the States—New Hampshire, Idaho, Arizona, New Mexico, Vermont, Delaware, Wyoming, and Nevada. They send as agents to the National Legislature to make laws for them: District of Columbia, 0; New Hampshire, 4; Idaho, 4; Vermont, 3; Arizona, 3; New Mexico, 3; Delaware, 3; Wyoming, 3; and Nevada, 3.

Montana and Utah in 1930 exceeded very slightly the District of Columbia in population. They send to the National Legislature to engage in the councils of the greatest representative Republic in the world: Montana, 4 men; Utah, 4 men; District of Columbia, 0 men.

POPULATION OF VOTING AGE EXCEEDED IN 1930 THAT OF 10 STATES

Its population of voting age (over 21) in 1930 was 341,465, exceeding that of 10 of the States.

It is contended, however, that these figures of voting age are misleading for the reason that there are thousands of District residents who vote in the States and who might not vote in the District even if they had the opportunity. The census of 1930 reports dents who vote in the States and who might not vote in the District even if they had the opportunity. The census of 1930 reports that there had been enumerated in the District 15,105 thoroughly qualified recent actual voters in the States. The District of Columbia political and partisan leaders in the Presidential campaign of 1932 estimated that there were from 55,000 to 60,000 persons in the District who could, if they registered, vote in the States. Other estimates, including some that were obviously unreasonable, carried the figure of possible potential voters in the States up to 80,000.

If from the total population of voting age in the States and

If from the total population of voting age in the States and District (in 1930) the foreign-born residents not naturalized be deducted, and if from the District's population of voting age deducted, and if from the District's population of voting age there be further subtracted 80,000 (covering liberally every possible reasonable and some unreasonable deductions), the resulting District of Columbia potential voters who can vote nowhere else (251,439) would be only 6,102 less than that of New Hampshire (257,541), only 824 less than that of Utah (252,263), and 12,620 more than Arizona (238,819); 12,655 more than Idaho (238,784); 37,244 more than New Mexico (214,195); 48,001 more than Vermont (203,438); 109,309 more than Delaware (142,130); 124,309 more than Wyoming (127,230); and 195,726 more than Nevada (55,713). (55.713).

NATION'S SHAME OF UNAMERICANISM AT ITS HEART

An evil condition maintained by the Nation at the Nation's Capital is rightly viewed as typical and characteristic. The shame is national not local.

Autocratic nonrepresentative government in the only American territory governed exclusively by the Nation brands the Nation itself distinctly and indelibly as un-American. As is the Nation's city so is the Nation. The Capital is the Nation's heart. If the Republic is tainted with un-Americanism at its heart, the whole of the body politic is thus tainted.

Should not the Nation, irrespective of the just plea of the Washingtonians and purely as a national concern abolish the evil and injury-working paradox of nonrepresentative, un-American government of the National Capital territory under exclusive national control? Will not the people of the United States respond so vigorously to the District's appeal that before the next Presidential election this unjust and hurtful discrimination shall be removed?

How is it that District Americans do not exercise this right and power, a vital part of their American heritage?

The Constitution makers unintentionally omitted to fix the political status of the future residents of the 10 miles square, constituting the seat of Government, and unintentionally failed to give Congress the power, analogous to that which it possessed in relation to the admission of territories to statehood, of granting representation in Congress and electoral college to the population of the District when it became fit. lation of the District when it became fit.

An amendment to the Constitution is pending which corrects

this unintentional omission.

Without making a State of the District of Columbia, and with-out depriving Congress of an atom of its constitutional exclusive legislative control of the National Capital, it empowers Congress to grant to the people of the District voting representation in Congress and the electoral college, whenever, in its judgment, they are fit to enjoy this right and to exercise this power.

DISTRICT FIT FOR NATIONAL REPRESENTATION

Are the people of the District fit in numbers, intelligence, and resources to enjoy these national rights and privileges of citizens

of a State? Yes. They are American citizens assembled "in sufficient numbers in a limited space," and they meet all the territorial requirements of the community about to be admitted to full statements of the community about to be admitted to full statehood, though they are not in this constitutional amendment asking statehood for themselves.

The District exceeds in population every new State in the Union

at the time of its admission except Oklahoma.

The community in intelligence, in public spirit, in patriotic devotion in every distinctive American characteristic is unsurpassed in the United States.

Mr. President, here at the very heart of our Nation are more than a half million as good Americans as are to be found any place under the Stars and Stripes. They are intelligent, public spirited, loyal, and patriotic, and are always to be found meeting all of the obligations of American citizens, both in war and in peace. In measuring up to these obligations of citizenship they are excelled by no other American citizen, but when it comes to their possession and exercise of vital and fundamental political rights, they are rated in the same class as the criminal and the lunatic.

These people, being subject to all laws enacted by Congress, are as vitally affected by, and interested in, all national legislation as are the citizens of the States, yet they are deprived of the right to participate through their duly elected representatives in the enactment of those laws. They are required to pay heavily in taxes for the support of the Nation, yet are denied representation in the legislature which determines the kind and the amount of these taxes, and how the resulting revenues shall be spent. They are required in time of war to bear arms in the service of their country, to fight, and possibly to die; yet they have no voice whatever in determining whether there shall be war, or at the conclusion of the war, as to the terms of peace. They are ruled over locally by administrative and judicial officers appointed by the President of the United States, but are denied participation in the selection of that President. They are also required to pay in taxes for the the support of the Nation's Capital, whatever the Congress, in which they are not represented, requires of them, and have no voice whatever as to what these taxes shall be or in deciding for what this money shall be spent.

Mr. President, were these people of the District of Columbia satisfied to rest content in this deprivation of their natural-born rights, they would be unworthy of the name They realize fully that they suffer a great "American." injustice through inaction of their fellow Americans in the States. They know that in fact and in truth they are really the subjects rather than the equals of the other citizens of their country. They know that the only possible relief from their anomalous situation is to be found through an amendment to the Constitution of the United States, which will give Congress the power to correct this defect in our fundamental laws.

The framers of the Constitution, unintentionally, I am convinced, omitted to fix the political status of the future residents of the 10 miles square, constituting the seat of government, and unintentionally failed to give Congress the power, analagous to that which it possesses to admit territories to statehood and to grant representation in Congress and the electoral college to the people of the District.

Under existing conditions, the Congress is a National, State, and local legislature for the District of Columbia, but there are no representatives in the legislature of these people, who are thus governed without their consent. In consquence they can exercise only that right of doubtful value guaranteed by the Constitution "peaceably to assemble and to petition the Government for a redress of grievances." Right here let me say, as a matter of practical politics, voteless petitioners carry little, if any, weight.

Mr. President, I have tried, and am continuing to try, to do more than just sympathize with these de-Americanized Americans. For a number of years I have introduced in the Senate a joint resolution proposing an amendment to the Constitution of the United States which will remove the obstacles which now prevent these good fellow Americans from participating in the Government of their country.

This amendment, supported by the Citizens' Joint Committee on National Representation, which is a truly representative body of the organized citizenry of the District, is known as Senate Joint Resolution 35 and is pending before the Committee on the Judiciary of the Senate.

The amendment would empower Congress, by appropriate legislation, to grant to the residents of the District the right of voting representation in the Senate and House of Representatives and among the electors for President and Vice President. It would also give the District residents the right to sue and be sued in the courts of the United States on an equal footing with the citizens of the States. This right, now denied to District citizens, is open even to aliens in the States.

The proposed amendment would not make a State of the District of Columbia, and would not deprive Congress of an atom of its constitutional legislative control of the National Capital. It does not detract from the power of Congress. but clothes it with a new power, to be exercised whenever the Congress, in its wisdom, shall decide that these voteless and unrepresented Washingtonians are fit to enjoy and exercise the rights and powers which are now denied them.

The Senate Committee on the District of Columbia in 1922 reported favorably a somewhat similar amendment, but the matter has never had the consideration of the Senate or of its Committee on the Judiciary.

Representative Harton W. Sumners of Texas, during the present session, introduced House Joint Resolution 257, proposing a much simpler amendment, to accomplish the same purpose. Its brevity and its proposal to permit Congress to delegate to a local government such of its legislative powers as it may desire appeals strongly to me. There is another reasonable feature which should appeal to Congress, that is, to make revocable, at the will of Congress, any legislation enacted under the proposed constitutional amendment.

At an informal referendum election in May 1938 the District citizens voted overwhelmingly for the privilege of the ballot and representation in the National Government. By a slightly smaller vote they recorded their desire for an elective local government.

Mr. President, there is no sound American reason for withholding these fundamental rights from this more than half a million Americans. I am convinced that a satisfactory solution of the District's problems can be found only through the granting of voting representation to District people in the Senate, House of Representatives, and among the electors of President and Vice President.

This, in my opinion, is the first step to make National American citizens of these people. Then, with their own representatives in the two Houses of Congress, clothed with the same privileges as those from the States, they will have an equal opportunity with other Americans to enter upon the solution of their accumulation of unsolved civic problems in the true American way.

I have serious doubts as to the advantages of an elective local government until the District possesses voting representation in Congress and among the Presidential electors. Whatever kind of a local government the District is given is apt to prove unsatisfactory while a Congress, in which it is not represented, continues to exercise without let or hindrance its power of exclusive legislation in all cases whatsoever. That has been a source of weakness in local governments here in the past, and history has a way of repeating itself.

I am convinced that the chief reason for these people and their community being misunderstood, neglected, and treated unfairly is because of their political impotency. cure for this condition is through amendment of the Constitution and subsequent legislation establishing fundamental American principles of government here at the Nation's

Mr. President, I hope that the righteous cause of these voteless and unrepresented fellow Americans of the Capital community will appeal so strongly to the fundamental Americanism of the people of our country and the Congress

that favorable consideration may be given these pending resolutions at the next session, and that District citizens will no longer have to sing that spirited, but humiliating, song composed by Frederic William Wile:

MY DISTRICT, 'TIS OF THEE (By Frederic William Wile) (Tune: America)

My District, 'tis of thee, Land without liberty, Of thee I sing.

Where Nation's laws are made, Where income tax is paid, Yet, when all's done and said, Freedom can't ring.

Land of the Congress folk, Citizenship a joke, At it we fling.

We scorn our shackled right, We mean some day to fight, With all our main and might, And suffrage bring.

Why should the District be Black sheep in land of free, Her spirit galled?

We send our sons to die, Heed the Republic's cry, With all patriots vie, Whene'er we're called.

Nation, at large, to you We raise our cry and hue: Hear our fair plea.

Tax without voice or vote Sounds a discordant note, See rank injustice smote, End tyranny!

CIVIL-SERVICE RETIREMENT

During the delivery of Mr. Capper's speech,

Mr. O'MAHONEY. Mr. President, I note from the Record for yesterday that while I was absent from the Chamber the Senate approved the conference report on Senate bill 281 dealing with civil-service retirement. I note that the Senator from West Virginia [Mr. Neely] is in the Chamber. I merely wish to ask him whether or not the conference report upon that bill included postmasters in the benefits of the Civil Service Retirement Act, as provided in a bill passed by the Senate, which, as I recall, was Senate bill 577.

Mr. NEELY. Mr. President, the conference report includes postmasters. Indeed, it includes the substance of everything that was contained in the bill which was introduced by the Senator from Wyoming and passed by the Senate earlier in the session, by virtue of which postmasters of the first, second, third, and fourth class were granted the benefits of the civil-service retirement law. The House, instead of passing the Senator's bill as an independent measure, simply incorporated it with the bill which is embraced in the conference report.

Mr. O'MAHONEY. I thank the Senator. Inasmuch as Senate bill 577 was passed by the Senate I was very anxious to make sure that there was some action at this session. The Senator's statement makes it clear that postmasters are included.

Mr. President, I ask unanimous consent that this interruption be placed at the conclusion of the speech of the Senator from Kansas who has so kindly yielded to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AUSTIN, Mr. GEORGE, and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kansas yield and if so to whom?

Mr. AUSTIN. In my own right I ask what the parliamentary situation is. What was the request to which consent was given without an opportunity to inquire?

Mr. O'MAHONEY. It was merely a request for informa-

The PRESIDING OFFICER. The Chair will advise the Senator from Vermont that a colloquy took place between the Senator from Wyoming and the Senator from West Virginia. The Senator from Wyoming asked unanimous consent that that colloquy be placed in the RECORD at the conclusion of the speech of the Senator from Kansas rather than in the body of that speech.

Mr. AUSTIN. Another parliamentary inquiry. Did the Senator from Wyoming ask for action by the Senate pre-

ceding that request?

The PRESIDING OFFICER. The Senator from Wyoming did not ask for any action by the Senate. The Senator from Wyoming simply asked the Senator from Kansas to yield to him.

Mr. BARKLEY. I suggest to the Senator from Kansas that if he wants to complete his speech he had better go ahead and do it.

Mr. GEORGE. Mr. President, I desire to ask the Senator from West Virginia a question with reference to the matter about which he was queried by the Senator from Wyoming. Is the bill to which the Senator from Wyoming referred the bill that was considered by the Civil Service Committee of the Senate?

Mr. NEELY. It is the same bill and the one in relation to which the able Senator from Georgia [Mr. George] rendered exceptionally valuable service. With deep regret I inform the Senator that the House refused to pass the Senate bill in the form in which this body approved it. In fact, the House struck out of the Senate bill everything except the enacting clause. The Senate conferees offered to acquiesce in all the amendments made by the House excepting that which increased the beneficiaries' contribution to the retirement fund from 4 to 5 percent. But the conferees on the part of the House declined this offer. Thereupon the Senate conferees reluctantly agreed to the report which the Senate adopted yesterday evening because they believed that it contained all the benefits to the civil-service employees which could possibly be obtained during the present session of the Congress.

Mr. GEORGE. I thank the Senator.

After the conclusion of Mr. Capper's speech,

AMENDMENT OF PACKERS AND STOCKYARDS ACT—CONFERENCE REPORT

Mr. GILLETTE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4998) to amend the Packers and Stockyards Act, 1921, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

G. M. GILLETTE,
W. J. BULOW,
ARTHUR CAPPER,
Managers on the part of the Senate.
WALL DOXEY,
R. M. KLEBERG,
CLIFFORD R. HOPE,
Managers on the part of the House.

The report was agreed to.

PROGRAM FOR TOMORROW

Mr. BARKLEY. Mr. President, before moving an executive session, I wish to say that we have cleaned up the calendar pretty well today. There are a few little bills, odds and ends, that we may take up tomorrow. Just what they are, I do not know yet, but the Senator from South Carolina [Mr. Byrnes] has a bill, the Senator from Florida has one or two bills, and one or two other Senators have measures that we may be able to take up separately. Outside of that, I do not see much work ahead of us for tomorrow. There may be conference reports ready for action, and so forth.

I now move that the Senate proceed to the consideration

of executive business.

EXECUTIVE SESSION

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. THOMAS of Utah, from the Committee on Education and Labor, reported favorably the nomination of Dr. Paul H. Nystrom, of New York, to be a member of the Federal Board for Vocational Education (reappointment).

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

He also, from the same committee, reported favorably the nominations of several officers and citizens for promotion or

appointment in the Marine Corps.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. MINTON in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

NOMINATION RECOMMITTED

The legislative clerk read the nomination of Edward E. Dewey to be postmaster at Decatur, Ark.

Mr. McKELLAR. Mr. President, I inquire if the Senator from Arkansas will permit that nomination to be recommitted to the Committee on Post Offices and Post Roads?

Mr. MILLER. I think that would be all right.

Mr. McKELLAR. I ask unanimous consent that the nomination referred to may be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will state the other nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Campbell E. Beaumont to be United States district judge, southern district of California.

The PRESIDING OFFICER. Without objection the nomination is confirmed.

The legislative clerk read the nomination of Harry E. Pratt to be United States district judge, division No. 4, District of

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Herman E. Moore, of Illinois, to be judge of the District Court of the Virgin Islands of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY subsequently said: Mr. President, today Herman E. Moore, of Illinois, was confirmed to be judge of the District Court of the United States of the Virgin Islands. I ask unanimous consent that the President be notified immediately.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

UNITED STATES ATTORNEYS

The legislative clerk read the nomination of Charles Stewart Lynch to be United States attorney, district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUGHES subsequently said: Mr. President, today the nomination of Charles Stewart Lynch to be United States attorney for the district of Delaware was confirmed. I ask that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

The legislative clerk read the nomination of Harold Maurice Kennedy to be United States attorney, eastern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The legislative clerk read the nomination of Henry L. Dillingham to be United States marshal, western district of

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLARK of Missouri subsequently said: Mr. President, today the nomination of Henry L. Dillingham to be United States marshal for the western district of Missouri was confirmed. That office has been vacant for more than a year, and I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

FEDERAL COMMUNICATIONS COMMISSION

The legislative clerk read the nomination of James Lawrence Fly, of Tennessee, to be member Federal Communications Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RAILROAD RETIREMENT BOARD

The legislative clerk read the nomination of Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmaster be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. McKELLAR. Mr. President I want to call attention to the nomination of Arthur A. Weng to be postmaster at Doggett, Mich., in place of W. A. Nelson. That nomination was confirmed July 29. I ask unanimous consent that the vote by which the nomination was confirmed be reconsidered and that the nomination be placed on the calendar, showing an adverse report because one of the Senators from the State of Michigan, Hon. PRENTISS M. BROWN, personally objects to the nomination.

The PRESIDING OFFICER. Without objection, the vote whereby the nomination was confirmed is reconsidered, and the nomination will be placed on the calendar, showing an adverse report.

NOTIFICATION TO PRESIDENT-CONFIRMATION OF NOMINATION OF DENIS W. DELANEY

Mr. WALSH. Mr. President, the Senate yesterday confirmed the nomination of Denis W. Delaney to be workprojects administrator for Massachusetts. It is important that he assume his office at once. Therefore, I ask unanimous consent that the President may be notified of the confirmation.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF TREATIES

Mr. BARKLEY. Mr. President, there are several treaties on the calendar, most of which are probably noncontroversial. The Senator from Nevada [Mr. PITTMAN] desires now to take up and have considered and disposed of some of those treaties.

LIBERIA-CONSULAR CONVENTION

Mr. PITTMAN. Mr. President, I should like to have the Senate proceed to the consideration of Executive D.

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive D (76th Cong., 1st sess.), a consular convention between the United States of America and Liberia, signed at Monrovia on October 7, 1938, which was read the second time, as follows:

CONSULAR CONVENTION BETWEEN THE UNITED STATES AND LIBERIA

The President of the United States of America and the President The President of the United States of America and the President of the Republic of Liberia, being desirous of defining the duties, rights, prerogatives, and immunities of consular officers of each country in the territory of the other country, have decided to conclude a convention to that end and have appointed the following Plenipotentiaries; that is to say:

The President of the United States of America:

Lester A. Walton, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Liberia, and

The President of the Republic of Liberia:

His Excellency C. L. Simpson, Secretary of State of the Republic of Liberia,

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following articles:

ARTICLE I

Each of the High Contracting Parties agrees to receive from the other, consular officers in those of its ports, places, and cities, where it may be convenient and which are open to consular representa-

it may be convenient and which are open to consular representatives of any foreign country.

Consular officers of each of the High Contracting Parties shall, after entering upon their duties, enjoy reciprocally in the territories of the other all the rights, privileges, exemptions, and immunities which are enjoyed by officers of the same grade of the most favored nation. As official agents, such officers shall be entitled to the high consideration of all officials, national or local, with whom they have official intercourse in the State which receives them.

The Government of each of the High Contracting Parties shall furnish free of charge the necessary exequatur of such consular officers of the other as present a regular commission signed by the chief executive of the appointing State and under its great seal; and they shall issue to a subordinate or substitute consular officer with the

and they shall issue to a subordinate or substitute consular officer duly appointed by an accepted superior consular officer with the approbation of his Government, or by any other competent officer of that Government, such documents as according to the laws of the respective countries shall be requisite for the exercise by the appointee of the consular function. On the exhibition of an exequatur, or other document issued in lieu thereof to such subordinate, such consular officer shall be permitted to enter upon his duties and to enjoy the rights, privileges, and immunities granted by this Convention. by this Convention.

ARTICLE II

Consular officers, nationals of the State by which they are appointed, and not engaged in any profession, business, or trade, shall be exempt from arrest except when charged with the commission of offenses locally designated as crimes other than misdemeanors and subjecting the individual guilty thereof to punishment. Such officers shall be exempt from military billetings, and from service of any military or naval, administrative or police character whatsoever.

soever.

In criminal cases the attendance at court by a consular officer as a witness may be demanded by the prosecution or defense, or by the court. The demand shall be made with all possible regard for the consular dignity and the duties of the office; and there shall be compliance on the part of the consular officer.

When the testimony of a consular officer who is a national of the State which appoints him and is engaged in no private occupation for gain is taken in civil cases, it shall be taken orally or in writing at his residence or office and with due regard for his convenience. The officer should, however, voluntarily give his testimony at the trial whenever it is possible to do so without serious interference with his official duties.

with his official duties.

No consular officer shall be required to testify in either criminal or civil cases regarding acts performed by him in his official capacity.

ARTICLE III

Consular officers, including employees in a consulate, nationals of the State by which they are appointed, other than those engaged in private occupations for gain within the State where they exercise their functions, shall be exempt from all taxes, National, State, Provincial, and Municipal. except taxes levied on account of the possession or ownership of immovable property situated in, or income derived from property of any kind situated or belonging within the territories of the State within which they exercise their functions. All consular officers and employees, nationals of the

within the territories of the State within which they exercise their functions. All consular officers and employees, nationals of the State appointing them, shall be exempt from the payment of taxes on the salary, fees, or wages received by them in compensation for their consular services.

The exemptions of the foregoing paragraph shall apply equally to officials who are duly appointed by one of the High Contracting Parties to exercise in its behalf essential governmental functions in the territory of the other High Contracting Party, provided that such officials shall be nationals of the State appointing them and shall not be engaged in private occupations for gain within the country to which they are accredited. The State appointing them shall communicate to the other State satisfactory evidence of the appointment and shall indicate the character of the service of the officials to whom the exemptions of this Article are intended to apply.

apply.

The Government of each High Contracting Party shall have the right to lease land and to lease, acquire, and own buildings required for diplomatic or consular premises in the territory of the other High Contracting Party and also to erect buildings in such territory for the purposes stated subject to local building regulations

Lands and buildings situated in the territory of either High Contracting Party, of which the other High Contracting Party is the legal or equitable owner and which are used exclusively for governmental purposes by that owner, shall be exempt from taxation of every kind, National, State, Provincial and municipal, other than assessments levied for services or local public improvements by which the premises are benefited.

ARTICLE IV

Each of the High Contracting Parties agrees to permit the entry free of all duty and without examination of any kind, of all furni-

equipment and supplies intended for official use in the consular offices of the other, and to extend to such consular officers of the other and their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other sonal property whether accompanying the officer, his family or suite, to his post or imported at any time during his incumbency thereof; provided, nevertheless, that no article, the importation of which is prohibited by the law of either of the High Contracting Parties, may be brought into its territories.

Parties, may be brought into its territories.

The exemptions of the foregoing paragraph shall apply equally to officials who are duly appointed by one of the High Contracting Parties to exercise in its behalf essential governmental functions in the territory of the other High Contracting Party, provided that such officials shall be nationals of the State appointing them and shall not be engaged in private occupations for gain within the country to which they are accredited. The State appointing them shall communicate to the other satisfactory evidence of the appointment and shall indicate the character of the service of the officials to whom the exemptions of this Article are intended to apply

It is understood, however, that this privilege shall not be extended to officers who are engaged in any private occupation for gain in the countries to which they are accredited, save with respect to governmental supplies.

Consular officers may place over the outer door of their respective offices the arms of their State with an appropriate inscription desoffices the arms of their State with an appropriate inscription designating the official office, and they may place the coat of arms of their State on automobiles employed by them in the exercise of their consular functions. Such officers may also fly the flag of their country on their offices including those situated in the capitals of the two countries. They may likewise fly such flag over any boat or vessel employed in the exercise of the consular function.

The quarters where consular business is conducted and the archives of the consulates shall at all times be inviolable, and under no pretext shall any authorities of any character within the coun-

no pretext shall any authorities of any character within the country make any examination or seizure of papers or other property deposited with the archives. When consular officers are engaged in business within the territory of the State where they are exercising their duties, the files and documents of the consulate shall be kent in a place entirely separate from the one whose private or be kept in a place entirely separate from the one where private or business papers are kept. Consular offices shall not be used as

business papers are kept. Consular offices shall not be used as places of asylum. No consular officers shall be required to produce official archives in court or testify as to their contents.

Upon the death, incapacity, or absence of a consular officer having no subordinate consular officer at his post, secretaries or chancellors, whose official character may have previously been made known to the Government of the State where the consular function was exercised, may temporarily exercise the consular function of the deceased or incapacitated or absent consular officer; and while so acting shall enjoy all the rights, prerogatives and immunities that acting shall enjoy all the rights, prerogatives, and immunities that were granted to the consular officer.

ARTICLE VI

Consular officers of either High Contracting Party, nationals of the State by which they are appointed, may, within their respective consular districts, address the authorities concerned, National, State, Provincial, or Municipal, for the purpose of protecting their countrymen in the enjoyment of their rights accruing by treaty or otherwise. Complaint may be made for the infraction of those rights. Failure upon the part of the proper authorities to grant redress or to accord protection may justify interposition through the diplomatic channel, and, in the absence of a diplomatic representative, a consul general or the consular officer stationed at the capital may apply directly to the Government of the country. Consular officers shall have the right to interview, to communicate with, and to advise their countrymen within their consular districts; and, upon notification to the appropriate authority, to visit any of their countrymen who are imprisoned or detained by authorities of the State in which they exercise their consular functions; to assist them in proceedings before or relations with such authorities; and to inquire into any incidents which have

such authorities; and to inquire into any incidents which have occurred within the consular district affecting the interests of their countrymen.

Nationals of either of the high contracting parties shall have the right at all times to communicate with the consular officers of their country.

ARTICLE VII

Consular officers, in pursuance of the laws of their own country may (a) take, at any appropriate place within their respective districts, the depositions of any occupants of vessels of their own country, or of any national of, or of any person having permanent residence within the territory of, their own country; (b) draw up, attest, certify and authenticate unilateral acts, translations, deeds, and testimentary dispositions of their countrymen, and also contracts to which a countryman is a party; (c) authenticate signatures; (d) draw up, attest, certify, and authenticate written instruments of any kind purporting to express or embody the conveyance or encumbrance of property of any kind within the territory of the State by which such officers are appointed, and unilateral acts, deeds, testamentary dispositions and contracts relating to property situated, or business to be transacted, within the territories of the State by which they are appointed, embracing unilateral acts, deeds, testamentary dispositions or agreements executed solely by nationals of the State within which such officers exercise their functions.

Instruments and documents thus executed and copies and trans-Instruments and documents thus executed and copies and translations thereof, when duly authenticated by the consular officer, under his official seal, shall be received as evidence in the territories of the High Contracting Parties as original documents or authenticated copies, as the case may be, and shall have the same force and effect as if drawn by and executed before a notary or other public officer duly authorized in the country by which the consular officer was appointed; provided, always, that such documents shall have been drawn and executed in conformity to the laws and regulations of the country where they are designed to laws and regulations of the country where they are designed to take effect.

ARTICLE VIII

In case of the death of a national of either High Contracting Party in the territory of the other without having in the locality

Party in the territory of the other without having in the locality of his decease any known heirs or testamentary executors by him appointed, the competent local authorities shall at once inform the nearest consular officer of the State of which the deceased was a national of the fact of his death, in order that necessary information may be forwarded to the parties interested.

In case of the death of a national of either of the High Contracting Parties without will or testament whereby he has appointed testamentary executors, in the territory of the other High Contracting Party, the consular officer of the State of which the deceased was a national and within whose district the deceased made his home at the time of death, shall, so far as the laws of the country permit and pending the appointment of an administrator and until letters of administration have been granted, be deemed qualified to take charge of the property left by the decedent for the preservation and protection of the same. Such consular officer shall have the right to be appointed as administrator within the discretion of a tribunal or other agency controlling the administration of estates provided the laws of the place where the estate is administered so permit.

Whenever a consular officer accepts the office of administrator of the estate of a deceased countryman, he subjects himself as such to the jurisdiction of the tribunal or other agency making the executive of the same stream as a consular officer accepts the office of administrator of the protection of the tribunal or other agency making the executive of the same stream as a consular officer accepts the office of administrator of the purpose to the same stream as a consular officer accepts the office of administrator of the same stream as a consular officer accepts the office of administrator of the same stream as a consular officer accepts the office of administrator of the same stream as a consular officer accepts the office of administrator of the same stream as a consular officer a

to the jurisdiction of the tribunal or other agency making the appointment for all necessary purposes to the same extent as a national of the country where he was appointed.

ARTICLE IX

A consular officer of either High Contracting Party shall within his district have the right to appear personally or by delegate in all matters concerning the administration and distribution of the estate of a deceased person under the jurisdiction of the local authorities for all such heirs or legatees in said estate, either minors or adults, as may be nonresidents and nationals of the country represented by the said consular officer, with the same effect as if he held their power of attorney to represent them, unless such heirs or legatees themselves have appeared, either in person or by duly authorized representative.

A consular officer of either High Contracting Party may on behalf of his nonresident countrymen collect and receipt for their distributive shares derived from estates in process of probate or accruing under the provisions of so-called Workmen's Compensation Laws or other like statutes, for transmission through channels prescribed by his Government to the proper distributees.

ARTICLE X

A consular officer shall have exclusive jurisdiction over controversies arising out of the internal order of private vessels of his country, and shall alone exercise jurisdiction in cases, wherever arising, between officers and crews, pertaining to the enforcement of discipline on board, provided the vessel and the persons charged with wrongdoing shall have entered a port within his consular district. Such an officer shall also have jurisdiction over issues concerning the adjustment of wages and the execution of contracts relating thereto; provided, however, that such jurisdiction shall not exclude the jurisdiction conferred on local authorities under existing or future laws.

When an act committed on board of a private vessel under the flag of the State by which the consular officer has been appointed and within the territorial waters of the State to which he has been appointed constitutes a crime according to the laws of that State, subjecting the person guilty thereof to punishment as a criminal, the consular officer shall not exercise jurisdiction except insofar as he is permitted to do so by the local law.

A consular officer may freely invoke the assistance of the local police authorities in any matter pertaining to the maintenance of internal order on board of a vessel under the flag of his country within the territorial waters of the State to which he is appointed, and upon such a request the requisite assistance shall be given.

A consular officer may appear with the officers and crews of vessels under the flag of his country before the idicial authorities of the

A consular officer may appear with the officers and crews of vessels under the flag of his country before the judicial authorities of the State to which he is appointed for the purpose of observing the proceedings or of rendering assistance as an interpreter or agent.

ARTICLE XI

A consular officer of either High Contracting Party shall have the right to inspect within the ports of the other High Contracting Party within his consular district, the private vessels of any flag destined or about to clear for ports of the country appointing him in order to observe the sanitary conditions and measures taken on board such vessels, and to be enabled thereby to execute intelligently bills of health and other documents required by the laws of his country, and to inform his Government concerning the extent to which its sanitary regulations have been observed at ports of departure by vessels destined to its ports, with a view to facilitating entry of such vessels therein.

In exercising the right conferred upon them by this Article, consular officers shall act with all possible despatch and without unnecessary delay.

All proceedings relative to the salvage of vessels of either High Contracting Party wrecked upon the coasts of the other shall be directed by the consular officer of the country to which the vessel belongs and within whose district the wreck may have occurred, belongs and within whose district the wreck may have occurred, or by some other person authorized thereto by the law of that country. Pending the arrival of such officer, who shall be immediately informed of the occurrence, or the arrival of such other person, whose authority shall be made known to the local authorities by the consular officer, the local authorities shall take all necessary measures for the protection of persons and the preservation of wrecked property. The local authorities shall not otherwise interfere than for the maintenance of order, the protection of the interests of the salvors, if these do not belong to the crews that have been wrecked and to carry into effect the arrangements made for the entry and exportation of the merchandise saved. It is understood that such merchandise is not to be subjected to any customhouse charges, unless it be intended for consumption in the country where the wreck may have taken place.

The intervention of the local authorities in these different cases shall occasion no expense of any kind, except such as may be caused by the operations of salvage and the preservation of the goods saved, together with such as would be incurred under similar circumstances by vessels of the nation.

ARTICLE XIII

ARTICLE XIII

The territories of the High Contracting Parties to which the provisions of this Convention extend shall be understood to comprise all areas of land, water, and air over which the Parties respectively claim and exercise dominion as sovereign thereof, except the Panama Canal Zone.

ARTICLE XIV

The present Convention shall be ratified and the ratifications thereof shall be exchanged at Monrovia. The Convention shall take effect in all its provisions thirty days from the day of the exchange of ratifications and shall remain in full force for the term of five years thereafter.

If within six months before the expiration of the aforesaid period of five years neither High Contracting Party notifies to the other an intention of modifying, by change or omission, any of the provisions of any of the Articles in this Convention or of terminating it upon the expiration of the aforesaid period, the Convention shall remain in full force and effect after the aforesaid period and until six months from such a time as either of the High Contracting Parties shall have notified to the other an intention of modifying or terminating the Convention.

of modifying or terminating the Convention.

In witness whereof the respective Plenipotentiaries have signed this Convention and have affixed their seals thereto.

Done in duplicate, at Monrovia, this seventh day of October

[SEAL] LESTER A. WALTON. [SEAL] C. L. SIMPSON.

Mr. AUSTIN. Mr. President, may we have an explana-

Mr. PITTMAN. Mr. President, this is a consular convention between the United States of America and Liberia. It is in the ordinary form, exactly in the form other consular treaties take. It is a form which has been followed by the State Department for 2 years.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read, as follows:

Resolved (two-thirds of the Senators present concurring therein). That the Senate advise and consent to the ratification of Executive D, Seventy-sixth Congress, first session, a consular convention between the United States of America and Liberia, signed at Monrovia on October 7, 1938.

Mr. PITTMAN. I move that the resolution of ratification be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is

LIBERIA-TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION

Mr. PITTMAN. Mr. President, I ask that the Senate proceed to the consideration of Executive E.

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive E (76th Cong., 1st sess.), a treaty of friendship, commerce, and navigation between the United States of America and Liberia, signed at Monrovia on August 8, 1938, which was read the second time, as follows:

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION BETWEEN THE UNITED STATES AND LIBERIA

The United States of America and the Republic of Liberia, desirous of strengthening the bond of peace which happily prevails between them, by arrangements designed to promote friendly in-tercourse between their respective territories through provisions tercourse between their respective territories through provisions responsive to the spiritual, cultural, economic, and commercial aspirations of the people thereof, have resolved to conclude a Treaty of Friendship, Commerce, and Navigation and for that purpose have appointed as their Plenipotentiaries,

The President of the United States of America:

Lester A. Walton. Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Liberts and

Liberia, and
The President of the Republic of Liberia:

His Excellency C. L. Simpson, Secretary of State of the Republic of Liberia.

Who, having communicated to each other their full powers found to be in due form, have agreed upon the following Articles:

ARTICLE I

The nationals of each of the High Contracting Parties shall be permitted to enter, travel and reside in the territories of the other; permitted to enter, travel and reside in the territories of the other; to exercise liberty of conscience and freedom of worship; to engage in professional, scientific, religious, philanthropic, manufacturing, and commercial work of every kind without interference; to carry on every form of commercial activity which is not forbidden by the local law; to own erect or lease and occupy appropriate buildings and to lease lands for residential, scientific, religious, philanthropic, manufacturing, comparais, and morture provides to lings and to lease lands for residential, scientific, religious, philanthropic, manufacturing, commercial and mortuary purposes; to employ agents of their choice, and generally to do anything incidental to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the State of residence or as nationals of the nation hereafter to be most favored by it, submitting themselves to all local laws and regulations duly established.

The nationals of either High Contracting Party within the terri-

The nationals of either High Contracting Party within the territories of the other shall not be subjected to the payment of any internal charges or taxes other or higher than those that are exacted of and paid by nationals of the State of residence.

The nationals of each High Contracting Party shall enjoy freedom of access to the courts of justice of the other on conforming to the local laws, as well for the prosecution as for the defense of their rights, and in all degrees of jurisdiction established by law.

The nationals of each High Contracting Party shall receive within the territories of the other, upon submitting to conditions imposed upon its nationals, the most constant protection and security for their persons and property, and shall enjoy in this respect that degree of protection that is required by international law. Their property shall not be taken without due process of law and without payment of just compensation.

Nothing contained in this Treaty shall be construed to affect existing statutes of either of the High Contracting Parties in relation to emigration or to immigration or the right of either of the High Contracting Parties to enact such statutes, provided, however, that nothing in this paragraph shall prevent the nationals of either High Contracting Party from entering, traveling, and residing in the territories of the other Party in order to carry on international trade or to engage in any commercial activity relate to or connected with the conduct of international trade on the same terms as nationals of the most-favored nation.

ARTICLE II

With respect to that form of protection granted by National, State or Provincial laws establishing civil liability for bodily injuries or for death, and giving to relatives or heirs or dependents of an injured person a right of action or a pecuniary compensation, such relatives or heirs or dependents of the injured person, himself a national of either of the High Contracting Parties and injured within any of the territories of the other, shall, regardless of their alienage or residence outside of the territory where the injury occurred, enjoy the same rights and privileges as are or may be granted to nationals, and under like conditions.

ARTICLE III

The dwellings, warehouses, manufactories, shops, and other places The dwellings, warehouses, manufactories, shops, and other places of business, and all premises thereto appertaining of the nationals of each of the High Contracting Parties in the territories of the other, lawfully used for any purposes set forth in Article I, shall be respected. It shall not be allowable to make a domiciliary visit to, or search of any such buildings and premises, or there to examine and inspect books, papers or accounts, except under the conditions and in conformity with the forms prescribed by the laws, ordinances and regulations for nationals of the State of residence or nationals of the pation most favored by it. or nationals of the nation most favored by it.

ARTICLE IV

Where, on the death of any person holding real or other immovable property or interests therein within the territories of one High LXXXIV---675

Contracting Party, such property or interests therein would, by the laws of the country or by a testamentary disposition, descend or pass to a national of the other High Contracting Party, whether resident or non-resident, were he not disqualified by the laws of the resident or non-resident, were he not disqualified by the laws of the country where such property or interests therein is or are situated, such national shall be allowed a term of three years in which to sell the same, this term to be reasonably prolonged if circumstances render it necessary, and withdraw the proceeds thereof, without restraint or interference and exempt from any estate succession, probate or administrative duties or charges other than those which may be imposed in like cases upon the nationals of the country from which such proceeds may be drawn.

Nationals of either High Contracting Party may have full power

from which such proceeds may be drawn.

Nationals of either High Contracting Party may have full power to dispose of their personal property of every kind within the territories of the other, by testament, donation, or otherwise, and their heirs, legatees, and donees, of whatsoever nationality, whether resident or non-resident, shall succeed to such personal property, and may take possession thereof, either by themselves or by others acting for them, and retain or dispose of the same at their pleasure subject to the payment of such duties or charges only as the nationals of the High Contracting Party within whose territories such property may be or belong shall be liable to pay in like cases. In the same way, personal property left to nationals of one of the High Contracting Parties by nationals of the other High Contracting Party, and being within the territories of such other Party, shall be subject to the payment of such duties or charges only as the nationals of the High Contracting Party within whose territories such property may be or belong shall be liable to pay in like cases. like cases

ARTICLE V

The nationals of each of the High Contracting Parties in the exercise of the right of freedom of worship, within the territories of the other, as hereinabove provided, may, without annoyance or molestation of any kind by reason of their religious belief or otherwise, conduct services either within their own houses or within any appropriate buildings which they may be at liberty to erect and maintain in convenient situations, provided their teachings or practices are not contrary to public morals; and they shall also be permitted to bury their dead according to their religious customs in suitable and convenient places established and maintained for the purpose, subject to the mortuary and sanitary laws and regulations of the place of burial.

In the event of war between either High Contracting Party and a third State, such Party may draft for compulsory military service nationals of the other having a permanent residence within its territories and who have formally, according to its laws, declared an intention to adopt its nationality by naturalization, unless such persons depart from the territories of said belligerent Party within sixty days after the declaration of war. Such right to depart shall apply also to persons possessing the nationality of both High Contracting Parties unless they habitually reside in the territory of the country drafting for compulsory military service.

It is agreed, however, that such right to depart shall not apply to natives of the country drafting for compulsory military service, who, after having become nationals of the other Party, have declared an intention to acquire or resume the nationality of the country of their birth. Such persons shall nevertheless be entitled in respect of this matter to treatment no less favorable than that accorded the nationals of any other country who are similarly situated. similarly situated.

Between the territories of the High Contracting Parties there shall be freedom of commerce and navigation. The nationals of each of the High Contracting Parties equally with those of the most-favored nation, shall have liberty freely to come with their vessels and cargoes to all places, ports, and waters of every kind within the territorial limits of the other which are or may be open to foreign commerce and navigation.

ARTICLE VIII

With respect to customs duties or charges of any kind imposed on or in connection with importation or exportation, and with respect to the method of levying such duties or charges, and with respect to all rules and formalities in connection with importation or exportation, and with respect to all laws or regulations affecting the sale, taxation, or use of imported goods within the country, any advantage, favor, privilege or immunity which has been or may hereafter be granted by either High Contracting Party to any article originating in or destined for any third country, shall be accorded immediately and unconditionally to the like article originating in or destined for the other High Contracting Party. other High Contracting Party.

With respect to the amount and collection of duties on imports and exports of every kind, each of the two High Contracting Parties binds itself to give to the nationals, vessels and goods of the other the advantage of every favor, privilege or immunity which it shall have accorded to the nationals, vessels, and goods of a third State, whether such favored State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment. Every such favor, privilege or immunity which shall hereafter be granted to nationals, vessels or goods of a third State shall simultaneously and unconditionally, without request and without compensation, be extended to the other High

Contracting Party, for the benefit of itself, its nationals, vessels, and goods.

ARTICLE IX

Neither of the High Contracting Parties shall establish or maintain any import or export prohibition or restriction on any article originating in or destined for the territory of the other High Contracting Party, which is not applied to the like article originating in or destined for any third country. Any abolition

High Contracting Party, which is not applied to the like article originating in or destined for any third country. Any abolition of an import or export prohibition or restriction which may be granted even temporarily by either High Contracting Party in favor of an article originating in or destined for a third country shall be applied immediately and unconditionally to the like article originating in or destined for the territory of the other High Contracting Party.

If either High Contracting Party establishes or maintains any form of quantitative restriction or control of the importation or sale of any article in which the other High Contracting Party has an interest, or imposes a lower import duty or charge on the importation or sale of a specified quantity of any such article than the duty or charge imposed on importations in excess of such quantity, the High Contracting Party taking such action shall, upon request, inform the other High Contracting Party as to the total quantity, or any change therein, of any such article permitted to be imported or sold, or permitted to be imported or sold at such lower duty or charge during a specified period, and shall allot to the other High Contracting Party for such specified period a proportion of such total quantity as originally established or subsequently changed in any manner equivalent to the proportion of the total importation of such article which the other High Contracting Party supplied during a previous representative period, unless it is mutually agreed to dispense with such allotment. Neither of the High Contracting Parties shall, by import licenses, regulate the total quantity of importations into its territory or sales therein of any article in which the other High Contracting Party has an interest, unless the total quantity of such licenses, regulate the total quantity of importations into its territory or sales therein of any article in which the other High Contracting Party has an interest, unless the total quantity of such article permitted to be imported or sold during a quota period of not less than three months shall have been established, and unless the regulations covering the issuance of such licenses or permits shall have been made public before such regulations are put into

ARTICLE X

If either High Contracting Party establishes or maintains, directly or indirectly, any form of control of the means of international payment, it shall, in the administration of such control:

(a) Impose no prohibition, restriction, or delay on the transfer of payment for imported articles the growth, produce, or manufacture of the other High Contracting Party, or of payments necessary for and incidental to the importation of such articles;

(b) Accord unconditionally, with respect to rates of exchange and taxes or surcharges on exchange transactions in connection with

payments for or payments necessary and incidental to the importa-tion of articles the growth, produce, or manufacture of the other High Contracting Party, treatment no lesses favorable than that accorded in connection with the importation of any article whatso-ever the growth, produce, or manufacture of any third country; and

ever the growth, produce, or manufacture of any third country; and (c) Accord unconditionally, with respect to all rules and formalities applying to exchange transactions in connection with payments for or payments necessary and incidental to the importation of articles the growth, produce, or manufacture of the other High Contracting Party, treatment no less favorable than that accorded in connection with the importation of the like articles the growth, produce or manufacture of any third country.

produce, or manufacture of any third country.

With respect to noncommercial transactions, each High Contracting Party shall apply any form of control of the means of international payment in a nondiscriminatory manner as between the nationals of the other High Contracting Party and the nationals of any third country.

ARTICLE XI

In the event that either High Contracting Party establishes or In the event that either High Contracting Party establishes or maintains a monopoly for the importation, production or sale of a particular product or grants exclusive privileges, formally or in effect, to one or more agencies to import, produce or sell a particular product, the High Contracting Party establishing or maintaining such monopoly, or granting such monopoly privileges, shall, in respect of the foreign purchases of such monopoly or agency, accord the commerce of the other High Contracting Party fair and contribute to the commerce of the other High Contracting Party fair and contribute to the commerce of the other High Contracting Party fair and contribute to the commerce of the other High Contracting Party fair and contribute to the commerce of the other High Contracting Party fair and contribute to the commerce of the other High Contracting Party fair and contribute the foreign purchases. equitable treatment. In making its foreign purchases of any article such monopoly or agency shall be influenced solely by competitive considerations such as price, quality, marketability, and terms of

ARTICLE XII

ARTICLE XII

All articles which are or may be legally imported from foreign countries into ports of the United States of America or are or may be legally exported therefrom in vessels of the United States may likewise be imported into those ports or exported therefrom in Liberian vessels, without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in vessels of the United States; and reciprocally, all articles which are or may be legally imported from foreign countries into the ports of Liberia or are or may be legally exported therefrom in Liberian vessels may likewise be imported into those ports or exported therefrom in vessels of the United States without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in Liberian vessels.

In the same manner there shall be perfect reciprocal equality in relation to the flags of the two countries with regard to bounties,

drawbacks, and other privileges of this nature of whatever de-nomination which may be allowed in the territories of each of the Contracting Parties, on goods imported or exported in national vessels to that such bounties, drawbacks and other privileges shall also and in like manner be allowed on goods imported or exported in vessels of the other country.

ARTICLE XIII

The nationals, goods, products, wares, and merchandise of each High Contracting Party within the territories of the other shall receive the same treatment as nationals, goods, products, wares, and merchandise of the country with regard to internal taxes, transit duties, charges in respect of warehousing and other facilities and the amount of drawbacks and export bounties.

ARTICLE XIV

The merchant or other private vessels and cargoes of one of the High Contracting Parties shall, within the territorial waters and harbors of the other Party in all respects and unconditionally be accorded, the same treatment as the vessel and cargoes of that Party, irrespective of the port of departure of the vessel, or the port of destination, and irrespective of the origin or the destination of the cargo. It is especially agreed that no duties of tonnage, harbor, pilotage, lighthouse, quarantine, or other similar or corresponding duties or charges or whatever denomination, levied in the name or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories or territorial waters of either country upon the vessels of the other, which shall not equally, under the same conditions, be imposed on national vessels. national vessels.

ARTICLE XV

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties, and carrying the papers required by its national laws in proof of nationality shall, both within the territorial waters of the other High Contracting Party and on the high seas, be deemed to be the vessels of the Party whose flag is flown.

ARTICLE XVI

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties shall be permitted to discharge portions of cargoes at any port open to foreign commerce in the territories of the other High Contracting Party, and to proceed with the remaining portions of such cargoes to any other ports of the same territories open to foreign commerce, without paying other or higher tonnage dues or port charges in such cases then would be paid by national vessels in like circumwithout paying other or higher tonnage dues or port charges in such cases than would be paid by national vessels in like circumstances, and they shall be permitted to load in like manner at different ports in the same voyage outward, provided, however, that the coasting trade of the High Contracting Parties is exempt from the provisions of this Article and from the other provisions of this Treaty, and is to be regulated according to the laws of each High Contracting Party in relation thereto. It is agreed each High Contracting Party in relation thereto. It is agreed, however, that nationals and vessels of either High Contracting Party shall within the territories of the other enjoy with respect to the coasting trade most-favored-nation treatment.

ARTICLE XVII

Limited liability and other corporations and associations, whether or not for pecuniary profit, which have been or may hereafter be organized in accordance with and under the laws, National, State, or Provincial, of either High Contracting Party and which maintain a central office within the territories thereof, shall have their juridical status recognized by the other High Contracting Party provided that they pursue no alms within its territories contrary to its laws. They shall enjoy free access to the courts of law and equity, on conforming to the laws regulating the matter, as well for the prosecution as for the defense of rights in all the degrees of jurisdiction established by law.

The right of corporations and associations of either High Contracting Party which have been so recognized by the other to establish themselves in the territories of the other Party or to establish branch offices and fulfill their functions therein shall depend upon and be governed solely by the consent of such Party as expressed in its National, State, or Provincial laws.

The nationals of either High Contracting Party shall enjoy within the territories of the other, upon compliance with the conditions there imposed, such rights and privileges as have been or may hereafter be accorded the nationals of any other State with respect hereafter be accorded the nationals of any other State with respect to organization of and participation in limited liability and other corporations and associations, for pecuniary profit or otherwise, including the rights of promotion, incorporation, purchase and ownership and sale of shares and the holding of executive or official positions therein. In the exercise of the foregoing rights and with respect to the regulation or procedure concerning the organization or conduct of such corporations or associations, such nationals shall be subjected to no condition less favorable than those which have been or may hereafter be imposed upon the nationals of the most-favored nation. The right of any of such corporations or associations as may be organized or controlled or participated in by the nationals of either High Contracting Party within the territories of the other to exercise any of their functions therein, shall be governed by the laws and regulations, National, State or Provincial, which are in force or may hereafter be established within the territories of the Party wherein they propose to carry on their activities. The foregoing stipulations do not apply to organization of and participation in political associations.

ARTICLE XIX

The nationals, including corporations and associations, of either High Contracting Party shall enjoy in the territories of the other Party, upon compliance with the conditions there imposed, most-favored-nation treatment in respect of the exploration for and exploitation of mineral resources; provided that neither Party shall be required to grant rights and privileges in respect of the mining of coal, phosphate, oil, oil shale, gas and sodium on the public domain, or in respect of the ownership of stock in domestic corporations engaged in such operations, greater than its nationals, corporations, and associations receive from the other Party. It is understood, however, that neither High Contracting Party shall be required by anything in this paragraph to grant any application for any such right or privilege if at the time such application is presented the granting of all similar applications shall have been suspended or discontinued.

ARTICLE XX

Commercial travelers representing manufacturers, merchants, and traders domiciled in the territories of either High Contracting Party shall on their entry into and sojourn in the territories of Party shall on their entry into and sojourn in the territories of the other Party and on their departure therefrom be accorded the most-favored-nation treatment in respect of customs and other privileges and of all charges and taxes of whatever denomination applicable to them or to their samples.

If either High Contracting Party requires the presentation of an authentic document establishing the identity and authority of a commercial traveler, a signed statement by the concern or concerns represented, certified by a consular officer of the country of destination shall be accepted as satisfactory.

ARTICLE XXI

There shall be complete freedom of transit through the territories including territorial waters of each High Contracting Party on the routes most convenient for international transit, by rail, navigable waterway, and canal, other than the Panama Canal and waterways and canals which constitute international boundaries, to navigable waterway, and canal, other than the Panama Canal and waterways and canals which constitute international boundaries, to persons and goods coming from, going to or passing through the territories of the other High Contracting Party, except such persons as may be forbidden admission into its territories or goods of which the importation may be prohibited by law or regulations, provided that the foregoing shall not be construed to prevent either High Contracting Party from excluding aliens from special areas within its territories closed to visit by law, military order or regulations. The measures of a general or particular character which either of the High Contracting Parties is obliged to take in case of an emergency affecting the safety of the State or vital interests of the country may, in exceptional cases and for as short a period as possible, involve a deviation from the provisions of this paragraph, it being understood that the principle of freedom of transit must be observed to the utmost possible extent.

Persons and goods in transit shall not be subjected to any transit duty, or to any unnecessary delays or restrictions, or to treatment as regards charges, facilities, or any other matter less favorable than that accorded to the most-favored nation.

Goods in transit must be entered at the proper customhouse, but they shall be exempt from all customs or other similar duties. It is understood that all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the United States of America and all goods in transit through the territory of the Unite

the territory of Liberia when warehoused or otherwise stored shall be subject to storage charges.

All charges imposed on transport in transit shall be reasonable, having regard to the conditions of the traffic.

Nothing in this Article shall affect the right of either of the High Contracting Parties to prohibit or restrict the transit of arms, munitions and military equipment in accordance with treaties or conventions that may have been or may hereafter be entered into by either Party with other countries.

ARTICLE XXII

Nothing in this Treaty shall be construed to prevent the adoption of measures prohibiting or restricting the exportation or importation of gold or silver, or to prevent the adoption of such measures as either High Contracting Party may see fit with respect to the prohibition, or the control, of the export or sale for export, of arms, ammunition, or implements of war, and, in exceptional circumstances, all other military supplies.

Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary discrimination by either High Contracting Party against the other High Contracting Party in favor of any third country, the stipulations of this Treaty shell not ex-

of any third country, the stipulations of this Treaty shall not extend to prohibitions or restrictions (1) imposed on moral or humanitarian grounds; (2) designed to protect human, animal, or plant life or health; (3) relating to prison-made goods; (4) relating to the enforcement of police or revenue laws.

The stipulations of this Treaty do not extend to advantages now accorded or which may hereafter be accorded to neighboring States in order to facilitate short frontier traffic, or to advantages resulting from a customs union to which either High Contracting Party may become a party so long as such advantages are not extended to any

The stipulations of this Treaty do not extend to advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba. The provisions of this

paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change in the political status of any of the territories or possessions of the United States of America.

ARTICLE XXIII

Subject to any limitation or exception hereinabove set forth, or hereafter to be agreed upon the territories of the High Contracting Parties to which the provisions of this Treaty extend shall be understood to comprise all areas of land and water over which the Parties, respectively, claim and exercise dominion as sovereign thereof, except the Panama Canal Zone.

ARTICLE XXIV

The present Treaty shall come into force in all of its provisions on the day of the exchange of ratifications and shall continue in force for the term of five years from that day.

If within one year before the expiration of five years from the date on which the present Treaty shall come into force, neither High Contracting Party notifies to the other Party an intention of terminating the Treaty upon the expiration of the aforesaid period of five years, the Treaty shall remain in full force and effect after the aforesaid period and until one year from such a time as either of the High Contracting Parties shall have notified to the other Party an intention of terminating it.

The present Treaty shall, from the date of the exchange of ratifications, be deemed to supplant the Treaty of Commerce and Navigation between the United States of America and Liberia, concluded at London on October 21, 1862.

ARTICLE XXV

The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Monrovia as soon as possible.

In witness whereof the respective Plenipotentiaries have signed the present Treaty and have affixed their seals thereto.

Done in duplicate, at Monrovia, this eighth day of August nineteen hundred and thirty eight.

[SEAL] LESTER A. WALTON. [SEAL] C. L. SIMPSON.

Mr. PITTMAN. Mr. President, this is in the usual form followed during the last 2 years.

Mr. AUSTIN. Is this a standard treaty?

Mr. PITTMAN. It is a standard treaty. There is no distinction between it and any other treaty.

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment. The PRESIDING OFFICER. The resolution of ratification will be read

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein). That the Senate advise and consent to the ratification of Executive E. Seventy-sixth Congress, first session, a treaty of friendship, commerce, and navigation between the United States of America and Liberia, signed at Monrovia on August 8, 1938.

Mr. PITTMAN. I move that the resolution of ratification be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Twothirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

LIBERIA-EXTRADITION TREAT

Mr. PITTMAN. I ask that the Senate proceed to the consideration of Calendar No. 12, Executive F.

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive F (76th Cong., 1st sess.), an extradition treaty between the United States of America and Liberia, signed at Monrovia, on November 1, 1937, which was read the second time, as follows:

TREATY OF EXTRADITION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF LIBERIA

The United States of America and the Republic of Liberia, desiring to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the two countries and have appointed for that purpose the following Plenipotentiaries:

Plenipotentiaries:
The President of the United States of America:
His Excellency Lester A. Walton, Envoy Extraordinary and Minister
Plenipotentiary of the United States of America to Liberia;
The President of the Republic of Liberia:

His Excellency C. L. Simpson, Secretary of State:
Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the Government of the United States and the Government of the Republic of Liberia shall, upon requisition duly Government of the Republic of Liberia shall, upon requisition duly made as herein provided, deliver up to justice any person who may be charged with, or may have been convicted of, any of the crimes or offenses specified in Article II of the present Treaty committed within the jurisdiction of one of the High Contracting Parties, and who shall seek an asylum or shall be found within the territories of the other; provided that such surrender shall take place only upon grids evidence of criminality as according to the large of the upon such evidence of criminality, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of the present Treaty, who shall have been charged with or convicted of any of the following crimes or offenses:

1. Murder (including crimes designated by the terms parricide,

poisoning, and infanticide); manslaughter, when voluntary.

2. Malicious wounding or inflicting grevious bodily harm with

premeditation.

3. Rape, abortion, carnal knowledge of children under the age of 16 years.
4. Abduction or detention of women or girls for immoral purposes.

6. Arson.
7. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

8. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations, or by statutes;
(b) Wrongfully sinking or destroying a vessel at sea or attempt-

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the Captain or Commander of such vessel, or by fraud or violence taking possession of such vessel:

(d) Assault on board ship upon the high seas with intent to do bodily harm.

9. Burglary; house-breaking.
10. The act of breaking into and entering the offices of the Government or public authorities, or other buildings not dwellings with intent to commit a felony therein.

11. Robbery.

12. Forgery or the utterance of forged papers.

13. The forgery or falsification of the official acts of the Government or public authorities, including Courts of Justice, or the uttering or fraudulent use of any of the same.

14. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by National, State, Provincial, Territorial, Local, or Municipal Governments, bank notes or other instruments of public credit. ernments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.

15. Embezzlement.
16. Kidnapping of minors or adults, defined to be abduction or detention of a person or persons, in order to exact money from them, their families, or any other person or persons, or for any

them, their families, or any other person or persons, or for any other unlawful end.

17. Larceny, defined to be the theft of effects, personal property, or money, of the value of twenty-five dollars or more.

18. Obtaining money, valuable securities, or other property by false pretenses, or receiving any money, valuable securities, or other property knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds one hundred dollars.

19. Perjury.

20. Fraud or breach of trust by a bailee, banker, agent, factor, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds one hundred dollars.

21. Crimes and offenses against the laws of both countries for

the suppression of slavery and slave trading.

22. Willful desertion or willful nonsupport of minor or dependent children, or of other dependent persons, provided that the crime or offense is punishable by the laws of both countries.

23. Bribery.24. Crimes or offenses against the bankruptcy laws.25. Crimes or offenses against the laws for the suppression of traffic in narcotics.

26. Crimes and offenses against the laws regulating the postal service of both countries, with respect to using the mails to promote frauds.

27. Extradition shall also take place for participation in any of the crimes or offenses before mentioned as an accessory before or after the fact, or in any attempt to commit any of the aforesaid crimes or offenses.

ARTICLE III

The provisions of the present Treaty shall not import a claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the High Contracting Parties in virtue of this Treaty shall be tried or punished for a political crime or offense committed before his extradition. The State

applied to, or Courts of such State, shall decide whether the crime or offense is of a political character. When the offense charged comprises the act either of murder or assassination or of charged comprises the act either of murder or assassination of or poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the Head of the State of one of the High Contracting Parties, or against the Sovereign or Head of a foreign State, or against the life of any member of the family of either, shall not be deemed sufficient to sustain that such crime or offense was of a political character, or was an act connected with crimes or offenses of a political character.

ARTICLE IV

No person shall be tried for any crime or offense, committed prior to his extradition, other than that for which he was surrendered, unless he has been at liberty for one month after having been tried, to leave the country, or, in case of conviction, for one month after having suffered his punishment or having been percentaged. pardoned.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof, when, from lapse of time or other lawful cause, according to the laws of the demanding country, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof, be actually under prosecution, out on bail or in custody, for a crime or offense committed in the country where he has sought asylum, or shall have been convicted the telegraph his extradition may be deferred until such proceedings be determined, and until he shall have been set at liberty in due course

ARTICLE VII

If a fugitive criminal claimed by one of the two parties hereto, shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes or offenses committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received unless the demand is waived.

This article shall not affect such treaties as have previously been concluded by one of the contracting parties with other

ARTICLE VIII

Under the stipulations of this Treaty, neither of the High Contracting Parties shall be bound to deliver up its own citizens, except in cases where such citizenship has been obtained after the perpetration of the crime for which extradition is sought. The State appealed to shall decide whether the person claimed is its own citizen.

ARTICLE IX

The expense of transportation of the fugitive shall be borne by the Government which has preferred the demand for extradition. The appropriate legal officers of the country where the proceedings of extradition are had, shall assist the officers of the Government demanding the extradition before the respective judges and magistrates, by every legal means within their power; and no claim other than for the board and lodging of a fugitive and no claim other than for the board and lodging of a fugitive prior to his surrender, arising out of the arrest, detention, examination and surrender of fugitives under this Treaty, shall be made against the government demanding the extradition; provided, however, that any officer or officers of the surrendering government giving assistance, who shall, in the usual course of their duty receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the government demanding the extradition the customary fees for the acts or services performed by them in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense, or which may be material as evidence in making proof of the crime, shall be so far as practicable, according to the laws of either of the High Contracting Parties, be delivered up with his person at the time of surrender. Nevertheless the rights of a third party with regard to the articles referred to shall be duly respected.

ARTICLE XI

The stipulations of the present Treaty shall be applicable to all territory wherever situated, belonging to either of the High Contracting Parties, or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents or superior consular officers of the High Contracting Parties. In the event of the absence of such agents or officers from the country or where extradition is sought from territory included in the preceding paragraphs, other than the United States or Liberia, requisitions

may be made by superior consular officers.

The arrest of the fugitive shall be brought about in accordance with the laws of the respective countries, and if, after an examination, it shall be decided, according to the law and the evidence, that extradition is due pursuant to this Treaty, the fugitive shall be surrendered in conformity to the forms of law

prescribed in such cases.

The person provisionally arrested shall be released, unless within two months from the date of commitment in the territory of either one of the High Contracting Parties, the formal requisition for surrender with the documentary proofs hereinafter prescribed shall be made as aforesaid by the diplomatic agent or superior consular officer of the demanding government, or, in his absence, by a consular officer thereof.

consular officer thereof.

If the fugitive criminal shall have been convicted of the crime or offense for which his surrender is asked, a copy of the sentence of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed shall be produced, together with the evidence of criminality mentioned in Article I

ARTICLE XII

The present Treaty, written in English, shall be ratified by the High Contracting Parties in accordance with their respective constitutional methods, and shall take effect on the date of the exchange of ratifications which shall take place at Monrovia as soon as possible.

ARTICLE XIII

The present Treaty shall remain in force for a period of five years, and in case neither of the High Contracting Parties shall have given notice one year before the expiration of that period of its intention to terminate the Treaty, it shall continue in force until the expiration of one year from the date on which such notice that the contraction of the present that the present the present the present that the present the present the present the present that the present that the present the present that the present th of termination shall be given by either of the High Contracting Parties.

In witness whereof the above named Plenipotentiaries have signed the present Treaty and have hereunto affixed their seals.

Done in duplicate at Monrovia this first day of November, nine-

teen hundred and thirty-seven.

LESTER A. WALTON. C. L. SIMPSON. [SEAL]

Mr. PITTMAN. Mr. President, this is the usual form which has been followed for 2 years. It includes bankruptcy offenses.

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment. The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, Seventy-sixth Congress, first session, an extradition treaty between the United States of America and Liberia, signed at Monrovia, on November 1, 1937.

Mr. PITTMAN. I move the adoption of the resolution of ratification.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

TREATY OF COMMERCE AND NAVIGATION BETWEEN UNITED STATES AND IRAQ

Mr. PITTMAN. I ask that the Senate proceed to the consideration of Executive G.

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive G (76th Cong., 1st sess.), a treaty of commerce and navigation between the United States of America and the King of Iraq, signed at Baghdad on December 3, 1938, which was read the second time, as

TREATY OF COMMERCE AND NAVIGATION BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF IRAQ

OF AMERICA AND THE KINGDOM OF IRAQ

The United States of America and His Majesty the King of Iraq, taking cognizance of the provisions of Article 7 of the Convention, signed at London January 9, 1930, to which the United States of America, Great Britain, and Iraq are Parties, whereby on the termination of the special relations existing between His Britannic Majesty and His Majesty the King of Iraq, negotiations shall be entered into between the United States and Iraq for the conclusion of a treaty in regard to their future relations, have resolved to conclude a treaty of Commerce and Navigation and for that purpose have appointed as their Plenipotentiaries:

The President of the United States of America:

Paul Knabenshue, Minister Resident of the United States of America at Baghdad.

His Majesty The King of Iraq:

His Excellency Sayid Towfik Al Swaidi, Minister for Foreign Affairs.

Affairs.
who, having communicated to each other their full powers found to be in due form, have agreed upon the following articles:

ARTICLE I

In respect to import and export duties, all other charges imposed on or in connection with importation or exportation, and the method of levying such duties and charges, as well as in respect of transit, warehousing, and customs formalities, and the treatment of commercial traveler's samples, the United States of America will accord to Iraq and Iraq will accord to the United States of America, its territories and possessions, unconditional most-favored-national treatment.

Therefore, no higher or other duties shall be imposed on the

Therefore, no higher or other duties shall be imposed on the importation into or the disposition in the United States of America, its territories or possessions, of any articles the growth, produce, or manufacture of Iraq than are or shall be payable on like articles the growth, produce, or manufacture of any other foreign country

Similarly, no higher or other duties shall be imposed on the importation into or the disposition in Iraq of any articles the growth, produce, or manufacture of the United States of America, its terrifories or possessions, than are or shall be payable on like articles the growth, produce, or manufacture of any other foreign

articles the growth, produce, or manufacture of any other foreign country.

Similarly, no higher or other duties shall be imposed in the United States of America, its territories or possessions, or in Iraq, on the exportation of any articles to the other or to any territory or possession of the other, than are payable on the exportation of like articles to any other foreign country.

Any advantage, of whatsoever kind, which either High Contracting Party may extend to any article, the growth, produce, or manufacture of any other foreign country shall simultaneously and unconditionally, without request and without compensation, be extended to the like article the growth, produce, or manufacture of the other High Contracting Party.

of the other High Contracting Party.

The stipulations of this Treaty regarding the treatment to be accorded by each High Contracting Party to the commerce of the other do not extend:

(a) to the advantages now accorded or which may hereafter be

(a) to the advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change in the political status of any of the territories or possessions of the United States of America;

(b) to any advantages in customs matters which Iraq may grant to goods the produce or manufacture of Turkey, or of any country whose territory was in 1914 wholly included in the Ottoman

Empire in Asia

(c) to any advantages which are, or may in the future be accorded by either Party to purely border traffic within a zone not exceeding ten miles (15 kilometres) wide on either side of the customs frontier;

(d) to any advantages in customs matters which are, or may in the future be accorded to States in customs union with either High Contracting Party so long as such advantages are not accorded to any other State.

ARTICLE II

Having regard to the volume and nature of the trade between the two countries it is agreed that in all that concerns matters of prohibitions or restrictions on importations and exportations each of the two countries will accord, whenever they may have recourse to the said prohibitions or restrictions, to the commerce of the other country treatment equally favorable to that which is accorded to any other country and that in the event either country establishes or maintains import or customs quotas, or other quantitative restrictions, or any system of foreign exchange control, the share of the total permissible importation of any product or of the total exchange made available for importation of any product of the other country shall be equal to the share in the trade in such product which such other country enjoyed in a previous representative period.

ARTICLE III

Vessels of the United States of America will enjoy in Iraq and Iraqui vessels will enjoy in the United States of America treatment not less favorable than that accorded to national vessels or the vessels of the most favored nation.

The coasting trade of the High Contracting Parties is exempt from the provisions of this Article and from the other provisions of this Treaty, and is to be regulated according to the laws of each High Contracting Party in relation thereto. It is agreed, however, that vessels of either High Contracting Party shall enjoy within the territory of the other with respect to the coasting trade the most-favored-nation treatment. most-favored-nation treatment.

ARTICLE IV

Nothing in this Treaty shall be construed to prevent the adoption of measures prohibiting or restricting the exportation or importation of gold or silver, or to prevent the adoption of such measures as either Government may see fit with respect to the control of the export or sale for export of arms, ammunition, or implements of war, and in exceptional circumstances, all other military supplies. It is agreed, further, that nothing in this Treaty shall be construed to prevent the adoption of enforcement of measures relating to neutrality or to rights and obligations

of measures relating to neutrality or to rights and obligations arising under the Covenant of the League of Nations.

Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary discrimination by either High Contracting Party against the other High Contracting Party

in favor of any third country, nothing in this Treaty shall be construed to restrict the right of either High Contracting Party to impose (1) prohibitions or restrictions designed to protect human, animal, or plant health or life or national treasures of artistic, historical or archaeological value; (2) prohibitions or restrictions applied to products which as regards production or trade are or may in the future be subject within the country to state monopoly or monopolies exercised under state control; or (3) regulations for the enforcement of revenue or police laws. Each of the High Contracting Parties agrees that, in respect of the foreign purchases of any state monopoly for the importation, production, or sale of any commodity or of any agency having such monopoly privileges, the commerce of the other High Contracting Party shall receive fair and equitable treatment, and that, in making its foreign purchases, such monopoly or agency

that, in making its foreign purchases, such monopoly or agency will be influenced solely by those considerations which would normally be taken into account by a private commercial enterprise interested solely in purchasing goods on the most favorable

ARTICLE V

Should measures be taken by either High Contracting Party seriously affecting the chief exports of the other Party, the Party taking such measures will give sympathetic consideration to any representations which the other Party may make in respect to such measures. If agreement with respect to the question or questions involved in such representations shall not have been reached within ninety days from the date of the receipt of the said representations the Government making the representations may, notwithstanding the provisions of Article VII, terminate this Treaty, such termination to be effective at the expiration of thirty days from the date of the receipt of a notification given subsequent to the expiration of the ninety-day period provided herein.

ARTICLE VI

The present Treaty shall, from the day on which it comes into force, supplant Article 7 of the convention between the United States of America and Great Britain and Iraq signed at London January 9, 1930, insofar as commerce and navigation are concerned.

ARTICLE VII

The present Treaty shall take effect in all its provisions on the thirtieth day after the exchange of ratifications, and shall continue in force for the term of three years from that day. If neither High Contracting Party notifies to the other at least one year in advance an intention of terminating the Treaty upon the expiration of the aforesaid period of three years, the Treaty shall remain in full force and effect after the aforesaid period and until one year from such a time as either of the High Contracting Parties shall have notified to the other an intention of terminating the Treaty

ARTICLE VIII

The present Treaty shall be ratified and the ratifications thereof shall be exchanged at Baghdad as soon as possible.

In witness whereof the respective Plenipotentiaries have signed the present Treaty and have affixed their seals thereto.

Done in duplicate in the English and Arabic languages, which have the same value and shall have equal force, at Baghdad this 3rd day of December, 1938, of the Christian Era, corresponding with the 10th day of Shawaal 1357, of the Hijra.

PAUL KNABENSHUE

PAUL KNABENSHUE T. SWAIDI

RELATED PAPERS

RIGHTS OF THE UNITED STATES OF AMERICA AND OF ITS NATIONALS IN IRAQ

CONVENTION 1 AND PROTOCOL BETWEEN THE UNITED STATES OF AMERICA AND GREAT BRITAIN AND IRAQ

AND GREAT BRITAIN AND IRAQ

Signed at London, January 9, 1930.

Ratification advised by the Senate of the United States, April 22, 1930 (legislative day of April 21, 1930).

Ratified by the President of the United States, April 28, 1930.

Ratified by Great Britain, February 20, 1931.

Ratifications exchanged at London, February 24, 1931.

Proclaimed by the President of the United States, March 11, 1931.

(1.) Whereas in virtue of the Treaty of Peace concluded with the Allied Powers and signed at Lausanne on the 24th day of July, 1923, and in virtue of the Treaty concluded with His Britannic

the Allied Powers and signed at Lausanne on the 24th day of July, 1923, and in virtue of the Treaty concluded with His Britannic Majesty and His Majesty the King of Iraq, signed at Angora on the 5th day of June, 1926. Turkey has renounced all rights and titles over the territory of Iraq; and

(ii.) Whereas by their decision of the 27th day of September, 1924, which is set forth in the first schedule hereto the Council of the League of Nations agreed that, in so far as concerns Iraq, effect had been given to the provisions of article 22 of the Covenant of the League of Nations in the Treaty of Versailles by the communication received by them from His Britannic Majesty's Government on that date; and

(iii.) Whereas the Treaty of Alliance referred to in the aforesaid decision of the Council of the League of Nations, and set forth in

¹Except as to article 7 (q. v.) this Convention and Protocol terminated on October 3, 1932, the date on which Iraq was admitted to the League of Nations.

the second schedule hereto, entered into force on the 19th day of December, 1924; and

December, 1924; and

(iv.) Whereas with the object of extending the duration of the aforesaid Treaty of Alliance, a new Treaty between His Britannic Majesty and His Majesty the King of Iraq was signed at Baghdad on the 13th day of January 1926, as set forth in the third schedule hereto, and hereinafter referred to as the Treaty of 1926; and

(v.) Whereas on the 2nd day of March 1926, a letter in the terms set forth in the fourth schedule hereto was addressed by His Britannic Majesty's Government to the League of Nations; and

(vi.) Whereas on the 11th day of March 1926, the Council of the League of Nations accorded a resolution taking note of the Treaty

League of Nations accorded a resolution taking note of the freely of 1926; and (vii.) Whereas the Treaty of 1926 entered into force on the 30th day of March 1926; and (viii.) Whereas the United States of America, by participating in the war against Germany, contributed to her defeat and the defeat of her Allies, and to the renunciation of the rights and titles of her Allies in the territory transferred by them, but has not ratified the Covenant of the League of Nations embodied in the Treaty of Versailles; and

ratified the Covenant of the League of Nations embodied in the Treaty of Versailles; and (ix.) Whereas the United States of America recognizes Iraq as an independent State; and (x.) Whereas the President of the United States and His Britannic Majesty and His Majesty the King of Iraq desire to reach a definite understanding with respect to the rights of the United States and of the president in Iraq. States and of its nationals in Iraq;

States and of its nationals in Iraq;

(xi.) The President of the United States of America of the one part and His Britannic Majesty and His Majesty the King of Iraq of the other part have decided to conclude a Convention to this effect, and have named as their plenipotentiaries:—

The President of the United States of America;

His Excellency General Charles G. Dawes, Ambassador Extraordinary and Plenipotentiary of the United States at London;

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India;

for Great Britain and Northern Ireland;

The Right Honourable Arthur Henderson, M. P. His Majesty's

The Right Honourable Arthur Henderson, M. P., His Majesty's Principal Secretary of State for Foreign Affairs; His Majesty the King of Iraq;
Ja'far Pasha El Askeri, C. M. G., His Majesty's Envoy Extraordinary and Minister Pienipotentiary at London; who, after having communicated to each other their respective full

powers, found in good and due form, have agreed as follows:

ARTICLE 1

Subject to the provisions of the present Convention, the United States consents to the regime established in virtue of the decisions of the Council of the League of Nations of the 27th day of September, 1924, and of the 11th day of March, 1926, the Treaty of Alliance (as defined in the said decision of the 27th day of September, 1924), and the Treaty of 1926, and recognizes the special relations existing between His Britannic Majesty and His Majesty the King of Iraq as defined in those instruments.

ARTICLE 2

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of the aforesaid decisions and treaties to members of the League of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3

Vested American property rights in Iraq shall be respected and in no way impaired.

ARTICLE 4

Subject to the provisions of any local laws for the maintenance of public order and public morals, and to any general educational requirements prescribed by law in Iraq, the nationals of the United States will be permitted freely to establish and maintain educational, philanthropic, and religious institutions in Iraq, to receive voluntary applicants and to teach in the English language.

ARTICLE 5

Negotiations shall be entered into as soon as possible for the purpose of concluding an Extradition Treaty between the United States and Iraq in accordance with the usages prevailing among friendly States.

ARTICLE 6

No modification of the special relations existing between His Britannic Majesty and His Majesty the King of Iraq, as defined in article 1 (other than the termination of such special relations as contemplated in article 7 of the present Convention) shall make any change in the rights of the United States as defined in this Convention, unless such change has been assented to by the Government of the United States.

ARTICLE 7

The present Convention shall be ratified in accordance with the respective constitutional methods of the High Contracting Parties. The ratifications shall be exchanged in London as soon as practicable. The present Convention shall take effect on the date of the exchange of ratifications, and shall cease to have effect on the termination of the special relations existing between His Britannic Majesty and His Majesty the King of Iraq in accordance with the Treaty of Alliance and the Treaty of 1926.

On the termination of the said special relations, negotiations shall be entered into between the United States and Iraq for the conclusion of a treaty in regard to their future relations and the rights of the nationals of each country in the territories of the other. Pending the conclusion of such an agreement, the nationals, vessels, goods, and aircraft of the United States and all goods in transit across Iraq, originating in or destined for the United States, shall receive in Iraq the most-favoured-nation treatment; provided that the benefit of this provision cannot be claimed in respect of any matter in regard to which the nationals, vessels, goods, and aircraft of Iraq, and all goods in transit across the United States, originating in or destined for Iraq, do not receive in the United States the most-favoured-nation treatment, it being understood that Iraq shall not be entitled to claim the treatment which is accorded by the United States to the commerce of Cuba under the provisions of the Commercial Convention concluded by the United provisions of the Commercial Convention concluded by the United States and Cuba on the 11th day of December, 1902, or any other commercial convention which may hereafter be concluded by the United States with Cuba or to the commerce of the United States with any of its dependencies and the Panama Canal Zone under existing or future laws, and that the United States shall not be entitled to claim any special treatment which may be accorded by Iraq to the nationals or commerce of neighbouring States exclusively.

In witness whereof, the undersigned have signed the present Convention, and have thereunto affixed their seals.

Done in triplicate in English and Arabic, of which, in case of divergence, the English text shall prevail, at London, this 9th day of January, 1930.

CHARLES G. DAWES. ARTHUR HENDERSON. SEAL [SEAL] JA'FAR EL ASKERI.

PROTOCOL.

On the signature this day of the Convention between His Britannic Majesty and His Majesty the King of Iraq, respectively, of the one part, and the President of the United States of America of the

other part, the undersigned Plenipotentiaries, duly authorized thereto, have agreed as follows:—

(1) It is understood by the High Contracting Parties that the term "exercise of industries" as employed in article XI of the Anglo-Iraq Treaty of Alliance signed the 10th October, 1922, covers the granting and operation of concessions.

cessions.

(2) With reference to article 4 of the Convention signed this day, it is understood by the High Contracting Parties that the Iraq Government will not interfere in matters concerning the curriculum, such as the time-table, discipline and purely internal administration in schools established or maintained by nationals of the United States of America in Iraq.

(3) It is understood that upon the entry into force of the Convention signed this day and during the period of the special relations existing between His Britannic Majesty and His Majesty the King of Iraq, defined in article I

and His Majesty the King of Iraq, defined in article I of the said Convention, there will be a suspension of the capitulatory regime in Iraq so far as the rights of the United States and its nationals are concerned, and that such rights will be exercised in conformity with the decision of the Council of the League of Nations dated

the 27th September, 1924.

(4) It is understood that article 3 of the Convention signed this day does not prohibit the Iraq Government from expropriating American property for public purposes under normal expropriation laws of general application, and subject to the previous provision for just and reasonable companyation.

sonable compensation.

The present Protocol shall be deemed an integral part of the Convention signed this day and shall be ratified at the same time as that Convention.

In witness whereof, the respective Plenipotentiaries have signed the present Protocol and have affixed thereto their seals.

Done in triplicate in English and Arabic, of which, in case of divergence, the English text shall prevail, at London, this 9th day of January, 1930.

CHARLES G. DAWES ARTHUR HENDERSON JA'FAR EL ASKERI SEAL [SEAL]

Mr. PITTMAN. Mr. President, as to this treaty I call the attention of the Senate to the fact that it deals only with commerce and navigation. It is not a treaty of amity. The distinction between this treaty and the others is that we had a treaty of amity, commerce, and navigation ratified several years ago, at which time Great Britain was recognized as having a certain protectorate over Iraq. There was one clause in the treaty of amity at that time which caused a termination of the treaty of amity at the time Great Britain relinquished its protectorate over Iraq. Great Britain has relinquished that protectorate, and this treaty is to continue in force and effect not only the amity treaty, which would have expired at the time of the relinquishment of the protectorate, but it is to reenact the treaty of commerce and navigation. It is in the usual form.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. I yield. Mr. AUSTIN. Does the protocol of January 9, 1933, between His Britannic Majesty and this Government continue in effect after this treaty is ratified?

Mr. PITTMAN. No; the protocol of 1933 has expired. That is the protocol which recognized the protectorate over Iraq. Section 7 is the only section that is affected by this treaty. The treaty of amity would have expired upon the termination of the protectorate by Great Britain, and this extends it instead of having it expire.

I may say to the Senator from Vermont that it is in the ordinary form of a treaty of amity, commerce, and navi-

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment. The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein). That the Senate advise and consent to the ratification of Executive G. Seventy-sixth Congress, first session, a treaty of commerce and navigation between the United States of America and the King of Iraq, signed at Baghdad on December 3, 1938.

Mr. PITTMAN. I move the adoption of the resolution of ratification.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

CONVENTION BETWEEN UNITED STATES AND FINLAND

Mr. PITTMAN. I ask that we proceed to the consideration of Calendar 14, Executive H.

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive H (76th Cong., 1st sess.), a convention between the United States of America and the Republic of Finland, signed at Helsinki on January 27, 1939, regulating the military obligations of persons possessing the nationality of both the high contracting parties, which was read the second time, as follows:

The United States of America and the Republic of Finland, being The United States of America and the Republic of Finland, being desirious of regulating the question of exemption from military obligations of persons possessing the nationality of both the High Contracting Parties, have decided to conclude a convention for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States of America:

Mr. H. F. Arthur Schoenfeld, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Finland; and

The President of the Republic of Finland: Mr. Juho Eljas Erkko, Minister of Foreign Affairs of the Republic of Finland;

Who, having communicated to each other their full powers found to be in good and due form, have agreed as follows:

ARTICLE I

A person possessing the nationality of both the High Contracting Parties who habitually resides in the territory of one of them and who is in fact most closely connected with that Party shall be exempt from all military obligations in the territory of the other Party.

ARTICLE H

The present convention shall be ratified and the ratifications thereof shall be exchanged at Helsinki. It shall take effect in all its provisions on the day of the exchange of ratifications and shall continue in force for the term of ten years from that day. If within six months before the expiration of ten years from the day on which the present convention shall come into force, neither High Contracting Party notifies the other of an intention of terminating the convention upon the expiration of the aforesaid period of ten years, the convention shall remain in full force and effect after the aforesaid period and until six months from such a time as either of the High Contracting Parties shall have notified to the other an intention of terminating the convention.

notified to the other an intention of terminating the convention.

In witness whereof, the respective Plenipotentiaries have signed the present convention and have affixed their seals thereto.

Done in duplicate, in the English and Finnish languages, both authentic, at Helsinki, this twenty-seventh day of January, nineteen hundred and thirty-nine.

[SEAL] H. F. ARTHUR SCHOENFELD ELIAS ERKON

Mr. PITTMAN. Mr. President, this treaty provides that when the nationals of either of the contracting parties have resided in the other country for a substantial length of time, then the laws of the country in which they shall have resided shall govern as to military service.

Mr. CLARK of Missouri. Mr. President, will the Senator

Mr. PITTMAN. I yield.

Mr. CLARK of Missouri. Rather irrelevantly I should like to say to the Senator from Nevada that I am not familiar with the provisions of the pending treaty, but I am certain that I voice the feeling of every American citizen when I say that any kind of a treaty or any sort of an accord between the United States and the Republic of Finland which would lead to better relations, relations even better than those which now exist between these two nations, would meet with the approval of every American citizen. Finland is the one nation on earth that has the entire respect of every American citizen.

Mr. PITTMAN. I am very pleased to have the Senator from Missouri make that statement, because I thoroughly agree with him.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. PITTMAN. I will.
Mr. CONNALLY. While I share with the Senator from Missouri his fine opinion of Finland, I do not subscribe to the theory that any government has the right to hand its citizens around for military service as though they were so many chattels. I do not see why an American citizen living in Finland any number of years, so long as he is an American citizen, should be subjected to the military laws or service of Finland. I have not read the treaty, but I should like to know how long the time of residence has to be.

Mr. PITTMAN. I did not explain before, as I should have, that this first deals with dual nationality; that is, where a subject of Finland, or citizen, now, has become naturalized in this country, or where a citizen of the United States

has become naturalized in Finland.

Mr. CLARK of Missouri. If the Senator will yield, as I have said. I am not familiar with the treaty, but I have recently had presented to me a case affecting a citizen of the United States who was subject to dual nationality with another power. This man was born in the United States, under our Constitution was a citizen of the United States, but happened to be traveling in Europe at the outbreak of the World War, and, in the country in which his father had been born, under the theory of dual nationality he was declared by the military authorities of Italy to be an Italian citizen, although he was born in the United States, and was a citizen of the United States, and he was pressed into military service.

Mr. CONNALLY. The Senator from Missouri does not believe that was right, does he?

Mr. CLARK of Missouri. I do not; but because he was forced into the service of the Kingdom of Italy, he was refused American citizenship when he returned, on the ground that he had renounced his American citizenship.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. AUSTIN. I am not a member of the distinguished committee of which the Senator from Nevada is chairman, and there is one expression in the treaty which is novel to me. and I should like to have the Senator's views about it.

The treaty reads:

ARTICLE I. A person possessing the nationality of both the High Contracting Parties.

That is not clear to me. What does that mean?

Mr. PITTMAN. We have met with that expression a great many times. A person is born in one country, we will say, and becomes naturalized in another. He is recognized as a citi-

zen of the country in which he is naturalized. In some cases the government of the country in which he is born still claims him as a citizen. We have had that conflict. That is what this means.

Mr. AUSTIN. Then it is assumed that nationality can be acquired by a person voluntarily?

Mr. PITTMAN. That is true. I will read the provision of the treaty, since it is very short:

A person possessing the nationality of both the High Contracting Parties who habitually resides in the territory of one of them and who is in fact most closely connected with that party shall be exempt from all military obligations in the territory of the other

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive H, Seventy-sixth Congress, first session, a convention between the United States of America and the Republic of Finland, signed at Helsinki on January 27, 1939, regulating the military obligations of persons possessing the nationality of both the High Contracting Parties

Mr. PITTMAN. I move the adoption of the resolution of ratification.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention

EXTRADITION TREATY BETWEEN UNITED STATES AND MONACO

Mr. PITTMAN. I ask that the Senate now take up for consideration Executive I.

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive I (76th Cong., 1st sess.), an extradition treaty between the United States of America and Monaco, signed at Monaco on February 15, 1939, which was read the second time, as follows:

EXTRADITION TREATY

The Government of the United States of America and His Most Serene Highness the Sovereign Prince of Monaco, desiring to assure a better administration of justice in both countries, have resolved to conclude a treaty for the extradition of fugitives from justice and have appointed for that purpose the plenipotentiaries designated below, to wit:
The President of the United States of America;

Paul C. Squire, Consul of the United States of America at Nice, France, and at Monaco;

His Most Serene Highness the Sovereign Prince of Monaco; Henry Mauran, Minister Plenipotentiary, Secretary of State of the Principality of Monaco;

Who, after having communicated to each other their full powers found in good and due form, have agreed upon the following

ARTICLE I

The High Contracting Parties agree to surrender to each other reciprocally persons who, having been prosecuted for or convicted of any of the crimes or offenses specified in the following article, committed within the jurisdiction of one of the two States shall have sought an asylum or shall be found on the territory of the other.

Nevertheless, the extradition shall not take place except in a case

where the existence of the violation is shown in such manner that the laws of the country where the fugitive is found would justify his arrest and prosecution if the crime or offense had been committed there.

ARTICLE II

Extradition shall be granted for the following crimes and offenses: 1. Murder, parricide, assassination, poisoning, infanticide; manslaughter, when voluntary; assault with intent to commit murder; 2. Rape, abortion, bigamy;

4. Stealing accompanied by one of the following circumstances: violence, threats, housebreaking, skeleton keys; stealing committed at night in an inhabited house; stealing committed by several persons or by one person bearing arms;

Forgeries in a public or authentic document, in a commercial or bank paper, in a private document; use of the said forgeries;

Counterfeiting, falsifying or alteration of coin or paper money, bonds or coupons of public debts, bank notes; seals of State; utterance or use of the articles thus counterfeited, falsified,

or altered:

or altered;
7. Breach of trust, embezzlement, whether by public depositaries, or by ministerial or public officers; embezzlement by a hired person to the prejudice of his employer, embezzlement or abstraction by an innkeeper, carrier, boatman, or their agents, when such acts are punishable by the laws of both countries and when the amount of the sums or values concerned in the offense is not less than two hundred dollars or five thousand francs;
8. Obtaining money securities or other property under false.

8. Obtaining money, securities or other property under false pretenses, and theft, when such acts are punishable by the laws of both countries and when the amount of the sums or values affected by the violation is not less than two hundred dollars or

affected by the flow of the five thousand francs;

9. False swearing, false witness, subornation of witnesses, ex-

perts or interpreters;

10. Child-stealing, abduction of a minor boy under the age of 14 or a girl under the age of 16;

11. Kidnapping or illegal detention;

12. Wilful and unlawful obstruction or destruction of railways, which may endanger human life;

13. (a) Piracy, by the law of nations;

(b) The act by any person, being or not being one of the crew of a seagoing vessel or ship, of taking possession of such vessel by fraud or violence: fraud or violence;
(c) Wrongfully destroying, sinking, stranding or causing the loss of a vessel at sea;

(d) Revolt or conspiracy, by two or more persons on board a vessel on the high seas, against the authority of the captain or master;

(e) Assault on board a vessel on the high seas with intent to kill

(e) Assault on board a vessel on the high seas with literate to kind or inflict serious injuries;

14. Crimes and offenses committed against the laws of both countries on the suppression of slavery and the slave trade;

15. Fraudulent receiving and concealment of articles or values obtained through a crime or an offense, when such act is punishable under the laws of both countries and when the amount of the said articles or values is not less than two hundred dollars or five thousand france. thousand francs;
16. Crimes and offenses relating to the traffic in women and

17. Crimes and offenses covered by the laws concerning the use of and traffic in opium and other narcotics.

Extradition shall also be granted for the attempt to commit the acts listed above, or participation or complicity in the said acts, when such attempt, participation or complicity is punishable according to the laws of the two countries.

ARTICLE III

Requisitions for extradition shall be made by the diplomatic

Requisitions for extradition shall be made by the diplomatic agents, or, in their absence, either from the country or its seat of government, by the consuls or consular agents.

If the requisition concerns a fugitive who has been convicted after a hearing in court (contradictoirement), it must be accompanied with a duly authenticated copy of the sentence; if it concerns a fugitive who has merely been charged with a crime or offense or convicted in his default or absence, it must be accompanied with a duly authenticated copy of the warrant of arrest and of the depositions or other evidence upon which such warrant was issued. The procedure of extradition shall be followed accordwas issued. The procedure of extradition shall be followed according to the laws regulating extradition in force in the country on which the requisition is made.

ARTICLE IV

The arrest of the fugitive criminal may be requested on information even by telegraph, of the existence of a judgment of conviction or of a warrant of arrest.

In Monaco, the application for the arrest shall be addressed to the Minister of State, who shall transmit it to the proper

authority.

In the United States of America, the application for arrest shall be addressed to the Secretary of State, who shall deliver a warrant certifying that the application is regular and requesting the competent authorities to take action thereon in conformity with law.

In each country, in case of urgency, the application for arrest may be addressed directly to the competent magistrate in conformity with the laws in force.

In both countries, the person provisionally arrested shall be released, if, within a period of forty days from the date of arrest in Monaco, or from the date of commitment in the United States of America, the formal requisition for extradition accompanied with the documents prescribed in the foregoing article has not been submitted by the diplomatic agent of the country making the requisition or, in his absence, by a consul or consular agent of said country.

ARTICLE V

The contracting Parties shall not be bound to deliver up their own citizens or subjects under the stipulations of this treaty.

ARTICLE VI

No person shall be surrendered if the offense for which his extradition is requested is of a political character, or if he proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character. If any question arises as to whether a case comes within the provisions of this article, the authorities of the Government on which

the requisition is made shall decide.

However, when the violation comprises the act of murder, assassination or poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the Sovereign or Head of any State, or against the life of any member of his family, shall not be deemed sufficient to sustain that such crime or offense is of a political character, or that it has any connection with crimes or offenses of a political character.

ARTICLE VII

No person surrendered by one of the High Contracting Parties to the other shall be prosecuted, judged, or punished for any crime or offense committed prior to his extradition, other than the offense for which his surrender was accorded, and no person shall be arrested or detained by civil process for a cause prior to the extradition, unless, in either case, he has been at liberty for one month to leave the country, after having been tried, or, in case of conviction, after having either served his sentence or obtained pardon.

Extradition shall not be granted, under the stipulations of this Convention, if the person claimed has been tried for the same act in the country to which the requisition is addressed, or if, subsequent to the acts with which he is charged, the prosecution or the conviction, the action or the sentence has become barred by limitation, according to the law of the said country.

ARTICLE IX

If, at the time of the requisition, the person claimed is being prosecuted, or has been convicted of a crime or offense committed in the country of refuge, his extradition may be deferred until such prosecution is terminated, and/or until he has been released in conformity with law.

ARTICLE X

If the person claimed by one of the High Contracting Parties, in virtue of this treaty, is also claimed by one or more other Powers on account of crimes or offenses committed in their respective jurisdictions, his extradition shall be granted to the State whose demand is received first; unless the Government from which extradition is asked is bound by treaty, in case of concurrent demands, to accord preference to the one that is first in date, in which event that rule shall be followed, unless also an arrangement exists between the demanding Governments which would decide the preference either on account of the gravity of the offenses committed or for any other reason.

ARTICLE XI

All articles seized which were in the possession of the person to be surrendered at the time of his arrest, whether they are the proceeds of the crime or offense charged, or can be used as elements to establish the proof of the crime or offense, shall, so far as practicable, and if the competent authority of the State applied to orders the delivery thereof, be given up at the time the extradition is effected. Nevertheless, the rights of third parties with regard to the articles aforesaid shall be duly respected.

ARTICLE XII

The expenses occasioned by the arrest, examination and delivery of the persons claimed shall be borne by the Government requesting the extradition. However, such Government shall not have to bear any expense for the services of such public officers or functionaries of the Government from which extradition is sought as receive a fixed salary from the State. It is understood that the charge for the services of such public officers or functionaries as receive only fees or perquisites shall not exceed their customary fees for the acts or services performed by them had such acts or services been performed in ordinary criminal proceedings under the laws of the country of which the extradition is requested.

ARTICLE XIII

This treaty shall take effect in 30 days after the date of the ex-

change of ratifications, and shall not operate retroactively.

The ratifications of this treaty shall be exchanged at Monaco as soon as possible, and it shall continue to produce its effects for a period of six months after either of the High Contracting Parties shall have given notice of its intention to terminate it.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the above articles both in English and French and have hereunto affixed their seals.

Done, in duplicate, at Monaco, this fifteenth day of February, in the year nineteen hundred and thirty-nine.

PAUL C. SQUIRE. HENRY MAURAN.

Mr. PITTMAN. Mr. President, this is exactly in the form that has been followed during the last 2 years.

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment. The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive I, Seventy-sixth Congress, first session, an extradition treaty between the United States of America and Monaco, signed at Monaco on February 15, 1939.

Mr. PITTMAN. I move that the Senate agree to the resolution of ratification.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is

CONVENTION ON INTERCHANGE OF PUBLICATIONS

Mr. PITTMAN. Mr. President, I ask that the Senate proceed to the consideration of Executive M.

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive M (76th Cong., 1st sess.), a convention on interchange of publications signed at the Inter-American Conference for the Maintenance of Peace at Buenos Aires on December 23, 1936, by the plenipotentiaries of the United States of America and the respective plenipotentiaries of the other American republics, which was read the second time, as follows:

CONVENTION ON INTERCHANGE OF PUBLICATIONS

The Governments represented in the Inter-American Conference

for the Maintenance of Peace,
Desiring to conclude a convention relative to the exchange of publications, have named the following plenipotentiaries:

Argentina:

Carlos Saavedra Lamas, Roberto M. Ortiz, Miguel Angel Cárcano, José María Cantilo, Felipe A. Espil, Leopoldo Melo, Isidoro Ruiz Moreno, Daniel Antokoletz, Carlos Brebbia, César Díaz Cisneros

Paraguay:

Miguel Angel Soler, J. Isidro Ramírez.

Honduras

Antonio Bermúdez M., Julián López Pineda,

Costa Rica

Manuel F. Jiménez, Carlos Brenes.

Venezuela:

Caracciolo Parra Pérez, Gustavo Herrera, Alberto Zérega Fombona.

Peru:

Carlos Concha, Alberto Ulloa, Felipe Berreda Laos, Diómedes Arias Schreiber.

El Salvador:

Manuel Castro Ramírez, Maximiliano Patricio Brannon.

Mexico:

Francisco Castillo Nájera, Alfonso Reyes, Ramón Beteta, Juan Manuel Alvarez del Castillo. Brazil:

José Carlos de Macedo Soares, Oswaldo Aranha, José de Paula Rodrígues Alves, Helio Lobo, Hildebrando Pompeu Pinto Accioly, Edmundo da Luz Pinto, Roberto Carneiro de Mendonça, Rosalina Coelho Lisboa de Miller, María

Luiza Bittencourt.

Uruguay:
José Espalter, Pedro Manini Ríos, Eugenio Martínez Thedy, Juan Antonio Buero, Felipe Ferreiro, Andrés F. Puyol, Abalcázar García, José G. Antuña, Julio César Cerdeiras Alonso, Gervasio Posadas Belgrano.

Guatemala:

Carlos Salazar, José A. Medrano, Alfonso Carrillo.

Luis Manuel Debayle, José María Moncada, Modesto Valle. Dominican Republic:

Max Henriquez Ureña, Tulio M. Cestero, Enrique Jiménez. Colombia:

Jorge Soto del Corral, Miguel López Pumarejo, Roberto Urdaneta Arbeláez, Alberto Lleras Camargo, José Ignacio Díaz Granados.

Panama:

Harmodio Arias M., Julio J. Fábrega, Eduardo Chiari.

United States of America:

Cordell Hull, Sumner Welles, Alexander W. Weddell, Adolph
A. Berle, Jr., Alexander F. Whitney, Charles G. Fenwick,
Michael Francis Doyle, Elise F. Musser.

Chile

Miguel Cruchaga Tocornal, Luis Barros Borgoño, Felix Nieto del Rio, Ricardo Montaner Bello.

Humberto Albornoz, Antonio Pons, José Gabriel Navarro, Francisco Guarderas, Eduardo Salazar Gómez

Bolivia:

Enrique Finot, David Alvéstegui, Eduardo Diez de Medina, Alberto Ostria Gutiérrez, Carlos Romero, Alberto Corta-dellas, Javier Paz Campero.

Haiti:

H. Pauleus Sannon, Camille J. León, Elie Lescot, Edmé Manigat, Pierre Eugéne de Lespinasse, Clément Magloire. Cuba:

José Manuel Cortina, Ramón Zaydin, Carlos Márquez Sterling, Rafael Santos Jiménez, César Salaya, Calixto Whitmarsh, José Manuel Carbonell.

Who, after having deposited their full powers, found to be in good and due form, have agreed as follows:

Article 1: There shall be established in the national or official Library of the Capital of each of the Contracting Parties a section dedicated to each of the other States taking part in this Convention.

Article II: For the installation of these sections each Government promises to provide to each of the other Parties signatory to this Convention a collection of works of such character as to afford an understanding of the thought of their men of letters and science.

understanding of the thought of their men of letters and science.

Article III: Each Government agrees to provide the accredited diplomatic missions of the other Contracting Parties with two copies of each of its official publications and such other publications as are edited with official assistance. These copies shall be destined

for the sections indicated in Article I.

Article IV: The national or official Libraries of the Capitals of the Contracting Parties shall enter into agreements to maintain, with the frequency desirable, a service of exchange of works edited in each one of them, and of photographic copies of documents which may be of interest to American history.

Article V: The present Convention shall not affect obligations previously entered into by the High Contracting Parties by virtue of

viously entered into by the High Contracting Parties by virtue of international agreements.

Article VI: The present Convention shall be ratified by the High Contracting Parties in conformity with their respective constitutional procedures. The original instrument shall be deposited in the Ministry of Foreign Affairs of the Argentine Republic which shall transmit authentic certified copies to the Governments for the afore-mentioned purpose of ratification. The instruments of ratification shall be deposited in the archives of the Pan American Union in Washington, which shall notify the signatory governments of said deposit. Such notification shall be considered as an exchange of ratifications.

Article VII: The present Convention will come into effect between the High Contracting Parties in the order in which they deposit their respective ratifications.

Article VIII: The present Convention shall remain in effect in-

Article VIII: The present Convention shall remain in effect in-definitely but may be denounced by means of one year's notice given to the Pan American Union, which shall transmit it to the other signatory governments. After the expiration of this period the Convention shall cease in its effects as regards the party which denounces it but shall remain in effect for the remaining High Contracting Parties.

Article IX: The present Convention shall be open for the adher-

ence and accession of the States which are not signatories. The corresponding instruments shall be deposited in the archives of the Pan American Union, which shall communicate them to the

other High Contracting Parties.

In witness whereof, the above mentioned Plenipotentiaries sign the present Convention in English, Spanish, Portuguese and French and hereunto affix their respective seals, at the City of Buenos Aires, Capital of the Argentine Republic, on the twenty-third day of the month of December, 1936.

Argenting.

Argentina: CARLOS SAAVEDRA LAMAS, ROBERTO M. ORTIZ MIGUEL ANGEL CÁRCANO, JOSÉ MARÍA CANTILO, FELIPE A. ESPIL, LEOPOLDO MELO, ISIDORO RUIZ MORENO, DANIEL ANTOKOLETZ, CARLOS BREBBIA, CÉSAR DÍAZ CISNEROS. Paraguay:
MIGUEL ANGEL SOLER.

J. ISIDRO RAMÍREZ.

Honduras:

ANTONIO BERMÚDEZ M., JULIÁN LÓPEZ PINEDA.

Costa Rica: MANUEL F. JIMÉNEZ, CARLOS BRENES.

Venezuela:

CARACCIOLO PARRA PÉRE., GUSTAVO HERRERA, ALBERTO ZÉREGA FOMBONA.

CARLOS CONCHA, ALBERTO ULLOA, FELIPE BARREDA LAOS, BIÓMEDES ARIAS SCHREIBER.

Salvador:

MANUEL CASTRO RAMÍREZ, MAXIMILIANO PATRICIO BRANNON.

Mexico:

FRANCISCO CASTILLO NÁJERA, ALFONSO REYES, RAMÓN BETETA. JUAN MANUEL ALVAREZ DEL CASTILLO.

Brazil: JOSÉ CARLOS DE MACEDO SOARES,

José de Paula Rodrigues Alves, HELIO LOBO. HILDEBRANDO POMPEU PINTO ACCIOLY, EDMUNDO DA LUZ PINTO, ROBERTO CARNEIRO DE MENDONÇA ROSALINA COELHO LISBOA DE MILLER, MARÍA LUIZA BITTENCOURT.

Uruguay:

PEDRO MANINI RÍOS, EUGENIO MATÍNEZ THEDY. FELIPE FERREIRO, ABALCÁZAR GARCÍA, JULIO CÉSAR CERDEIRAS ALONSO, GERVASIO POSADAS BELGRANO.

Guatemala:

CARLOS SALAZAR, JOSÉ A. MEDRANO, ALFONSO CARRILLO.

LUIS MANUEL DEBAYLE, JOSÉ MARÍA MONCADA,

MODESTO VALLE.

Dominican Republic:

MAX HENRÎQUEZ UREÑA, Tulio M. Cestero, Enrique Jiménez.

Colombia:

JORGE SOTO DEL CORRAL, MIGUEL LÓPEZ PUMAREJO, ROBERTO URDANETA ARBELÁEZ, ALBERTO LLERAS CAMARGO, JOSÉ IGNACIO DÍAZ GRANADOS.

Panama:

HARMODIO ARIAS M., JULIO J. FÁBREGA, EDUARDO CHIARI.

United States of America: CORDELL HULL, SUMNER WELLES SUMNER WELLES, ALEXANDER W. WEDDELL, ADOLF A. BERLE, JR., ALEXANDER F. WHITNEY, CHARLES G. FENWICK, MICHAEL FRANCIS DOYLE, ELISE F. MUSSER.

MIGUEL CRUCHAGA TOCORNAL, LUIS BARROS BORGOÑO, FÉLIX NIETO DEL RÍO RICARDO MONTANER BELLO.

Ecuador:

HUMBERTO ALBORNOZ, ANTONIO PONS, JOSÉ GAERIEL NAVARRO, FRANCISCO GUARDERAS.

Bolivia:

ENRIQUE FINOT DAVID ALVÉSTEGUI, CARLOS ROMERO.

Haiti:

H. PAULEUS SANNON, CAMILLE J. LEÓN, ELIE LESCOT. EDMÉ MANIGAT, PIERRE EUGÉNE DE LESPINASSE, CLÉMENT MAGLOIRE.

JOSÉ MANUEL CORTINA, RAMÓN ZAYDIN, CARLOS MÁRQUEZ STERLING, RAFAEL SANTOS JIMÉNEZ, CÉSAR SALAYA, CALIXTO WHITMARSH, JOSÉ MANUEL CARBONELL.

DEPARTMENT OF STATE,
Washington, June 16, 1939.

MY DEAR SENATOR PITTMAN: I should like to express my great
personal interest in the Convention on Interchange of Publications, concluded at the Inter-American Conference for the Maintenance of Peace at Buenos Aires, which has been transmitted by
the President to the Senate for its advice and consent to ratifi-

As you will recall, this convention was proposed to the Buenos Aires Conference by the United States delegation and was unanimously approved at that gathering by the representatives of the 21 American republics. It represents a significant advance step toward the achievement of that deeper inter-American understanding which we all consider of such paramount importance.

Although the printed page is one of the most valuable media

Although the printed page is one of the most valuable media for encouraging a greater appreciation abroad of the life and

for encouraging a greater appreciation abroad of the life and thought of our country, the circulation of United States books in foreign countries has been hampered by unfavorable rates of exchange and by the relatively high cost of books published in this country, when compared with those of certain other nations. The interchange of publications, envisaged under this convention, will provide the means for breaking down existing barriers. It should contribute to a wider knowledge in the other American republics of the best contributions of our thinkers and writers and reciprocally to a similar wider knowledge in the United States

of the most significant literary and scientific productions of the

other American republics.

Favorable action by the Senate will open the way for this Department to take prompt steps toward initiating this mutually profitable exchange.

Sincerely yours,

SUMNER WELLES, Under Secretary. The Honorable Key PITTMAN,
United States Senate.

Mr. PITTMAN. Mr. President, I think that convention explains itself.

Mr. AUSTIN. Mr. President, I am not familiar with it, and I should like to have an explanation of it.

Mr. PITTMAN. It was proposed that the Governments of the Latin American countries and the United States should exchange public documents, translated into Spanish and English, except with regard to Brazil. They were supposed to be documents with respect to government. The Committee on Appropriations has already provided the necessary appropriations for the exchange of the documents. That is all there is to this particular treaty.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understanding, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Execu-tive M. Seventy-sixth Congress, first session, a convention on interchange of publications signed at the Inter-American Conference for the Maintenance of Peace at Buenos Aires on December 23, 1936, by the plenipotentiaries of the United States of America and the respec tive plenipotentiaries of the other American republics, subject to the following understanding:

To carry out the provisions of article III, bilateral agreements may be entered into through exchanges of notes between the United States and the other governments parties to the convention setting forth the procedures to be followed, any modifications which may seem advisable in the number of copies of publications required to be exchanged under the said article, and the government agencies to be responsible for the delivery of the publications

Mr. PITTMAN. I move that the Senate agree to the resolution of ratification.

The PRESIDING OFFICER. The question is on agreeing to the understanding to the resolution of ratification.

The understanding was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification with the understanding. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understanding, is agreed to, and the convention is ratified.

SWEDEN-DOUBLE TAXATION

Mr. PITTMAN. Mr. President, there are three other treaties which I am not going to ask to take up at this time. The next treaty is Executive K, a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939.

I may say that the Foreign Relations Committee appointed the Senator from Mississippi [Mr. Harrison] as a subcommittee to deal with that matter, because the Finance Committee has been considering the subject matter of the treaty for a long time. He finally made a favorable report to the Committee on Foreign Relations with regard to it. But I would not ask that it be taken up until he could make an explanation of it to the Senate. I know generally what the treaty means, but the Senator from Mississippi could answer any questions touching it much better than I, and, therefore, I will not ask that it be taken up for ratification.

LIABILITY WHEN COLLISIONS OCCUR BETWEEN VESSELS

So far as Calendar No. 4 is concerned, Executive K, that is an international convention for the unification of certain rules to govern the liability of vessels when collisions occur between them, and a protocol thereto, both signed at Brussels on September 23, 1910.

A subcommittee, of which the Senator from Washington [Mr. Schwellenbach] is chairman, has been considering that matter for quite a while. Considerable evidence was taken on it. It is quite a technical question, and I will not attempt at this time to take the subject up, because I desire that the Senator from Washington and the members of the subcommittee shall discuss it with the Senate.

COPYRIGHT CONVENTION

There is a convention dealing with copyrights. Announcement was made this morning by the Senator from Utah [Mr. Thomas] that owing to circumstances which he then stated, he would not consider it advisable to attempt to take it up at this session of Congress.

I think that covers all the explanations necessary with regard to the treaties on the calendar.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. WHITE. Was it the Senator's purpose to take up Executive Calendar Nos. 6 and 7 at this time? I indicated to the Senator that I was opposed to those two conventions, but I have no desire to interpose objection to their consideration, and if I can have an opportunity to state the grounds of my objection to them, so far as I am concerned, I should be perfectly satisfied to have both conventions considered.

Mr. PITTMAN. I understand the Senator has no objection at all to Calendar No. 7.

Mr. WHITE. I made a statement to the Senator to that effect a few days ago, I recall, but, as I have reflected over it, it seems to me the two conventions are somewhat interrelated, and I think they should stand together.

Mr. PITTMAN. Does the Senator desire to express his opinion in regard to them at this time?

Mr. WHITE. I had not assumed that the matter was coming up at the moment, and my thoughts are somewhat scattered. But I might be able to gather them together and state briefly my objections, if the Senator wants to go ahead with the consideration of those two conventions at this time.

Mr. AUSTIN. Mr. President, will the Senator yield to me for an observation?

Mr. PITTMAN. I yield.

Mr. AUSTIN. Unless the Senator is eager to have his statement in the Record for study, I make the suggestion that I would not feel like proceeding without a quorum call if he should object to these two conventions. So I suggest that they go over.

Mr. PITTMAN. The Senator from Nevada will not insist, under those circumstances. The Senator from Nevada is sure that the Senator from Maine has very material objections to make, and they probably will be of very great value. I think it is probably better, under the circumstances, that we postpone consideration of the conventions until tomorrow or perhaps the next day. I think it is well, however, that the Senate should act one way or the other upon these two conventions.

Mr. WHITE. I think, Mr. President, if the Senator will yield, I could say all I wanted to say about these two radio conventions in 10 minutes. I am perfectly willing to undertake to do it now, or to let it go over until there is a larger attendance in the Senate.

Mr. PITTMAN. In view of the statement made by the Senator from Vermont, I think it is very well to let them go over, with the understanding that there will be no delay and that we will act on them.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 37 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, August 2, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1, 1939

FEDERAL COMMUNICATIONS COMMISSION

James Lawrence Fly to be a member of the Federal Communications Commission.

RAILROAD RETIREMENT BOARD

Lee M. Eddy to be a member of the Railroad Retirement Board.

UNITED STATES DISTRICT JUDGES

Campbell E. Beaumont to be United States district judge for the southern district of California.

Harry E. Pratt to be United States district judge for division No. 4, District of Alaska.

JUDGE OF THE DISTRICT COURT OF THE VIRGIN ISLANDS Herman E. Moore to be judge of the District Court of the Virgin Islands of the United States.

UNITED STATES ATTORNEYS

Charles Stewart Lynch to be United States attorney for the district of Delaware.

Harold Maurice Kennedy to be United States attorney for the eastern district of New York.

UNITED STATES MARSHAL

Henry L. Dillingham to be United States marshal for the western district of Missouri.

POSTMASTERS

ALABAMA

Alton N. Runyans, Ashville. Homer Wright, Auburn. Felton Collier, Bessemer. Robert E. Bowdon, Jr., Calera. Dewey D. Prater, Millport. Walter H. Wilson, Opelika. George W. Morris, Ragland. Maurice W. Holmes, Vinemont.

GEORGIA

Jim Lou Cox Hoggard, Camilla. Albert V. Jones, Sr., Canton. Flora G. Hicks, Clarkesville. Andrew J. Trulock, Climax. William R. Melton, Cuthbert. Leila W. Maxwell, Danville. Afley M. Cherry, Donalsonville. Mary L. Ellis, Experiment. Hugh C. Register, Hahira. Augustus B. Mitcham, Jr., Hampton. Elizabeth S. Maxwell, Lexington. Henry A. Lee, Marshallville. Goodwin M. Barnes, Midville. David S. Cuttino, Newnan. George H. Ray, Norwood. Sara W. Bulloch, Ochlochnee. Hugh J. Alderman, Pavo. Otis A. King, Perry. Garth L. Webb, Ray City. James L. Fricks, Rising Fawn. Sim A. Gray, Waynesboro.

INDIANA

Rena Zehr, Berne.
Lester C. Leman, Bremen.
Beatrice Bales, Dana.
Alfred E. Pate, Dillsboro.
Ray Dills, Farmersburg.
Thomas R. Teegardin, Hamilton.
Ralph F. Yeoman, Hanna.
Walter R. Meinert, Silver Lake.
Charles O. Hall, Sullivan.
John E. Robinson, Waynetown.
Lawrence J. Etnire, Williamsport.
Charles A. Wall, Winchester.

MASSACHUSETTS

George A. Sweeney, Attleboro. Henry L. Pierce, Barre, Charles F. Wissenbach, Bolton, James D. Sullivan, Danvers.
John H. Gilboy, East Brookfield.
Patrick F. Shea, Fitchburg.
Harold J. McCormick, Gardner.
Robert P. Sheehan, Harvard.
James J. Dowd, Holyoke.
Edward Thomas Murphy, Hyannis.
Mary E. O'Toole, Leominster.
William F. Goodwin, Plymouth.
Timothy W. Fitzgerald, Salem.
William E. Brennan, Whitman.

MICHIGAN

Ozro K. Hess, Akron.
Bernie C. McLeish, Bay Port.
Cornelius Oosta, Caledonia.
Kay Rice, Camden.
John A. Yagley, Dearborn.
George B. McIntyre, Fairgrove.
Stuart J. Haddrill, Lake Orion.
Frank E. Moore, Lakeview.
Emmett E. Scofield, Leslie.
Clare E. Bishop, Millington.
James F. Jackson, Mohawk.
James J. Harrington, Painesdale.
Glenn Davis, Rockford.
Victoria S. Nye, Rose City.
Hazel A. Graham, Whittemore.

MISSOURI

Adam B. Jenkins, Advance. William A. Barton, Alton. Felix P. Wulff, Argyle. Ezra W. Mott, Armstrong. Jesse D. Burwell, Browning. Arthur J. Clayton, Brunswick. George W. Shelton, Dixon. Roy M. Burchett, Elsberry. Claud W. Boone, Gainesville. Mary E. Woody, Golden City. Orville L. Davis, Keytesville. Champ C. Ray, Middletown. Edward H. Mertens, Morrison. Clyde E. Walker, Mountain View. Lloyd M. Weaver, New London. Mary G. Kenton, Norborne. Helen T. Meagher, Oregon. Fred A. Lambert, Princeton. Dayton A. Street, Purdin. Charles E. Logan, Spickard. Thomas W. Withrow, Troy. Carl A. Baldwin, Vienna. Fay B. Swicegood, Weaubleau. Blanche E. Tucker, Westboro. Mabel Smulling, Wyaconda.

MONTANA

Forrest L. De Rosia, Libby. James J. Price, Three Forks.

NEW JERSEY Cameron M. McCurdy, Fair Lawn. Albert P. Troy, Palisade.

NEW MEXICO

Filiberto E. Lucero, Espanola. Robert S. Sanchez, Estancia. Alta V. Short, Monument. Thomas N. Lawson, Tucumcari. Vera Clayton, Tularosa.

NEW YORK

Verner Sharp, Altamont.
Eber T. McDonald, Cayuga.
Guy C. Hazelton, Coeymans.
Harry D. Hickey, Lewiston.
James T. Crotty, Monroe.
Charles S. Donnelley, Utica.
Stewart A. Farrar, Warrensburg.
Herbert D. Carlton, West Chazy.

OKLAHOMA

Leonard C. Peterman, Davis. Weltha Guilford Heflin, Erick. Charles H. Hatfield, Hydro. Joseph R. Reed, Lawton.

OREGON

William W. Lower, Creswell.
Ruth E. Hoffman, Jacksonville.
Burt E. Hawkins, Klamath Falls.
Lewis Lee Mead, Nehalem.
Volney E. Lee, North Powder.
Richard J. Collins, Oceanlake.
John C. Bilyeu, Tigard.
Emmett Lee Chenault, Union.
Harold R. White, Wasco.

Jabez W. Dangerfield, Provo.

Edwin L. Toone, Boydton.
Grady W. Garrett, Cumberland.
Herbert H. Rhea, Damascus.
H. Thornton Davies, Jr., Manassas.
Forrest L. Harmon, Melfa.
Garnett A. Kellam, Onley.
Virginia S. Lucas, Pembroke.

WASHINGTON

Emma H. Davis, College Place. Thomas H. Mansfield, Forks. Marcus O. Nelsen, Kent. Ronald L. Chard, Pomeroy. Jessie A. Knight, Shelton.

WEST VIRGINIA

Olga O. Baughman, Belington. Robert Lake Bailey, Bluefield. George J. Carter, Jr., Fort Gay. Glenn A. Fowler, Harrisville.

WYOMING

George H. Case, Lander.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 1, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art found by those who truly seek Thee, known by those who love, and seen by all whose hearts are pure, we desire to begin, to continue, and to end this day with Thee.

We pray that all the barriers that separate us from Thee and our fellowmen may be submerged by a renewed love and consecration, and that every thought of our mind may be brought into obedience to the spirit of the Christ.

Wilt Thou lift upon us the light of Thy countenance so that it may be a day of unclouded vision. May we give ourselves unreservedly to the Great Companion of our souls who is too wise to err and too kind to injure.

In His name we pray, whose will is our peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2864. An act to provide for the financing of a program of recoverable expenditures, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 281) entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930."

INVESTIGATION BY COMMITTEE ON WAYS AND MEANS

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and for its immediate consideration.

The Clerk read as follows:

House Resolution 278

Resolved, That the expenses of conducting the investigation authorized by House Resolution 277, incurred by the Committee on Ways and Means, acting as a whole or by subcommittee, not to exceed \$5,000, including the expenditures for the employment of experts, so,000, including the expenditures for the employment of expers, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or by any subcommittee thereof, conducting such investigation or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

Sec. 2. That the official committee reporters shall be used at

all hearings held in the District of Columbia.

The SPEAKER. The question is on agreeing to the reso-

The resolution was agreed to.

INVESTIGATION OF NATIONAL LABOR RELATIONS BOARD

Mr. WARREN. Mr. Speaker, I offer the following privileged resolution which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 265

Resolved, That the expenses of conducting the investigation authorized by House Resolution 258, incurred by the special committee appointed to investigate the National Labor Relations Board, actappointed to investigate the National Labor Relations Board, acting as a whole or by subcommittee, not to exceed \$, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof and approved by the Committee on Accounts; and the head of each executive department is bereby requested to detail to said special committee such ment is hereby requested to detail to said special committee such number of legal and expert assistants and investigators as said committee may from time to time deem necessary.

SEC. 2. That the official committee reporters may be used at all hearings held in the District of Columbia if not otherwise officially

engaged.

With the following amendment:

Line 5, after the dollar mark, insert "50,000."

The amendment was agreed to, and the resolution as amended was agreed to.

INVESTIGATION OF ALASKAN FISHERIES

Mr. WARREN. Mr. Speaker, I offer the following privileged resolution, which I send to the desk and ask to have

The Clerk read as follows:

House Resolution 163

Resolved, That the expenses of conducting the study and investigation authorized by House Resolution 162, incurred by the Committee on Merchant Marine and Fisheries to make an investiga-Committee on Merchant Marine and Fisheries to make an investiga-tion of the fisheries of Alaska, acting as a whole or by subcom-mittee, not to exceed \$25,000, including expenditures for the employment of experts and clerical, stenographic, and other assist-ants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof and approved by the Committee on Accounts; and the head of each executive department is hereby requested to detail to said committee such number of legal and expert assistants and investigators as said committee may from time to time deem necessary.

necessary.

SEC. 2. That the official committee reporters shall be used at all hearings held in the District of Columbia.

With the following committee amendment:

Line 5, strike out "\$25,000" and insert "\$15,000."

The amendment was agreed to, and the resolution as amended was agreed to.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address I delivered at the exercises held

at the John Ericson statue in Potomac Park, Washington, D. C., July 31, 1939.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. Pierce of Oregon addressed the House. His remarks appear in the Appendix.]

NEW SOURCES OF TAXES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, it will be distressing news to the American people to learn that yesterday a new "sweeping investigation" into the Federal revenue structure was arranged by a special House Ways and Means subcommittee. For what reason and for what purpose, listen to this:

To search for new sources to tax to help raise money to pay growing costs of government.

I say that it will be sad and distressing news to the thrifty, hard-working American people to learn that and know at the same time that their Congress has done nothing of late years to reduce the cost of government; and we are asked to consider today another bill, the lending and spending bill of the President, which will plunge this Nation deeper into debt in the sum of \$2,000,000,000. The committee will have to find ways, if this bill passes, to further tax and burden the people to pay that back, together with the colossal sum of more than \$40,000,000,000 now burdening the American people.

The power to lend this money is inseparable from the power to buy political support. This means more centralization of power in Washington. The purse strings in the hands of a paternal government is the lash to whip the people into submission and obedience.

We are asked to do this in the face of the fact that we are now borrowing 39 cents out of every dollar expended by the Federal Government and taking 23 cents out of every dollar received by the wage earner of the country in taxes.

Lord Bryce, with a degree of pride in his work, when he wrote The American Commonwealth, pointed out that in 1880 only 1 person out of 652 received public aid. Today one person out of every six is feeding at the public trough, under a policy of government that believes in wasting what a thrifty nation amassed by free enterprise. Public credit will collapse some day, and that day may be near at hand, and the present trend is bringing it nearer with accelerating speed.

We have doubled our public debt since 1932. National expenditures have reached dizzy heights, Federal deficits are progressively increasing, and the lending-spending bill would hasten and increase it. The use of the people's money means the purchasing of the electorate, and that means the end of our Republic.

The time has come to stop wasting the people's money. UNITED STATES HOUSING RILL

Mr. COFFEE of Nebraska. Mr. Speaker, I am leaving tonight with a group of other delegates to attend the Interparliamentary Union. Before going, I want to express the hope that the House will defeat the Senate-approved United States Housing Authority bill which will drain the United States Treasury of some \$2,700,000,000 over the next 60 years in the way of outright grants for rent subsidies on slum-clearance projects in the metropolitan areas. If this bill and the spend-lend measure are defeated, it will raise the prestige of the House and help to restore confidence in the future financial stability of this Government and will encourage private industry to employ its idle cash and our idle men.

The Federal Government cannot continue indefinitely to spend \$10,000,000 a day more than its revenues without eventually facing bankruptcy. Let us strive for more business in government and less government in busines. We cannot afford to sacrifice future security for immediate benefits.

I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

MANUFACTURE OF FERTILIZER PHOSPHATES BY T. V. A.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Speaker, I am pleased to follow the gentleman who just addressed the House [Mr. Coffee of Nebraska], for I would like to call attention to an appropriation that the New Deal jammed through Congress of \$450,000 for a T. V. A. plant, manufacturing fertilizer phosphates, in spite of the fact that there are 191 private companies in the United States capable of producing 8,840,000 tons of those phosphates, which is more than twice the amount consumed in our Nation in any one year. On the one hand, we kill the goose that laid the golden egg, and on the other hand we spend time here discussing a spending-lending program, allegedly to revive business. This sort of procedure passeth all understanding. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a letter I have written to the chairman of the Temporary Economic Committee

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include excerpts from Senate Document No. 14, and excerpts from publications substantiating my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a statement made by the Medical Society of the State of New Jersey.

The SPEAKER. Is there objection?

There was no objection.

CIVIL AERONAUTICS AUTHORITY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HALLECK. Mr. Speaker, just a little over a year ago the Interstate and Foreign Commerce Committee, of which I am a member, reported, and the Congress passed, the Civil Aeronautics Act of 1938. That act created the Civil Aeronautics Authority and transferred to it the personnel and property of the Bureau of Air Commerce of the Department of Commerce and the Bureau of Air Mail of the Interstate Commerce Commission.

Under the act the Authority is charged, among other things, with the regulation, promotion, development, and inspection of air transport and its attendant facilities and the operation of many navigation aids. In my opinion, the Authority has done a good job during the first year of its existence

Recently it was charged on the floor that the Authority has 3,600 employees to regulate 4,724 office workers of the American air lines. Similar statements have been made on other occasions. In order to keep the record straight, may I suggest that I have before me the official figures supplied by Col. Edgar S. Gorrell, president of the Air Transport Association. Colonel Gorrell states that the Civil Aeronautics Authority has 560 employees engaged in regulating not only all of the domestic and international air lines, but also all

the aviation schools, all aircraft manufacturers, and all of the aviation mechanics and pilots in the United States. Colonel Gorrell states:

To suggest that with this relative handful the Authority is over-staffed is unthinkable.

Colonel Gorrell points out that the remainder of the employees of the Civil Aeronautics Authority are not engaged in regulatory work at all but, like the employees in the Lighthouse Service, are engaged in the purely executive and non-regulatory work of operating the air beacons, air traffic-control towers, and other navigation facilities which serve not only the air lines but also all private flyers and the Air Corps of the United States Army and the naval air service.

Colonel Gorrell further points out that the Civil Aeronautics Authority has actually 560 employees engaged in regulatory work, as compared with the 2,599 regulatory employees of the Interstate Commerce Commission. It has 2,662 employees operating the beacon lights, the traffic-control towers, and the radio range stations of the airways, as against the 5,017 employees of the Bureau of Lighthouses, which performs a similar operating function. [Applause.]

EXTENSION OF REMARKS

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an article which appeared in the Washington Post.

The SPEAKER. Is there objection?

There was no objection.

THE LATE HON. JOSEPH TAGGART

Mr. GUYER of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GUYER of Kansas. Mr. Speaker, two former Members of Congress from the Second District of Kansas passed away since the adjournment of the Seventy-fifth Congress. The first was Hon. Charles F. Scott, and soon after Hon. Joseph Taggart. After threescore years and ten of eventful life, Joseph Taggart passed to the Great Beyond.

Joseph Taggart was a colorful figure in official life for a number of years as county attorney and as Congressman from the Second District of Kansas. Besides being a public official, Mr. Taggart was a teacher for many years in the public schools of Wyandotte County, where he made an enviable record of public service.

Mr. Taggart had a very alert and brilliant mind, and, true to his Celtic ancestry, his tongue was touched with the fire of eloquence and sparkling wit. Many of his witticisms will long survive in the memory of his associates whom he was wont to entertain in idle moments between the more serious matters of life.

As county attorney of Wyandotte County for several terms, he attained a place in the roster of prosecutors that was seldom surpassed and not often equaled. In the 5 or 6 years he was prosecutor of Wyandotte County he achieved a wide reputation as a relentless prosecutor. Some of the cases he prosecuted became nationally known—notably a case of poisoning which was widely discussed and in which Mr. Taggart secured a conviction.

Mr. Taggart was a profound student of history and philosophy as well as of letters, which rendered him a most interesting and entertaining conversationalist. He was first elected to Congress on November 7, 1911, to fill out the unexpired term of Hon. A. C. Mitchell, who was elected in November 1910, but who died about 4 months after he took the oath of office, on March 4, 1911. Mr. Taggart was reelected in 1912 and in 1914, being succeeded in 1916 by Hon. E. C. Little.

Mr. Taggart was a member of the Committee on the Judiciary, where, by his knowledge of the law, he attained a high place in the regard of the members of that great committee. The chairman, Mr. Sumners of Texas, is the only man now left on that committee who served with Mr. Taggart, and who remembers his valuable service there. While his service was comparatively brief in the House, he made

himself felt and highly respected for his intellectual attainments, native wit, and ready repartee.

Mr. Taggart was a devoted Democrat and believed in the political philosophy of Thomas Jefferson, but never subscribed to the New Deal, and in recent years broke with the

more radical leadership of his party.

Mr. Taggart had the faculty of making friends, who have been saddened by his death. They will always remember him for his brilliant mind, scintillating wit, and generous impulses. He served with the rank of captain in the Quartermaster Corps in the World War and since then occupied places of trust and honor in the Veterans' Bureau, Department of the Interior, and as judge of the Court of Industrial Relations in Kansas. In all these positions Mr. Taggart served with distinction and credit to himself. He leaves to his widow and children an honored name and the memory of a useful and eventful career.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an address I delivered in Indianapolis on June 24.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask permission for the gentleman from New York [Mr. Reed] to extend his remarks by publishing a report from the conference committee on national debt policy.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from one of my constituents.

The SPEAKER. Is there objection?

There was no objection.

JOHN L. LEWIS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

PAGE MR. MURPHY AND THE SENATE CIVIL LIBERTIES COMMITTEE

Mr. HOFFMAN. Mr. Speaker, I notice the gentleman from Illinois [Mr. Sabath], who the other day said I had an attack of "Lewisitis." That is becoming epidemic the country over.

Not so long ago Attorney General Murphy announced the organization of a new unit in the Department of Justice to investigate the denial of civil liberties. He and the Senate Civil Liberties Committee have long been on the trail of employers who thought they had a right to give men jobs and pay them wages.

Yesterday's press carries the news that 3,000 pickets fought Cleveland police and firemen who were endeavoring to open the way so that men might go to and from their work.

Attorney General Murphy's attention is called to a statement of Mr. Joseph Bagano, strike leader, who predicted more fighting during the afternoon when nonstrikers inside the plants came off duty. His prediction was fulfilled. He knew what he intended to do, and he did it; more than 40 men were sent to the hospital.

According to the press Mr. Bagano said:

We will continue to throw stones, turn over cars, and resist these "scabs" until they get religion and stay home where they belong.

He made good his threat, cars were overturned, windows were broken, and there was fighting all along the line.

John L. Lewis is the big boss who directs the activities of Bagano and his associates. Lewis is Murphy's friend. Murphy is Lewis' friend, together they kept the sit-down strikes going in Michigan for 44 days; a record for loss of wages, destruction of property, and denial of civil liberty. If Murphy does not want to stand convicted before the Nation at large of being a hyprocrite, one who winks at and ignores the wholesale violation of civil liberties, let him get busy with his new division in his Department of Justice, restore civil liberties to those men of Cleveland who want to exercise their constitutional right to work.

The press carries the information that one of the strike leaders was appealing to Murphy to prevent the police from interfering with the strikers who were obstructing the streets and preventing men from working. Murphy did as Governor aid Lewis in violating the law in the Michigan strikes, but if he as Attorney General aids the C. I. O. in clubbing the police of Cleveland into submission and aids in preventing men going about their daily tasks, he should be impeached.

Bagano and his associates are inciting to riot, throwing stones, breaking windows, sending people to the hospital with bodily injuries. These are criminal acts and the authorities would do well to bring criminal charges against the ring leaders—Lewis, Bagano, and their associates—who boss the

job and incite others to violence.

As Raymond Clapper, always friendly with the New Deal, advised some time ago: Let Murphy, the administration's glamor boy, get off his airplanes, quit traveling around the country, "forget the ballyhoo and knuckle down to work." [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, the gentleman from Michigan [Mr. Hoffman] loves to address me, and I welcome it; but I want to say to him that I have not heard Mr. Lewis make the statement, and I do not believe everything I read in the Republican newspapers. Personally, I feel that not all of the people all of the time agree with Mr. Lewis. I do not want to say that I have at all times agreed with what he has said. Nevertheless, he represents the cause of certain heretofore unorganized labor, and I hope that within a short space of time he will be able to merge his organization with the American Federation of Labor, and they will then have a real organization that the gentleman from Michigan will not be able or willing to assail and attack as he has.

As to Attorney General Murphy, he does not need any defense at my hands, and I am satisfied he is a pretty good man. [Applause.]

[Here the gavel fell.]

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. Allen of Illinois addressed the House. His remarks appear in the Appendix.]

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record at this point, and to include an editorial from the Chicago Tribune on the subject of hogs and lard.

The SPEAKER. The Chair cannot entertain the gentleman's request to extend his remarks at this point.

Mr. ALLEN of Illinois. Mr. Speaker, I modify my request and ask unanimous consent to revise and extend my remarks, to include certain extraneous matters.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein certain newspaper excerpts from Argentine papers and certain statistical figures from the department.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to incorporate therein a copy of a radio address made by myself last Saturday evening.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the Customs Service, which was established 150 years ago today, on August 1, 1789.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter received by me from Chairman John H. Fahey, of the Federal Home Loan Bank Board.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

GOVERNMENT EXPENDITURES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

Mr. RICH. Mr. Speaker, it did me a lot of good this morning to hear so many speeches, some of them coming from the Democratic side of the House, saying that we cannot go on with this enormous spending program this administration has started and expect this country to survive. When I heard the gentleman from Nebraska [Mr. Coffee] a few moments ago on the Democratic side of the House start talking economy it certainly did my heart good. I hope more Members from that side of the House will plead for economy in government. We must have it if we are to save this Nation of ours and protect the Treasury. We should vote right today on the spending, squandering bill. Let us see that we do vote economy today.

Mr. Speaker, I hope the Speaker and the majority leader will come out now and publicly advocate economy. [Applause.1

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 10 seconds.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Speaker, I want the RECORD to show sometime, by votes, how the gentleman from Pennsylvania stands on expenditures and not so much conversation, because conversation does not mean a thing, but the record of votes proves action. [Applause.]

[Here the gavel fell.]

Mr. RICH. I hope the gentleman will look at the votes, for he will find me voting for economy.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a speech delivered by Judge Davenport at Goliad, Tex., at the unveiling of a monument and the dedication of a park celebrating the downfall of Goliad in the war of Texas independence.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. HEALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-one Members are present, not a

Mr. RAYBURN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

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		DAMES AND ADDRESS OF THE PARTY		
- 1	ROH	NO	1501	

Barnes Drewry McLean	Rockefeller
Bolton Eaton, Calif. McLeod	Sacks
Boren Eaton, N. J. McMillar	n. Thos. S.Schaefer. Ill.
Bradley, Pa. Edmiston Rockefell	ler Schwert
Brewster Evans Magnuso	on Secrest
Bulwinkle Ferguson Marshall	Sheppard
Byrne, N. Y. Fernandez Martin, C	Colo. Short
Caldwell Fish Massings	ale Smith, Ill.
Chapman Fitzpatrick Mitchell	Snyder
Cluett Harrington Myers	Somers, N. Y.
Collins Hendricks Nichols	Stearns, N. H.
Cooley Hennings Osmers	Stefan
Courtney Holmes O'Toole	Sullivan
Creal Hook Patman	Sumners, Tex.
Crowther Hunter Pierce, N	Y. Sweeney
Culkin Kennedy, Martin Powers	Thill
Cummings Lanham Rabaut	White, Idaho
Curley Lemke Reece, Te	enn. Winter
Dies Lesinski Reed, N.	Y. Wood
Dingell McGranery Robsion,	Ky. Woodruff, Mich.

The SPEAKER. Three hundred and forty-eight Members have answered to their names. A quorum is present.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

LIABILITY OF RAILROADS TO THEIR EMPLOYEES

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1708) to amend the Employers' Liability Act, and I shall offer an amendment striking out all after the enacting clause and inserting the provisions of H. R. 4988, which was passed by the House yesterday.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the

gentleman from New York [Mr. CELLER]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, as I understand it, this bill passed the House yesterday and a Senate bill was passed by the Senate. There is a little difference between the two bills. The purpose of this procedure is to make the parliamentary situation such that the bill may go to conference.

Mr. CELLER. That is correct.

Mr. MICHENER. It is a very meritorious bill and should go to conference.

Mr. WALTER. The Senate bill contains the provisions of a bill that our committee unanimously reported yesterday, and it can be incorporated in this measure.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There being no objection, the Clerk read the Senate bill, as

Be it enacted, etc., That sections 1, 4, and 6, chapter 149 (35 Stat. 65, act of April 22, 1908), are hereby amended so as to read as follows: "Section 1. That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her permerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other equipment.

"Any employee of a carrier, any part of whose duties as such

"Any employee of a carrier, any part of whose duties as such employee shall be the furtherance of interstate or foreign commerce; or shall, in any way directly or closely and substantially, affect such commerce as above set forth shall, for the purposes of this act, be considered as being employed by such carrier in such commerce and shall be considered as entitled to the benefits of this act and of an act entitled 'An act relating to the liability of common carriers by railroad to their employees in certain cases' (approved April 22, 1908), as the same has been or may hereafter be amended."

(approved April 22, 1908), as the same has been or may hereafter be amended."

"Sec. 4. That in any action brought against any common carrier under or by virtue of any of the provisions of this act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employment in any case where such injury or death resulted in whole or in part from the negligence of any of the officers, agents, or employees of such carrier; and no employee shall be held to have

assumed the risks of his employment in any case where the violation by such common carrier of any statue enacted for the safety of employees contributed to the injury or death of such employee. "Sec. 6. That no action shall be maintained under this act unless

commenced within 2 years from the day the cause of action accrued. "Under this act an action may be brought in a district court of

the United States, in the district of the residence of the defendant, or in which the defendant shall be doing business at the time of commencing such action. The jurisdiction of the courts of the United States under this act shall be concurrent with that of the courts of the several States, and no case arising under this act and brought in any State court of competent jurisdiction shall be removed to any court of the United States.

moved to any court of the United States.

"Any contract, rule, regulation, or device whatsoever, the purpose, intent, or effect of which shall be to prevent employees of any common carrier from furnishing, voluntarily, information to a person in interest or his representative as to the facts incident to person in interest or his representative as to the facts incident to the injury or death of any employee, shall be void, and whoever, by threat, intimidation, order, rule, contract, regulation, or device whatsoever, shall attempt to prevent any person from furnishing such information, or whoever discharges or otherwise disciplines or attempts to discipline any employee for furnishing such information shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both fined and imprisoned for each offense.

"If any provision of this act is declared unconstitutional or the applicability thereof to any personer experience to hold invalid."

applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons and circumstances shall not

be affected thereby.'

Mr. CELLER. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Celler: Strike out all after the enacting clause of the Senate bill and insert the following: "That section 1 of the act entitled 'An act relating to the liability

"That section 1 of the act entitled 'An act relating to the liability of common carriers by railroad to their employees in certain cases,' approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, sec. 51), be, and it is hereby, amended to read as follows:

"That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and sentative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other equipment. In any action brought against any common carrier under or by virtue of any of the provisions of this act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employment in any case where said employee has not had actual notice of any negligently maintained condition or practice where the negligence of such common carrier, its officers, agents, or employees, proximately contributed carrier, its officers, agents, or employees, proximately contributed to the injury or death of such employees except those risks incident to the employment."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION AND FINANCING OF SELF-LIQUIDATING PROJECTS

Mr. SABATH. Mr. Speaker, I call up House Resolution 286 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 286

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7120, a bill to provide for the construction and financing of self-liquidating projects, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currence, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous ques-

tion shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. MAPES. Mr. Speaker, a point of order. The SPEAKER. The gentleman will state it.

Mr. MAPES. My understanding is that the gentleman from New York [Mr. TABER] is to make a point of order against the rule on another question from what I have in mind and I wish to preserve his right to do that.

The SPEAKER. Upon what proposition?

Mr. MAPES. I say my understanding is that the gentleman from New York [Mr. TABER] is to make a point of order against the rule on another question.

The SPEAKER. On the rule now pending?

Mr. MAPES. Yes. I desire to preserve his rights, but for the protection of the Committee on Rules I think I should call attention to the fact that this rule is reported by the chairman of the Committee on Banking and Currency [Mr.

The SPEAKER. Is the gentleman from Michigan now

making a point of order against the resolution?

Mr. MAPES. I make a point of order for the purpose really of submitting a parliamentary inquiry to the Speaker. Frankly, I do not care to press the point of order, but I desire to call attention to the matter. I knew there was no member of the Committee on Rules who was enthusiastic about this rule or the legislation.

The SPEAKER. Will the gentleman submit his parlia-

mentary inquiry?

Mr. MAPES. But I did not know there was no member who was willing to attach his name to the report of the committee. May I ask the Speaker if it is proper procedure, or parliamentary, for a Member of the House not a member of the Rules Committee to report a rule from the Committee on Rules?

The SPEAKER. The Chair is prepared to rule on the par-

liamentary inquiry.

The attention of the Chair has been called to this matter. It appears from the print of the resolution that the gentleman from Alabama [Mr. STEAGALL], of the Committee on Rules, reported the resolution. The record shows, however, that the chairman of the Committee on Rules [Mr. Sabath] did, as a matter of fact, report the rule. It is evident to the Chair that the incorporation of the name "Mr. STEAGALL" was a clerical or typographical error, and the Chair would so hold if a point of order were made against it.

Mr. MAPES. I think the Speaker's decision is correct, but I felt the attention of the House should be called to the error.

Mr. TABER. Mr. Speaker, a point of order. The SPEAKER. The gentleman will state it.

Mr. TABER. Mr. Speaker, I make a point of order against certain sections of the bill referred to in the rule.

The SPEAKER. Does the gentleman desire to make a point of order against the resolution?

Mr. TABER. Against certain sections of the bill referred

to in the resolution.

The SPEAKER. The Chair will not entertain that point of order, because the matter now pending before the House is whether or not it should agree to the resolution making a certain bill in order.

Mr. TABER. Mr. Speaker, I desire to call the attention of the Chair to certain precedents on this matter.

Mr. SABATH. Mr. Speaker, no part of the bill is now before the House. The question now is on the adoption of the rule.

The SPEAKER. The gentleman from New York has asked the indulgence of the Chair to present precedents upon the point of order he offers to raise against the bill reported by the Committee on Banking and Currency, the consideration of which the pending rule proposes to make in order.

Mr. TABER. The point of order is against certain sec-

tions of the bill, Mr. Speaker.

The SPEAKER. The Chair will hear the gentleman.

Mr. TABER. Mr. Speaker, I wish to call the attention of the Chair to the fact that under the rule, line 6, all points of order against the bill are waived. If the rule should be

adopted, it would be impossible to make these points of order.

I wish to call attention to paragraph 2142 in volume 7 of Cannon's Precedents, 1936, page 884. There on a Calendar Wednesday, without the bill having been read for amendment and without there having been general debate, after the bill was called up—and the calling up of this resolution is equivalent to the calling up of the bill—a point of order was raised against the bill. The point of order was overruled. Thereupon Mr. Newton made a point of order against the particular items of appropriation in the bill without the bill having been read for amendment, or anything of that kind, and the Speaker sustained the point of order. This appears on page 3664 of the Congressional Record, fourth session, Sixty-seventh Congress.

A similar situation arose during the consideration of a bill from the Committee on the Post Office and Post Roads. There a point of order was raised during general debate without the bill having been read for amendment. This appears on page 891 of the same volume—7 Cannon's Precedents, section 2148—with reference to a bill providing for the payment of certain funds out of appropriations already made for motor-vehicle service.

These situations are exactly like the situation that is presented here. I desire at this time to make a point of order against certain sections in the bill it is proposed to take up for consideration.

The SPEAKER. The Chair is ready to rule on the point of order.

The Chair has no disposition to limit the argument of the gentleman from New York [Mr. TABER], but the Chair is very clearly of the opinion that the points of order the gentleman seeks to raise against certain provisions of the bill are not in order at this time. The House is now considering a resolution providing for the consideration of the bill against which the gentleman desires to raise certain points of order. The resolution which is now being considered itself provides, if adopted, that all points of order against the bill are waived. This is no innovation or new matter. Time after time the Committee on Rules has brought to the House resolutions waiving points of order against bills. Under the general rules of the House, the Chair will say to the gentleman, aside from the considerations which the Chair has mentioned, points of order cannot be raised against the bill until the section is reached in the bill which attempts to make appropriations and against which the point of order is desired to be made.

For those reasons the Chair does not feel like recognizing the gentleman at this juncture to state points of order against the proposed bill.

Mr. TABER. May I call the attention of the Chair to the last sentence in clause 4 of rule XXI:

A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

There have been decisions holding that the point of order would not lie to the bill or to its consideration, but I have cited to the Chair cases where such points of order have been made and have been sustained when the bill itself was not under consideration.

The SPEAKER. The Chair has undertaken to make it plain that the Chair's decision is based very largely upon the proposition that the resolution now being considered specifically waives all points of order that may be made against the bill, and includes those matters evidently against which the gentleman has in mind in making points of order.

The Chair recognizes the gentleman from Illinois [Mr. Sabath].

Mr. KNUTSON. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. Does the gentleman from Illinois yield for a parliamentary inquiry?

Mr. SABATH. I yield, Mr. Speaker.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. KNUTSON. I have observed that the resolution has been reported by the gentleman from Alabama [Mr. Steagall].

Mr. RAYBURN. Mr. Speaker, we have already been over that matter. Another gentleman on that side brought up the point.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. SABATH. I yield, Mr. Speaker.

Mr. JENKINS of Ohio. Mr. Speaker, is the effect of the Speaker's ruling that the only remedy then would be to beat the rule?

The SPEAKER. That is a matter not for the Speaker to decide but for the House itself to decide.

Mr. SABATH. Mr. Speaker, I assume the gentleman from Michigan desires some time, so I yield him the usual 30 minutes, which I feel he is not going to use.

Mr. MAPES. Our distinguished chairman is very courteous. I may say to the chairman that I would like a little time.

Mr. SABATH. Mr. Speaker, ladies, and gentlemen, I hope you will all bear with me today. I have had a hard siege of it. I am not going to detain you long, and I hope you will give me the attention to which I feel I am entitled while I explain the need for this rule.

Personally, Mr. Speaker, I do not believe I can do better than to restate at the very beginning that this rule is a broad, open, and liberal one. It provides for 5 hours of general debate, and that after the general debate, the bill shall be read for amendment under the 5-minute rule. I personally believe that the title of the bill itself concisely and accurately explains the purpose of the proposed legislation. It states:

That this act may be cited as the "Self-Liquidating Project Act of 1939."

of 1939."

SEC. 2. In order to provide a sound method of financing which, without burdening the national taxing power, will make it possible to increase employment through a self-liquidating improvement program the Reconstruction Finance Corporation (herein called the "Corporation"), upon the direction of the President, shall issue from time to time notes, debentures, bonds, or other obligations to enable the Department of Agriculture, the Public Roads Administration, the Public Works Administration, the Rural Electrification Administration, and the Corporation to carry out their respective functions as herein provided.

This short paragraph, Mr. Speaker, explains the purpose of this important legislation. The bill authorizes \$350,000,-000 for public-works loans to municipalities and States for construction of schools, hospitals, and other improvements necessary and badly needed.

It authorizes \$250,000,000 to the R. F. C. for railroad equipment on a 10-year basis,

It authorizes \$350,000,000 for rural electrification.

It authorizes \$400,000,000 under which the Department of Agriculture may provide for rural rehabilitation, farm tenancy loans, and, in general, aid and assist the tenants and the farmers of this Nation.

It authorizes \$500,000,000 for public roads, of which \$230,-000,000 is to be temporarily advanced to the States to enable them to match the amounts required for the allocations granted them.

In addition, there is a provision which authorizes an additional \$100,000,000 for the Export-Import Bank.

All these authorizations for loans will not be a burden on the Government. They are all for self-liquidating projects, and after a careful investigation and examination I am satisfied that most of this money will be repaid to the Government.

Those who charge that the Government will sustain a loss in advancing this money are deliberately and willfully overlooking the fact that all these loans are to be amply secured. There can be hardly any loss. And even conceding that some losses may result from R. F. C. loans that have been made in the past, it is well to remember that those were loans which were approved and made during the Republican administration. In the present bill it is provided that loans made to the railroads will be secured by the Government retaining title to the equipment purchased by means of such loans. The \$230,000,000 loan for highways will be deducted from the amounts regularly allocated to the respective

States that are not able at the present time to match the amounts the Government puts up for such purposes.

The bill provides that the Government shall charge onehalf percent above the interest it will pay on this money, and if there should be some few losses that one-half percent should take care of them. However, even if there should be a few losses, the great benefits that will accrue to millions of Americans will more than offset them.

Therefore I am amazed, Mr. Speaker, at the reckless statements of the gentlemen on the left side. I am surprised that gentlemen opposing for political reasons this needed legislation which will create over 500,000 jobs, should be guilty of misstatement and, in fact, misrepresentations about what this bill will accomplish.

This does not mean a great deal to my district directly, and if I should personally be called upon to give a title to the bill I would call it an agricultural aid and relief bill for the aid and assistance of the rural sections of our country. No bill that I can recall during all the long years that I have had the honor to serve here has tended to do more for the rural sections of our country than this bill.

Mr. WOODRUM of Virginia. Mr. Speaker, would the gentleman care to yield?

Mr. SABATH. I yield to the gentleman for a question.

Mr. WOODRUM of Virginia. The gentleman is amazingly frank in his statement that the bill is an agricultural relief bill, but does the gentleman think that the program originally sent down to the Congress was contemplated as an agricultural relief proposal?

Mr. SABATH. Well, unfortunately, I am obliged to admit that certain forces at work in this House, as well as in the other body, utilize every opportunity to eliminate from any proposed legislation all benefits to the urban population or for the unemployed of the cities. I still feel, notwithstanding that it is a farmer and rural section relief bill, eventually the people in the cities will derive some benefit because of the employment that this legislation will create.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I cannot yield now, please.

Mr. BARDEN. We do not want to fuss with the gentleman, but we do want a little information.

Mr. SABATH. I will give that to the gentleman later on,

if I can. Mr. Speaker, this morning in the Well here we heard from two or three gentlemen; unfortunately, disgruntled Democrats complaining of our expenditures and about the conditions in our Nation. To them I desire to say this. Yes, we have appropriated money, although we are not appropriating any in this bill, and we have also expended money in the interest of the people and not in the interest of any Member or anyone connected with the administration. All these moneys that have been appropriated were in the interest of America and for the unemployed, for American business and American institutions. The result, I am proud to say, is-and these figures cannot be contradicted-that due to our spending, the American people today have in the banks of the United States, which includes the national and State banks, over \$43,000,000,000 of deposits. Over \$53,000,000,000 of deposits in the banks of the United States. Twenty-three billion, three hundred and forty million in the national banks, and in other banks, \$30,472,national and State banks, over \$53,000,000,000 of deposits. but I repeat, \$54,000,000,000.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield? Mr. SABATH. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Can the gentleman inform the House what part of that \$53,000,000,000 is represented by the deposits of one bank in another bank?

Mr. SABATH. That is not included. If I had included what the gentleman believes is included, the amount would have been \$62,000,000,000, but I have eliminated that, and only after careful research I came to the conclusion that the amount of \$54,000,000,000 is correct.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield? Mr. SABATH. Later on, not now.

Mr. WOLCOTT. But at this point. Mr. SABATH. Not at this point.

The SPEAKER. The gentleman declines to yield.

Mr. SABATH. Notwithstanding the fact that these billions are deposited in our banks, that the vaults of the banks are bulging with currency, with money, the bankers of this country have refused and are refusing to come to the rescue of business or agriculture or anyone. They are keeping the money locked up. For what reasons I do not know, but it is for that purpose that this Government is obliged to aid industry and help business and help the farmers, because the bankers, controlled from Wall Street, have refused and are refusing to do so. I feel that that in itself is positive evidence that the spending on the part of this administration, by this Congress, was in the right direction, was constructive, and, Mr. Speaker, that should be constantly borne in mind by fair-minded persons who recognize results instead of political speeches.

Mr. Speaker and you gentlemen, do you not know that the income of the United States in 1932 was \$40,000,000,000? In 1933 it was \$42,000,000,000, and in the year 1939 it is estimated it will be \$68,000,000,000.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Not now, as I am giving the House and the country information willfully withheld from them.

Mr. Speaker, the income to the people of the United States under President Roosevelt's Democratic administration has increased in 6 years by \$28,000,000,000, and only the day before yesterday I read in the Evening Star newspaper of Washington a statement showing that the increases continue and that the national income is growing daily. Surely no one will charge the Washington Star, or any other paper in this city, with being Democratic and printing any false propaganda in the interest of President Roosevelt's policy, or the New Deal.

Please understand, and I am extremely anxious that the country should know, that the annual national income or the yearly national income-I want to make it as plain as I can—is \$28,000,000,000 higher per year than it was in 1932. And, Mr. Speaker, I am satisfied that by the end of 1939 there will be shown a thirty billion increase. Thus if you Republicans had the interest of the country at heart and would not retard the President's efforts and our efforts it will be increased in 1940 to thirty-five billions, and before the President's term will expire it will reach nearly eighty billions, which will be more than double the national income in 1932. So when you talk of spending and talk of increased bonded indebtedness won't you please at some time be honest and fair and admit that our annual or yearly income is greater than the total increased debt during the 6 years of Roosevelt's administration. In other words, we have increased our debt by a total of only about \$20,000,000,000, yet are increasing our income—that is each year—by \$30,000,000,000.

Mr. Speaker, now I am going to ask some of the financiers on the Republican side and some of the expert Democrat economists: Would you not be willing to borrow \$20,000,000,-000 if by so doing you could increase your wealth by \$30,000,-000,000 every year? I ask you—answer it if you can—is not that good business for the American people? To make it clear so that the most uninformed person may understandwould you not be willing to invest \$20 if that \$20 would bring back to you every year not 6 percent or 8 percent, but 100 percent and 150 percent? Why do you not tell that to the people? Why do not your Republican newspapers bring that home to the people? Why do you not show them the truth, that the Democratic investment of \$20,000,000,000 in the welfare of America has increased national income to a new record high point? Why not give them the facts, instead of repeating like a Charlie McCarthy the whines and complaints of big tax dodgers and millionaires?

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I am sorry, but I cannot. Maybe later on. Therefore, Mr. Speaker, I feel that the spending and the expenditure made were no doubt incurred in the interest of the American people, in the interest of our country. I am

not at this time going back to describe to you the conditions in 1932 when President Roosevelt was elected, nor the conditions in '33 when he was sworn in as President. I know you remember the unfortunate conditions, but the Republican leadership wants to forget those desperate days, and consequently they are obliged to coin new words, new sentences, new paragraphs, to give to the Republican newspapers an opportunity for new headlines. But I say to you, Mr. Speaker, if the Republican press, and if the Republicans here would be sincere with the people of the United States, if they honestly desired to improve conditions and reemploy the people who have been unfortunately thrown out of employment on account of their own destructive misrule, they would be then serving a righteous cause, and they would be placed in the position of real statesmen, men who place the interest and welfare of our country above politics and

their own political and personal fortunes.

The vote of every Democrat, regardless of whether he hales from the North or the South, the East or the West, elected on the Democratic ticket, under the leadership of President Roosevelt, should be for this bill. I do not expect a single vote from the Republicans. They are not accustomed to vote in the interest of the common people. They promise the farmer and the laboring people everything before election. They pledge themselves to vote for legislation in the interest of the people, but when the time comes they vote against it as they always have done before. It is because of these tactics that they were properly driven from office in 1932 and will be kept out of office so long as Democrats stand by and support the honest efforts of President Roosevelt. If you Republicans and some reactionary Democrats think you can discourage the President in his determined efforts to improve the conditions of the underprivileged, the farmer, the wage earner, and honest businessmen, you have another guess coming. Your opposition is a stimulant to him, and he will, yes, he must continue the fight of the people and for the people. He has embarked on the path of making America a better place to live in for Americans and the people will continue to give him their overwhelming support in his efforts. You may delay and obstruct his great program, but you will not and cannot stop it, for the people will not be fooled. They will stop your obstruction and sabotage of his great liberal program when you face them at the polls next year.

Mr. Speaker, ladies and gentlemen, I cannot help to express my condemnation, and I feel you must feel as I do when you have seen men in despair and on the verge of bankruptcy and ruin, who, after being saved by the New Deal and reestablished, and who are now deriving a greater income than in the balmy days of 1928 and early 1929, will find fault and condemn the very man who put them on their

I feel that this legislation is of such importance that it is not necessary to dwell any longer on the provisions of the bill. I have here a short résumé from the hearings in the other body, as well as the hearings in this body, showing the benefits that will accrue to our industries. While these benefits primarily are directed to the rural areas of the country, eventually the wage earners in the city will also derive at least indirect benefit from this legislation. I have it on good authority, Mr. Speaker, that this program and this policy, when it goes into effect, will bring reemployment of at least 500,000 men directly, and very likely an additional half million indirectly. In view of that fact, if gentlemen are desirous of reducing the funds for the relief of the American people which the special interests complain about so much, and especially the big boys who have made more money in 1938 and are making more in 1939 than ever before in the history of America, then I say to you that our duty is plain. You should disregard the objections that these big profiteers and tax evaders are using to mislead you. I feel this legislation should receive the approval of every sincere and honest American legislator. There should be no politics in this House about reemploying 1,000,000 men. There should be no politics in relieving and saving perhaps 250,000 farmers who are about to lose their farms, because under this bill it is intended to save the farmers who are about to be evicted from their farms, where already foreclosure proceedings have been commenced or at least threatened. In view of those facts I hope the resolution will receive the vote and support of all those honestly and sincerely trying to restore the prosperity of America. I reserve the remainder of my time.

Mr. MAPES. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, I can see two sides to most legislative questions, but, frankly, I cannot see any justification whatever for this legislation at this time. I can see how it would be very dangerous at any time, but it is both dangerous and useless at this time. If there is any public demand for it, if there is any need for it, or if there is any reasonable justification for it, it was not disclosed at the hearings before the Committee on Rules. In fact, it was affirmatively shown at those hearings that there is no public demand for it, that there is really no need for it, and that there is no reasonable justification for it.

Briefly, the bill proposes to give the Reconstruction Finance Corporation authority to issue and sell its bonds or securities to an additional amount of \$1,850,000,000 above what it is now authorized to do, and to allocate the money thus obtained to certain governmental agencies already provided under the regular appropriations with all the money they need or can use efficiently. The bill covers a wide field. The different subjects covered by it for the most part have been considered for years, and intensively so, by standing committees of the House having jurisdiction of them, other than the Committee on Banking and Currency, which reports this bill, and in many instances these committees have refused to report legislation such as is contained in this bill.

The Committee on Interstate and Foreign Commerce reported the Lea transportation bill a few weeks ago, after consideration by that committee for 6 months. was criticism by the opponents of that legislation because it was brought on the floor so late in the session. It covered only one subject, namely, transportation, a subject over which the Committee on Interstate and Foreign Commerce has jurisdiction under the rules and to which it gives constant attention and study. This bill, which contains many subjects of equal or greater importance, was reported to the House of Representatives on July 31, 1939, according to the committee print, and it is now exactly 1:30 p. m., August 1, 1939. The rule was reported last night by the Committee on Rules at 5:45 p. m. At that time the committee substitute had not been printed. The committee report was not before the Committee on Rules. My office tried this morning every few minutes, beginning at 8:45, to get a printed copy of the report of the committee, and to get a printed copy of the committee substitute, but did not succeed in doing so until 10:30 o'clock. That is as long as anyone has had to study the bill and the report.

A copy of the hearings before the committee was delivered to me after I came on the floor this afternoon. We are asked to consider this legislation, under these conditions, legislation over which other committees naturally have jurisdiction and to which they have given consideration for years

Why do I say that the legislation is not needed? Because the hearings before the Committee on Rules disclosed that practically all, if not all, of the governmental agencies that will be assigned the money that is secured from the sale of these additional securities of the Reconstruction Finance Corporation already have surpluses at their disposal given them under the regular appropriation laws. That is true of the Rural Electrification Administration. That is true of the Bureau of Roads. It is true of the Reconstruction Finance Corporation, as far as making loans to railroads is concerned. I think it is true of the other governmental agencies involved also.

Now, what does this bill propose to do? It proposes to give these agencies that already have more than they can make efficient use of under the regular appropriations of the

Congress, this additional money and say to them, "Here it is. Spend it. Waste it." [Applause.]

I call the attention of the Members of the different committees to some of the things that are in this bill over which their committees have jurisdiction. To repeat, the bill authorizes the raising of \$1,850,000,000. I see some members of the Committee on Appropriations here. Let them ponder this provision:

Departments, administrations, and agencies for which funds shall be provided by the Corporation, pursuant to this act—

Namely, \$1,850,000,000-

may use such funds for the purposes of carrying out their respective functions under this act without further appropriations, and such funds shall be continuously available for such purposes.

I call the attention of the Committee on Agriculture to the farm-tenancy provision of the bill. It authorizes the Secretary of Agriculture to use \$400,000,000 of the funds for that purpose. My understanding is that the Committee on Agriculture has refused to vote out a bill incorporating a similar provision.

I call the attention of the Committee on Agriculture to the further provision which authorizes the Secretary of Agriculture to refinance farm mortgages on which payments periodically due, exceed the normal farm income available for debt service. That is nearly all-inclusive. That is entirely new. It is a radical departure from any existing law. Still, it is here. We are obliged to pass on it without having a chance to read the bill or the hearings or the committee report. It has never been recommended by the Committee on Agriculture.

Now, coming to the jurisdiction of the Committee on Interstate and Foreign Commerce, this bill authorizes the Reconstruction Finance Corporation to raise \$250,000,000 to buy railroad equipment and to rent or lease that equipment to the railroads. The provision on this subject reported by the Committee on Banking and Currency of the House is a little different, but not materially so, from the one discussed in the Senate, and it was stated there that it was proposed by it to put the Government into the junk business.

Mr. SABATH. Mr. Speaker, will the gentleman yield?
Mr. MAPES. I cannot yield now. I do not have the time.
Mr. Pelley, who is president of the Association of American
Railroads, according to the proceedings in the Senate, said
there was no need of any such provision.

I asked some of the witnesses before the Committee on Rules who recommended the provision, and I was unable to find that anybody recommended it. The railroads can get money more easily for equipment than for anything else. Besides, they do not need additional equipment; they have more equipment now than they can make use of. What the railroads need is business; yet here is a provision inserted in this bill reported by the Committee on Banking and Currency, a committee that has no jurisdiction of the subject matter, authorizing the Reconstruction Finance Corporation to buy additional equipment for them. Let me read from the Record what the distinguished Chairman of the Committee on Interstate Commerce of the Senate said in regard to this matter. On page 10336 of the Record, Senator Wheeler said this:

The Committee on Interstate Commerce has studied this problem of railroad finance for the last 2 or 3 years. There was never the slightest intimation of this proposal brought to the attention of any member of our committee. We were never consulted about it in any way, shape, or form; and I am sure that every member of the committee who knows anything about it would have been unanimous against a proposition of this kind.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield at that point?

Mr. MAPES. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want it emphatically presented here that this is the lay-out: I am sure the railroads can borrow money of the R. F. C. for equipment. Is it not true that under this bill the R. F. C. will buy the junk and then can turn around after they get title and sell it to the railroads

on a lease proposition to buy better railroad equipment and leave the junk by the readside?

Mr. MAPES. I tried to make that clear.

Mr. GIFFORD. It must be made clear.

Mr. MAPES. In substance what the gentleman has stated is correct.

If anybody questions the self-liquidating feature of the projects proposed, let him turn to the first section of the bill. That should allay any doubts he may have on that score—

This act may be cited as a self-liquidating projects act of 1939.

In other words, it must be so, because it is so declared by the drafters of the bill. Here is the way this self-liquidating matter works as far as the item for highway purposes is concerned: The Bureau of Roads now has \$228,000,000 available under the regular appropriations for the States which they have been unable to match. How does this bill propose to collect \$230,000,000 of the amount that is appropriated for the Bureau of Roads? It proposes to advance to these States that have been unable to match the Federal contribution in the way of grants or loans, or gifts, \$230,000,000, so that they can match this \$228,000,000 that the Bureau of Roads now has. How is that to be paid back? It is to be paid back in this way: When Congress in the years to come makes appropriations for roads it is proposed that it will deduct one-tenth of the appropriation which would otherwise go to these States and apply that on the loan.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield myself 2 additional minutes.

As I said before the Committee on Rules, it is like a father who gives his son a weekly allowance of \$10. The boy comes to him and says: "Dad, I have got to have \$100 this week; won't you lend it to me and take \$5 out of my allowance for the next 20 weeks until it is paid back?" That is the way it is self-liquidating, as a member of the Committee on Rules retorted: "Yes, and when the time comes, Dad comes across with the same \$10 a week." When the time comes Congress will appropriate the same amount to these States that it appropriates to the other States and everybody in this House who has had any experience here knows that is exactly what will be done. Still this is called a self-liquidating measure.

I repeat, Mr. Speaker, this bill is dangerous from any standpoint, and there is no necessity for it because most, if not all, of the agencies involved already have more money than they can use efficiently. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, it will be a sad day for our country if this Congress divides on party lines when the issues under consideration are primarily economic issues.

Being sound is no test of being a Democrat; being sound is no test of being a Republican. When we face an economic issue there should be but one question before us: Is it sound? Is it for the public welfare? If so, let support come from both sides of the aisle. [Applause.] But if it be unsound let no one try to question the man's party allegiance or loyalty because he dare raise his voice against it.

I went this morning to the distinguished chairman of the Committee on Rules and asked for the privilege of speaking on this resolution and frankly said: "To speak against it." He said, "No Democrat will get time from me to speak against this resolution. If you want time go to the Republicans"; and that is where I went, to the Republicans, and I now express my appreciation of their courtesy in permitting me to express my views.

I do not propose to go into the items of expenditure in this bill.

I am willing to concede for the sake of argument that they may be desirable and that this fund will be efficiently, wisely, justly, and fairly handled. I am willing to concede that the purpose behind those who are sponsoring the bill is to promote the general welfare. But may I say that I do not agree

with the theory of John Maynard Keynes, who, being unable to sell his own government on the idea of spending for recovery, came over and sold some of our officials on that theory, notably the distinguished chairman of our Federal Reserve Board, Mr. Eccles,

What do we have before us? We can debate the rule on this bill until September and we will not develop any real new facts, nor will we change any votes. This rule ought to be defeated and we should end the argument right now. [Applause.] We cannot definitely decide whether or not we can spend our way to recovery. Only experience will demonstrate that. We can try some experiments and if they prove to be a failure we can repeal them, but we cannot repeal a debt.

Gentlemen may argue, and sincerely so—I do not question their motives—that that is the best way out. May I say that we have spent liberally for the past 7 years and it has not brought us out. I believe the theory is wrong.

Mr. WOODRUM of Virginia. Will the gentleman yield? Mr. ROBERTSON. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I want to call the gentleman's attention to sections 10 and 15 of this bill. Congress recently in its wisdom required the Reconstruction Finance Corporation, the Home Owners' Loan Corporation, the Electric Farm and Home Authority, and several other agencies that did their own financing and raised their own funds by the issuance of bonds to come to the Appropriations Committee of the Congress to have their appropriating and administrative expenses passed upon by the Congress. Section 15 of this bill permits those agencies to have their administrative expenses allocated by the Director of the Budget. Section 10 of the bill provides that the departments may use such funds-that is, the billion dollars allocated to them-for carrying out their respective purposes without further appropriation and such funds shall be continuously available for such purposes. May I say to the gentleman that is a revolutionary departure from our present procedure with reference to appropriations.

Mr. ROBERTSON. I agree with the gentleman. That is something, if the rule is not voted down, which we will have to consider when we get to it.

Here is my point. Only experience will demonstrate whether we can spend our way back to recovery. We have been spending, and even the advocates of that scheme must admit the results have not been what they predicted. We have already appropriated \$13,000,000,000 this year, and if we spend it, it will exceed the present limit of \$45,000,000,000 of national debt. Federal lending agencies, according to the Senate debate, can lend an additional \$7,000,000,000 under existing law.

Mr. SABATH. Will the gentleman yield?

Mr. ROBERTSON. I will yield to the gentleman if he will give me more time.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield the gentleman 1 additional minute. Does the gentleman maintain that we have made no progress if the record and statistics show that we have increased our income from \$40,000,000,000 to \$68,000,000,000?

Mr. ROBERTSON. The gentleman knows I supported the first two recovery acts, the Home Owners' Loan Corporation Act, the Federal Housing Act, the Reconstruction Finance Act, the Farm Credit Administration Act, and numerous other lending measures of a temporary character. I was willing to go along in the midst of the depression and do a reasonable amount of spending to help out, but I think we have reached the point where we are not priming a business pump. When we put into this bill a provision that the R. F. C. can borrow money to manufacture and lease railroad equipment to the railroads, we are not priming a private pump. We are setting up a Government pump to compete with private business, which I do not think is sound. I think we have spent enough money. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. Voorhis].

Mr. VOORHIS of California. Mr. Speaker, I am not approaching this matter in a partisan frame of mind, either. I am approaching it from the standpoint of the real economic problem that our country is confronted with.

On page 10604 of the Congressional Record I have a speech in which I explain a certain amendment which I intend to offer to this bill later on, but to which I do not propose to refer right now in these brief 4 minutes. The thing I want to emphasize, if I can get it done in the 4 minutes, is that the general economic situation we face in this industrial civilization of ours can be summed up briefly thus: In order to have business prosperity you must have a consuming power flowing through the pockets of the people which is equivalent to the capacity of the Nation to produce wealth. We have a situation today where the volume of savings which accumulates year by year in the hands of a comparatively few people is so great that it tends to make it impossible for agriculture and industry to recapture the value of the goods and services that they have produced in that current year. This is probably the root cause of depression.

There are three or four different alternative ways of seeking a solution to that problem. One of them is the general method that is described roughly and, I think, erroneously, as the "restoration of confidence." By that method, you might once again induce people to put their money at the disposal of Wall Street and to make what will be called investments. But those investments will not be profitable unless the buying power of the people is large enough to purchase the additional volume of goods produced. And we will ultimately have to go through a period of inevitable bankruptcy, foreclosure, and liquidation of debt by that process. If you are not willing to go that way, and I am inclined to think hardly anybody would be willing to risk it for his country, then we must seek some other solution.

My own choice of methods is the establishment of a constitutional monetary system for the United States wherein Congress would issue the money of the Nation and maintain a dollar of stable value. We should establish a sound system of taxation, security, benefits, and pensions, which would give us an even flow of buying power, which has not been done up to this time.

If you are not willing to do that, then we must have a volume of governmental investment to match the failure of private investment to take place, or we will sink deeper and deeper into depression. If this governmental investment is going to occur in fields where there is no return from it, like many of our projects that we have undertaken, then the expenditure is a net subsidy to the business of the country, and must be a net addition to public debt.

If you do that, then there is no objection on the ground that you are interfering in any way with business, but the inevitable consequence is an increase in debt. If you are going to complain about one of these, and insist on keeping the present debt-money system, then you cannot complain about the other.

The bill we have before us, without going into the details of it, is an attempt to accomplish the purpose of compensating for the failure of private investment by means of Government investment but without an increase in public debt. It is an attempt to accomplish the same purpose by making investments in fields where there can be a return. You have your choice between doing it that way and getting a return, and saving an increase in the public debt, or else having to do it in ways where you get no return and where inevitably the public debt is increased. The amendment which I shall offer would, indeed, avoid any sale of bonds at all by the R. F. C. and would thus cause this program to yield a net income to the Treasury. It is explained on page 10606.

The problem of America remains and will remain regardless of what you do with this bill, and the responsibility of this Congress is evidently to meet that problem. Already a cut of one-third has been made in the rolls of W. P. A. If this bill by any chance should be defeated, it then becomes the evident duty of this Congress to do something about

the employment problem of the people of America right now. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the balance of my time, 8 minutes, to the gentleman from Michigan [Mr.

Mr. WOLCOTT. Mr. Speaker, there is no need for this legislation to accomplish the purposes expressed in the bill. It has been charged that this is a subterfuge to raise money outside the debt limit without any restriction whatsoever by the Congress upon the expenditure of the money. The reason for it is undoubtedly predicated upon the fact that the national debt is today about \$40,500,000,000. The President in the estimates he sent to the Congress stated that at the end of the fiscal year 1940 the public debt will be approximately \$44,457,000,000, or a shade under the debt limitation which Congress has placed upon the debt of \$45,000,000,000.

Mr. Speaker, if money can be raised in this unorthodox manner for the purposes of this bill, there is no reason whatsoever why money cannot be raised in this manner to carry on the administrative functions of the Government. How is this money raised? It is raised by the Reconstruction Finance Corporation, by the sale of its bonds. The money raised by the sale of the bonds of the Reconstruction Finance Corporation is then placed in the Treasury of the United States and the Reconstruction Finance Corporation has no more jurisdiction over it after it is placed in the Treasury of the United States. So all the publicity which has been given to the fact that these expenditures are to be made under the direction of the Reconstruction Finance Corporation is at the least an exaggeration and is not based on the facts. With the exception of the amount of money which will be allocated back to the Reconstruction Finance Corporation for railroad loans and for the lease of railroad equipment, the R. F. C. will have nothing to say about how this money is expended.

What does this bill do? In short and in fact, it abrogates the authority of the Congress to control the raising of money. It abrogates the authority of Congress to control the use to which the taxpayers' money is put, and in practice it delegates to the executive branch of the Government the constitutional prerogatives of Congress to appropriate money. It evades by indirection and subterfuge clause 7, section 9, article I, of the Constitution, which states that no money shall be drawn from the Treasury but in consequence of appropriation made by law.

Is there any need to pass this measure to accomplish this purpose? Let me tell you something about the specific items in the bill. In the original bill we provided \$750,000,000 for roads. There is at present in the Treasury of the United States \$228,000,000 of unused allocations which may be used under the Federal Highway Act if matched by the States. We can thaw that out without raising any new money the same as we did thaw out \$80,000,000 of it in 1930 for that purpose. It is not necessary, therefore, to raise one more cent for highways, and we can at the same time make available \$456,000,000 with the cooperation of the States.

With respect to the Reconstruction Finance Corporation and the loans to the railroads, I do not want you to rely upon my statement that no more money is needed. Let us refer to the hearings and see what Mr. Jesse Jones has to say about this. On page 186 of the hearings you will find the following:

Mr. Wolcott. Do you see any particular reason for authorizing the \$500,000,000, if you are not going to need more than a third of it for this next year?

Mr. Jones. I think that is for you to determine.

Mr. Wolcott. If we amended the existing law by providing, as has been recommended to the Senate committee with respect to leases of railroad equipment, you would have ample money under your present authorization to make these loans next year?

Mr. Jones. If you take off the existing limitation; yes.
Mr. Wolcott. So you do not need any part of this \$500,000,000 if
we allow you to lease this equipment?

Mr. Jones. I think we would have ample.

Mr. Speaker, are we going to crowd down the throats of these agencies money they do not want and that they say they do not need to carry out the purposes of this legislation? [Applause.]

With respect to the Rural Electrification Administration, \$500,000,000 was asked in the original bill. We cut it to \$350,000,000, and all the President wants, according to the Secretary of the Treasury is \$20,000,000. We have enacted a program by which the R. E. A. may make loans up to \$40,000,-000 for each of 9 years. This started in 1927. Mr. Carmody, appearing before the Committee on Banking and Currency, said that we will not know until these projects have been energized for at least 5 years whether or not they will be selfliquidating. According to the provisions of this bill, which compels them to find that the projects will be self-liquidating, there cannot be allocated one cent of the money which is to be available for R. E. A., because there is not one R. E. A. project at the present time, according to the testimony, which is self-liquidating, and we will not know for the next 3 years whether or not these projects are self-liquidating.

Now, with respect to the Export-Import Bank we raise the capital \$100,000,000 and Mr. Jones said, as late as this last spring, if he were given \$125,000,000 altogether he would have ample funds to function during this year for all the purposes for which the Export-Import Bank can function. They can do a general banking business, and I want to warn this House that unless we place some restriction on the charter of the Export-Import Bank they can, and they will, do an import business to the prejudice of the farmers and the laboring men of this Nation.

With respect to the Department of Agriculture, in the original act the figure was \$600,000,000. The committee cut that to \$400,000,000. I assume that the members of the Committee on Agriculture of this House, which has had this problem before them for years, know a little more about the needs of agriculture than the Banking and Currency Committee which has never had an agricultural bill before it in my recollection. [Applause.]

The Committee on Agriculture just last week refused to report out a bill providing for additional farm-tenant loans in the amount of \$350,000,000. Therefore, the amount made available in this bill can be safely reduced by at least this amount.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the majority leader, the gentleman from Texas [Mr. RAYBURNI.

Mr. RAYBURN. Mr. Speaker, I feel there is little use today to appeal to the gentlemen on my left, the Republicans. They seem to be rather solidly against even the consideration of this bill. So my remarks shall be addressed to my colleagues of my own party.

This bill, or a similar bill, was taken up in the Senate and debated for several days. Many amendments were adopted and on last evening the Senate passed the bill. The rule that is now before you is simply to make the consideration of this bill in order. It is an absolutely open rule. Any Member of the House, it matters not what his predilections may be, may offer any amendment to perfect the bill as he would like to see it perfected, and then if not perfected as he would like to have it, he may vote against the bill on final passage.

It seems to me we are asking little of our Democratic colleagues, and I say this, of course, without criticism and without any feeling except the kindliest toward everyone on my side of the House; but it seems to me that when the President of the United States makes a recommendation to the Congress, when a committee after hearings and long consideration reports a bill, it is asking little of our colleagues on our own side of the House to make that bill in order and to consider it in the House of Representatives. [Applause.]

This, in my opinion, if the bill is passed in a reasonable form and if it is administered in a reasonable way, will be one of the most helpful recovery measures that has been attempted in the last 6 years. From the farm to the city, from the farm worker to the city worker, and from the farm to the small town and the large town businessman, I believe this bill will be helpful.

Something has been said here about rural electrification. When I think of all the bills it was my privilege and honor to be the author of, I am the proudest of having been the coauthor of a bill to bring the conveniences of electrification to the farm homes of this country. [Applause.] I also am proud of the fact that I had the privilege of voting for the Farm Tenancy Act, to bring the people of this country into home ownership, if possible. I am proud of the fact that I have voted for P. W. A. measures that have brought buildings to the countryside, the villages, the towns and the great cities and have made work from the mine and the forest clear up to the time when the building was completed.

Something has also been said here about a railroad loan. I hate to repeat it, but for 24 years I studied the railroad question. I have always been, as I am now, utterly and totally against Government ownership of railroads. I tremble for my country and its future when I contemplate Government ownership of railroads and adding a million or a million and a half more people to the civil rolls of this Government. We are going to have Government ownership of railroads unless something is done that will make them a little more prosperous and make it a little easier for them to operate. Not as many people of the country are for Gov-ernment ownership of railroads now as there were a few years ago, but we will have Government ownership of railroads when, and only when, the railroad management comes down on Washington with their hands above their heads and say, "You must have the railroads to do the business of the country; we have carried them as long as we can."

I could stand here and touch every element of this bill, one that I believe will put people to work, put idle money to work, in an effort to make the business of the country prosperous again and to bring the country back to a more peaceable and a more peaceful condition, when labor may be employed, when capital may be active, and when every man's work on the farm, in the mine, in the factory, or in the counting house will mean something to him, because we all know that if this country is to live, to live as a great democracy, if it is to be a beacon light to free people throughout the nations of the earth, we must have peace at home among our own people, and we will not have the kind of peace for which we pray until men and women are given an opportunity to eat bread by the sweat of their brow, that capital may be able to work and that the people who own this country and who have helped to build it may have peace. [Applause,]

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 167, nays 193, answered "present" 3, not voting 65, as follows:

[Roll No. 151]

	YE	AS—167	
Allen, La, Arnold Barden Barry Bates, Ky. Beam Beckworth Bloom Boland Bradley, Pa. Brooks Brown, Ga. Bryson Buck Byrne, N. Y. Byron Cannon, Mo. Cartwright	Coffee, Wash, Cole, Md. Colmer Connery Cooper Cox Crosser Cullen D'Alesandro Delaney Dempsey DeRouen Dickstein Doughton Doxey Duncan Dunn Eilis Fay	Ford, Thomas F. Fries Fulmer Garrett Gathings Gavagan Gehrmann Geyer, Calif. Gibbs Gore Gossett Grant, Ala. Green Gregory Griffith Hare Hart Havenner Healey	Izac Jacobsen Jarman Johnson, Luther A Johnson, Lyndon Johnson, Okla. Jones, Tex. Kee Keller Keller Kelly Kennedy, Md. Kennedy, Michae Keogh Kerr Kirwan Kitchens Kocialkowski Kramer Larrabee
Casey, Mass. Celler	Ferguson Flaherty	Hendricks Hill	Lea Leavy
Chandler Claypool	Flannagan Flannery	Hobbs Hull	McAndrews McArdle
Cochran	Folger	Hunter	McCormack

McGehee	Nelson	Robinson, Utah	Sutphin
McKeough	Nichols	Rogers, Okla.	Tenerowicz
McMillan, John L.		Romiue	Terry
Maciejewski	O'Connor	Sabath	Thomas, Tex.
Mahon	O'Day	Sacks	Thomason
Maloney	O'Leary	Sasscer	Tolan
Mansfield	O'Toole	Schuetz	Vincent, Ky.
Marcantonio	Pace	Schulte	Vinson, Ga.
Martin, Colo.	Parsons	Scrugham	Voorhis, Calif.
Martin, Ill.	Patrick	Shanley	Wallgren
Merritt	Patton	Shannon	Walter
Mills, Ark.	Peterson, Fla.	Sirovich	Ward
Mills, La.	Peterson, Ga.	Smith, Conn.	Weaver
Monroney	Poage	Smith, Wash.	Whelchel
Moser	Ramspeck	South	Williams, Mo.
Murdock, Ariz.	Randolph	Sparkman	Wood
Murdock, Utah	Rankin	Spence	Zimmerman
Myers	Rayburn	Steagall	
	DT A	70 100	

Dondero Alexander Johnson, III. Rodgers, Pa. Johnson, Ind. Johnson, W. Va. Kean Allen, Ill. Rogers, Mass. Routzohn Douglas Allen, Pa. Andersen, H. Carl Dowell Durham Rutherford Anderson, Calif. Dworshak Eberharter Sandager Satterfield Keefe Anderson, Mo. Andresen, A. H. Kilday Schafer, Wis. Schiffler Edmiston Kinzer Kleberg Andrews Elliott Elston Angell Seccombe Arends Engel Englebright Lambertson Landis Ashbrook Shafer, Mich. LeCompte Lewis, Colo. Lewis, Ohio Simpson Smith, Maine Austin Faddis Fenton Ford, Leland M. Ford, Miss. Ball Smith, Ohio Smith, Va. Smith, W. Va. Barton Luce Bates, Mass. Gamble Bell McDowell McLaughlin Bender Gartner Springer Starnes, Ala. McLean Bland Gerlach Sumper III. Taber
Talle
Tarver
Taylor, Colo.
Taylor, Tenn.
Thomas, N. J. Boehne Gifford Maas Mapes Bolles Gilchrist Marshall Martin, Iowa Martin, Mass. Bradley, Mich. Gillie Brewster Brown, Ohio Graham Grant, Ind. Mason Guyer, Kans. May Burgin Thorkelson Michener Byrns, Tenn. Carlson Gwynne Hall Tibbott Miller Tinkham Carter Case, S. Dak. Monkiewicz Treadway Van Zandt Halleck Hancock Mundt Vorys, Ohio Vreeland Chanman Harness Harter, N. Y. Harter, Ohio Chiperfield Murray Wadsworth Church O'Brien Clark Clason Hartley Oliver O'Neal Warren West Wheat Hawks Clevenger Coffee, Nebr. Cole, N. Y. Corbett Osmers Pearson Pierce, N. Y. Pierce, Oreg. Heinke White, Ohio Whittington Wigglesworth Williams, Del. Hinshaw Jones, Ohio Hoffman Costello Pittenger Plumley Polk Winter Wolcott Hope Horton Crawford Reed, Ill. Rees, Kans. Culkin Houston Wolfenden, Pa Wolverton, N. J. Woodrum, Va. Jarrett Curtis Rich Darden **Jeffries** Darrow Dirksen Jenkins, Ohio Jenks, N. H. Richards Risk Youngdahl Robertson Jensen Robsion, Ky. Johns

ANSWERED "PRESENT

Buckler, Minn. Burdick NOT VOTING-

Barnes Bolton Boren Boykin Buckley, N. Y. Bulwinkle Caldwell Cluett Collins Cooley Creal Crowe Crowther Cummings Curley	Drewry Eaton, Calif. Eaton, N. J. Evans Fernandez Fish Fitzpatrick Harrington Hennings Holmes Hook Kennedy, Martin Knutson Lanham Lesinski	McMillan, Thos. S. Magnuson Massingale Mitchell Mouton Norton Patman Pfeifer Powers Rabaut Reece, Tenn. Reed, N. Y. Rockefeller Ryan Schaefer, Ill.	Sheppard Short Smith, Ill. Snyder Somers, N. Y. Stearns, N. H. Stefan Sullivan Sumners, Tex. Sweeney Thill Welch White, Idaho Woodruff, Mich.

Lemke

So the resolution was rejected.

The Clerk announced the following pairs: On this vote:

- Mr. Buckler of Minnesota (for) with Mr. Knutson (against).
 Mr. Burdick (for) with Mr. Reed of New York (against).
 Mr. Lemke (for) with Mr. Bolton (against).
 Mr. Rabaut (for) with Mr. Thomas S. McMillan (against).
 Mr. McGranery (for) with Mr. Fish (against).
 Mr. Caldwell (for) with Mr. Stearns of New Hampshire (against).
 Mr. Dingell (for) with Mr. Reece of Tennessee (against).
 Mr. Hook (for) with Mr. Cluett (against).
 Mr. Stefan (for) with Mr. Powers (against).
 Mr. Creal (for) with Mr. Eaton of New Jersey (against).

- Mr. Magnuson (for) with Mr. McLeod (against).
 Mr. Sullivan (for) with Mr. Woodruff of Michigan (against).
 Mr. Somers of New York (for) with Mr. Rockefeller (against).
 Mr. Pfeifer (for) with Mr. Thill (against).
 Mr. Schwert (for) with Mr. Crowther (against).
 Mr. Evans (for) with Mr. Eaton of California (against).

General pairs:

- Mr. Lanham with Mr. Short. Mr. Martin J Kennedy with Mr. Holmes. Mr. Drewry with Mr. Welch. Mr. Sweeney with Mr Lesinski.

- Mr. Sweeney with Mr Lesinski.
 Mr. Cooley with Mr. Secrest.
 Mr. Sumners of Texas with Mr. Mouton.
 Mr. Bulwinkle with Mr. Massingale.
 Mr. Hennings with Mr. Snyder.
 Mr. Schaefer of Illinois with Mr. Boren.
 Mr. Schaefer of Illinois with Mr. Boren.
 Mr. Sheppard with Mr. Cummings.
 Mr. Boykin with Mr. Ryan.
 Mr. Crowe with Mr. White of Idaho.
 Mr. Fernandez with Mr. Barnes.
 Mr. Dies with Mr. Fitzpatrick.
 Mr. Collins with Mr. Smith of Illinois.
 Mr. Buckley of New York with Mr. Mitchell,
 Mrs. Norton with Mr. Harrington.
 Mr. Patman with Mr. Curley.

Mr. BURDICK. Mr. Speaker, I voted "yea" on the resolution, as I intended to, but I am paired with the gentleman from New York, Mr. REED. Therefore, I withdraw my vote of "yea" and answer "present."

Mr. LEMKE. Mr. Speaker, I had a pair with the gentleman from Ohio, Mr. Bolton, who is ill. I voted "aye."

withdraw my vote of "aye" and answer "present."

Mr. BUCKLER of Minnesota. Mr. Speaker, I voted "aye," and I find that I have a pair with the gentleman from Minnesota, Mr. Knutson. I withdraw my vote of "aye" and answer "present."

The result of the vote was announced as above recorded. On motion of Mr. Martin of Massachusetts, a motion to reconsider the vote by which the resolution was rejected was laid on the table.

HOURS OF DUTY FOR FIREMEN IN THE DISTRICT OF COLUMBIA-VETO MESSAGE (H. DOC. NO. 464)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 3314, Seventy-sixth Congress, "An act to provide shorter hours of duty for members of the fire department of the District of Columbia, and for other purposes."

The Board of Commissioners of the District of Columbia, in recommending disapproval of this act, invite attention to the fact that the act, if approved, will require the employment of 207 additional members of the fire department, costing approximately \$414,000 during the first year of operation and about \$20,000 a year for 5 years as longevity increase in salaries, making an ultimate additional annual cost of about \$500,000.

The Commissioners indicate that in the present financial condition of the District the cost of this act cannot be met without creating a revenue deficit. It is estimated by the Commissioners that the new District tax law, which was recently passed by Congress, will raise in the fiscal year ending June 30, 1940, about \$1,830,000 less in revenue than was raised under the District tax law theretofore in effect. This amount, however, will be reduced to approximately \$830,000 by the increase in the Federal payment to the District of Columbia in the fiscal year 1940. The result is that the revenue now made available to the District government is hardly sufficient to meet its usual and ordinary expenses and necessary capital improvements, without including the additional cost which would be imposed on the District by this act.

The Commissioners are of the opinion that, considering the actual hours of fire-fighting services as compared with the hours of duty of firemen in the District of Columbia, and considering the hours of duty required of firemen in the District as compared with the hours of duty of firemen in most of the larger cities throughout the country, no undue hardship will be suffered by local firemen in continuing the present hours of duty.

The Commissioners further state that under the provisions of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1940, they are directed to cause a survey to be made for the purpose of determining what consolidations of present fire-department stations can be effected and as a result thereof what, if any, economies may be made in the cost of operating the fire department, and they believe that no change should be made in the present status of the fire department or its personnel until the completion of this survey.

The Commissioners state that they appreciate the services rendered by the firemen in the District of Columbia and regret that, for the reasons given, they feel it incumbent upon them at this time to recommend disapproval of this act.

I concur in the recommendation of the Board of Commissioners and am, therefore, withholding my approval of this

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RANDOLPH. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on the District of Columbia, and ordered printed.

The motion was agreed to.

SETTLEMENT OF CLAIMS OF THE DISTRICT OF COLUMBIA—VETO MESSAGE (H. DOC. NO. 463)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith, without my approval, a bill (H. R. 6834) authorizing the Commissioners of the District of Columbia to settle claims and suits of the District of Columbia.

The bill proposes to confer on the Commissioners of the District of Columbia authority to settle claims in behalf of the District of Columbia. It is apparently the purpose of the legislation to render it possible to compromise small claims without recourse to litigation and thereby save the disproportionate expense which would be entailed by bringing suit in such instances.

The objective of the measure is clearly desirable. Unfortunately, however, its scope is far broader than the end in view, since no limitation on the size of the claim that would be subject to the proposed authority is included. Such a safeguard, in an appropriate amount, would seem to be requisite.

In view of these considerations, I am constrained to return the bill without my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RANDOLPH. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on the District of Columbia, and ordered printed.

The motion was agreed to.

ESTATE OF JOHN B. BRACK-VETO MESSAGE (H. DOC. NO. 462)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 2480, an act for the relief of the estate of John B. Brack.

This bill provides-

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of John B. Brack (XC-489817), the sum of \$625. The payment of such sum shall be in full payment of all claims under the World War Adjusted Compensation Act, as amended and supplemented, based on the service of the said John B. Brack, who is not survived by any dependent within the restricted classes of beneficiaries under such act.

Section 601 of the World War Adjusted Compensation Act

(a) If the veteran has died before making application under section 302, or, if entitled to receive adjusted-service pay, has died section 302, or, if entitled to receive adjusted-service pay, has died after making application but before he has received payment under title IV, then the amount of his adjusted-service credit shall (as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before March 1, 1925) be paid to his dependents, in the following order of preference:

(1) To the widow;

(2) If no widow entitled to payment, then to the children, share and show allies.

and share alike:

(3) If no widow or children entitled to payment, then to the

mother;
(4) If no widow, children, or mother entitled to payment, then to the father.

As the father died before completion of his claim and the veteran had no other dependents enumerated in section 601, there is no one entitled to the \$625 adjusted-service credit. Section 603 of the World War Adjusted Compensation Act

The payments authorized by section 601 shall be made in 10 equal quarterly installments, unless the total amount of the payment is less than \$50, in which case it shall be paid on the first installment date. No payments under the provisions of this title shall be made to the heirs or legal representatives of any dependents entitled thereto who die before receiving all the installment payments, but the remainder of such payments shall be made to the dependent or dependents in the next order of preference under section 601. All payments under this title shall be made by the

This section was manifestly intended to restrict the payment of adjusted-service credit to the enumerated relatives and to prohibit payment of any benefits to the estates of deceased persons. It appears from the hearings and reports of the Congress prior to enactment of the Adjusted Compensation Act and subsequent amendments that payment of adjusted-service credit is intended for those dependents within the group and in the manner stated. The report of the House Committee on War Claims, to accompany H. R. 2480, states that "The deceased, John B. Brack, left surviving him four brothers and sisters who are next of kin, and who would be entitled to this adjudicated debt, namely, \$625, under the laws of North Carolina." The provisions of law recognizing certain dependents of World War veterans for death compensation purposes have never included brothers and sisters as such, the group never having extended beyond widows, children, and dependent parents.

Approval of the bill would have the effect of granting benefits to the estate of this veteran which are denied in other cases where the facts are similar. There are no circumstances present in this case which would warrant singling it out for preferential treatment to the discrimination of thousands of similar cases.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. WOOD. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on War Claims and ordered to be printed.

The motion was agreed to.

MARKERS FOR CERTAIN GRAVES-VETO MESSAGE (H. DOC. NO. 461)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, House bill 985, an act to authorize the Secretary of War to furnish certain markers for certain graves.

Under existing law, headstones of durable stone, in designs approved by the Secretary of War, are furnished upon application for the graves of men honorably discharged from the Army, or who die in military service. The War Department furnishes these headstones, in American white marble, in four designs, three of the upright type and one flat marker for use on graves in private cemeteries where vertical monumentation is prohibited.

This enactment would in no way affect the marking of graves in cemeteries under the jurisdiction of the Secretary of War. Its sole purpose is to enable the Secretary of War to furnish an acceptable marker for use in those private cemeteries in which the stone marker now authorized is not

I recognize fully that new conceptions of cemetery design, landscaping, and monumentation have found widespread public approval in recent years, and that the marking of our military graves in the newer private cemeteries must conform to the general pattern of their surroundings. I object to H. R. 985, however, because it restricts to bronze the material which would be authorized for use in supplementing the present prescription of "durable stone." I would not object to legislation which would authorize the Secretary of War to furnish, upon application, for use on military graves in private cemeteries where the stone markers are not acceptable, monuments of such design and material as may be approved by him within present unit cost limits.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MAY. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on Military Affairs, and ordered printed.

The motion was agreed to.

ALLOWANCES FOR UNIFORMS AND EQUIPMENT TO OFFICERS' RESERVE CORPS—VETO MESSAGE (H. DOC. NO. 460)

The Speaker laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, House bill 3321, an act to provide allowances for uniforms and equipment to certain officers of the Officers' Reserve Corps.

This bill would provide that officers of the Officers' Reserve Corps, eligible for active-duty training, shall be entitled for a period of 3 years after their original appointment and under such regulations as the War Department may prescribe to an allowance of \$50 per annum for the purchase of necessary uniforms and equipment.

The bill does not make performance of active-duty training a condition precedent to the payment of this allowance; thus every newly commissioned member of the Officers' Reserve Corps would be entitled to a maximum possible uniform allowance of \$150 merely by establishing eligibility for active-duty training, irrespective of whether he enters upon such duty, or whether, if ordered to active duty, the training is such as to require the wearing of the uniform.

I am not unmindful that the act of June 25, 1938 (Public, No. 732, 75th Cong., 3d sess.), provides a uniform allowance to commissioned and warrant officers of the Naval Reserve. However, active or training duty, with pay, at a location where uniforms are required to be worn, or the authorized performance of 14 drills, is a prerequisite to the payment of this allowance.

I would not object to legislation authorizing a uniform allowance to members of the Officers' Reserve Corps under original appointment upon completion, in separate fiscal years, of each of their first three periods of active-duty training, of 3 months or less, during which periods the uniform is required to be worn.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MAY. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on Military Affairs, and ordered printed.

The motion was agreed to.

RED LAKE BAND OF CHIPPEWA INDIANS OF MINNESOTA—VETO MESSAGE (H. DOC. NO. 459)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith without my approval enrolled H. R. 3248, which would authorize a payment of \$15 to each member of the Red Lake Band of Chippewa Indians of Minnesota.

The proposed payment would be made from a tribal fund derived from the sale of timber products which are manufactured at the tribal sawmill from stumpage cut on the Red Lake Reservation. The cost of operating the sawmill is defrayed from this fund. While I would have no objection to the distribution of any profits derived from this enterprise, I am informed that no part of the present balance in the operating fund represents an excess of operating income over operating cost. On the contrary, it appears that the mill is in debt to the Red Lake Tribe for stumpage in an amount which is far in excess of the difference between the balance in the tribal fund and the amount that will be required to operate the enterprise during the current fiscal year. In view of this and the fact that certain transportation problems have arisen recently which may result in a higher production cost, I believe that it would be unwise to deplete the mill fund at this time by the disbursement therefrom of some \$30,000 for per capita distribution among the Red Lake Indians.

Furthermore, there appears to be little justification at present for a per capita payment to these Indians from the standpoint of economic need. Many of them have an income from the fishing industry, while others are employed on C. C. C. work, on Indian Service road work, on W. P. A. projects, and in the timber and lumber operations on the reservation. In fact, employment opportunities exceed the requirements of the Indians, making it necessary to employ whites and Indians of other tribes to meet the demand for labor at the Red Lake Agency. I am informed that the needs of many of the unemployables are being met by the operation of the Social Security Act.

There is now under consideration a land-use program for the Red Lake Reservation which, if inaugurated, will require for its success the use of such tribal capital as may then be available. It is certain that the expenditure of the tribal funds for such a purpose will result in greater benefits to the members of the tribe than could possibly flow from a per capita distribution of tribal assets.

For the foregoing reasons I am compelled to withhold approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 1, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. ROGERS of Oklahoma. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on Indian Affairs, and ordered printed.

The motion was agreed to.

AMENDMENT OF PACKERS AND STOCKYARDS ACT OF 1921

Mr. DOXEY submitted a conference report and statement on the bill (H. R. 4998) to amend the Packers and Stockyards Act of 1921.

EXTENSION OF REMARKS

By unanimous consent Mr. Voorhis of California and Mr. Mapes were granted permission to revise and extend their own remarks.

Mr. MANSFIELD. Mr. Speaker, an hour or so ago I received unanimous consent to extend my remarks to include a speech delivered in honor of the Goliad battle by Judge Davenport. The speech is of unusual length, and I inadvertently failed to state that I had submitted it to the Government Printing Office for an estimate of the cost. I did so, and I have a letter from the Printer, stating that it is estimated it will cost \$270.

I desire to ask unanimous consent to vacate the first request I made and renew the request now, notwithstanding the estimate of the Printer.

The SPEAKER. Without objection the request will be granted.

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short letter from the Chickasaw Indians of Oklahoma.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. WOOD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a resolution passed by the Missouri State Federation of Labor on May 24; also a resolution passed by the Central Labor Union of Kansas City.

The SPEAKER. Is there objection?

There was no objection.

CONSTRUCTION OF ADDITIONAL FACILITIES IN THE PANAMA CANAL ZONE

Mr. SABATH. Mr. Speaker, I call up House Resolution 203.

The Clerk read as follows:

House Resolution 203

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5129, a bill authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. SABATH. Mr. Speaker, in view of the fact that this is a unanimous report of the committee, I am wondering whether the gentleman from Illinois desires any time on the rule.

Mr. ALLEN of Illinois. Yes; we do. Just a few minutes; but we are not opposed to the bill.

Mr. SABATH. Mr. Speaker, this rule makes in order the bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping.

The rule provides for 2 hours of general debate, and the bill will be considered under the 5-minute rule. I am informed that the Committee on Merchant Marine and Fisheries has reported this bill by a unanimous vote.

Mr. Speaker, the Army engineers have recommended additional locks in the Panama Canal because the battle-ships we are now building will be much larger than anything expected at the time the Panama Canal was built. At that time we believed that the width, as well as the length, of the locks was sufficient to take care of any ship that might be built. I had the honor and privilege of being at the Canal site when locks were being built. I was amazed then at the magnitude of these locks; and, therefore, it is surprising to me to realize how this country has advanced not only in the matter of the construction of battleships, but even in the construction of commercial vessels.

Mr. RICH. Mr. Speaker, will the gentleman yield? Mr. SABATH. I yield.

Mr. RICH. Does not the gentleman believe now that we were unwise in authorizing those three \$115,000,000 battle-ships? They are causing us now to go beyond the building of battleships to the point where we have to change everything we own in order to operate them.

Mr. SABATH. Not necessarily, because conditions forced us to do this. In addition to that, other vessels have been increased in size and traffic has increased until the point is reached requiring additional facilities at the Canal.

Mr. Speaker, when the request for the granting of a rule was up for hearing by the Rules Committee, being more or less familiar with the history of the Panama Canal, I questioned the gentleman from Virginia [Mr. BLAND], chairman of the Committee on Merchant Marine and Fisheries, whether a proper survey had been made and consideration given to existing conditions. While he assured me the bill had been recommended by the War Department engineers, notwithstanding that fact, I wrote a letter to the President questioning the wisdom of appropriating \$277,000,000 for additional locks, having in mind the slides in Culebra Cut which has cost millions and fearing recurrences, I felt that the proposed bypass would be too close to the Canal-being only a half to three-quarters of a mile from the Canal and both the old and new locks might be subject to attack at the same time. Therefore, I entertained the thought that a new canal should be constructed, perhaps in Nicarauga. I also raised the question as to the employment of alien labor and the wages to be paid. In answer to my communication I received a letter from the President in which he notes my suggestions and indicates his own opinion as to certain changes, to the extent of conveying to me the gist of some proposed correcting amendments, which I understand the chairman of the committee [Mr. Bland] will offer to the bill at the proper time.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SCHULTE. There has been a great deal of discussion about the work that has been done on the Panama Canal. I wonder if the gentleman can tell us whether in the event this bill is passed American citizens will be em-

ployed in the construction of these facilities?

Mr. SABATH. It is my hope that they will be, and I believe arrangements and agreements have been entered into by which that will be brought about. I am fully aware of the gentleman's interest in the cause of labor and know that he desires only Americans employed there who would be receiving a fair wage, and working only such reasonable hours as those the gentleman has advocated for many years.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield

for a question?

Mr. SABATH. I yield.

Mr. HOFFMAN. If they employ only American citizens down there would that interfere in any way with the goodneighbor policy?

Mr. SABATH. I think not, because these countries, whether it be Panama, Colombia, or some other country, recognize that under the leadership of President Roosevelt the policy of this country is to be on good terms with and to aid all our neighbors to the very extreme; and we have demonstrated that. We enjoy the friendship and good will of these countries now as we never enjoyed them before, as shown by the continuous increase of our exports to these countries and the friendly relations that exist between our Republic and those of South and Central America.

Mr. Speaker, I am not going to detain the House, for there is no controversy over this bill. We had a little contest a short while ago, by the way, Mr. Speaker; perhaps some of the Members may have forgotten about the vote that was taken a few minutes ago. I know this, however, Mr. Speaker, that the American people will not forget the vote that was taken. [Applause.] The American people will hold responsible not only the solid Republican minority but also some of the Democrats who were misled into acting and voting as Republicans. [Applause.] I thank you for your approval of what I have said and am indeed gratified that so many of you agree with me. I am only sorry that Democratic votes are being used in this House to try and destroy the work and program of our President and our Democratic Party.

Mr. RICH. Mr. Speaker, will the gentleman yield? Mr. SABATH. No; not for the moment.

Mr. Speaker, in view of what has taken place today, I feel that adjournment will be hastened, which I have suggested for some time, because I realize the membership of the House has not been in the frame of mind to give due consideration to important legislation. My opinion was amply confirmed just a few moments ago.

It seems to me that the Republican membership, under the whip and spur of their leader and pressure from above, feel that their united opposition to all proposed beneficial legislation will be helpful to them in the coming 1940 Presidential campaign. But I wish to assure them they are making the same mistake which they did in 1935. They are cutting off their noses to spite their faces. They are made to believe, by their leaders, because some Republican newspapers applaud their action, that they are following the sentiment of the country, but they are mistaken. I have been here many years and I have seen many Republicans as well as many Democrats come to grief because they underestimated the intelligence, sentiment, and feeling of the common people-the sentiment of their constituents. This applied, as I have stated, not only to Republicans, but to some Democrats whose names I would mention if I did not want to take up the time of the House.

Mr. Speaker, I regret to see so many Republicans and some Democrats digging their own political graves by voting as they did against the project lending bill and other beneficial and constructive bills recommended by the President so as to bring about greater reemployment and improved business conditions—all intended for the interest and welfare of our great country. Regardless of what the Wall Street-controlled press may say about the President, you and they know that he is brave and sincere in his efforts to improve the condition of the underprivileged and to provide better living conditions for them.

Mr. Speaker, I appreciate the fact that the votes of some of my Democratic colleagues are spite votes. I have observed nearly all the gentlemen from Virginia, West Virginia, Georgia, North Carolina, Texas, and a scattering from Ohio and Pennsylvania, cast their votes purely for political reasons against the lending bill. There were some who actually voted against the rule resolution because they did not have time to digest the benefits that would come to their constituency under the provisions of the bill. Personally, I regretted to see them take the erroneous position that they did, because I admire them and hold many of them in the highest esteem. I tried to prevail upon them not to err by explaining the benefits to be derived to all sections of the country upon the passage of the bill. My only regret is that I was not in position to familiarize the members with all the communications and appeals that came to me in the past few days in behalf of the lending bill. I have done my duty. The responsibility is not mine, and it will not be up to me to explain to their constituencies—that responsibility and impossible task will be theirs, when the hungry, the unemployed, and underprivileged visit them when they return to their homes after adjournment.

Mr. Speaker, I have digressed from speaking on the legislation now under consideration because I feel keenly the disappointment awaiting millions of people in the rural sections of our country in being deprived of the great aid and benefits that the lending legislation would have brought to them as well as to the people of my district and State and to the large centers in all sections of the country. It most surely would have created additional purchasing power which would have meant so much in bringing about reemployment.

Mr. Speaker, I return to speak to the rule making the Panama Canal locks bill in order, but I feel it is not necessary for me to take up any more time in further explaining the need of these additional locks, knowing that the gentleman from Virginia [Mr. Bland] the chairman of the Merchant Marine and Fisheries Committee, will ably give you information on the provisions of the bill and will convince the House of the need of immediate action on the rule and bill.

In conclusion, Mr. Speaker, I want to thank the membership of the House for their courteous treatment. If I have used any harsh words or expressions toward anyone it was because I have been so extremely interested in the enactment of legislation that would have accelerated the return of that prosperity to which the people of our great country are entitled. [Applause.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself as

much time as I may require.

Mr. Speaker, this bill provides for the defense of the Panama Canal and the enlargement of the locks there to enable ships, which are now pressed for space, to go through. I do not believe any of us here have any objection to the bill. We want to make the Panama Canal Zone as invulnerable as possible. From the reports received we find an ever-increasing number of large ships going through the canal which are scraping on the sides. It is therefore extremely important, according to the reports that have come to the President, that these additional locks be provided.

Mr. Speaker, I want to call the attention of the committee to certain observations in this bill which I think are

of vital importance.

On page 2, line 8 of the bill, there is the following language:

For the purposes aforesaid, the Governor of the Panama Canal is authorized to employ such persons as he may deem necessary.

According to the figures covering the Panama Canal Zone, the Government hires 13,000 employees, of which 10,000 are aliens. Their work consists chiefly of being timekeepers, watchmen, policemen, brakemen, and so forth. I wonder why this bill should come in permitting the Governor of the Panama Canal Zone to continue to hire aliens to do this type of work when there are 12,000,000 American citizens now walking the streets looking for work?

Mr. SCHAFER of Wisconsin. Will the gentleman yield? Mr. ALLEN of Illinois. I yield to the gentleman from

Wisconsin.

Mr. SCHAFER of Wisconsin. Why cannot these employees be required to be American citizens, civil-service employees, if you please? I note the language exempts these new employees from the provisions of the Civil Service and Classification Acts.

Mr. ALLEN of Illinois. I think the gentleman is correct. I would like to have the Committee on Merchant Marine and Fisheries offer an amendment about as follows:

Provided, That none of the funds herein authorized may be used for the purpose of paying the salary or wages of any alien directly or through any contractor or subcontractor indirectly.

I do not know why the United States Treasury should be paying the salaries of an estimated 10,000 aliens from Jamaica.

Mr. McCORMACK. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman used the word "authorized." Does not the gentleman think there should be added also "and appropriated as a result of the authorization"?

Mr. ALLEN of Illinois. I think the gentleman is correct.

Mr. RICH. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Pennsylvania.

Mr. RICH. What is the estimate for making these contemplated changes in the locks, the various changes that will be made in the Panama Canal?

Mr. ALLEN of Illinois. The estimate of the cost, I may say to the gentleman from Pennsylvania, is \$277,000,000. In the fiscal year 1940 not more than \$15,000,000 shall be appropriated.

Mr. RICH. If we had eliminated the \$115,000,000 battleships from our naval appropriations would it have been necessary to make the changes that it is contemplated to make if this bill passes?

Mr. ALLEN of Illinois. I would say to the gentleman from Pennsylvania that the history of the past 20 years shows that we continually build larger ships. I believe it is safe to predict that the world will continue to build larger ships. Mr. RICH. Does not the gentleman believe that if we build them any larger the world will sink pretty soon?

Mr. SANDAGER. Mr. Speaker, will the gentleman yield? Mr. ALLEN of Illinois. I yield to the gentleman from

Rhode Island.

Mr. SANDAGER. I may say to the gentleman from Pennsylvania that it is not so much a question of building large ships as it is a question of having a bypass in case of sabotage, so that if a bomb or a shell or anything of that nature were exploded in the canal it would not block up the canal and you would have a bypass that would be operative. The question of size is important, but it is necessary to have a bypass.

Mr. ALLEN of Illinois. So I would say to the committee having this bill under consideration that I believe it is important that there be some stipulation made whereby the Governor of the Panama Canal Zone, whoever he may be, will not have the right as a dictator to go out and pick any foreign agents he wishes to employ there. It should be stipulated at least that the men doing this labor should be

American citizens instead of foreigners.

Mr. BLAND. I may say to the gentleman that the determination of those policies is in the President of the United States under present law. Very serious questions of health, of cost, and of policies are involved, to such an extent that it would be practically impossible for me to concede such an amendment at this time. The President has entire control of the policies with respect to the employment of labor on the Panama Canal. I, for one, would be delighted to see the conditions such that American labor could be employed. I went down there and became convinced that if that condition ever is brought about it will be through a series of years. This situation will be brought out in debate on that question. The cost alone of constructing the additional facilities for the Panama Canal with all American labor would be increased \$81,000,000, and the cost of this project would be increased \$34,000,000 if all above the grade of laborer were Americans. If we were to put an item of that kind in this bill it would probably deter the use of the existing forces and very much impair the construction of the project.

May I say that if any Member wants to introduce a bill requiring all American labor or requiring that the number of alien laborers employed be reduced from year to year, if that bill comes before my committee I will give full hearings on it and let everybody be heard. It is a very, very broad question from an international point of view, from a humane point of view, and from a health point of view as to American citizens.

Mr. ALLEN of Illinois. I appreciate the statement of the able chairman of the committee, but I still insist that with all these boys in the C. C. C. camps who are costing the Federal Government \$50,000,000 a month, I do not believe the climate of Panama would inconvenience them in any way.

Mr. BLAND. There is pending before the House today a bill that was reported by the Committee on Merchant Marine and Fisheries and introduced at the request of the gentleman who is largely urging the employment of all American labor, predicated upon the fact that there is but a short period of life after these men work down there because of the unhealthy conditions. We have to a great extent conquered yellow fever and malaria, but the conditions of work of this kind require that the men go out into the jungle part of the Canal Zone.

Mr. ALLEN of Illinois. In view of the fact that there are 12,000,000 persons unemployed I still would like to have the chairman of the committee offer an amendment providing that the funds going out of the United States Treasury for this purpose be used for American labor instead of foreign labor.

Going further with this bill, it states that the Governor of the Panama Canal Zone may fix the compensation of the employees without regard to any other law affecting such compensation.

Mr. BLAND. I have an amendment that I believe will entirely take care of that situation. Certainly, it is satisfactory to the men of the Canal Zone.

Mr. ALLEN of Illinois. I hope so, because under this bill the Governor of the Panama Canal Zone would be able to give anybody he chose \$20 or \$30 or \$50 an hour. Is not that true?

Mr. BLAND. I hardly believe that would be true, but at the same time I believe the gentleman will feel that the amendment we have prepared amply covers that.

Mr. ALLEN of Illinois. I am glad to hear that, Mr. Chairman.

Another feature of this bill is that in line 11 of page 2 it gives the Governor of the Panama Canal Zone the right to authorize the making of any contracts, continuing or otherwise, in advance of actual appropriations.

Mr. BLAND. We have an amendment that I believe will amply cover that feature.

Mr. ALLEN of Illinois, Would the gentleman care to state what the amendment is, because under this provision the Governor of the Panama Canal Zone, 3,000 miles away, without coming back here to Washington and without obtaining the approval of the President, the Secretary of War, or anyone else, could go ahead next year and enter into contracts in the amount of \$277,000,000 before the Committee on Appropriations would even have the matter before them. This would give the Governor the right to enter into contracts to bind the United States Government to the extent of \$277,000,000, without the Committee on Appropriations having anything to do with it whatever.

Mr. BLAND. The express language that was contained in the bill as it was originally reported would appear to bear out somewhat that contention. That was not intended by the author of this bill and consequently we have several amendments. One of the objections was that he could lower the rates in the Canal Zone. We have an amendment providing that the compensation of such persons shall not be lower than the compensation paid for the same or similar services to other employees on the Panama Canal. Then, provided further, that rates of compensation in excess of those authorized by law for other employees of the Panama Canal shall not be paid without the approval of the Secretary of War. This was to take care of special experts and persons of that type.

Mr. ALLEN of Illinois. That is with regard to pay. What about entering into these contracts?

Mr. BLAND. And provided further that the Governor of the Panama Canal, with the approval of the Secretary of War, is authorized to engage, under agreement when deemed necessary, expert assistants in the various arts and sciences upon terms and rates of compensation for services and incidental expenses, and to make contracts without the advertisement hereinafter prescribed, with respect to architectural or engineering services.

I am not reading all of the proposed amendment, but it also authorizes the making of any and all contracts necessary, and there was eliminated from the bill part of line 10, on page 2, and all of lines 11, 12, 13, 14, and 15. Eliminating those particular lines and substituting what I have here is said to cover that very situation because under general law there could be no appropriations without action by the Congress.

Mr. ALLEN of Illinois. In other words, I take it that the gentleman has amendments that will limit the wages that the Governor of the Panama Canal can pay employees?

Mr. BLAND. He is governed by the rules that apply there now. There was a complaint that he could lower wages.

Mr. ALLEN of Illinois. But the gentleman has changed that.

Mr. BLAND. Yes.

Mr. ALLEN of Illinois. Now, in regard to contracts, under this bill he would be permitted to enter into contracts in the amount of \$277,000,000 without obtaining the approval of anybody back here in Washington, the Congress or the Secretary of War. Under your amendment will that be taken care of so that he will have to obtain the approval of someone back here before he can enter into contracts amounting to over one-quarter of a billion dollars?

Mr. BLAND. On page 2, line 9, after the word "authorized", insert the letter "(a)" and strike out the word "with" in line 10 and all of lines 11, 12, 13, 14, and 15.

These are the lines that I think the gentleman refers to when he says it gives broad power to make contracts without reference to the Appropriations Committee.

Mr. ALLEN of Illinois. And also without the approval of the Secretary of War back here.

Mr. BLAND. Yes; I am told that takes care of it.

Mr. ALLEN of Illinois. Then, Mr. Speaker, with the able chairman of the Committee on the Merchant Marine and Fisheries bringing in these amendments, I do not believe there should be any objection by anyone in this Chamber, with the exception of that phase of it which I personally hope he will amend so as to provide that none of these funds shall be used except for American labor and providing also that there shall be a discontinuance of employment of all these aliens from Jamaica. Ten thousand aliens from Jamaica are now on the pay roll of the Federal Government in the Panama Canal Zone as compared with a total employment of 13,000, which I think is utterly unfair.

Mr. BLAND. The gentleman is mistaken about that, and I know he has not gone into the figures. The 10,000 include, first, 2,500 Panamanians which would reduce the number to 7,500. Many of these people who are employed there are people who were brought to the Panama Canal for the construction work on the Canal when it was impossible to get Americans. The question involved is a very broad one that we could not pass on by an amendment here. Many of these people were brought in there when the turn-over was so great that the work would not have been completed otherwise, and many Americans could not have stood the climate and the disease in that country. It was brought out this year before our committee that during this period of construction there were Americans who were stricken with yellow fever, typhoid, malaria, and other diseases. This testimony was brought out in connection with a bill which we reported and which has received a Presidential veto. One man there, an engineer or possibly a doctor, stated he would retire at night with four occupying beds adjoining him and the next morning three would be empty. These were the conditions that existed there at that time and these men were brought in and were taken from their homes in the other islands. They cannot be dismissed and made charges upon the Republic of Panama. They cannot be repatriated back home. Some of them have been born in the Canal Zone. These are broad, practical international questions that must be dealt with.

Then there is also testimony that our own men carried down there cannot stand what they call the white heat. As I said, we have conquered yellow fever and malaria, but the testimony introduced before the committee on another bill, by the gentleman who is sponsoring these amendments, shows that even the insurance companies have restrictions on these men working there. You have not the accommodations to take care of these men, if you were to impose all American labor in this Canal Zone, and you would increase the cost. You could not take care of them because you have not the accommodations on the Canal Zone. You must wait to provide them.

Mr. ALLEN of Illinois. I merely submitted these observations, Mr. Speaker, in order that the membership should have the information before them.

Mr. BLAND. I would welcome any man in this House introducing a resolution to reduce from year to year the number of men employed there. I do not know, but I doubt that it could be made effective, but I would welcome it, because it will give an opportunity for every man to come before the committee and state his case and show whether it could be done. If it can be done, I would like to see it done.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes.

Mr. McCORMACK. Why would it not be well to provide that the Governor of the Panama Canal in the making of contracts should make them subject to the approval of the Secretary of War?

Mr. ALLEN of Illinois. I understood that the gentleman from Virginia said that he had an amendment to that effect.

Mr. BLAND. This is practically subject to the approval

of the Secretary of War.

Mr. McCORMACK. Why not put the language in there? Mr. ALLEN of Illinois. Did not the gentleman from Virginia tell me he had an amendment which would make these contracts in the Panama Canal Zone subject to the approval of the Secretary here in Washington, instead of some czar going in there and paying the wages he wants to pay them and at whatever rate he wishes? They should have the approval of somebody here in Washington.

Mr. BLAND. That is expressly in there, and as I understand the machinery of these contracts they must be approved by the Secretary of War. This man operates under the Secretary of War, and so far as labor is concerned, the President of the United States has entire control of the

whole thing.

Mr. ALLEN of Illinois. According to this resolution the Governor of the Panama Canal Zone could employ anybody he wants to employ and he could fix the compensation at \$20 an hour if he wanted to, or he could enter into contracts binding the United States Treasury up to \$277,000,000.

Mr. BLAND. The general law prevents that. I am advised that the laws of the United States, unless special authority is given to him, would prevent any such contract as that, and for that reason we struck that language out of the bill which would have permitted it.

Mr. ALLEN of Illinois. What would the gentleman make out of this?

For the purpose aforesaid, the Governor of the Panama Canal is authorized to employ such persons as he may deem necessary and to fix their compensation without regard to any other law affecting such compensation.

Mr. BLAND. But that is stricken out.

Mr. ALLEN of Illinois. Also-

To authorize the making of any contracts, continuing or other-ise, in advance of actual appropriations, aggregating not more than the total cost authorized herein.

Does it say anything there to the effect that the Governor of the Panama Canal, whoever he might be, has to come back and receive the approval of anyone here in Washington? I would like to see the gentleman from Virginia offer an amendment there providing that it would be necessary for this Governor of the Panama Canal to come back and receive the approval of the War Department before he can enter into those contracts to a total of \$277,000,000.

Mr. BLAND. If the gentleman will yield right there, the amendment provides:

And provided further, That the Governor of the Panama Canal, with the approval of the Secretary of War, is authorized to engage under agreement when deemed necessary expert assistants in the various arts.

(b) To authorize the making of contracts without advertise-

And, generally, to make any and all contracts necessary for the prosecution of the work that is authorized. So that every part comes under the Secretary of War.

Mr. McCORMACK. I think the proposed amendment meets the objection, because it provides for the approval of

the Secretary of War.

Mr. FADDIS. A bill that has passed the House and that has already passed the Senate, at the request of the Quartermaster General, makes it possible to enter into contract in the Panama Canal Zone, and I believe from my recollection of the bill it would also apply to this construction.

Mr. BLAND. I do not like to guess at things if I can

help it.

Mr. ALLEN of Illinois. Mr. Speaker, under the amendment, which I have not seen, will it limit the Governor General of the Panama Canal so that the power is taken from him to fix the compensation at any rate he may see fit?

Is he limited in fixing hours and wages, or does it let him pay any salary or compensation that he so desires? Will the gentleman answer that?

Mr. BLAND. It shall not be lower than the compensation paid for the same or similar services to other employees.

Mr. ALLEN of Illinois. I am not talking about lower; but how about higher?

Mr. BLAND. The rates of compensation in excess of those authorized by law for other employees of the Panama Canal shall not be paid without approval of the Secretary of War.

Mr. ALLEN of Illinois. I think that satisfies me.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SCHAFER of Wisconsin. Is the gentleman in favor of the provision to leave these contracts without advertisement, which naturally means without competitive bidding?

Mr. BLAND. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. BLAND. That is exactly similar to language that is contained in some of the other legislation, and only refers to special designs. Let me read it:

Authorize the making of any contracts-

And so forth-

without advertisement hereinafter specified with architectural or engineering corporations, firms, or individuals for the production and delivery of designs, plans, drawings, and specifications.

Mr. SCHAFER of Wisconsin. Why should we not have advertising and competitive bidding on those contracts?

Mr. ALLEN of Illinois. When General Goethals built the Panama Canal originally, the report showed it was impossible to enter into competitive bidding and get anything done down there.

Mr. SCHAFER of Wisconsin. Well, that was a long time ago. In view of the fact that this bill carries a potential appropriation of over \$277,000,000, and in view of the fact that the chairman of the committee admits that the bill as reported by the committee is ridiculous—that it is wide open and full of imperfections which have to be cured with a lengthy perfecting amendment which he is to offer and which is not in print and available to the Membersnot the gentleman believe that under orderly legislative procedure we should send this bill back to your committee so that you can give it a little consideration and bring it back to the floor in printed form so that the Members will know what they are voting on?

Mr. BLAND. Will the gentleman yield on that?

Mr. ALLEN of Illinois. I yield.

Mr. BLAND. If the gentleman will permit me to answer that, I am not able to say what the gentleman shall determine is ridiculous or not, but when the gentleman says that amendments were not considered by the committee, each and every amendment which I propose to offer here was taken up in the committee and considered by us, and one of the amendments to which I have been referring just now was amended at the very able suggestion of the gentleman from Wisconsin [Mr. Keefe].

Mr. SCHAFER of Wisconsin. Well, where are the amendments which you propose to offer? Your committee reported this bill which you admit now has to be drastically amended in order to perfect it and make it workable.

Mr. ALLEN of Illinois. Mr. Speaker, I think all of us should appreciate the laudable motives and purposes behind this bill. With these perfecting amendments which will be offered, I think the bill should be passed without any question.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made earlier in the day, the remarks which I make now, and which I may make later on.

The SPEAKER. Is there objection?

Mr. CHURCH. Mr. Speaker, reserving the right to object, the gentleman asked to revise and extend his remarks and include certain things which I did not hear. Was it for the inclusion of other than his own remarks?

Mr. SABATH. Only the remarks I have made here on various rules and bills, and so on.

Mr, CHURCH. I withdraw my objection.

Mr. SCHAFER of Wisconsin. Reserving the right to object, the gentleman will not have an extension extending the lecture to his Democratic colleagues which he partially delivered on the floor, will he?

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, when attention was called by some of the gentlemen to the bill, and before the rule was granted, we had a conference with the chairman of the Committee on Merchant Marine and Fisheries, Mr. BLAND, and at that time he agreed to amendments, and the amendments met with the approval of all Members. However, before they were submitted, and when the question of labor was being raised. I wrote a letter to the President of the United States, being interested in helping the condition there, as well as here, and I read from the President's letter, dated June 19:

The Governor of the Panama Canal has given further consideration to the provisions of the bill concerning employment, and is recommending that the provisions to which you refer be deleted, and clarifying provisions inserted. The changes recommended are indicated in the attached copy of H. R. 5129, to which your attention is invited. These changes should obviate the criticism voiced in your letter.

In other words, I had criticized some of the provisions, and I was indeed gratified when the chairman of the committee agreed to these amendments, and I was further greatly pleased that the President himself has insisted that amendments should be adopted to clarify the sections that had been criticized.

Has the gentleman from Illinois [Mr. Allen] used all of his time?

Mr. ALLEN of Illinois. Yes; we have concluded.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the reso-

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, earlier in the day I asked unanimous consent to extend my remarks on the one hundred and fiftieth anniversary of the establishment of the Bureau of Customs. I am informed it will take about three pages, and that requires special permission of the House. I ask unanimous consent that that permission be granted to me.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VIRGIL KUEHL

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2346) for the relief of Virgil Kuehl, a minor, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "\$5,000" and insert "\$3,500."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an editorial on wages and hours in yesterday's New York World-Telegram.

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The SPEAKER. Is there objection? There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that on tomorrow, after reading of the Journal and other special orders of the day, I may be allowed to address the House for 25 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks on the bill H. R. 7120.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper article.

The SPEAKER. Without objection, it is so ordered. There was no objection.

ADDITIONAL FACILITIES FOR THE PANAMA CANAL

Mr. BLAND. Mr. Speaker, before moving to go into the Committee of the Whole, I would like to submit a unanimousconsent request that may save considerable time.

The SPEAKER. The gentleman will state it.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the improvement and enlargement of the capacity of the Panama Canal in the interests of defense and interoceanic commerce is hereby authorized to be prosecuted by the Governor of the Panama Canal under the supervision of the the Governor of the Panama Canal under the supervision of the Secretary of War, substantially in accordance with the plans set forth and recommended in the report of the Governor of the Panama Canal, dated February 24, 1939, and published as House Document No. 210, and including such appurtenant structures, works, and facilities, and enlargements or improvements of existing channels, structures, works, and facilities as may be deemed necessary, at a total cost not to exceed \$277,000,000, which is hereby authorized to be appropriated for the purpose: Provided, That the initial appropriation for the fiscal year 1940 shall not exceed \$15,000,000. For the purposes aforesaid, the Governor of the Panama Canal is authorized to employ such persons as he may deem necessary and to fix their compensation without regard to deem necessary and to fix their compensation without regard to any other law affecting such compensation, to authorize the making of any contracts, continuing or otherwise, in advance of actual ing of any contracts, continuing or otherwise, in advance of actual appropriations, aggregating not more than the total cost authorized herein, as may be deemed necessary for the prosecution of the work herein authorized, to provide for the establishment and operation of such auxiliary plants and facilities in connection with the work as may be necessary or desirable, to utilize any of the facilities or services of the Panama Railroad Co. upon such terms and conditions as may be approved by the Secretary of War, and in general to do all things proper and necessary to insure the prompt and efficient completion of the work herein authorized.

Mr. BLAND. Mr. Speaker, I offer a committee amend-

The Clerk read as follows:

Committee amendment offered by Mr. Bland: Page 2, line 9, insert after the word "authorized", the letter "a" in parentheses, strike out the word "with" on line 10 and all of lines 11, 12, 13, 14, and 15, insert a colon and the following: "Provided, That the compensation of such persons shall not be lower than the compensation paid for the same or similar services to other employees of the Panama Canal: Provided further, That rates of compensation in excess of those authorized by law for other employees of the Panama Canal shall not be paid without the approval of the Secretary of War: And provided further, That the Governor of the Panama Canal, with the approval of the Secretary of War, is authorized to engage, under agreement, when deemed necessary, expert assistance in the various arts and sciences upon terms and rates of compensation for services and incidental expenses in excess of the maximum compensation provided by law for employees of the Panama Canal; (b) to authorize the making of contracts, without

the advertisement hereinafter prescribed, with architectural or engineering corporations, firms, or individuals for the production and delivery of designs, plans, drawings, and specifications; and (c) to authorize the making of any and all contracts necessary for the prosecution of the work herein authorized."

Mr. BLAND. Mr. Speaker, the first clause of this amendment prevents the Governor from reducing rates below rates paid other employees of the Panama Canal whose compensation is fixed under the Panama Canal Act at 25 percent above corresponding rates in the United States, a provision very much desired by the Canal employees' organization.

Provision for expert assistance is based on act of July 3, 1930 (46 Stat. 948, U.S. C., 1934 ed., title 33, sec. 569a).

This amendment which would take the place of the matter on lines 11 to 15 on page 2 is intended to accomplish the following purposes:

I have explained the first clause.

The second clause authorizes payment of compensation above classification rates and Canal rates only with the approval of the Secretary of War, who opposes the general provision authorizing the Governor to fix compensation in excess of rates now authorized by law.

The third clause follows the provision relating to the Engineer Corps of the Army (act of July 3, 1930, 46 Stat. 948, U. S. C., 1934 ed., title 33, sec. 569a) and authorizes the employment of engineering and other firms to prepare special designs and permits the employment for short periods of the highest type of consultant on special technical questions.

The last clause eliminates the objections that the Governor would have too much discretion to enter into contracts of large amounts without reference to appropriations, as worded contracts in excess of appropriations would have to be first approved by the Appropriations Committee.

These amendments, this one in particular, have been very largely explained in the colloquy that occurred between the gentleman from Illinois [Mr. Allen] and myself. I have no further comments, but in view of the fact the bill is being considered in the House as in the Committee of the Whole I think that the gentleman from California [Mr. Izac], and some others who especially desire to be heard, should be allowed to present their views.

Mr. IZAC. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The gentleman from California is recognized for 10 minutes.

Mr. IZAC. Mr. Speaker, I am very sorry that I have to oppose this bill, but I think you will agree with me when I tell you just what the true situation is down in the Canal Zone. This committee has undoubtedly been very fair in its hearings. They have arrived at a conclusion that I cannot agree with, but I believe they have done a good job and that in their opinion this is the solution of the problem in the Canal Zone.

When we started to build the Panama Canal they estimated the cost at \$182,000,000. When they turned it over officially in 1921 it had cost \$525,000,000, and that with the colored help from Jamaica. Since then 100,000,000 cubic yards of material have been taken out of the cuts, especially at Culebra, at a cost of another \$100,000,000, bringing the cost of the Panama Canal to date to \$625,000,000.

In 1931 the Board of Army Engineers made a complete survey of the situation along the Isthmus. They found that the proper place to give us better transit facilities for the United States fleet was at Nicaragua by the building of another canal there.

I am drawing your attention today to the fact that in this bill you are spending \$277,000,000 to build an additional set of locks within half a mile, average, of the present locks. This means than an attack made on the present facilities of the Panama Canal would subject the additional locks to

the same attack. On the other hand, by building another canal in Nicaragua from 500 to 700 miles from the present Canal we would make almost impossible the reducing of the fortifications in both places at the same time.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. IZAC. I would rather not.

Mr. SIROVICH. Will not the gentleman yield just a minute?

Mr. IZAC. Yes; I yield.

Mr. SIROVICH. I call especial attention to the fact that the distinguished gentleman from California is making a very interesting contribution, but the Committee on Merchant Marine and Fisheries, of which I am a member, held hearings on the Nicaragua Canal plan. The results of those hearings show it would take from 10 to 15 years to build that canal and that the cost would be \$1,600,000,000. We are faced now with the necessity of protecting the Panama Canal. We cannot wait 10 or 15 years for the building of another canal.

Mr. IZAC. I will answer the gentleman in this way: The results of the survey made by the Board of Army Engineers is contained in this booklet. I am sorry that it is almost out of print, but the gentleman can still procure a copy of it. It is entitled, "The United States Government Interoceanic Canal Board," House Document No. 139, of the Seventy-second Congress, first session. Just read that and find out what the story is. It will cost \$722,000,000, including defenses, to build the Nicaragua Canal; but under the present bill you would be spending \$277,000,000 and still have all your eggs in the same basket.

Mr. SIROVICH. But that testimony as to cost is not

the testimony of the Army engineers.

Mr. IZAC. I am very sorry, but this is the report of the Army engineers.

Mr. SIROVICH. What year was that?

Mr. IZAC. 1931.

Mr. SIROVICH. But in the 8 years that have intervened things have changed materially as to material costs and wages.

Mr. IZAC. Let me tell my friend this: They at that time suggested that the cost of building additional locks would be somewhere near what the estimate is now; and if the estimate of building the Nicaragua Canal has been increased to \$1,400,000,000 as the report says there is something funny about it. The whole story is simply this, the high command says we have got to find a way to get around this, we cannot object to a disparity of \$300,000,000 or \$400,000,000, we have got to show that it will cost a whole lot more. Hence their testimony this year doubling the cost of the proposed Nicaragua Canal as estimated by the Army engineers 7 years ago.

It will not cost \$1,400,000,000, because Colonel Sultan and his staff who went down there and made the survey have given the figures I am giving you now. We will say that it will take 10 years to build. Undoubtedly it will take 10 years to build. Do you suppose it is going to take less time to build these locks? It will take at least 6 years and probably 8 years. That is what you are going to gain in number of years, and that is all.

I want to show you something on these charts. Here is the Panama Canal. At the present time we are taking steps to guard the eastern approach. We are building a base at Puerto Rico in the 1,000-mile circle, which will completely dominate the Caribbean Sea. On the west side we have similar islands strategically located, and we could have the same type of defense against attack on the Canal. But what are we doing? We are not even taking over the Galapagos or Cocos Islands, which would give us a listening post or observation base for our planes to guard the western approach to the Canal. Does anyone think that simply protecting the eastern approach to the Canal is doing all that we should do?

Mr. Speaker, my idea is that if we are going to spend \$277,000,000 and forever forget any other canal, let us at least guard what we have down there.

I show you here a strategic map which will demonstrate how an attack by airplane carriers will be made against the Panama Canal. I show you this black sector, which is the position an enemy will assume under cover of darkness from which to launch planes for an attack on the Canal.

I am forgetting all about sabotage and things that might happen to the Canal in the meantime. Here we are with a situation like this, and we have no listening post out here where we should have one. We have not made arrangements to lease a place over here in Salvador, Guatamala, or Ecuador. This whole western approach to the Canal Zone is absolutely unprotected. Still they come in here and ask us to spend \$277,000,000 when we have not yet taken advantage of the natural defenses west of the Panama Canal up to this time.

Mr. Speaker, this is no secret so I can tell it here today. An attack launched, such as I have shown here, would permit at least 50 percent of the attacking planes to get through the antiaircraft barrage, drop bombs on the locks of the Panama Canal, and get back to their airplane carriers. Everybody knows that. It is no secret. Let us do something about that before we go ahead and spend \$277,000,000 to put all the eggs in the same basket.

Down here on this chart we show the Nicaragua Canal. I do not know whether that was the best place for the canal or not, but the Army engineers think so. They have a very fine report showing how feasible it would be. You can build that canal for \$700,000,000 with all of the defenses so the Army engineers say. Thirty batteries of antiaircraft guns are at Panama under the Army today. At least 27 batteries are there today and 3 more expected. They cannot keep out an attack such as I have outlined here.

Mr. TERRY. Will the gentleman yield?

Mr. IZAC. I yield to the gentleman from Arkansas.

Mr. TERRY. Is it contemplated that the Nicaragua Canal

will be at sea level or through locks?

Mr. IZAC. There is no such thing as a sea-level canal. We would still have to have the tidal locks at any place along the Isthmus an interoceanic canal is built because of the difference in tides between the Atlantic and Pacific Oceans. We must have some kind of locks to keep out the water. When they talk about a sea-level canal it does not mean that. If you would attempt to make the Panama Canal a sea-level canal, so-called, or a canal with only tidal locks, it would probably cost a billion and a half dollars, according to the Army engineers' figures, and consume a long period of time.

By the construction of another canal at a cost of threequarters of a billion dollars we can have two transits for the fleets, if you please, in time of war. It is admitted by everyone that an attack launched against one canal would give us ample time and protection to take care of the other one.

Mr. SIROVICH. Will the gentleman yield?

Mr. IZAC. I yield to the gentleman from New York.

Mr. SIROVICH. I distinctly asked the Army engineers myself, in view of the emergency that now exists, whether they preferred a canal through Mexico, Nicaragua, Chiriqui, or Panama, and they specifically said they wanted the Panama Canal because it can be finished within a few years, whereas a canal constructed across Nicaragua would take from 10 to 16 years and would cost \$1,600,000,000 to construct.

[Here the gavel fell.]

Mr. IZAC. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Izac]?

There was no objection.

Mr. IZAC. Mr. Speaker, it is true it would take a little longer, but not very much longer. We are going ahead and building these 45,000-ton battleships, but we are not going to have the canal ready or the locks ready at Panama by the time the battleships are finished anyway. Originally there was a big scrap here in Congress as to where the canal should be built. Panama won. There were lots of reasons. You probably know those reasons better than I do. Nevertheless, the proper place for the canal originally was Nicaragua.

Let me give you one reason above all others. The cut at Gaillard is 494 feet from the top of the slope down to the bottom. On the Nicaragua Canal route it would have been 344 feet, a difference of 150 feet in favor of the Nicaragua Canal.

Every time you cut 1 foot it means \$1,000,000, roughly. Still they insisted on going through that place, which was a tremendous cut as contrasted with the other. Not only that, but they had to make the cut at Gaillard 8¾ miles long. The cut through the east Divide at Nicaragua is 21/4 miles long, a difference of 61/2 miles. Still, some people had influence enough to get the canal built at Panama. Now that we have it I would like to see it properly taken care of and properly guarded, of course, and that is why I appeal to the House, if we are going to spend another \$277,000,000 and put all our eggs in that same basket, let us do something to protect that life line of ours. We are not doing it. I defy anyone, Army or Navy, to claim that they are doing it or to assert for one moment that they are properly taking care of the defenses of the Panama Canal when they do not take over the only islands strategically placed on the west to guard that canal properly.

Mr. SANDAGER. Mr. Speaker, will the gentleman yield?
Mr. IZAC. I yield to the gentleman from Rhode Island.
Mr. SANDAGER. May I ask the gentleman if he believes
it is going to be any easier to protect two canals than to
protect one canal?

Mr. IZAC. It will cost much more money to protect two canals, undoubtedly, but the fact of the matter is that if you have two defenses and the enemy reduces one you still have the other one. It is an almost certain fact that an enemy would never appear in force sufficient to reduce both fortifications at the same time, since they are about 700 miles apart on the west, although I admit that on the east they are only about 400 miles apart; but even so, you have a difference there of 400 miles from one canal to the other.

What have you between the locks? The twin locks there now at Panama are separated by a wall. One bomb destroying that wall destroys both locks. You are going to put this third set of locks from one-quarter to three-quarters of a mile distant, and that is all. Have any of you ever been on a plane leveling off on a straight line to drop bombs, and seen that bomb hit within the space of a handkerchief? Why, if you land within a quarter of a mile or three-quarters of a mile you are doing pretty good, if the enemy keeps you up high enough, and that is what experience down there has shown. In other words, when you put these locks only a half mile away or three-quarters of a mile away they are still under the same fire as if they were within a few feet of the other locks. When you get 400 miles away or 700 miles away you really have some protection, at least from that same attack.

Mr. TERRY. Mr. Speaker, will the gentleman yield? Mr. IZAC. I yield to the gentleman from Arkansas.

Mr. TERRY. How much did the gentleman say the Nicaragua Canal would cost?

Mr. IZAC. Seven hundred and twenty-two million dollars, including defenses. This information is right in this little book written by the survey force. It was only 1931 when we sent the Army engineers down there, and this is the only real survey that has been made.

Mr. TERRY. Does the gentleman mean that would include the same type and quality of defense that is contemplated now for the Panama Canal?

Mr. IZAC. I cannot say as to that, because that would depend on the War Department. It would be up to the War Department to say how many batteries of antiaircraft guns, and how many 16-inch coast defense guns would be required.

Mr. TERRY. I thought the gentleman would know the cost, inasmuch as the gentleman said "including defenses."

Mr. IZAC. Those are the very words I took from the report, at the bottom of page 16, "including cost of defense." They will have to put defenses there, there is no question about it; but when those defenses are built it will make that canal practically impregnable. Certainly if they reduce that

canal you can still use the Panama Canal and vice versa. And the locks contemplated for Nicaragua are big enough to take any ship built or building or which we will build probably in the next 100 years. [Applause.]

[Here the gavel fell.]

Mr. STARNES of Alabama. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. STARNES of Alabama to the committee amendment: On page 1, line 3, after the word "Canal" strike out the colon and insert a comma and the following: "and all such persons occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States."

Mr. BLAND. Mr. Speaker, I make the point of order against the amendment that it is not germane to any part of the bill. The bill merely provides for the construction and does not deal with questions of labor. As I recall it, the amendment not only deals with this new portion but also with the original Panama Canal.

The SPEAKER. The gentleman from Virginia makes the point of order that the amendment offered by the gentleman from Alabama [Mr. Starnes] is not germane to the committee amendment. From a very cursory and hurried reading of the committee amendment it appears that the first part of that proviso deals with the compensation of such persons; that is, persons who may be employed on the Canal. As the Chair reads the amendment offered by the gentleman from Alabama, it is a limitation upon the nature and character of such employees. The Chair is, therefore, of the opinion that the amendment is germane to the committee amendment, and overrules the point of order.

Mr. STARNES of Alabama. Mr. Speaker, it is estimated there will be 12,000 people employed under the provisions of this bill in the Canal Zone; of this number at least 3,000 will be within the category covered by the amendment, skilled workers, administrative workers, and men and women working in a supervisory capacity. My amendment merely seeks to limit that employment to American citizens.

I cannot conceive of anyone offering a valid objection to the employment of American citizens only in these capacities on such a vital link in our national defense system. The amendment is offered purely and solely for that purpose.

At the present time we have thousands of common laborers there who are British West Indians and British subjects. It is the policy of the War Department to employ American citizens in supervisory and skilled capacities and this amendment of mine merely seeks to write that policy into positive law, and as a declaration on the part of the Congress that we want American citizens and American citizens only employed in such capacities at this vital point in our national defense.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. Schafer of Wisconsin as a substitute for the amendment offered by Mr. Starnes of Alabama to the committee amendment: Insert "Provided, That all contracts herein authorized shall be made with American citizens or with American corporations and employment preference shall be given to American citizens."

Mr. BLAND. Mr. Speaker, I make the point of order against the amendment, first, that it is not a substitute. The pending amendment relates only to labor and the other amendment deals with contracts which is entirely a different proposition.

The SPEAKER. The Chair sustains the point of order. This is an amendment in the third degree which is not in order as a substitute to the Starnes amendment.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order there is not a quorum present. The Chair will count.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I withdraw the point of order.

Mr. BLAND. Mr. Speaker, I rise in opposition to the Starnes amendment.

Mr. Speaker, on the broad principle that is involved in the Starnes amendment there would appear, generally, to be no opposition, but when you come to a definition of what is skilled labor and similar conditions to be met in administration of the law, it would involve serious questions of administration and of policy so far reaching that I am not able to say just what the effect would be.

I made the statement some time ago in the course of this debate that the broad policy of labor is in the President of the United States. This is evidenced by the Executive orders that have been issued with respect to labor. First, I want to call attention to the fact that there has certainly been no effort on the part of the War Department to increase the employment of aliens. The record will show that the employment of American citizens has been uniform and constant while the employment of aliens has varied. The number of United States employees in 1916 was 3.542, and in 1937 it was 3,428. The number of aliens has varied from 32,549 in 1911 to the minimum in 1937, the last figure I have, of 10,449. As I have said, the President has the power to fix this, and there have been several Executive orders that have determined the aliens that should be employed. The first was issued on December 8, 1904, promulgated by President Theodore Roosevelt, providing that the requirements with respect to United States citizenship may be waived for applicants for positions on the Isthmus of Panama under such regulations as may be provided by the United States Civil Service.

Then there was another by Secretary of War Taft, dated February 8, 1908, that only American citizens should be employed in the higher-paid positions, except where Americans were not available for appointment. The order provided, however, that any foreigners who were then on the pay rolls would not be affected.

Then on December 23, 1908, there was an amendment, that permitted the employment of Panamanians as well as Americans in higher-paid positions.

Then on February 2, 1914, there was an Executive order, as amended, prescribing conditions of employment for the permanent force for the operation of the Canal, and containing a rule which provided that all employees who receive compensation at the rate of more than \$960 a year or 40 cents an hour, must be citizens of the United States or the Republic of Panama, and such citizens will be given preference for employment in all grades. That rule provided that aliens may not be employed in such grades unless (a) they have occupied similar positions during the construction of the Canal for 2 years or more, or (b) in case of emergency, in which latter case they must be replaced by citizens of the United States or the Republic of Panama as early as practicable.

In a later Executive order, dated September 14, 1927, the Governor of the Panama Canal was authorized to increase above the limit of \$960 per annum the pay of not to exceed 100 alien employees who by long and efficient service had become of greater value to the Canal organization than could be adequately compensated by the limit heretofore established.

By Executive order on August 7, 1929, the Governor was authorized to increase above the limit of \$960 per annum the pay of not to exceed 12 alien employees in the positions of steward, chef, baker, and head waiter in the employ of the Hotel Washington and the Hotel Tivoli, but a maximum list of \$1,500 per annum was placed on the pay in such excepted positions.

Aliens receiving compensation in excess of \$960 per annum number 245, all of whom have been employed in conformity with the provisions of the above orders. The great mass of the alien employees are receiving rates of pay ranging from \$22.50 to \$80 per month, with an average of \$55 per month. There are about 10,000 of these native workmen. The number fluctuates considerably, according to the labor

demands, particularly in such work as stevedoring, bunkering vessels with coal, repairs to vessels, building construction, and municipal work, in which there may be variations from day to day or according to weather conditions. One of the reasons for the employment of these native workmen which form the mass of the unskilled and semiskilled laborers in the Canal Zone is that there is a constant reserve of such labor in the cities of Panama and Colon. Thoroughly acclimated to the Tropics and paid at the general level of compensation for such labor in nearby countries. Today the President of the United States has the power to determine the employment of these people and to reduce the number of aliens employed. It is variable, and I appeal to you in dealing with an important question like the defense of America, not to write rigid provisions in the law, but to rely upon your efforts and the patriotism and the honesty of the President to take care of the situation.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gen-

tleman yield?

Mr. BLAND. I cannot yield in 5 minutes. Then, as I said awhile ago, you have to take into consideration the health conditions. Do you know that even with the United States Army, they are permitted to remain in the territory of Panama for only 2 years? Why? Because of the danger of insanity and other troubles.

Mr. SIROVICH. And typhoid.

Mr. BLAND. And typhoid, on account of the heat, and tropical causes which have made it necessary to bring back United States citizens every 2 years. You are imposing additional burdens upon the work of doing work that is for the national defense and must proceed at once. I am asking for additional facilities. The War Department is asking for additional facilities, and the President of the United States is asking for these additional facilities. We should have something there for protection if bombs come from the air. You will have locks there, according to the construction plan, which are going to be bomb proof, as nearly as it is possible to make them bomb proof. They will take care of the largest ship that may be provided for the United States Navy. They will be protected, as far as humanly possible, from sabotage. Let us work out the salutary purpose that the gentleman from Alabama [Mr. Starnes] has in view by a resolution brought before the Committee on Merchant Marine and Fisheries, studied by that committee, and seeking to provide a general policy of law rather than by dealing with a condition which you cannot meet by legislation here at this time and in this hour. I promise the gentleman he will have a complete hearing. What are you going to do for your reservoir of American labor down there? It does not exist. I ask that the amendment be voted down.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I move to strike out the last two words. Should the pending Starnes amendment be defeated, I hope that the gentleman from Virginia [Mr. Bland] will accept my amendment, which I shall reoffer. As he stated, this is a question of national defense. My amendment provides that all contracts authorized shall be made with American citizens or American corporations and that employment preference shall be given to American citizens. Under my amendment, which is not as drastic and restrictive, insofar as employment is concerned, as the Starnes amendment, the agency which employs these thousands of additional people will have considerable leeway. I do not see why, with 12,000,000 American citizens unable to find jobs through no fault of their own, the Congress should hesitate in voting into the bill which carries a potential appropriation from the American Treasury of \$277,000,000, a provision to give some of the 12,000,000 unemployed American citizens an employment preference. My amendment will also insure that American business institutions will obtain the contracts which will be paid for by taxes collected from American taxpayers. This will furnish employment to many thousand Americans in our American business institutions. I sincerely hope that if the Starnes amendment is defeated, we will put the brand of "America first" in this \$277,000,000 national-defense measure by incorporating my amendment, with the vote of the distinguished chairman of the Merchant Marine and Fisheries Committee, the gentleman from Virginia [Mr. Bland], for whom we all have the greatest admiration and affection. [Applause.]

The SPEAKER. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. Dirksen) there were—ayes 24, noes 29.

So the amendment was rejected.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer an amendment to the pending amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Schafer of Wisconsin to the amendment offered by Mr. Bland: At the end of the amendment offered by Mr. Bland insert: "Provided, That all contracts herein authorized shall be made with American citizens, or with American corporations, and employment preference shall be given to American citizens.

Mr. BLAND. Mr. Speaker, I make the point of order against that amendment that I made against the Starnes amendment.

The SPEAKER. The Chair is of opinion that the opinions expressed on the ruling in the Starnes amendment apply to this amendment and therefore overrules the point of order.

Mr. SCHAFER of Wisconsin. Mr. Speaker, we have 12,000,000 people in America who are unable to find jobs, through no fault of their own. Our Federal taxpayers' Treasury is almost bankrupt. This bill provides for an eventual appropriation of \$277,000,000, which is to be produced by and collected from our American taxpayers. This is an American national-defense measure. It is fitting that we should employ Americans on the project, so far as possible, in view of the fact that about 12,000,000 of our people cannot get a job, through no fault of their own.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield? Mr. SCHAFER of Wisconsin. I yield.

Mr. CRAWFORD. Do I understand the gentleman's amendment provides that such equipment as may be used for the construction work and building the locks—

Mr. SCHAFER of Wisconsin. Absolutely; \$277,000,000 will be expended on this project from our American tax-payers' Treasury.

Mr. CRAWFORD. What reason does the gentleman think anybody could give for not supporting an amendment of that kind?

Mr. SCHAFER of Wisconsin. They cannot give any reason, unless they want to follow a friendly neighbor policy and raid the American taxpayers' Treasury of \$276,000,000 to furnish contracts and employment for non-Americans.

Mr. CRAWFORD. Who in Latin America could supply the equipment, if anyone, and if we do not buy it from the Latin American countries, then we will have to go to England or France or get it from Germany or Italy. We can produce all of this equipment in America. When we manufacture this equipment in America we will furnish jobs to Americans in many of our factories which are now working about 50 percent of their capacity.

I think the gentleman's amendment is very good.

Mr. SCHAFER of Wisconsin. The gentleman is absolutely correct, and I appreciate his contribution and support of my amendment.

Mr. Speaker, in view of the statement of the distinguished chairman of the Merchant Marine and Fisheries Committee that he opposed the Starnes amendment because it was too restrictive and would interfere with the employment program, I respectfully call to his attention that my amendment is not as restrictive. My amendment, insofar as employment restrictions are concerned, only provides that preference shall be given to American citizens. Should American citizens, of whom there are now 12,000,000 who cannot find jobs, who must pay for this \$277,000,000 project, express their intention that they want to work on it, they should not be denied that opportunity.

Mr. Speaker, this is a \$277,000,000 American nationaldefense measure. The American taxpayers foot the bill. Americans should receive the contracts as well as employment on the project. [Applause.]

Mr. BLAND. Mr. Speaker, I rise in opposition to the amendment.

I called attention a few moments ago to the conditions which prevailed in the Panama Canal, especially as to health. Remember you are dealing now with a reservoir of unskilled labor. There will be fluctuation. First, there is no habitation; no place for them to live. What will be done to take care of them in the time that they are doing this work? Many of the insurance companies, according to the testimony that appeared before the committee on another bill, do no business in the Panama Canal Zone. They consider the health risk too great. Those who do business there charge a higher assessment, in addition to the normal rate.

One gentleman interested in labor has been urging these amendments, and I call attention to the evidence which he introduced on another bill before the committee, coming from Surgeon General Patterson, of the United States Army:

Residence in the tropic regions at or near the sea level is unfavorable to the health of northern races. Among the things which may exercise deleterious effects may be cited, the temperature * * * the humidity * * * exposure to actinic rays * * * absence of normal sources of companionship and amusement, resulting in mental depressions * * * lack of exercise, and excessive indulgence in food, alcohol, and venery * * * association with natives * * * in my opinion nobody * * * no white man * * * lives in the Tropics over a long period who does not deteriorate in practically every way.

Now, you are dealing not with a normal condition on the Panama Canal, but you are dealing with an abnormal condition which will exist in the construction of new locks, additional locks, some half mile or more away, with no accommodations made to take care of them; no quarters provided for them; no way of segregation from the rest of the population, exposing them to disease, and without a reservoir on which you can draw if these men remain there only a short time. You may have the turn-over which you had in the original construction of the Panama Canal.

I have shown that the matter of this employment is in the broad power of the President of the United States. I am sure that with him and everyone else there will be every desire, as far as is possible, to use American labor, but that will be on the skilled and technical work; not on the unskilled work. You are subjecting your Americans to that which they and many of us here do not understand. I felt as many here do until I went to Panama in 1936 immediately after the jurisdiction of legislation of this kind was transferred to my committee.

Gentlemen, it is a subject that involves international relations with Panama itself. If we are going to finish these locks in about 6 years in order that they may be ready to accommodate the larger ships that go through, then we must have a reservoir of labor in Panama upon which we can draw and that we know will be certain, a reservoir of labor that is acclimated to the hardships of that climate, and not take a chance like this.

Further, Mr. Speaker, who knows, in the troubled conditions throughout the world, how soon we may need these locks. I hope there may be no trouble, but we wish to make the Panama Canal as safe as possible and as soon as possible. We cannot afford to delay. Just now, if a bomb were to fall in those locks of the present Panama Canal, the results might be serious. We must have these additional facilities, bombproof and safely guarded, as soon as they can be built, so that America need not spend the money that would be required to build up a navy for each ocean.

Mr. Speaker, I ask that this amendment be voted down. Under authority granted to me to extend and revise my remarks, I wish to remind the House again that the President—not the Governor—has control of the situation. Existing law provides that all persons, other than the Governor of the Panama Canal, necessary for the care, management, maintenance, sanitation, government, operation, and protection of the Canal and Canal Zone, shall (a) be appointed

by the President or by his authority; (b) be removable at the pleasure of the President; (c) receive such compensation as shall be fixed by the President or by his authority until such time as Congress may by law regulate the same; and such persons shall be employed and shall serve under such conditions of employment, including matters relative to transportation, medical care, quarters, leave and the commutation thereof, and office hours and hours of labor, as have been or shall hereafter be prescribed by the President.

Surely the President of the United States has in his record shown himself to be worthy of this trust, and all may know that if a change should be made, he will make it.

Any change in the employment policies of the Panama Canal should not be made without full investigation, complete study, and careful analysis of possible results. They can be made at any time by Executive order of the President.

The Governor of the Panama Canal estimates that the cost might approximate \$81,000,000. The change in this way would have a most undesirable effect upon the permanent organization of the Panama Canal and upon the American workers themselves, and would result in an inevitable delay in the prosecution and completion of this most important defense project.

Careful preparation would be required to take care of such a large influx of United States citizens.

Governor Ridley has pointed out that these laborers must be seasoned and must be acclimated to the extreme rigors of the Tropics. He says that Americans cannot perform labor in the enervating climate of the Tropics, and it would be folly to provide by law that they must be used exclusively on this project. He says that he has not the slightest doubt that the result would be disastrous not only so far as concerns the carrying out of the project but as concerns the health and welfare of the workmen themselves. He says that our experience during the construction of the Canal, our quarter century of experience in its operations, and the experience of private contractors in large projects in tropical latitudes everywhere in the world conclusively prove that an attempt to utilize only American labor on the contemplated project would be doomed to failure in advance and would be a wholly inexcusable disregard of the costly lessons of expe-

It must be remembered that the existing facilities of the Canal Zone are sufficient only for those persons now actually engaged in the enterprise. There are no private housing facilities, and the schools, commissaries, and other utilities are adequate only for the regular organizations. While it would be relatively simple to provide construction quarters and other necessary facilities for the native workmen who would reside in the Canal Zone, problems of great magnitude would be involved in attempting to provide suitable facilities for many thousands of laborers and their families and would involve costly expenditures which would not be warranted on a comparatively short-time construction project.

There is pending on the Calendar of the House a bill introduced by me at the request of Mr. Hushing, the purpose of which is to amend the Canal Zone Code so as to provide more liberal retirement for American employees on the Panama Canal, because of the hardships, dangers to health, and effects of service in the Canal Zone. My committee reported that bill favorably. I wish any who may have any doubt as to the effect of service in Panama upon American citizens to read that report and the hearing held March 28, 1939, on the following bills: H. R. 141, a bill to amend the Canal Zone Code so as to provide for 30-year optional retirement; H. R. 142, a bill to amend the Canal Zone Code so as to provide for widows' annuities; and H. R. 1819, a bill to amend section 92, title 2, of the Canal Zone Code, and for other purposes.

Anyone who will read the hearings and particularly the testimony of Mr. W. C. Hushing, legislative representative of the American Federation of Labor, will not hesitate to vote down this amendment.

I urge that those desiring information on this subject read also the hearings held by my committee on March 21, 1939, on H. R. 980, H. R. 1674, and H. R. 3821.

I welcome a resolution for the study of these questions. If none is introduced, I will introduce one myself to that end, and before the Congress meets again I hope to visit Panama to consider the problems further.

Under the leave to extend and revise my remarks, I hope later to extend some remarks on this subject in the Appendix of the RECORD, so that all interested may have knowledge of the magnitude of the problems involved on which I have barely touched.

The SPEAKER. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and the Chair being in doubt, the committee divided, and there were-ayes 35, noes 38.

So the amendment was rejected.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. BLAND. Mr. Speaker, I offer another committee amendment

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 2, line 16, insert the Amendment offered by Mr. BLAND: Page 2, line 16, linsert the letter "d" in parentheses before the first word in said line a semicolon followed by the letter "e" in parentheses; and same page, line 21, insert a semicolon after the word "War" and insert the letter "f" in parentheses after the word "and" in said line.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. BLAND. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Bland: Page 2, after line 23, insert as a new paragraph the following:

"Notwithstanding any other provision of law, and except as otherwise provided in this act, all purchases and contracts for supplies or for services, except for personal services, shall be made by the Panama Canal after advertising, in such manner and at sufficiently in advance of compining of hids as the Governor times, sufficiently in advance of opening of bids, as the Governor or his duly authorized representative in the United States shall determine to be adequate to insure notice and opportunity for determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (a) an emergency requires immediate delivery of the supplies or performance of the services; or (b) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (c) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In open market in the manner common among businessmen. In comparing bids and in making awards the Governor or his duly authorized representative in the United States may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications."

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. BLAND. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman from Wisconsin opposed to the bill?

Mr. SCHAFER of Wisconsin. Most definitely, in its present shape.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Schafer of Wisconsin moves to recommit the bill to the committee with instructions to report the bill back forthwith with the following amendment: "Provided, That all contracts herein authorized shall be made with American citizens or with American orporations, and employment preference shall be given to American citizens.

The SPEAKER. Without objection, the previous question will be ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. Schafer of Wisconsin) there were-ayes 37, noes 43.

Mr. VAN ZANDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were-yeas 144, nays 166, not voting 118, as follows:

[Roll No. 152] YEAS-144

Alexander Ford, Le Andersen, H. Carl Fulmer Anderson, Calif. Gamble Andresen, A. H. Garther Ford, Leland M. Johnson, Ill. Robsien, Ky. Johnson, Ind. Johnson, Luther A Rodgers, Pa. Rogers, Mass. Jones, Ohio Routzohn Gearhart Gehrmann Kean Kinzer Angell Rutherford Arends Sandager Schafer, Wis. Seccombe Austin Barton Bates, Mass. Gerlach Gifford Knutson Kunkel Seger Shafer, Mich. Gilchrist Lambertson Bender Gillie Graham Landis LeCompte Bender Blackney Bradley, Mich, Brewster Brown, Ohio Buckler, Minn. Simpson Smith, Maine Smith, Ohio Lemke Lewis, Colo. Lewis, Ohio Grant, Ind. Guyer, Kans. Gwynne Hall Sparkman Springer McDowell Starnes, Ala. Sumner, Ill. Halleck Carlson Maas Carter Case, S. Dak. Chiperfield Church Hancock Marshall Harness Martin, Iowa Taber Harter, N. Y. Hawks Martin, Mass. Mason Talle Taylor, Tenn. Clason Clevenger Tenerowicz Thomas, N. J. Heinke Michener Hess Hill Miller Monkiewicz Cole, N. Y. Corbett Thorkelson Hinshaw Mott Hoffman Mundt Crawford Tinkham Murdock, Utah Murray Curtis Hope Horton Treadway Van Zandt Darrow Dirksen Ditter Vorys, Ohio Vreeland Houston O'Brien Hull Pace Pierce, N. Y. Dondero Izac Walter Jarrett Jeffries Wheat Wigglesworth Douglas Pittenger Dowell Poage Dworsha**k** Elston Jenkins, Ohio Jenks, N. H. Rankin Reed, Ill. Williams, Del. Winter Engel Fenton Rees, Kans. Risk Jensen Wolcott Youngdahl

NAYS-166

Allen, La. Cullen D'Alesandro Keller Patrick Kelly
Kennedy, Md. Pearson
Kennedy, Michael Peterson, Fla.
Keogh Peterson, Ga.
Plumley Allen, Pa. Darden Ashbrook Delaney. Keogh Kerr Kilday Ball Dickstein Barden Disney Barry Bates, Ky Doxey Durham Kirwan Ramspeck Beckworth Bland Eberharter Kitchens Rayburn Robertson Kocialkowski Ellis Robinson, Utah Bloom Evans Larrabee Luce McAndrews Faddis Fay Ferguson Flaherty Boykin Sabath McArdle McCormack Sacks Satterfield Bradley, Pa. Brooks Brown, Ga. Bryson Flannagan McGehee Schuetz McKeough McLaughlin Flannery Scrugham Shanley Buck Fries Burch Gathings McMillan, John L. Shannon Sheppard Sirovich Smith, Conn. Smith, Va. Smith, W. Va. Gavagan Mahon Burgin Geyer, Calif. Gibbs Byrne, N. Y. Byrns, Tenn. Mansfield Mapes Marcantonio Byron Gore Cannon, Fla. Cannon, Mo. Gossett Martin, Colo. Martin, Ill. Grant, Ala. South May Merritt Mills, Ark. Mills, La. Monroney Cartwright Casey, Mass. Gregory Griffith Spence Terry Thomas, Tex. Celler Hare Chapman Clark Hart Harter, Ohio Thomason Tolan Vincent, Ky. Vinson, Ga. Claypool Cochran Havenner Moser Healey Mouton Hendricks Hobbs Coffee, Nebr. Coffee, Wash. Cole, Md. Murdock, Ariz. Ward Myers Warren Weaver West Whelchel Hunter Nichols Colmer Jacobsen Jarman Norrell O'Connor Connery Jarman Johnson, Lyndon Johnson, Okla. Johnson, W. Va. Jones, Tex. Keefe Cooper O'Day Whittington O'Leary Williams, Mo. Oliver O'Neal Cox Zimmerman Crosser Culkin Parsons

Drewry

General pairs:

NOT VOTING-118

McGranery Schwert Allen, Ill. Duncan McLean McLeod Anderson, Mo. Dunn Eaton, Calif. Short Andrews Eaton, N. J. Edmiston McMillan, Thos. S. Maciejewski Smith, Ill. Smith, Wash. Beam Rell Elliott Magnuson Snyder Englebright Somers, N. Y. Boehne Maloney Massingale Bolles Fernandez Steagall Stearns, N. H. Stefan Bolton Fish Mitchell Fitzpatrick Boren Buckley, N. Y. Bulwinkle Nelson Folger Ford, Miss. Ford, Thomas F. Norton Sullivan Sumners, Tex. Osmers Burdick Caldwell O'Toole Patman Sutphin Garrett Sweeney Chandler Cluett Green Gross Pfeifer Pierce, Oreg. Tarver Taylor, Colo. Thill Harrington Collins Powers Hartley Hennings Rabaut Randolph Voorhis, Calif. Wadsworth Cooley Courtney Holmes Hook Reece, Tenn. Reed, N. Y. Wallgren Welch White, Idaho White, Ohio Wolfenden, Pa. Crowe Crowther Cummings Kee Kennedy, Martin Rich Richards Curley Dempsey DeRouen Kleberg Kramer Lanham Rockefeller Wolverton, N. J. Wood Rogers, Okla. Ryan Woodruff, Mich. Lea Leavy Sasscer Schaefer, Ill. Woodrum, Va. Dingell Lesinski Doughton Schiffler

So the motion to recommit was rejected. The Clerk announced the following additional pairs:

The Clerk announced the following additional pair.
General pairs:

Mr. Nelson with Mr. Osmers.
Mr. Lea with Mr. Bolles.
Mr. Garrett with Mr. Schiffler.
Mr. DeRouen with Mr. Englebright.
Mr. Bell with Mr. White of Ohio.
Mr. Taylor of Colorado with Mr. Gross.
Mr. Wallgren with Mr. Sweeney.
Mr. Lesinski with Mr. Wood.
Mr. Cooley with Mr. Secrest.
Mr. Sumers of Texas with Mr. Elliott.
Mr. Bulwinkle with Mr. Massingale.
Mr. Hennings with Mr. Snyder.
Mr. Schaefer of Illinois with Mr. Boren.
Mr. Green with Mr. Ryan.
Mr. Crowe with Mr. Ryan.
Mr. Crowe with Mr. White of Idaho.
Mr. Fernandez with Mr. Barnes.
Mr. Dies with Mr. Smith of Illinois.
Mr. Buckley of New York with Mr. Mitchell.
Mrs. Norton with Mr. Smith of Illinois.
Mr. Pathan with Mr. Curley.
Mr. Rabaut with Mr. Leavy.
Mr. Ludlow with Mr. Leavy.
Mr. Ludlow with Mr. O'Toole.
Mr. Sutphin with Mr. Duncan.
Mr. McGrannery with Mr. Fish.
Mr. Caldwell with Mr. Stearns of New Hampshire.
Mr. Dingell with Mr. Searns of New Hampshire.
Mr. Dingell with Mr. Eaton of New Jersey.
Mr. Magnuson with Mr. McLeod.
Mr. Sulivan with Mr. McLeod.
Mr. Sulivan with Mr. Rece of Tennessee.
Mr. Hook with Mr. Cluett.
Mr. Creal with Mr. Eaton of New Jersey.
Mr. Magnuson with Mr. Rece of Tennesse.
Mr. Piefer with Mr. Stefan.
Mr. Peter with Mr. Stefan.
Mr. Doughton with Mr. Reed of New York.
Mr. Schept With Mr. Bean of California.
Mr. Schept With Mr. Stefan.
Mr. Doughton with Mr. Reed of New York.
Mr. Schept With Mr. Borhen.
Mr. Doughton with Mr. Reed of New York.
Mr. Schept With Mr. Borhen.
Mr. Dempsey with Mr. Wolfenden of Pennsylvania.
Mr. Dempsey with Mr. Hartley.
Mr. Randolph with Mr. Wolfenden of Pennsylvania.
Mr. Dempsey with Mr. Hallen of Illinois,
Mr. Maloney with Mr. Hallen of Illinois,
Mr. Maloney with Mr. Andrews.
Mr. Smith of Washington with Mr. Anderson of Missourl.
The court with Mr. Shore

The result of the vote was announced as above recorded. The doors were opened.

The SPEAKER. The question is on the passage of the

The bill was passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a

bill of the following title, in which the concurrence of the House is requested:

S. 2903. An act to amend the Interstate Commerce Act, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7411. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

RESIGNATION FROM CONFERENCE COMMITTEE

The SPEAKER. The Chair lays before the House the following announcement.

JULY 31, 1939.

Hon. WILLIAM B. BANKHEAD,

Speaker, of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: As I will be out of the city the balance of the session I ask to be relieved from further duties in connection with the conference on the social-security bill.

With assurances of my highest personal regards, I beg to remain, Yours very sincerely,

HAROLD KNUTSON.

The SPEAKER. The Chair appoints on the committee in the place of Mr. Knurson the gentleman from Ohio [Mr.

The Clerk will notify the Senate of the action of the Chair.

NADINE SANDERS

Mr. KENNEDY of Maryland. Mr. Speaker, I submit a conference report and statement on the bill (S. 1164) for the relief of Nadine Sanders, and ask unanimous consent for its immediate consideration.

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, under the rule the conference report should be printed. Why is not the ordinary course followed in this instance, the conference report printed in the RECORD, so that tomorrow morning we can all see what it is?

Mr. KENNEDY of Maryland. I will explain it.

Mr. COCHRAN. Under the rules it should be printed. I think the conference report should be printed.

Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. GIFFORD]?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend in the Record a statement of mine on the tin investi-

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

ANNOUNCEMENT

Mr. MOUTON. Mr. Speaker, I was unavoidably detained from the House on official business at the time roll call 151 was held. Had I been present I would have voted in the affirmative.

EXTENSION OF REMARKS

Mr. Gathings asked and was given permission to extend his own remarks in the RECORD.

CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 10, insert "Wood Island Harbor, and the pool at Biddeford Pool, Maine."

Page 11, after line 14, insert:

"Cleveland Harbor, Ohio: The existing project set forth in House Document No. 84, Seventy-fourth Congress, and authorized by Public Law No. 392, Seventy-fifth Congress, is hereby modified to provide that cuts or partial cuts may be made before the related railroad bridges are modified or rebuilt when in the opinion of the Chief of Engineers such procedure will be advantageous to navigation." gation.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. Mansfield]?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to incorporate an address by myself.

The SPEAKER. Is there objection to the request of the gentleman from Maine [Mr. Brewster].

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement of W. J. Crum, professor of economics and consulting expert of the United States Treasury.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. THORKELSON]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with reference to the memorial service in honor of John Ericsson held in Washington, and to insert speeches made by my colleagues, the gentleman from Minnesota [Mr. Maas] and the gentleman from Washington [Mr. SMITH].

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain data on reciprocal trade.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the lending bill and to include brief excerpts from testimony presented in the committee.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a list of newspapers that endorsed pending legislation.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HAVENNER]?

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in reference to my recent vote on the W. P. A. bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FAY]?

There was no objection.

The SPEAKER. Under a special order of the House heretofore entered, the gentleman from Washington [Mr. HILL] is recognized for 20 minutes.

Mr. HILL. Mr. Speaker, the first session of the Seventysixth Congress is about to adjourn. Like the seven preceding sessions which I have had the honor and privilege of attending, some desirable and beneficial legislation has been enacted. But the forces of reaction are more firmly than ever entrenched in the Halls of Congress, opposing and preventing even consideration of progressive and necessary measures.

During the first term of the present administration it was the Supreme Court which, by its failure or refusal to interpret and apply the Constitution in the light of modern conditions and demands, prevented reform and thus delayed permanent recovery. I have long contended that the Federal courts have usurped the functions of a coordinate branch of the Government, the legislative. Neither is there time nor is it necessary at the present moment to give facts to prove that the Constitution clearly authorizes the Congress to make laws and delegates the power to try cases under those laws to the Federal courts but certainly never intended those courts to declare them unconstitutional and tear them up. The pages of the Congressional Record for 1933, 1934, and 1935 are replete with arguments for and against the proposition.

As far back as 1920 I predicted that some day a progressive President would appoint progressive members of the Supreme Court, and then we would hear the criticisms and bemoanings of the conservative elements of our country. The President in 1937 failed in his attempt to "unpack" a conservative court by the same constitutional method used by the second Republican President in our history, Ulysses S. Grant. But some of the Justices completely reversed themselves on minimum wages for women, the interstatecommerce clause, and other vital issues, and other conservative Justices resigned, making room for the appointment of men with forward-looking ideas and ideals. We now have a progressive Supreme Court, and the inevitable has happened. A Mr. Hogan of Doheny and Secretary Fall oil scandal fame has publicly denounced the august Supreme Court of the United States. And why, pray? Because, forsooth, it does not now interpret the Constitution so as to favor his special interests.

Mr. Speaker, I ask unanimous consent to insert at this point a news item from the United Press of July 10, with reference to the statement of Mr. Hogan.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The matter referred to follows:

COURT MAKES LAW, BAR HEAD DECLARES

San Francisco, July 10.—The Supreme Court no longer preserves constitutional liberties, Frank J. Hogan, president of the American Bar Association, said today in opening the association's sixty-second annual convention.

He said the present Court has reversed constitutional doctrines and "established" principles and, therefore, the legislative branch of government would have to protect the people against "arbitrary exercise of power."

He praised Justices James Clark McReynolds and Pierce Butler for

He praised Justices James Clark McReynolds and Pierce Butler for "courageous efforts to preserve landmark after landmark of the law," and to stop "the procession of precedents to the graveyard."

Mr. Hogan said there had been a curtaliment of States' rights through the Court's interpretation of the interstate-commerce clause of the Constitution. Continuing, he said:

"It is to this expansion of the power of the General Government over practically every branch of human industry that I direct attention in the hope that my feeble voice may contribute to its recognition by the people whose liberties are involved in the exercise of such power."

CONFUSES LAWYERS

In its last two terms the Court affirmed 135 cases and reversed 175. There were 199 dissenting opinions. "These figures indicate the extent to which the reconstructed Court has undertaken to disavow and discard old doctrines and to declare new principles and new concepts," he said.

"The plain result of all this is that no lawyer can safely advise his client what the law is; no businessman, no farmer, can know whether or not he is breaking the law, for if he follows established principles he is likely to be doing exactly that.

"What was a constitutional principle yesterday may be a dis-carded doctrine tomorrow, and this, all this, is what has been so often proudly proclaimed to be a government of laws and not of

Mr. HILL. Mr. Speaker, notwithstanding the fact that the Court is now giving decisions favoring my point of view, I still insist that it is usurping the functions of another

constitutional branch of the Federal Government and agree with the gentleman from Washington, D. C., that Congress should reassume its power and authority to make the laws the same as the Parliament of Great Britain and the House of Deputies in France. Then we can let the people, the real sovereigns in this Republic, take care of the Members of the House and Senate at the next election. That is democracy. I have never had any fear of the common people, even when they have temporarily disagreed with my view-

During this second term of the present administration, with the Supreme Court more or less in accord with its policies, a coalition of conservative Republicans and Democrats have dominated the scene and obstructed or retarded progressive legislation. Witness the delay in enacting the wages-and-hours law. Despite the cry for harmony, I, for one, will not shut my eyes to the stark and naked truth that reactionary Democrats have all through this present session joined hands with the Republicans in either preventing New Deal policies and legislation from coming up for consideration or defeating it if forced to the floor of the House. All for the purpose of discrediting the present administration. Some of us have voted against the President on occasion, at times when it was very unpopular to do so, as, for instance, the so-called economy bill of March 1933 and the neutrality bill of recent date. But we have conscientiously done so as a matter of principle, a reasonable difference of opinion and judgment. But too many so-called Democrats have, and are, sabotaging the whole New Deal program and policies from personal hatred and bitterness toward the present occupant of the White House. This is neither statesmanlike nor commendable.

I reiterate what I have stated time and again on the floor of this House. Let the conservative Democrats and Republicans, honest as they may be in their convictions, join hands and form their party. Then let us liberal Democrats. Republicans, and Progressives unite in an opposition party and let us fight it out openly and frankly and let the people of the United States decide what they want. [Applause.] To most candid observers it would seem best that the former retain the name "Republican" and the latter retain the name "Democrat." This would be fair to the voters of this country; it would be fair to us who serve. In my humble opinion, it would be tragic for us to win in 1940 with the conservative Democratic tail wagging the liberal Democratic dog. We would be in the same impotent impasse that we are in at the present time. We spend a whole day discussing the acceptance of a Roosevelt library when it could be more profitably spent in discussing a cost-of-production bill for agriculture, which must be enacted before that large group can ever have the purchasing power it deserves. We spend 2 days debating antialien bills, which have the label of patriotism but contain the essence of the old alien and sedition laws of the Whig days.

I voted against the Smith bill and have no apologies to offer. A careful reading of the bill will show that it selects certain dangerous groups for deportation and refusal of entry, and excepts others just as dangerous to our form of government. An amendment by the gentleman from Colorado, Congressman John Martin, to add the names "Communist, Nazi, and Fascist" after the word "anarchists" as subject to refusal of entry to this country was strongly opposed by the proponents of the Smith bill and decisively defeated by the majority which enacted the law. I despise and denounce all three of these subversive forms of government and am skeptical of that patriotism which distinguishes between them.

There is reason to believe there are members of the Silver Shirts right here on the floor of the House—at least those who sympathize with them. If there is anyone here who would rather wear a red shirt, or a silver shirt, or a black shirt, than a khaki shirt, let him go to Russia, Germany, or Italy and sit at the feet of Stalin, Hitler, or Mussolini. If there is anyone within the sound of my voice who would rather salute the hammer and sickle, the swastika, or the fasces and ax than make obeisance to Old Glory, he is not fit to be a citizen of

the United States, much less a Member of this House of Representatives. Some of you want to fingerprint the aliens. That is a very laudable proposition. But may I respectfully suggest that you propose a law or a rule of this body that every Member declare that he is neither a member of nor in sympathy with communism, fascism, or nazi-ism. Let us begin by fingerprinting the membership of this House. I quote, "The honest men will not object; the dishonest ones should be forced to submit."

As I observed above, 2 days were spent in consideration of the antialien bill, yet monetary bills restoring the function of "coining money and regulating the value thereof" back to Congress, where it constitutionally belongs, cannot even be brought out of the committee room.

In conclusion may I say that, until real farm legislation restoring the purchasing power of that large group is enacted, until all our unemployed who can work are given permanent positions at decent living wages, thereby restoring purchasing power of that second large group, until the money problem is so solved as to get into free and constant circulation at the bottom of the economic pyramid through adequate old-age pensions, as well as the other two methods just mentioned—until this is done we can have no real recovery nor permanent prosperity. When this is done our country filled with employed and contented citizens will be a most sterile field for propagation of alien ideas and foreign "isms." This is our job as Congressmen, and I must say we have woefully failed in our duty.

Mr. THORKELSON. Mr. Speaker, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Montana.

Mr. THORKELSON. Does the gentleman know that approximately 200 Members of this House who are members of military organizations have already been fingerprinted?

Mr. HILL. Members of what organizations?

Mr. THORKELSON. They are ex-service men or men who are now members of our Reserve forces. They have all been fingerprinted.

Mr. HILL. I would suggest that that is a good thing. [Applause.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Crowe, indefinitely, on account of official business as a delegate to the Interparliamentary Union.

To Mr. Coffee of Nebraska, indefinitely, on account of official business as a delegate to the Interparliamentary

To Mr. Luplow, on account of death in his family.

To Mr. Johnson of Indiana, for balance of session, on account of official business.

To Mr. Harrington, for balance of session, on account of official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 281. An act to amend further the Civil Service Retirement Act, approved May 29, 1930.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 2, 1939, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WARREN: Committee on Accounts. House Resolution 278. Resolution providing for the expenses of conducting the investigation authorized by House Resolution 277, of the Seventy-sixth Congress (Rept. No. 1425). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WARREN: Committee on Accounts. House Resolution 163. Resolution to authorize the payment of expenses of investigation authorized by House Resolution 162 (Rept. No. 1426). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WARREN: Committee on Accounts. House Resolution 265. Resolution providing for the expenses authorized in House Resolution 258 (Rept. No. 1427). Committed to the Committee of the Whole House on the state of the Union and

ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1428. Report on the disposition of records in the Farm Credit Administration. Ordered to be

printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1429. Report on the disposition of records in the United States Civil Service Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1430. Report on the disposition of records in the Works Progress Administration. Ordered

to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1431. Report on the disposition of records of the Panama Canal. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1432. Report on the disposition of records in the Federal Trade Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 1433. Report on the disposition of records in the Farm Credit Administration. Ordered to

be printed.

Mr. DOXEY: Committee of conference. H. R. 4998. A bill to amend the Packers and Stockyards Act, 1921 (Rept. No. 1434). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CELLER: Committee on the Judiciary. H. R. 7235. A bill to prohibit the maintenance of gambling establishments within the admiralty and maritime jurisdiction of the United States, and for other purposes; with amendments (Rept. No. 1435). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLANNERY: Committee on the Post Office and Post Roads. H. R. 5757. A bill to require that periodicals sent through the mails or introduced into interstate commerce contain the name of the publisher, the place of publication, and for other purposes; with amendments (Rept. No. 1436). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 2748. A bill to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes; with an amendment (Rept. No. 1437). Referred to the Committee of the Whole House on the state of the Union.

Mr. KENNEDY of Maryland: Committee of conference. S. 1164. An act for the relief of Nadine Sanders (Rept. No. 1438). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FADDIS:

H. R. 7439. A bill to authorize the Secretary of War to furnish certain markers for certain graves; to the Committee on Military Affairs.

By Mr. HOFFMAN:

H. R. 7440. A bill making it a criminal offense to, by force or show of force, delay, hinder, or prevent the production of goods destined for shipment in interstate or foreign commerce; to the Committee on the Judiciary.

By Mr. MICHAEL J. KENNEDY:

H.R. 7441. A bill to provide for the application of the 2-cent rate on first-class matter for delivery within the confines of any incorporated city; to the Committee on the Post Office and Post Roads.

By Mr. STARNES of Alabama:

H. R. 7442. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. WHELCHEL:

H. R. 7443. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. CONNERY:

H. R. 7444. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. EDMISTON:

H.R. 7445. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. FLANNERY: H. R. 7446. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. GEYER of California:

H. R. 7447. A bill to authorize the Secretary of War to make a survey of the proposed "T" tunnel as a means of communication and transportation between San Pedro, Wilmington, Terminal Island, and Long Beach, Calif.; to the Committee on Military Affairs.

By Mr. HOUSTON:

H.R. 7448. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. JOHNS:

H.R. 7449. A bill to liberalize effective date of claim for reimbursement for burial and funeral expenses contained in Veterans' Regulations; to the Committee on World War Veterans' Legislation.

By Mr. FAY:

H.R. 7450. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. KIRWAN:

H.R. 7451. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations. By Mr. SHANLEY:

H. R. 7452. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. SMITH of Washington:

H.R. 7453. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations. By Mr. WOOD:

H. R. 7454. A bill to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes; to the Committee on Labor.

By Mr. HULL:

H. R. 7455. A bill to remove the depressing economic effects of excessive farm-mortgage debts, and prevent the further increase of farm tenancy due to mortgage foreclosures; to the Committee on Agriculture.

By Mr. MICHAEL J. KENNEDY:

H.R. 7456. A bill to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended; to the Committee on Patents.

By Mr. MARTIN of Iowa:

H. J. Res. 377. Joint resolution authorizing the transfer of jurisdiction to certain lands in Missouri and Iowa; to the Committee on the Judiciary.

By Mr. HOFFMAN:

H. Res. 287. Resolution to investigate John L. Lewis, the United Mine Workers, and the Congress of Industrial Organizations; to the Committee on Rules.

By Mr. BLCOM:

H. Res. 288. Resolution authorizing the House Committee on Foreign Affairs to have printed additional copies of the hearings on the proposed amendments to the present neutrality law and related legislation affecting the foreign policy of the United States; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLTON:

H. R. 7457. A bill granting a pension to Isabelle Herbeson; to the Committee on Invalid Pensons.

By Mr. EBERHARTER:

H. R. 7458. A bill for the relief of Amelia Maria Cavarzan: to the Committee on Immigration and Naturalization.

By Mr. KRAMER:

H.R. 7459. A bill for the relief of Bettina Bernstein; to the Committee on Immigration and Naturalization.

By Mr. PATRICK:

H. R. 7460. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher; to the Committee on Claims.

By Mr. VAN ZANDT:

H. R. 7461. A bill for the relief of Diemer L. Bathrust; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5171. By Mr. COFFEE of Washington: Resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, asserting that it will be necessary for the public-utility districts, formed for the purpose of distributing electrical power and to whom the Federal Government has loaned money for the purpose of constructing Rural Electrification Administration lines and engaging in the electric business, to purchase private utilities in order to facilitate an economic distribution of such electricity; therefore favoring Federal loans to public-utility districts for the purchase and acquisition of privately owned facilities; to the Committee on Irrigation and Reclamation.

5172. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, pointing out that the act of Congress which established Bonneville Dam power development provided that 50 percent of such power should be reserved for rural communities until January 1, 1941, and stating that certain power organizations who have refused to serve the rural people except at exorbitant price rates and construction costs are now seeking to gain control of the entire Bonneville output, and that such control would be extremely detrimental; therefore urging that Congress and Frank A. Banks, acting administrator of Bonneville Dam, reserve the 50 percent of power for rural communities at least until January 1, 1943; to the Committee on Irrigation and Reclamation.

5173. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, asserting that there is a bill before the Congress (S. 1675-H. R. 173) amortizing loans over a period of not less than 20 years; pointing out that a large percent of the land-bank commission loans set up on a 10-year repayment basis are becoming delinquent due to the low returns of farm crops; therefore urging that members of the Washington congressional delegation in the House and Senate work for Senate bill 1675 and House bill 173 to the end that relief should be extended on such heavy repayment charges; to

the Committee on Banking and Currency.

5174. Also, resolution of the Washington State Grange. passed at annual session at Vancouver, Wash., Harry Cheek, secretary, pointing out that State officials are without adequate power to act against the private power companies who set up "phoney" organizations within States to cover part of their expenditures during campaigns against public ownership, as the organization directing such campaigns and the records necessary for action by State officials may be outside the State affected; therefore urging that Congress enact a law giving the Federal Power Commission authority to interfere when a great sum of money, in excess of a reasonable amount, is being spent in campaigns against public ownership, and where threats and intimidation are used to influence voters; to the Committee on Interstate and Foreign Commerce.

5175. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, urging the enactment of a law by Congress that would compel a majority vote of all eligible voters of the United States before the United States could enter into an armed conflict on foreign soil; to the Committee on the Judiciary.

5176. By Mr. KEOGH: Petition of the United Federal Workers of America, Regional Council, New York City, concerning House bills 7157 and 7160; to the Committee on

Appropriations.

5177. Also, petition of the engineers and workers on Works Progress Administration projects, sponsored by borough president, Manhattan, New York City, concerning the lending bill, amending the 19-months clause in the relief bill; to the Committee on Appropriations.

5178. Also, petition of the Social Service Employees Union, New York City, concerning certain proposed amendments to the Social Security Act; to the Committee on Ways and

Means.

5179. Also, petition of the Amalgamated Utility Workers, New York City, concerning proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5180. By Mr. PFEIFER: Petition of George Meany, president, New York State Federation of Labor, New York City, urging support of the housing bill (S. 591); to the Committee on Banking and Currency.

5181. Also, petition of the Social Service Employees' Union, New York City, opposing certain proposed amendments to the Social Security Act; to the Committee on Ways and

5182. Also, petition of the Amalgamated Utility Workers. New York City, concerning certain proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5183. Also, petition of the China Aid Council, Los Angeles, Calif., concerning Japanese embargo on war supplies: to the Committee on Foreign Affairs.

5184. Also, petition of engineers and workers of Work Projects Administration projects, sponsored by borough president, Manhattan, New York City, concerning the lending bill: to the Committee on Banking and Currency.

5185. By Mr. WOOD: Petition of F. M. Rice and 925 others, with reference to the construction of Osceola Dam on the Osage River in Missouri; to the Committee on Flood Control.

5186. Also, petition of W. T. Williams and others, with reference to proposed legislation affecting lay-offs and pay changes of Works Progress Administration employees; to the Committee on Appropriations.

5187. By the SPEAKER: Petition of the Arizona Wool Growers Association, Phoenix, Ariz., petitioning consideration of their resolutions Nos. 3 and 14, with reference to reorganization of governmental departments and reciprocaltrade agreements; to the Committee on Expenditures in the Eexecutive Departments.

5188. Also, petition of the Advertising Club of Baltimore, Baltimore, Md., petitioning consideration of their resolution with reference to the U.S. frigate Constellation; to the Committee on Naval Affairs.

SENATE

WEDNESDAY, AUGUST 2, 1939

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following

O God, our Father, who hast ever kept us in Thy steadfast care and love: Grant, we beseech Thee, Thy blessing on this Nation, and upon all in authority therein, especially the President of the United States and the Members of this Congress; that they may speedily conclude their labors, and,

with a good conscience and a quiet mind, return to their several homes, grateful for the rest of body and soul which is Thine alone to give. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 1, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Lee	Shipstead
Andrews	Davis	Lucas	Slattery
Ashurst	Downey	Lundeen	Smathers
Austin	Ellender	McCarran	Smith
Bailey	George	McKellar	Stewart
Bankhead	Gerry	Maloney	Taft
Barkley	Gibson	Miller	Thomas, Okla
Bilbo	Guffey	Minton	Thomas, Utah
Bone	Gurney	Murray	Tobey
Borah	Hale	Neely	Townsend
Bridges	Harrison	Norris	Truman
Brown	Hatch	Nye	Tydings
Bulow	Hayden	O'Mahoney	Vandenberg
Burke	Herring	Pepper	Van Nuys
Byrd	Holman	Pittman	Wagner
Byrnes	Holt	Radcliffe	Walsh
Capper	Hughes	Reed	Wheeler
Chavez	Johnson, Calif.	Russell	White
Clark, Idaho	Johnson, Colo.	Schwartz	*******
Clark, Mo.	King	Schwellenbach	
Connally	La Follette	Sheppard	
Connany	La Ponecoo	Direppard	

The Senator from Florida [Mr. Andrews], the Senator from Arkansas [Mrs. Caraway], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Alabama [Mr. Hill], and the Senator from New York [Mr. Mead] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. Reynolds] are unavoidably detained.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

RECIPROCAL-TRADE AGREEMENTS—NOTICE OF ADDRESS BY SENATOR LUCAS

Mr. LUCAS. Mr. President, I give notice that on tomorrow, as soon as I can obtain the floor, I shall speak for approximately 1 hour on the subject of the reciprocal-trade agreements.

TERM OF COURT AT KALISPELL, MONT.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 474) to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., which were, on page 1, line 10, to strike out all after "court" down to and including "States" in line 2 of page 2; on page 2, line 8, after "place", to insert ": Provided, That suitable rooms and accommodations for holding court at Lewistown and Havre are furnished without expense to the United States: And provided further, That suitable rooms and accommodations for holding court at Livingston and Kalispell are furnished without expense to the United States until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Livingston and Kalispell, public buildings shall have been erected or other Federal space provided for court purposes in said cities"; and to amend the title so as to read: "An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and subject to the recommendation of the Attorney General of the United States to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont."

Mr. MURRAY. I move that the Senate concur in the House amendments.

The motion was agreed to.

JESSIE M. DURST

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 809) for the relief of Jessie M. Durst which was, in line 12, after "act", to insert "And provided further, That such claim be filed within 6 months after the passage of this act."

Mr. LA FOLLETTE. I move that the Senate concur in the House amendment.

The motion was agreed to.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge, which was, in line 5, to strike out "Boy" and insert "Boy's."

Mr. THOMAS of Oklahoma. I move that the Senate disagree to the House amendment.

The motion was agreed to.

GRAND CANYON NATIONAL MONUMENT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 6) to return a portion of the Grand Canyon National Monument to the public domain, which was, on page 3, to strike out line 21 and insert "(49 Stat. 1976)."

Mr. HAYDEN. I move that the Senate concur in the House amendment.

The motion was agreed to.

JOHANNES OR JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk, which were, in line 9, to strike out "lawfully"; and in line 11, after "1925", to insert "Provided, That the said Johannes or John, Julia, Michael, William, and Anna Kostiuk shall never be eligible to become citizens of the United States."

Mr. VANDENBERG. I move that the Senate concur in the House amendments.

The motion was agreed to.

HARRY K. SNYDER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1821) for the relief of Harry K. Snyder, which was, on page 2, line 4, after "act", to insert ": And provided further, That such claim be filed within 6 months after the passage of this act."

Mr. TOWNSEND. I move that the Senate concur in the House amendment.

The motion was agreed to.

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WRITING OF THE STAR-SPANGLED BANNER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 176) providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, which was, on page 1, line 7, after "of" where it appears the first time, to insert "the President of the United States."

Mr. RADCLIFFE. Mr. President, the Senator from Maryland heartily endorses the amendment of the House of Representatives, and moves that the Senate concur therein.

The motion was agreed to.

EARL J. REED AND GILES J. GENTRY

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry, which was, on page 2, line 5, to strike out all after "Provided", down to and including "\$1,000" in line 17, and insert "That no part

of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. PEPPER. I move the Senate concur in the House amendment.

The motion was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. Let the Chair state, for the benefit of the Senate, that the Senate took an adjournment at the conclusion of yesterday's session. Ordinarily, following an adjournment, the Senate goes through with all the routine of petitions and memorials, bills, joint resolutions, and so forth. After that order shall have been concluded, it is the purpose of the Chair, at the suggestion of the majority leader, to recognize the Senator from South Carolina [Mr. BYRNES] for the purpose of calling up a bill. Senators desiring to speak will have an opportunity to do so at that time. The Chair thinks he should make that statement in order that the Senate may know the situation.

SUPPLEMENTAL ESTIMATES-DAMAGE CLAIMS (S. DOC. NO. 102)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, supplemental estimates of appropriations to pay claims for damages to privately owned property adjusted and determined by the Federal works agency. Work Projects Administration, \$488.14; the Department of Agriculture, \$323.67; the Department of the Interior, \$87.43; the Navy Department, \$126.61, and the War Department, \$2,393.52, in total amount, \$3,419.37, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATES, NAVY DEPARTMENT (S. DOC. NO. 103)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, estimates of appropriations to pay claims for damages by collision or damages incident to the operations of vessels of the Navy, amounting to \$3,841.11, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—PURCHASE OF MOTOR SHIPS (S. DOC. NO. 110)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Navy Department, fiscal year 1940, amounting to \$2,500,000 for the purchase from the Maritime Commission of two motor ships and their conversion for use as naval vessels, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF STATE (S. DOC. NO. 104)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the Department of State to pay a claim for personal injury and death arising in China, amounting to \$750, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—PAYMENT TO GOVERNMENT OF PANAMA (S. DOC. NO. 109)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of State for the fiscal years 1934 to 1940, inclusive, for payment to the Government of Panama in accordance with the provisions of the treaty signed between the United States and Panama on March 2, 1936, amounting to \$2,010,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION PERTAINING TO FOREIGN SERVICE PAY ADJUSTMENT (S. DOC. NO. 107)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to the appropriation "Foreign Service pay adjustment, 1940," which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION PERTAINING TO AN APPROPRIATION FOR DEPARTMENT OF LABOR (S. DOC, NO 106)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision pertaining to an appropriation for the Department of Labor entitled "Transporting Filipinos to the Philippine Islands, 1937-December 31, 1938," which was referred to the Committee on Appropriations and ordered to be printed.

DEFICIENCY ESTIMATE-LEGISLATIVE ESTABLISHMENT (S. DOC. NO. 111)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a deficiency estimate of appropriation for the legislative establishment, contingent expenses, United States Senate, fiscal year 1939, in amount of \$30,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, LEGISLATIVE ESTABLISHMENT, SENATE (S. DOC. NO. 108)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the legislative establishment, salaries, United States Senate, for the fiscal year 1940, in amount of \$176,400, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

RELIEF OF FORMER DISBURSING OFFICERS AND EMPLOYEES OF VETERANS' ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, to relieve certain employees from financial liability, and for other purposes, which, with the accompanying papers, was referred to the Committee on Finance.

1940 RELIEF ACT

Mr. CAPPER. Mr. President, I present for appropriate reference a petition from Hon. Don C. McCombs, mayor of the city of Kansas City, Kans., approved by the Board of Commissioners, and duly attested by Howard Payne, city clerk, which I ask may be printed in the RECORD.

There being no objection, the letter or petition was referred to the Committee on Appropriations and ordered to be

printed in the RECORD, as follows:

CITY OF KANSAS CITY, KANS., DEPARTMENT OF FINANCE AND REVENUE, July 26, 1939.

Senator Arthur Capper, Washington, D. C.

Washington, D. C.

Honorable Sir. In the interest of a more just provision for the needs of the unemployed, we earnestly petition you to work and vote for the following changes in the 1940 Relief Act:

1. Restore the prevailing hourly wages on all W. P. A. jobs.

2. Increase the monthly wages in the South, but without cutting wages in the North and West.

3. Stop arbitrary lay-off of hundreds of thousands of W. P. A.

workers; give the President power to adjust the funds as needed.
4. Repeal the 30-day lay-off provision.
5. Restore the arts projects.
Only by making these changes can suffering be reduced among the unemployed and the States and counties be enabled to give at least some help to those others on direct relief who are unable to work or cannot find jobs. Respectfully yours,

DON C. McCombs, Mayor Approved by Board of Commissioners of the City of Kansas City, Kans., July 24, 1939.

HOWARD PAYNE, City Clerk.

Mr. CAPPER. Mr. President, I desire to state that I believe a serious mistake was made by Congress in striking the prevailing-wage provision from the W. P. A. Appropriation Act. I voted to retain it; I also voted to restore the prevailing wage when it was offered as an amendment to the lending bill in the Senate last week, as also did my colleague from Kansas, Senator REED. May I express the hope that this and other injustices contained in the work-relief legislation enacted at this session will be corrected at the next session of Congress.

CIVIL SERVICE ELIGIBILITY OF VETERANS

Mr. CONNALLY. Mr. President, I present and ask to have printed in the RECORD, and appropriately referred, a resolution adopted by the Lone Star Chapter of Disabled American Veterans of the World War, Austin, Tex., relating to House bill 5101.

There being no objection, the resolution was referred to the Committee on Civil Service and ordered to be printed in the RECORD, as follows:

Whereas there is now pending in Congress a bill designated H. R. 5101, by Mr. STARNES of Alabama, relating to the civil-service eligibility of veterans; and

Whereas section 4 of said act provides that all disabled veterans, widows, and preference wives would have to make a passing grade of 70 before being allowed the present 10-percent disability allowance, which is 60 for passing; and

which is 60 for passing; and
Whereas the said provision is unfair and unjust to the disabled veterans and would affect some 17 percent of such disabled veterans who heretofore passed with a 60 to 70 grade and would mean a loss of several thousand positions for disabled veterans: Therefore be it Resolved by the Lone Star Chapter, No. 4, Disabled American Veterans of the World War, Austin, Tex., that the said chapter is unalterably opposed to the passage of the said bill; and be it further Resolved by the said chapter that a copy of this resolution be presented to Committee on the Civil Service, both of the House of Representatives and the United States Senate, and to United States Senators Sheppard and Connally of Texas, and Congressman Lyndon Johnson with a request that they do all in their power to prevent this measure being enacted into law; and be it further Resolved, That the said chapter favors the passage of the act entitled "H. R. 5147," also introduced by Mr. Starnes of Alabama, relating to civil-service eligibility for veterans and respectfully

relating to civil-service eligibility for veterans and respectfully solicits the support of Senators Sheppard and Connally and Congressman Lyndon Johnson for said measure.

GAMBLING SHIPS

Mr. ASHURST presented a telegram from Earl Warren, attorney general, dated at Los Angeles, Calif., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Los Angeles, Calif., July 28, 1939.

Hon. H. F. ASHURST,

Hon. H. F. ASHURST,

Chairman, Judiciary Committee,

United States Senate, Washington, D. C.:

Your favorable consideration of gambling-ship legislation is earnestly requested. California with approximately 1,000 miles of shore line is particularly vulnerable to the activities of such ships which have no other purpose than to nullify the State laws against illegal gambling. By anchoring more than 3 miles from shore they create jurisdictional as well as practical problems of enforcement. State and local authorities are now engaged in attempting to overcome these difficulties, but a Federal statute such as that proposed come these difficulties, but a Federal statute such as that proposed would automatically eliminate the source of trouble. Should you desire information concerning the scope of activities or any other

assistance this office will gladly comply.

EARL WARREN, Attorney General.

REPORTS OF COMMITTEES

Mr. CHAVEZ (for Mr. Frazier), from the Committee on Indian Affairs, to which was referred the bill (S. 2103) to repeal the act entitled "An act to conserve and develop Indian lands and resources; to extend to Indians the right to form business and other organizations; to establish a credit system for Indians; to grant certain rights of home rule to Indians; to provide for vocational education for Indians; and for other purposes," approved June 18, 1934, and the act of June 15, 1935, supplementary thereto, reported it with amendments and submitted a report (No. 1047) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 3962) for the relief of Grace Campbell, reported it without amendment and submitted a report

(No. 1048) thereon.

He also, from the Committee on Commerce, to which was referred the bill (H. R. 5845) to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County, reported it without amendment and submitted a report (No. 1053) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 823) for the relief of John P. Shorter. reported it with an amendment and submitted a report (No. 1049) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6728) for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation, reported it without amendment and submitted a report (No. 1050) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 2384) for the relief of Lyle L. Bressler, reported it with an amendment and submitted a report (No. 1051) thereon.

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which was referred the bill (H. R. 4831) authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe, reported it without amendment and submitted a report (No. 1052)

Mr. TOBEY, from the Committee on Claims, to which was referred the bill (H. R. 5704) to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart, reported it without amendment.

Mr. BURKE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 5350. A bill for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia (Rept. No. 1055)

H. R. 5894. A bill for the relief of John E. Garrett (Rept. No. 1056):

H. R. 5895. A bill for the relief of James D. Larry, Sr. (Rept. No. 1057);

H.R. 6492. A bill for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex. (Rept. No. 1058); and

H.R. 7049. A bill for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes (Rept. No. 1059).

Mr. BURKE also, from the Committee on Claims, to which was referred the bill (H. R. 6808) for the relief of Matilda Larned Bouck, reported it with an amendment and submitted a report (No. 1060) thereon.

Mr. BROWN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3689. A bill for the relief of the Columbus Iron Works Co. (Rept. No. 1061):

H. R. 4033. A bill for the relief of Albert R. Rinke (Rept No. 1062):

H. R. 4252. A bill for the relief of J. George Bensel Co. (Rept. No. 1063);

H. R. 4875. A bill for the relief of Mamie Hoffman (Rept. No. 1064):

H. R. 5338. A bill for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr (Rept. No. 1065);

H. R. 5803. A bill for the relief of Clyde Equipment Co. (Rept. No. 1066);

H. R. 6362. A bill for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner (Rept. No. 1067);

H.R. 6490. A bill for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department (Rept. No. 1068); and

H. R. 6491. A bill for the relief of Roscoe B. Huston and Simeon F. Felarca (Rept. No. 1069).

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 320) to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939," reported it without amendment, and submitted a report (No. 1070) thereon.

He also, from the same committee, to which was referred the joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes, reported it with an amendment and submitted a report (No. 1071) thereon.

He also, from the same committee, to which were referred the following resolutions, reported them adversely and sub-

mitted reports thereon:

S. Res. 174. Resolution for an investigation of negotiations by American citizens with the Mexican Government concerning certain oil sales (submitted by Mr. Neely on the 31st instant) (Rept. No. 1072); and

S. Res. 177. Resolution authorizing an investigation of negotiations by American citizens or officials with the Mexican Government concerning certain oil sales (submitted by

Mr. BRIDGES on the 31st instant) (Rept. No. 1073).

He also, from the Committee on the Judiciary, to which was referred the bill (S. 2773) to authorize the payment of compensation to recess appointees in certain cases, reported it with amendments and submitted a report (No. 1079) thereon.

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which were referred the following bills, reported them each without amendment and submitted re-

ports thereon:

H. R. 139. A bill to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities (Rept. No. 1076); and

H.R. 5584. A bill to amend the Canal Zone Code (Rept.

No. 1077).

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H.R. 6021. A bill to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site

(Rept. No. 1080); and

H. J. Res. 341. Joint resolution to dissolve the United States Supreme Court Building Commission (Rept. No. 1081).

PLAYA DE FLOR LAND & IMPROVEMENT CO.

On motion by Mr. HAYDEN, the Committee on Claims was discharged from the further consideration of the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, and it was referred to the Committee on Interoceanic Canals.

Mr. HAYDEN subsequently, from the Committee on Interoceanic Canals, to which was referred the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, reported it with an amendment and submitted a report (No. 1078) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BONE:

S. 2933. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. DANAHER:

S. 2934. A bill to further limit the rate of interest charged upon loans secured by liens on United States Government life (converted) insurance; to the Committee on Finance.

By Mr. LA FOLLETTE (for himself, Mr. Wheeler, and Mr. Schwellenbach):

S. 2935. A bill to remove the depressing economic effects of excessive farm-mortgage debts and prevent the further in-

crease of farm tenancy due to mortgage foreclosures, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. TAFT:

S. 2936. A bill granting an increase of pension to Addie R. Partlow;

S. 2937. A bill granting a pension to Belle Robinson;

S. 2938. A bill granting an increase of pension to Nancy Abbott;

S. 2939. A bill granting an increase of pension to Sadie M. Waitman:

S. 2940. A bill granting an increase of pension to Emma M. Brown;

S. 2941. A bill granting an increase of pension to Mary I. Converse;

S. 2942. A bill granting an increase of pension to Abigail Highee:

S. 2943. A bill granting an increase of pension to Laura Moore:

S. 2944. A bill granting an increase of pension to Irvin O. Carson:

S. 2945. A bill granting a pension to Edith E. Pyle; and

S. 2946. A bill granting a pension to Callie Smith; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

S. 2947. A bill authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

S. 2948. A bill for the relief of Mrs. Clifford Drake Davidson; to the Committee on Claims.

By Mr. SCHWELLENBACH:

S. 2949. A bill to transfer the administration of the Commodity Exchange Act, as amended, and the Packers and Stockyards Act, 1921, as amended, to the Securities Exchange Commission; to the Committee on Agriculture and Forestry.

Mr. DANAHER. Mr. President, on behalf of the junior Senator from New Jersey [Mr. Barbour], I introduce for proper reference a joint resolution requesting the President to proclaim February 11 as Edison Day, in commemoration of the birthday of Thomas Alva Edison.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

By Mr. DANAHER (for Mr. BARBOUR):

S. J. Res. 180. Joint resolution requesting the President to proclaim February 11 as Edison Day, in commemoration of the birthday of Thomas Alva Edison; to the Committee on the Judiciary.

Mr. TRUMAN. Mr. President, I introduce for proper reference a joint resolution which confirms the action of the Legislatures of the States of Missouri and Iowa over the boundary between the two States. It is introduced for the senior Senator from Missouri [Mr. Clark] and myself and the Senators from Iowa [Mr. Herring and Mr. Gillette].

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

By Mr. TRUMAN (for himself, Mr. Clark of Missouri, Mr. Herring, and Mr. Gillette):

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States; to the Committee on the Judiciary.

By Mr. PEPPER:

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress; to the Committee to Audit and Control the Contingent Expenses of the Senate.

REIMBURSEMENT OF COTTON COOPERATIVE ASSOCIATIONS—AMENDMENT

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes, which was ordered to lie on the table and to be printed.

SALE OF AGRICULTURAL COMMODITIES HELD BY COMMODITY CREDIT CORPORATION-AMENDMENTS

Mr. GEORGE. Mr. President, I send to the desk notice of amendments proposed to be offered to Senate bill 2904, to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation, the so-called barter bill, and to House bill 7171.

In order that Senators interested may know, I will say that the amendments provide that notwithstanding any other provision of law, no part of the funds appropriated by section 32 of the Agricultural Adjustment Act, as amended, and no part of the fund appropriated by the Agricultural Appropriation Act of 1939 shall be used for the purpose of paying bounties, subsidies, or benefits in connection with the exportation of unmanufactured cotton.

I ask that the amendments be printed separately and lie on the table.

The VICE PRESIDENT. Without objection, it is so ordered.

THIRD DEFICIENCY APPROPRIATIONS-AMENDMENTS

Mr. McCARRAN submitted amendments intended to be proposed by him to House bill 7462, the third deficiency appropriation bill for 1939, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for expenditure by the Department of Agriculture for the fiscal year ending June 30, 1940, the sum of \$6,500, as an additional amount for Mormon cricket control research activities at the cricket research laboratory at Bozeman, Mont.; and the sum of \$15,000, for the purchase of airplanes and mechanical spreaders and for salaries and expenses incident to conducting experiments in the development of better methods of applying cricket bait.

At the proper place in the bill to insert the following new section:

Sec. —. Section 15 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is amended to read as follows:

"Sec. 15. (a) The Federal Works Administrator (hereinafter referred to as the 'Administrator') shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule. such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less urbanized areas.

"(b) The rates of pay for persons engaged upon projects financed

"(b) The rates of pay for persons engaged upon projects financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938."

NOTICES OF MOTIONS TO SUSPEND THE RULE-AMENDMENTS

Mr. MURRAY submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes the following amendment viz: for other purposes, the following amendment, viz:

At the end of the bill insert the following new section: SEC. —. Subsection (b) of section 16 of the Emergency Relief Appropriation Act of 1939 is hereby amended to read as follows:

"(b) Employable persons who have been certified as in need of employment for a period of 3 months or more shall have preference in employment over persons who have had active employment status on such works projects continuously for 18 months or more: Provided, That this shall not result in the discharge of a person employed on works projects where he has made a reasonable effort to find suitable private employment nor where project operations would suffer from his discharge nor where unusual hardship would result from such discharge."

Mr. MURRAY submitted an amendment intended to be proposed by him to House bill 7462, the third deficiency appropriation bill, 1939, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing

Mr. LA FOLLETTE (for himself and Mr. Wheeler) submitted the following notice in writing, which was read:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation bill, 1939, the following amendment for the Senator from Montana [Mr. Wheeler] and myself, viz:

At the proper place insert the following:
"To remove the depressing economic effects of excessive farmmortgage debts, and prevent the further increase of farm tenancy due mortgage debts, and prevent the further increase of farm tenancy due to mortgage foreclosures, the Secretary of Agriculture shall be authorized, out of any funds of the Federal Farm Mortgage Corporation as he finds available, to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service. Such loans shall be subject to titles I and IV of the Bankhead-Jones Farm Tenant Act, but may be made without regard to the provisions of section 4 of said act. The Secretary of Agriculture shall administer the provisions of this section, and all represents on account of such leans shall be credited to the account. repayments on account of such loans shall be credited to the account of the Federal Farm Mortgage Corporation."

Mr. LA FOLLETTE (for himself and Mr. Wheeler) submitted an amendment intended to be proposed by them to House bill 7462, the third deficiency appropriation bill, 1939, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing notice)

INVESTIGATION OF CERTAIN HYDROELECTRIC AND RECLAMATION PROJECTS IN NEBRASKA

Mr. BRIDGES submitted the following resolution (S. Res. 179), which was referred to the Committee on Commerce:

Whereas the Public Works Administration has committed the Federal Government to the construction of three hydroelectric and reclamation projects in the State of Nebraska, commonly known as the Loup River project, the Central Valley project, and the Platte River project; and

Whereas investigations and studies by the Corps of Engineers of the United States Army, by the Reclamation Bureau, and, in the case of the Central Valley project, by the Public Works Administra-tion engineers, had adversely reported on these projects as imprac-ticable from the standpoint both of sound engineering and sound economics; and

Whereas the Central Valley project was authorized with the full knowledge of the Public Works Administration that the waters to be diverted from the Platte River had already been overappropriated by water users within the watershed of the Platte Valley; and

Whereas the stream bed below the site of the Kingsley Dam (now under construction) was on July 27, 1939, entirely dry for a stretch of more than 100 miles, and that the same stream was entirely dry at this stretch for 222 consecutive days in a recent year; and

Whereas to further Federal power and jurisdiction over the Platte River the Federal Power Commission has claimed jurisdiction over this dry western stream on the absurd fiction that it is navigable; and

Whereas the Kingsley Dam, planned to be the second largest earth-filled dam in the world, will have a storage capacity of 2,000,000 acre-feet of water while the total average discharge of the river at that point is recorded as 1,500,000 acre-feet; and

Whereas the Loup River project was undertaken soon after an adverse report by the Corps of Engineers on engineering and economic grounds, which have since been amply justified; and

Whereas seepage, silt, and ice conditions, erratic stream flow, lack of market for electric energy, and other faults give cause for grave concern that many millions of dollars have been squandered in the face of official adverse reports; and

Whereas political considerations may have controlled the granting of funds for these projects, according to widely spread and never denied charges, particularly as to the peculiar circumstances sur-rounding the authorizations for the Central Valley project; and

Whereas numerous charges of discrimination against water users; unduly high commissions to banking interests; of coercion of local participants; of favoritism to engineering firms composed of former Nebraska employees of the Public Works Administration; of coercion of the local boards and authorities in charge of the projects by the Public Works Administration or its field representatives; of lawless infringement of State water laws; of unsound financing; of poor construction and engineering; of incompetence and inefficiency; of lobbying in the State legislature; of false and misleading propaganda and pressure on local newspapers; of unwholesome political activity; and

Whereas the conditions set forth above, if true, create a situation of grave concern to the Nation, threatening the orderly processes of law and of government, destructive of local self-government, establishing a bureaucratic supergovernment within the framework of

democratic forms which might prove dangerous to the continuance of free democracy if established in the Nation: Now, therefore, be it Resolved, That the Senate Commerce Committee, or any subcom-

mittee thereof, is authorized and directed to make a complete study of and report to the Senate upon all of the matters referred to in this resolution and any other matters pertinent to such an inquiry,

this resolution and any other matters pertinent to such an inquiry, with a special view to making specific recommendations for necessary remedial legislation; and be it further

Resolved, That for the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold public hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate during the Seventy-sixth and succeeding Congresses; to employ such experts and clerical, stenographic, and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expense of the committee, or any duly authorized subcommittee, hearings shall not be in excess of 25 cents per 100 words. The expense of the committee, or any duly authorized subcommittee, which shall not exceed \$100,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or any duly authorized subcommittee thereof.

MOTHER'S DAY

[Mr. Barkley asked and obtained leave to have printed in the RECORD an article on Mother's Day by Dan McConnell, of Camden, N. J., which appears in the Appendix.]

ADDRESS BY STEPHEN F. CHADWICK BEFORE AMERICAN BAR ASSO-CIATION MEETING

[Mr. Burke asked and obtained leave to have printed in the RECORD an address delivered by Stephen F. Chadwick, national commander of the American Legion, at the annual dinner of the American Bar Association at San Francisco, Calif., July 13, 1939, which appears in the Appendix.]

JUDICIAL APPOINTMENTS

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial from the Pittsburgh Sun, of Pittsburgh, Kans., of the issue of July 28, 1939, on the subject of the appointment of judges, which appears in the Appendix.]

THIRTIETH ANNIVERSARY OF AMERICAN AVIATION

[Mr. Lundeen asked and obtained leave to have printed in the RECORD articles and data relating to the development of aviation, which appears in the Appendix.]

TIME AND TIDE

[Mr. NyE asked and obtained leave to have printed in the RECORD an editorial by Herbert Agar, published in the Louisville Courier Journal of March 29, 1939, entitled "Time and Tide," which appears in the Appendix.]

SHIPMENT OF MUNITIONS TO JAPAN

[Mr. NyE asked and obtained leave to have printed in the RECORD an article in the Christian Science Monitor of June 27, 1939, under the headline, "Where Japan Gets Its Guns-United States Found Leading Provider," which appears in the Appendix.]

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES-EDITORIAL FROM PHILADELPHIA RECORD

[Mr. Guffey asked and obtained leave to have printed in the Record an editorial from the Philadelphia Record of issue of August 2, 1939, relative to the action of the House of Representatives in connection with Senate bill 2864 to provide for the financing of a program of recoverable expenditures, and for other purposes, which appears in the

BUSINESS IMPROVEMENT

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an editorial by Arthur Krock entitled "The First Harbinger of Good Business News," an editorial from Labor entitled, "Nature Mocks Intelligence of Men." and an article by David Lawrence entitled "Senate Gives 'Go' Signal to Business," which appear in the Appendix.]

CONVEYANCE OF EASEMENTS TO CITY OF NEW YORK-RECOMMITTAL OF BILL

Mr. WALSH. Mr. President, on July 14 the Senate passed Senate bill 2662, authorizing the Secretary of the Treasury to convey an easement in certain lands to the city of New York, and for other purposes. I reported the bill favorably from the Committee on Public Buildings and Grounds. It was introduced by the Senator from New York [Mr. WAGNER].

On the day after the bill was passed I moved that the vote by which the bill was passed be reconsidered. That motion is pending. I ask unanimous consent that the vote by which the bill was passed be reconsidered, and that the bill be recommitted to the Committee on Public Buildings and Grounds.

The VICE PRESIDENT. Without objection, the vote by which the bill was passed will be reconsidered, and the bill will be recommitted, as requested by the Senator from Massachusetts.

AMENDMENT OF PATENT STATUTES-MOTION TO RECONSIDER

Mr. WHEELER. Mr. President, I enter a motion to reconsider the vote by which Senate bill 2688, to amend section 4884 of the Revised Statutes (U. S. C., title 35, sec. 40), was passed yesterday. I was out of the Chamber at the time, otherwise I should have objected to the passage of the bill.

The VICE PRESIDENT. The motion will be entered.

J. C. GRICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 891) for the relief of J. C. Grice, which was, on page 1, line 12, to strike out all after the word "Provided", down to and including "\$1,000" in line 12 of page 2, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. BAILEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 1708) to amend the Employers' Liability Act, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2346) for the relief of Virgil Kuehl, a minor.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The message also announced that the House had passed a bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 839) to amend the Retirement Act of April 23, 1904.

The message informed the Senate that Mr. Jenkins of Ohio had been appointed manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes, vice Mr. KNUTSON, resigned.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 5. An act to grant certain lands to the Arizona State Elks Association Hospital;

S. 68. An act for the relief of the San Francisco Moun-

tain Scenic Boulevard Co.;

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin

Islands:

- S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.; .
 - S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire; S. 1081. An act for the relief of John B. Jones;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

- S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;
- S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good
- S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

- S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;
- S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;
- S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky:
 - S. 1527. An act for the relief of Joseph Lopez Ramos;
 - S. 1688. An act for the relief of Joseph W. Parse;
 - S. 1722. An act for the relief of Hannis Hoven;
- S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;
 - S. 1812. An act for the relief of A. E. Bostrom;
- S. 1823. An act for the relief of William E. Cowen; S. 1874. An act to amend the Criminal Code in regard to
- obtaining money by false pretenses on the high seas; S. 1882. An act for the relief of Thomas A. Ross;
- S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men:
- S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;

- S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;
 - S. 2061. An act for the relief of William Hillock;
- S. 2067. An act for the relief of Leslie J. Frane and Charles Frane;
 - S. 2082. An act for the relief of Hugh A. Smith;
 - S. 2114. An act for the relief of Virginia Pearson:
- S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Depart-
- S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.;
- S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a

bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign coun-

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 2366. An act for the relief of Franklin C. Richardson;

S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells);

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.;

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Admin-

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.;

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decora-

tion from the Norwegian Government;

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa:

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St.

Georges. Del.:

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County. Ind.:

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes;

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of

the United States," approved June 22, 1936;

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 543. An act for the relief of Imogene Enley;

H.R. 1177. An act for the relief of Bessie Bear Robe:

H. R. 1436. An act for the relief of William H. Keesey;

H.R. 1881. An act for the relief of Anne Boice;

H. R. 2102. An act for the relief of Ada Fuller; H. R. 2514. An act for the relief of G. E. Williams;

H. R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H. R. 2971. An act for the relief of certain Indians of the

Winnebago Agency;

H. R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15);

H. R. 3084. An act for the relief of Violet Dewey;

H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;

H. R. 3215. An act to amend the act of March 2, 1929 (45

H.R. 3337. An act for the relief of the estate of Arthur Weltner:

H.R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six. S. C.:

H. R. 3795. An act to provide a right-of-way through the Chilkoot Barracks Military Reservation, Alaska;

H. R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor;

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H. R. 4264. An act for the relief of Corabell Wuensch,

Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publications:

H. R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia:

H. R. 4609. An act for the relief of Charles Enslow;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H.R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes;

H. R. 4783. An act to provide a right-of-way;

H. R. 4784. An act to provide a right-of-way;

H. R. 4847. An act for the relief of Leland J. Belding;

H. R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H. R. 5450. An act to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed;

H. R. 5516. An act for the relief of Charlotte E. Hunter; H. R. 5743. An act for the relief of Walter C. Holmes;

H.R. 5912. An act authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H. R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H. R. 6114. An act to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and

for other purposes;

H.R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions;

H.R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other acts of Congress, and to

provide that certain motorboats shall not be required to carry on board copies of the pilot rules;

H. R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry;

H. R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H. R. 6538. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6539. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6540. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6541. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws;

H.R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U.S. C., title 35, secs. 31, 32,

69, and 73);

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63);

H. R. 6875. An act to amend section 4903 of the Revised Statutes (U. S. C., title 35, sec. 51);

H. R. 6899. An act granting pensions to certain veterans of the Civil War;

H. R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps;

H. R. 7086. An act to provide for insanity proceedings in the District of Columbia:

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate

International Exposition of 1939; H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects:

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio;

H. J. Res. 315. Joint resolution to provide for the adjudication by a Commissioner of Claims of American nationals against the Government of the Union of Soviet Socialist Republics; and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, was read twice by its title and referred to the Committee on Interoceanic Canals.

SIGVARD C. FORO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1092) for the relief of Sigvard C. Foro, which were, on page 1, line 4, to strike out all after "money" down to and including "Corps" in line 6 and insert "in the Treasury not

otherwise appropriated": on page 1. line 7, to strike out "\$3,621.75" and insert "\$2,500"; and on page 1, line 12, to strike out all after "Provided," down to and including "\$1,000" in line 12 of page 2 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. SHIPSTEAD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

RUSSELL B. HENDRIX

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2408) for the relief of Russell B. Hendrix, which was, on page 1, lines 6 and 7, to strike out "\$4,701.75. Such sum shall be" and insert "\$3,851.75."

Mr. MINTON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MONTIE S. CARLISLE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1816) for the relief of Montie S. Carlisle, which was, on page 1, line 6, to strike out "\$1,000" and insert "\$500."

Mr. CHAVEZ. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ELIZABETH E. BURKE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1905) for the relief of Elizabeth E. Burke, which was, on page 1, line 11, to strike out all after "Provided," down to and including "\$1,000" in line 11 of page 2 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CALL OF THE CALENDAR DISPENSED WITH

The VICE PRESIDENT. Routine morning business is closed. The Calendar under Rule VIII is in order.

that the call of the calendar be dispensed with. The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, I ask unanimous consent

AMENDMENT OF SECTION 77 OF BANKRUPTCY ACT AS TO PREFERRED CLAIMS

Mr. TRUMAN. Mr. President, I ask unanimous consent that the vote by which Senate bill 2654, to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims, was passed yesterday be reconsidered for the purpose of striking from the bill two amendments which were adopted inadvertently, the last two amendments in the bill. I have the consent of the Senator from Vermont [Mr. Austin] and the Senator from Nebraska [Mr. Burke], who composed the subcommittee of the Committee on the Judiciary, which reported the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri? The Chair hears none, and the vote is reconsidered.

Mr. AUSTIN. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. AUSTIN. Has the Senate accepted and passed Senate bill 2654 as so amended?

The VICE PRESIDENT. Does the Senator refer to the bill covered by the request of the Senator from Missouri?

Mr. AUSTIN. I refer to that bill.

The VICE PRESIDENT. The Chair refers the inquiry to the Senator from Missouri.

Mr. TRUMAN. I did not hear the question. Mr. AUSTIN. My question was a parliamentary inquiry, as to whether the Senate by its act has agreed to the bill as amended in the manner suggested by the Senator from Mis-

Mr. TRUMAN. That is a question I refer to the Vice President.

The VICE PRESIDENT. The Chair put the request of the Senator from Missouri and there was no objection so the Chair assumed that the Senate agreed to the request.

Mr. AUSTIN. I ask unanimous consent that the bill as

so corrected be passed by the Senate.

The VICE PRESIDENT. Without objection, the votes by which the amendments on page 2, lines 2 and 4, were agreed to are reconsidered, and the question is on agreeing to the amendment on page 2, line 2.

The amendment was rejected.

The VICE PRESIDENT. The question is now on the amendment on page 2, line 4.

The amendment was rejected.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of section 77, subsection (n), of the Bankruptcy Act, as amended, be further amended to read as follows:

(n) In proceedings under this section, and in equity receiverships of railroad corporations now or hereafter pending in any court of the United States, claims for personal injuries to employees of a railroad corporation, claims of personal representatives of deceased employees of a railroad corporation, arising under State or Federal laws and claims now or hereafter payable by the company of th State of Federal laws and claims now of nereaster payable by sureties upon supersedeas, appeal, attachment, or garnishment bonds, executed by sureties without security, for and in any action brought against such railroad corporation or trustees appointed pursuant to this section, shall be preferred and paid out of the assets of such railroad corporation as operating expenses of such

SALE OF SURPLUS AGRICULTURAL COMMODITIES

Mr. BYRNES. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2904.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation.

The bill is as follows:

The bill is as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Commodity Credit Corporation, upon terms, conditions, and in quantities prescribed by the Secretary of Agriculture and approved by the President, is authorized to sell surplus agricultural commodities, acquired by such corporation through its loan operations, to foreign governments on the condition that, except for rotation to prevent deterioration, such commodities shall be held in reserve by such governments for a period of not less than 5 years from the date of acquisition, and shall not be disposed of unless a war or war emergency results in a serious interruption of normal supplies of such commodities: Provided, That under this act no concession below the prevailing world market price for the unrestricted use of such commodities, as determined by the Secretary of Agriculture, shall be granted, in consideration of the obligation assumed by such governments to hold such commodities in reserve as required hereinbefore, in excess of a maximum amount equal to the carrying charges, as estimated by the Secretary of Agriculture, that would be incurred if such commodities should be held for an additional 18 months' period by the Commodity Credit Corporation.

PERNICIOUS POLITICAL ACTIVITIES (S. DOC. NO. 105

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to lie on the table, and to be printed:

To the Congress of the United States:

Because there have been so many misrepresentations, some unpremeditated, some deliberate, in regard to the attitude of the executive branch of the Government in relation to Senate bill 1871, "An act to prevent pernicious political activities," and because a number of questions have been raised as to the meaning and application of some of its provisions, I deem it advisable at the time of Executive approval to make certain observations to the Congress of the United States.

The genesis of this legislation lies in the message of the President of January 5, 1939, respecting an additional appropriation for the Works Progress Administration. I said in that message:

It is my belief that improper political practices can be eliminated only by the imposition of rigid statutory regulations and penalties by the Congress, and that this should be done. Such penalties should be imposed not only upon persons within the administrative organization of the Works Progress Administration but also upon outsiders who have in fact in many instances been the principal offenders in this regard. My only reservation in this matter is that no legislation should be enacted which will in any way deprive workers on the Works Progress Administration program of the civil rights to which they are entitled in common with other citizens.

Furthermore, in applying to all employees of the Federal Government (with a few exceptions) the rules to which the civil-service employees have been subject for many years, this measure is in harmony with the policy that I have consistently advocated during all my public life, namely, the wider extension of civil service as opposed to its curtailment.

It is worth noting that nearly all exemptions from the civil service which have been made during the past six years and a half have originated in the Congress itself and not in the Executive.

Furthermore, it is well known that I have consistently advocated the objectives of the present bill. It has been currently suggested that partisan political reasons have entered largely into the passage of the bill: but with this I am not concerned, because it is my hope that if properly administered the measure can be made an effective instrument of good government.

As is usual with all bills passed by the Congress, this bill has been examined, on its receipt at the Executive Offices, by the appropriate departments or agencies, in this case the Attorney General of the United States and the Civil Service Commission.

The Attorney General has advised me that it seems clear that the Federal Government has the power to prescribe as qualifications for its employees that they refrain from taking part in other endeavors which, in the light of common experience, may well consume time and attention required by their duties as public officials. He points out, however, that such qualifications cannot properly preclude Government employees from the exercise of the right of free speech or from their right to exercise the franchise.

The question of constitutionality being resolved in favor of the bill, our next inquiry relates to the exercise and preservation of these rights. It is obvious that the intent of the bill is to follow broadly the provisions of civil-service regulations that have existed for many years in regard to political activities of Federal employees.

It is because I have received and will continue to receive so many queries asking what a Government employee may or may not do that it seems appropriate at the outset to postulate the broad principle that if the bill is administered in accord with its spirit, and if it is in the future administered without abuse, oppression, or groundless fear, it will serve the purpose intended by the Congress.

For example, I have been asked by employees of the Government whether under this law they would lose their positions if they merely attend political meetings. The answer is, of course, "No."

I have been asked whether they would lose their positions if they contributed voluntarily to party or individual campaign funds without being solicited. The answer is, of course "No."

I have been asked whether they would lose their positions if they should merely express their opinion or preference publicly—orally, by radio, or in writing—without doing so as part of an organized political campaign. The answer is "No."

I have been asked if citizens who have received loans from the Home Owners' Loan Corporation, from the Farm Credit Administration or its subsidiaries, from the Farm Security Administration, from the Reconstruction Finance Corporation, and other Government lending agencies, would be subject to the terms of this bill. The answer is "No."

I have been asked whether farmers receiving farm benefits would be bound by the terms of the bill. Again the answer is "No."

I have been asked if Government employees who belong to Young Republican Clubs, Young Democratic Clubs, Civil Service Reform Associations, the League of Women Voters, the American Federation of Labor, the Congress of Industrial Organizations, and similar bodies are subject to the penalties of the measure because of mere membership in these organizations. The answer is "No."

There will be hundreds of similar questions raised in the actual administration and enforcement of this bill. Such questions will be asked in most cases by individuals in good faith. And it is only fair that they should receive an answer. I am, therefore, asking the Attorney General to take the necessary steps through the new civil-liberties unit of the Department of Justice in order that the civil rights of every Government employee may be duly protected and that the element of fear may be removed.

I have been asked if the bill applies to veterans—Civil War, Indian wars, the War with Spain, the World War—retired officers and men of the Army, Navy, and Marine Corps who, though not Government employees, are receiving benefits or pensions of one kind or another. The answer is, of course, "No."

I have been asked if the act applies to those who get Government benefits under the Social Security Act in the form of old-age pensions or in the form of unemployment compensation. The answer is "No."

Finally, I have been asked various questions relating to the right of a Government employee publicly to answer unwarranted attacks made on him or on his work or on the work of his superiors or on the work of his subordinates, notwithstanding the fact that such attacks or misrepresentations were made for political purposes by newspapers or by individuals as a part of a political campaign.

This raises the interesting question as to whether all Government officials except the President and Vice President, persons in the office of the President, heads and assistant heads of executive departments and policy-determining officers appointed by and with the advice and consent of the Senate, must remain mute if and when they or the work with which they are concerned are attacked and misrepresented in a political campaign or preliminary thereto.

It will be noted that the language of the bill wholly excludes members or employees of the legislative branch of the Government from its operation.

It can hardly be maintained that it is an American way of doing things to allow newspapers, magazines, radio broadcasters, Members and employees of the Senate and House of Representatives, and all kinds of candidates for public office and their friends to make any form of charge, misrepresentation, falsification, or vituperation against the acts of any individual or group of individuals employed in the executive branch of the Federal Government with complete immunity against reply except by a handful of high executive officials. That, I repeat, would be un-American because it would be unfair, and the great mass of Americans like fair play and insist on it. They do not stand for any gag act.

It is, therefore, my considered opinion, in which the Attorney General of the United States joins me, that all Federal employees, from the highest to the lowest, have the right publicly to answer any attack or misrepresentation, provided, of course, they do not make such reply as part of active participation in political campaigns.

The same definition of fair and proper administration of the bill applies to the right of any Government employee, from the highest to the lowest, to give to the public factual information relating to the conduct of Government affairs. To rule otherwise would make it impossible for the people of the United States to learn from those who serve the Government vital, necessary, and interesting facts relating to the manifold activities of the Federal Government. To rule otherwise would give a monopoly to originate and disseminate information to those who, primarily for political purposes, unfortunately have been given to the spreading of false information. That again is unfair and, therefore, un-American.

It is, I am confident, the purpose of the proponents of this legislation that the new law be thus administered so that the right of free speech will remain, even to those who serve their Government; and that the Government itself shall have full right to place all facts in its possession before the public. If some future administration should undertake to administer this legislation to the detriment of these rights, such action would be contrary to the purpose of the act itself and might well infringe the constitutional rights of citizens. I trust that public vigilance will for all time prevent this.

The Attorney General calls my attention to a practical difficulty which should be corrected by additional legislation as soon as possible. For many years there has been an exception to the civil-service regulations whereby employees permanently residing in the District of Columbia or in municipalities adjacent thereto may become candidates for or hold municipal office in their municipalities. This and a few similar exceptions should, I believe, be maintained.

The other question relates to the fact that the bill does not in any way cover the multitude of State and local employees who greatly outnumber Federal employees and who may continue to take part in elections in which there are candidates for Federal office on the same ballot with candidates for State and local office. It is held by many who have examined the constitutional question that because the Congress, under the Constitution, may maintain the integrity of Federal elections, it has the power to extend the objectives of this bill so as to cover State and local government employees who participate actively in Federal elections. This is at least worth the study of the Congress at its next session and therefore before the next Federal election.

It is because for so many years I have striven in public life and in private life for decency in political campaigns, both on the part of government servants, of candidates, of newspapers, of corporations, and of individuals that I regard this new legislation as at least a step in the right direction.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 2, 1939.

Mr. AUSTIN. Mr. President-

The VICE PRESIDENT. The message from the President will lie on the table, unless the Senator from Vermont has some motion he wishes to make.

Mr. AUSTIN. Mr. President, I wish to comment on the message from the President.

Mr. President, it is a matter of gratification that the President has signed and signified his approval of the Hatch bill. I believe that among the great principles in which the people of the United States have been concerned, and about which they have been apprehensive, is the purity or the sanctity of their ballot, and the right to exercise it, free from coercion. I think it is notable that the President makes the claim, as follows:

The genesis of this legislation lies in the message of the President of January 5, 1939.

And so forth. Without derogating more than necessarily from the credit which obviously the President of the United States now attempts to gain by assenting to this act, I simply call the attention of the Senate to the RECORD of June 2, 1938, page 8000, where there is recorded an earlier indication of the theory which is carried into effect by agreement to this act of the Congress. There appears the record of the action taken by the Senate on Senator HATCH's amendment to House Joint Resolution 679, the Relief and Work Relief Appropriation Act of 1938.

Mr. President, I ask unanimous consent to have transcribed into the RECORD a true copy of the amendment then offered by the Senator from New Mexico [Mr. HATCH] on which the vote was—yeas 37, nays 40.

On the following day—that is, June 3, 1938—there occurred events, recorded at page 8140 of the RECORD, which show that the genesis of the act recently approved was a long time prior to January 5, 1939, and from an entirely different source, which I think does not deserve the charge or the reflection of being in any degree partisan, for the amendment which then was acted upon by the Senate came from this side of the The one to which I first alluded came from the Democratic side of the aisle. The other amendment came from the Republican side of the aisle. I ask unanimous consent to have inserted in the RECORD the amendment there recorded to House Joint Resolution 679, the Relief and Work Relief Appropriation Act of 1938.

I read only a part of it to show the striking similarity between the proposals then made and the measure which was assented to so recently by the President:

SEC. (a) No part of any appropriation in this act shall be used for any political purpose, and no authority conferred by this act upon any person shall be exercised or administered for any

(b) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to use or threaten to use his official authority or influence for any of the following purposes:

Then there are several purposes enumerated, beginning

(1) To interfere with, restrain, or coerce any individual in the exercise of his right to vote at any primary or other election.

And it concludes with a penalty:

(f) Any person who violates any provision of this section shall be punished, if such person is an individual, by a fine of not more than \$5,000, or by imprisonment for not more than 3 years, or both, and in all other cases by a fine of not more than \$25,000.

Mr. President, I leave it safely in the hands of the Senate to judge whether this act is a political or nonpolitical act in the sense of partisanship. The question of who should have the credit matters not at all. The important fact is that we have now in effect a law which denounces the misuse or abuse of charity or relief, and of the power that necessarily has to go with it. I believe that this act, if honestly carried into effect, will take relief out of politics and take politics out of relief.

The PRESIDING OFFICER (Mr. King in the chair). Does the Senator from Vermont desire the matter to which he referred inserted in the RECORD?

Mr. AUSTIN. Yes. I ask unanimous consent to have inserted in the RECORD the entire text of the amendment which was offered on June 3, 1938, shown at pages 8139 and 8140 of the RECORD, and the vote thereon, the vote standing—yeas 33, nays 35—as well as the other matters to which I referred. Mr. President, I want it clear that my request covers the rollcall vote on those two amendments.

The PRESIDING OFFICER. The Chair so understood. Without objection, the request is granted.

The matters referred to are as follows:

[From p. 8000, vol. 83, pt. 7, 75th Cong., 3d sess.]

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment offered by the Senator from New Mexico [Mr. HATCH]

Mr. Hatch. Mr. President, I desire further to modify the amendment, so as to make it apply to title I.

Mr. McNary. Mr. President, may the amendment, as now modified, be stated?

The PRESIDENT pro tempore. The clerk will state the amendment in its latest modified form.

The Chief Clerk. It is proposed to insert, at the proper place, the

following:

following:

"No person employed in any administrative capacity by any agency of the Federal Government, whose compensation, or any part thereof, is paid from funds appropriated by title I of this act, shall use his official authority or influence for the purpose of interfering with or influencing a convention, a primary, or other election, or affecting the results thereof. Any such person shall retain the right to vote as he pleases and to express his opinions on all political subjects, but shall take no active part in political management or in political campaigns. Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds approprior office held by him, and thereafter no part of the funds appropriated by this act shall be used to pay the compensation of such person."

SEVERAL SENATORS. Vote! Mr. La Follette. I ask for the yeas and nays on the amendment. The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. Shipstead (when his name was called). I have a pair with the senior Senator from Virginia [Mr. Glass]. I am informed that if present he would vote as I shall vote. I therefore vote "yea."

The roll call was concluded.

Mr. Gerry. I announce that the Senator from Nebraska [Mr. Burke] is paired with the Senator from Oklahoma [Mr. Thomas].

If the Senator from Nebraska were present, I am informed that he would vote "yea"; and if the Senator from Oklahoma were present, I am informed that he would vote "nay."

Mr. Austin. I have been requested to announce the following

general pairs:
The Senator from New Hampshire [Mr. Bridges] with the Senator

from North Carolina [Mr. REYNOLDS].

The Senator from Pennsylvania [Mr. Davis] with the Senator

from Kentucky [Mr. Logan].

The Senator from North Dakota [Mr. Nyz] with the Senator from

South Carolina [Mr. SMITH].

Mr. Lewis. I announce that the Senator from Arizona [Mr. Ashurst] and the Senator from Oregon [Mr. Reames] are detained from the Senate because of illness.

The Senator from Massachusetts [Mr. Walsh] is delivering a com-mencement address at the Coast Guard Academy in New Lon-

The Senator from Nebraska [Mr. Burke], the Senator from Missouri [Mr. Clark], the Senator from Ohio [Mr. Donahey], the Senator from Wisconsin [Mr. Duffy], the Senator from Iowa [Mr. Gillette], the Senator from Virginia [Mr. Glass], the Senator from Arizona [Mr. Hayden], the Senator from Kentucky [Mr. Logan], the Senator from New Jersey [Mr. Milton], the Senator from North Carolina [Mr. Reynolds], the Senator from South Carolina [Mr. SMITH], and the Senator from Oklahoma [Mr. Thomas] are detained on important public business. on important public business.

The result was announced—yeas 37, nays, 40, as follows:

YEAS-37

Austin, Bailey, Berry, Borah, Bulkley, Byrd, Capper, Connally, Copeland, Frazier, George, Gerry, Gibson, Hale, Hatch, Holt, Johnson of California, King, La Follette, Lodge, Lonergan, McCarran, McNary, Maloney, Miller, Norris, O'Mahoney, Pope, Russell, Shipstead, Thomas of Utah, Townsend, Vandenberg, Van Nuys, Wagner, Wheeler, and White.

NAYS-40

Adams, Andrews, Bankhead, Barkley, Bilbo, Bone, Brown of Michigan, Brown of New Hampshire, Bulow, Byrnes, Caraway, Chavez, Dieterich, Ellender, Green, Guffey, Harrison, Herring, Hill, Hitchcock, Hughes, Johnson of Colorado, Lee, Lewis, McAdoo, McGill, McKellar, Minton, Murray, Neely, Overton, Pepper, Pittman, Radcliffe, Schwartz, Schwellenbach, Sheppard, Smathers, Truman, and Tydings.

NOT VOTING-19

Ashurst, Bridges, Burke, Clark, Davis, Donahey, Duffy, Gillette, Glass, Hayden, Logan, Lundeen, Milton, Nye, Reames, Reynolds, Smith, Thomas of Oklahoma, and Walsh.

So Mr. Harch's amendment, as modified, was rejected.

[From p. 8089, vol. 83, pt. 7, 75th Cong., 3d sess.]

Mr. Davis. * * I regret that I was not present in the Senate last evening, although I was paired. If I had been here I should have voted in favor of the so-called Hatch amendment.

[From p. 8135, vol. 83, pt. 7, 75th Cong., 3d sess.]

Mr. Austin. Mr. President, I offer an amendment, which I ask to have stated.

The Presiding Officer. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 29, after line 24, it is proposed to

insert the following:
"SEC. —. (a) No part of any appropriation in this act shall be used for any political purpose, and no authority conferred by this act upon any person shall be exercised or administered for any

such purpose.

"(b) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to use or threaten to use his official authority or influence for any

of the following purposes:

"(1) To interfere with, restrain, or coerce any individual in the exercise of his right to vote at any primary or other election;

"(2) To encourage or discourage membership in, or contribution

to, any political party by discrimination, threatened or executed, in regard to the granting or withholding of benefits, or the execution of any of the powers, functions, or purposes included in

this act;

"(3) To discriminate against any person in regard to benefits from the United States because such person has filed charges or given testimony with respect to any matter arising under this act;

"(4) To discriminate against any individual in regard to benefits from the United States because such individual has voted at any election according to his free choice, or because such person is a member of, or has made contributions to, the political party of his own choosing; or

"(5) To discriminate against any corporation in regard to benefits from the United States because any officer or director thereof

"(5) To discriminate against any corporation in regard to benefits from the United States because any officer or director thereof is a member of, or has made contributions to, the political party of his own choosing.

"(c) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to act as election official, ballot clerk, or watcher, or in any other similar capacity, at any polling place in any primary or other

"(d) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act, to solicit, persuade, or induce, by the exercise of his power to administer, supervise, regulate, or otherwise put into effect this act or any part thereof, contributions to a political party, or any agency

part thereof, contributions to a political party, or any agency thereof, for any purpose whatsoever.

"(e) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act, to be detailed to service, or to serve as a political campaign worker for any political party.

"(f) Any person who violates any provision of this section shall be punished, if such person is an individual, by a fine of not more than \$5,000, or by imprisonment for not more than 3 years, or both, and in all other cases by a fine of not more than \$25,000."

[From pp. 8139 and 8140, vol. 83, pt. 7, 75th Cong., 3d sess.]

The PRESIDENT pro tempore. The question is on agreeing to the

The President pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. Austin].

Mr. Vandenberg. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. Shipstead (when his name was called). I have a general pair with the Senator from Virginia [Mr. Glass], but I am informed that I am free to vote. I vote "yea."

The roll call was concluded.

Mr. Lewis, I announce that the Senator from Arizona [Mr. Ashurst] and the Senator from Oregon [Mr. Reames] are absent because of illness.

because of illness.

The Senator from Tennessee [Mr. Berry], the Senator from New Mexico [Mr. Chavez], the Senator from Missouri [Mr. Clark], the Senator from Illinois [Mr. Dieterich], the Senator from Ohio [Mr. Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senators from Iowa [Mr. GILLETTE and Mr. HERRING], the Senator from Virginia [Mr. GLASS], the Senators from Oklahoma [Mr. Lee and Mr. Thomas], the Senator from Minnesota [Mr. Lundeen], the Senator from Kentucky [Mr. Logan], the Senator from California [Mr. McAdoo], the Senator from Arkansas [Mr. MILLER], the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], the Senator from Maryland [Mr. Tydings], and the Senator from New York [Mr. WAGNEE] are detained on important public business. public business

Mr. Davis (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote, I transfer my pair to the junior Senator from North Dakota [Mr. Nye] and allow my vote to stand. I understand that if present the Senator from North Dakota [Mr. Nye]

would vote "yea." Mr. Frazier (after having voted in the affirmative). On this question I have a pair with the junior Senator from California [Mr. McAdoo], who is absent. I therefore withdraw my vote. I understand that if the Senator from California were present he would vote "nay."

Mr. Lewis. The Senator from Maryland [Mr. Tydings] has a pair with the Senator from Wisconsin [Mr. Duffy]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Wisconsin would vote "nay."

Mr. Austin. The Senator from New Hampshire [Mr. Bridges] has a general pair with the Senator from North Carolina [Mr. Reynolds]. If these Senators were present and voting the Senator from North Carolina would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 33, nays 35, as follows:

YEAS-33

Austin, Bailey, Bulkley, Burke, Byrd, Capper, Copeland, Davis, George, Gerry, Gibson, Hale, Hatch, Holt, Johnson of California, King, La Follette, Lodge, Lonergan, McCarran, McNary, Maloney, Norris, O'Mahoney, Pittman, Pope, Shipstead, Townsend, Vandenberg, Van Nuys, Walsh, Wheeler, White.

NAYS-35

Adams, Bankhead, Barkley, Bilbo, Bone, Brown of Michigan, Brown of New Hampshire, Bulow, Byrnes, Caraway, Connally, Ellender, Green, Guffey, Harrison, Hayden, Hill, Hitchcock, Hughes, Johnson of Colorado, Lewis, McGill, McKellar, Minton, Murray, Neely, Overton, Pepper, Radcliffe, Russell, Schwartz, Schwellenbach, Sheppard, Thomas of Utah, Truman.

NOT VOTING-28

Andrews, Ashurst, Berry, Borah, Bridges, Chavez, Clark, Dieterich, Donahey, Duffy, Frazier, Gillette, Glass, Herring, Lee, Logan, Lundeen, McAdoo, Miller, Milton, Nye, Reames, Reynolds, Smathers, Smith, Thomas of Oklahoma, Tydings, Wagner.

So Mr. Austin's amendment was rejected.

Mr. BARKLEY. I wish simply to say a word concerning the comment and observations of the Senator from Vermont. I am sure that the President of the United States, in making reference to his message of January 5, 1939, had no intention of seeking to deprive the Senator from New Mexico [Mr.

HATCH] of any credit for his long and persistent advocacy of legislation of this sort. The President's message on the 5th of January was, as I recall, the first official recommendation of any President in behalf of legislation of this nature. We are all familiar with the fact that prior to January 5 the Senator from New Mexico had offered the amendment to which reference has been made, and that during most of the last session of Congress the Senator from New Mexico urged legislation of this nature. If this be wise legislation, as I hope experience will prove, there will be sufficient credit for everyone who had anything to do with it, and I think it unnecessary to draw distinctions regarding who first suggested this legislation or under whose influence it may have been enacted.

ORDER OF BUSINESS

Mr. SCHWELLENBACH. Mr. President-

Mr. BARKLEY. Mr. President, if the Senator will permit me, I should like to say that yesterday, while the calendar was being called, a number of bills were passed over under objection. Among the bills thus passed over was one in which the Senator from Oklahoma [Mr. Thomas] is interested, and he gave notice that at the first opportunity he would seek to have that bill considered. The Senator from South Carolina [Mr. Byrnes] likewise indicated his desire to have considered the bill which he has now brought forward. The Senator from Florida [Mr. PEPPER] had indicated the same desire with reference to several bills in which he was interested. I assured all of them, during the call and following the call of the calendar, that they would be given opportunity today to move to take up those bills, respectively.

The Vice President asked me in what order the bills should be brought up and, of course, I had to take the responsibility of designating the order. As I indicated to the Vice President, it seemed to me that the Senator from Oklahoma had the first call because of what had transpired yesterday; likewise I thought that it would not take long to consider the bill on which the Senator from South Carolina [Mr. Byrnes] desired to have action, and, following that, the Senator from Florida [Mr. Pepper] would be recognized for the purpose of taking up the bill in which he is interested.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. BARKLEY. In a moment, Mr. President.

It seems that in making that arrangement regarding those bills, I overlooked the fact that just a few days ago the Senator from Washington [Mr. Schwellenbach] had given notice that he would seek permission today to address the Senate.

Mr. President, in making the arrangement regarding the presentation of the bills, I had no intention to deprive the Senator from Washington of his rights. I did not know from what was stated in the RECORD on that day, that he would seek recognition immediately upon the convening of the Senate today; because, as we all know, a Senator may speak on any subject during the consideration of any bill.

Let me say, Mr. President, that in trying to make arrangements for orderly procedure in connection with consideration of bills, I had no intention of depriving the Senator from Washington of the opportunity to proceed according to the arrangement which he had asked be made for today.

SALE OF SURPLUS AGRICULTURAL COMMODITIES

The Senate resumed consideration of the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation.

Mr. TYDINGS. Mr. President-

Mr. BYRNES. I yield to the Senator from Maryland. Mr. TYDINGS. Mr. President, I have a matter which I feel sure would not take more than a minute.

Mr. BYRNES. Mr. President, I do not think the bill I have will take more than a minute. Since 12 o'clock I have been trying to obtain consideration of it. Will the Senator

permit me to proceed?

Mr. President, I do not believe there will be any objection to the bill which is before the Senate, and which I believe can be disposed of in a very few minutes.

The bill proposes to authorize the Commodity Credit Corporation to sell for cash to foreign governments commodities to which the Corporation has acquired title. The bill is inspired by the fact that the Commodity Credit Corporation has proposals which would make it possible to sell approximately 175,000 bales of cotton stored in the United States, to which the Corporation has title.

We have been storing and holding the cotton, as Members of the Senate know, some of it since 1934. The carrying charges amount to \$4 per year per bale. That means that each year, on more than 11,000,000 bales, we are spending \$45,000,000 for warehouse and insurance charges, comprising

the carrying charges.

This proposal would mean that we would sell to two governments—the Governments of France and Switzerlandapproximately 175,000 bales of cotton. According to the proposal, it would be sold for cash, and there would be an agreement on the part of France and Switzerland that they would hold the cotton for 5 years. Because of the agreement to hold the cotton for 5 years, which would cause them to make a purchase with a restricted use, the Governments involved believe that they should be entitled to some concessions, because they could buy at the world price and sell when they pleased if there were no restriction. They believe there should be an incentive to them to make the purchase. They discussed the proposal of dividing the carrying charge which would be incurred by the United States Government for a period of 5 years if we continued to hold the cotton. However, there was an agreement in the tentative conversations that in no case would we give to them a concession of carrying charges in excess of the amount we would pay during 18 months.

If the cotton was sold, it would be sold for cash. Governments concerned would hold it for 5 years. amount paid would be the world price less the carrying charges for 18 months.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. DANAHER. Will the Senator please explain how the Commodity Credit Corporation acquires title to the cotton?

Mr. BYRNES. It acquires title because the cotton has been stored in warehouses upon notes from the farmers, some of them in 1934, some in 1937, and some in 1938. The notes provide that if they are not paid at maturity the Commodity Credit Corporation has the power to acquire title. Each year the notes have been extended. The Senator is familiar with the provisions of the law with reference to barter; but even without those provisions, the Commodity Credit Corporation has the right to acquire title. Under the terms of the notes, if the note is not paid at maturity, the Commodity Credit Corporation has the right to acquire title. It has acquired title to the 1934, 1937, and 1938 cotton.

Mr. DANAHER. Mr. President, will the Senator yield

further?

Mr. BYRNES. I yield.

Mr. DANAHER. Is there not a limitation in the act on the right to sell?

Mr. BYRNES. The act is an entirely different thing; and while the conditions set forth in the act apply only to the cotton involved, the notes provide that at maturity the Commodity Credit Corporation may acquire title. However, there is an act which provides that the cotton may not be sold for less than the loan value plus all the carrying charges, which makes it impossible to sell it.

Mr. DANAHER. The fact of the matter is that the Commodity Credit Corporation cannot sell any of the cotton, even though the notes are matured. Is that correct?

Mr. BYRNES. It cannot sell it because of the price.

Mr. DANAHER. In other words, we would suspend the operation of the act by such a bill as is now under consideration.

Mr. BYRNES. Yes.

Mr. DANAHER. One other question: Is it not obvious that if the governments referred should take the cotton referred to they would then not be going into the world market and buying our free cotton?

Mr. BYRNES. They would not be buying our free cotton. They would be buying the cotton which we have, and on which we are paying storage and carrying charges, which are costing us \$45,000,000 a year.

Mr. DANAHER. Is there not a supply of 6,000,000 or 7,000,000 bales of free cotton each year which these countries normally would buy if we should not pass the bill?

Mr. BYRNES. The governments could buy in the market if they wished to; and, of course, they would then have the right to use the cotton as they pleased.

Mr. DANAHER. Yes.

Mr. BYRNES. So far as the producer is concerned, any legislation which has been enacted has had in view the purpose of protecting the producer against the dumping of cotton on the market so long as he participated in the program of curtailment. That is why, unfortunately, we cannot sell what we have.

Mr. DANAHER. Mr. President, will the Senator yield for one further question?

Mr. BYRNES. I yield.

Mr. DANAHER. Does the Senator advocate that the Government adopt the policy now represented by the bill?

Mr. BYRNES. Absolutely, Mr. President. I think so long as we have 11,000,000 bales of cotton and it is costing the taxpayers \$45,000,000 a year to carry it, whenever it is possible for us to sell and obtain hard cash it is to our best interest to dispose of it. We cannot keep it forever. We have had some of it for 5 years, from 1934 to 1939. If we continue to carry it, the carrying charges will soon amount to as much as the value of the cotton.

Mr. DANAHER. I thank the Senator for his courtesy.

Mr. BYRNES subsequently said: Mr. President, I ask unanimous consent that the question be put upon the bill which I have presented to the Senate.

Mr. KING. Is the Senator now asking that the bill be passed?

Mr. BYRNES. Yes.

Mr. KING. I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF PHILIPPINE INDEPENDENCE ACT

Mr. SCHWELLENBACH obtained the floor.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Washington yield to the Senator from Maryland?

Mr. SCHWELLENBACH. I yield to the Senator.

Mr. TYDINGS. Mr. President, I have no desire to take the time of the Senator from Washington. House bill 7096 to amend the Philippine Independence Act has passed the House, and it came over to the Senate yesterday. Will the Senator from Washington give me his attention?

Mr. SCHWELLENBACH. I yield if I may do so without losing the floor, Mr. President. However, I do not wish to

lose the floor by the transaction of any business.

Mr. BYRNES. Mr. President, may I ask a question, with the understanding that the Senator will not lose the floor? The PRESIDING OFFICER. The Senator from Washing-

ton has the floor, and he has yielded to the Senator from

Maryland, apparently for a question.

Mr. TYDINGS. Mr. President, if the Senator will permit me, I ask unanimous consent, provided the matter I shall suggest does not consume more than a minute, that the Senate proceed to consider House bill 7096, an amendment to the Philippine Independence Act, which has passed the House, and which the administration is asking me to rush through because certain provisions of the existing law will soon expire. Mr. Sayre has been in my office all morning. I have no interest in the matter, except that I am trying to accommodate him. The consideration of the bill would not require more than a minute.

Mr. ADAMS. Mr. President, I should like to have an opportunity to look at the bill. I will have to refuse unanimous consent at this time until I have examined the bill.

The PRESIDING OFFICER. Objection is heard. Mr. TYDINGS. Mr. President, I will say to the Senator from Colorado that it is an amendment to the act passed not long ago. We have worked out everything so that the Senate's position prevails.

Mr. ADAMS. Mr. President, I am asking only an opportunity to read the bill.

Mr. TYDINGS. I can explain it in a minute.

THE FAR EASTERN SITUATION

Mr. SCHWELLENBACH. Mr. President, last week the Secretary of State served notice on the Japanese Government that the treaty which was signed between our Government and the Japanese Government in 1911, commonly known as the treaty of amity and commerce, would under its terms be abrogated at the conclusion of a period of 6 months from the date of the notice. That position was taken by the Secretary of State, in my opinion, as an independent act on the part of our Government, without consultation with and without any attention to the relationship of any other government in the world with the Government of Japan. I think it is interesting to read a statement by Mr. David Lawrence in the United States News of this week, in which he said:

Parallelism, the policy of acting jointly and in consultation with Great Britain, has apparently been dropped. For the first time since the current China incident began, July 7, 1937, the United States has taken a decisive step toward Japan, evidently without consulting Britain.

Mr. President, I wish to say that so far as my personal attitude is concerned, it is based entirely upon the terms of a resolution which I introduced a few weeks ago asking for an embargo on certain goods which are being shipped at the present time from the United States to Japan and used by Japan in the prosecution of her war. I contend that the goods are being shipped from this country in violation of our obligations under the Nine Power Pact.

Mr. President, I am not speaking concerning any interest we may have in China. I presented the resolution simply as a recognition of our responsibility and the responsibility of our own citizens under the terms and provisions of a treaty into which we solemnly entered. I do not want any one to say that in presenting the resolution or discussing it I am concerned in any of the interests which may be engaged in business in China itself.

OUR ATTITUDE TODAY

I think that in view of the importance of this subject during the next 6 months, prior to the expiration of the 6 months' notice, there will be very great discussion among the people of the country and among Members of the Congress as to what should be our attitude in the far eastern situation. I think it is worth while, even at this late date in the session, to have a rather comprehensive consideration of the situation in the Far East and of our attitude today and our attitude in the past toward far eastern problems.

I first want to call the attention of the Senate to the attitude expressed by the then Secretary of State, Mr. Stimson, on February 23, 1932, in a letter addressed to the senior Senator from Idaho [Mr. Borah]. I desire to read briefly from the letter of that date. The letter is addressed:

MY DEAR SENATOR BORAH: You have asked my opinion whether, as has sometimes been recently suggested, present conditions in China have in any way indicated that the so-called Nine Power Treaty has become inapplicable or ineffective or rightly in need of modification, and if so, what I considered should be the policy of this Government.

of this Government.

This treaty, as you of course know, forms the legal basis upon which now rests the "open door" policy toward China. That policy, enunciated by John Hay in 1899, brought to an end the struggle among various powers for so-called spheres of interest in China which was threatening the dismemberment of that Empire. To accomplish this Mr. Hay invoked two principles: (1) Equality of commercial opportunity among all nations in dealing with China; and (2) as necessary to that equality the preservation of China's territorial and administrative integrity.

He then goes on to say:

The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve China's territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire.

Quoting further from Mr. Stimson's letter:

For 20 years thereafter, the "open-door" policy rested upon the informal commitments made by the various powers, but in the

winter of 1921 to 1922, at a conference participated in by all of the principal powers which had interests in the Pacific, the policy was crystallized into the so-called Nine Power Treaty, which gave definition and precision to the principles upon which the policy rested. In the first article of that treaty, the contracting powers, other than China agreed, (1), to respect the sovereignty, the independence, and the territorial and administrative integrity of China; (2) to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government; (3) to use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China; (4) to refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states and from countenancing action inimical to the security of such states. such states.

Mr. Stimson says in reference to that treaty:

This treaty thus represents a carefully developed and matured international policy intended, on the one hand, to assure to all of the contracting parties their rights and interests in and with regard to China, and on the other hand, to assure to the people of China the fullest opportunity to develop without molestation their sovereignty and independence according to the modern and enlightened standards believed to maintain among the peoples of this earth.

Mr. LUNDEEN. Mr. President, will the Senator yield there?

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I presume it is the purpose of the Senator to place in the RECORD the statement of the Secretary of State leading up to this policy?

Mr. SCHWELLENBACH. I will read it into the RECORD. Does the Senator mean the statement of Secretary of State Hughes at the time?

Mr. LUNDEEN. Yes: and also the recent statement in relation to the abrogation of the treaty with Japan.

Mr. SCHWELLENBACH. Yes: I have a rather complete statement.

Mr. LUNDEEN. I hope the Senator will give us, so far as the documents are concerned, a complete picture, if they are not too lengthy. They are of great importance, and it would be well for those of us who may not be so expert as is the Senator from Washington to have the documents printed in his speech where we could obtain and study them.

TO GIVE ENTIRE PICTURE

Mr. SCHWELLENBACH. I appreciate what the Senator says about expertness on my part; but it is not correct. I have, however, made rather a careful research into this subject, and I intend, before I conclude, to put in all the documents I have which are pertinent. I hope to give the whole picture; but, as the Senator can see, I desire to do it in a logical order, considering the various points as they come up. Therefore, I am not going to do what is suggested at the present time, but I will, before I conclude, go through all the documents.

Mr. LUNDEEN. I meant the statement in all sincerity, because I know the Senator has examined the subject with great care, and I am glad that he has brought it up at this time, because it should be before the Members of the Senate during the vacation, and we should, during the days and hours that we are not here, give it some thought before we return in January.

Mr. SCHWELLENBACH. I thank the Senator from Minnesota and assure him that I am going to try to put in the RECORD everything of importance upon this subject.

Proceeding further with the letter from the Secretary of State, Mr. Stimson, to Senator Boran, I quote, as follows:

In its report to the President-

He is referring to the Nine Power Treaty-

announcing this treaty, the American delegation, headed by the then Secretary of State, Mr. Charles E. Hughes, said: "It is believed that through this treaty the 'open door' in China has at least been made a fact."

Then he quoted from a statement made by Baron Shidehara, the representative of Japan at the nine-power conference, as follows:

At the same time the representative of Japan, Baron Shidehara, announced the position of his government as follows:

"No one denies to China her sacred right to govern herself. No one stands in the way of China to work out her own great national destine." destiny.'

Secretary Stimson further stated to Senator BORAH:

The signatories and adherents of the Nine Power Treaty rightfully felt that the orderly and peaceful development of the 400,000,000 of people inhabiting China was necessary to the peaceful welfare of the entire world and that no program for the welfare of the world as a whole could afford to neglect the welfare and protection of China.

Having read these excerpts, I ask unanimous consent to have printed at this point in the RECORD the letter from Secretary Stimson to Senator Borah, dated February 23, 1932, which is contained on page 293 of the book called The Far East, by Quigley and Blakeslee.

Mr. LUNDEEN. Mr. President, will the Nine Power Pact

be included?

Mr. SCHWELLENBACH. I have that separately and I will put that in later.

The PRESIDING OFFICER (Mr. Thomas of Oklahoma in the chair). Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

FEBRUARY 23, 1932.

My Dear Senator Borah: You have asked my opinion whether, as has been sometimes recently suggested, present conditions in China have in any way indicated that the so-called Nine Power Treaty has become inapplicable or ineffective or rightly in need of modification, and if so, what I considered should be the policy of this Government.

this Government.

This treaty, as you of course know, forms the legal basis upon which now rests the "open door" policy toward China. That policy, enunciated by John Hay in 1899, brought to an end the struggle among various powers for so-called spheres of interest in China which was threatening the dismemberment of that empire. To accomplish this Mr. Hay invoked two principles, (1) equality of commercial opportunity among all nations in dealing with China, and (2) as necessary to that equality the preservation of China's territorial and administrative integrity. These principles were not new in the foreign policy of America. They had been the principles upon which it rested in its dealings with other nations for many years. In the case of China they were invoked to save a situation which not only threatened the future development and sovereignty of that great Asiatic people, but also threatened to create dangerous and constantly increasing rivalries between the other nations of the world. War had already taken place between Japan and China. At the close of that war three other nations intervened to prevent Japan from obtaining some of the results of that war claimed by her. Other nations sought and had intervened to prevent Japan from obtaining some of the results of that war claimed by her. Other nations sought and had obtained spheres of interest. Partly as a result of these actions a serious uprising had broken out in China which endangered the legations of all of the powers at Peking. While the attack on those legations was in progress, Mr. Hay made an announcement in respect to this policy as the principle upon which the powers should act in the settlement of the rebellion. He said:

"The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire."

He was successful in obtaining the assent of the other powers to the policy thus announced.

to the policy thus announced.

In taking these steps, Mr. Hay acted with the cordial support of the British Government. In responding to Mr. Hay's announcement, above set forth, Lord Salisbury, the British Prime Minister, expressed himself "most emphatically as concurring in the policy of the United States."

For 20 years thereafter the "open door" policy rested upon the informal commitments thus made by the various powers. But in the winter of 1921–22, at a conference participated in by all of the principal powers which had interests in the Pacific, the policy was crystallized into the so-called Nine Power Treaty, which rave definition and precision to the principles there which the gave definition and precision to the principles upon which the policy rested. In the first article of that treaty, the contracting powers, other than China, agreed:

"1. To respect the sovereignty, the independence, and the territorial and administrative integrity of China.

"2. To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government.

"3. To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory

of China.

"4. To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of 'friendly states, and from countenancing action inimical to the security of such states."

This treaty thus represents a carefully developed and matured international policy intended, on the one hand, to assure to all of the contracting parties their rights and interests in and with regard to China, and on the other hand, to assure to the people of China the fullest opportunity to develop without molestation their

sovereignty and independence according to the modern and enlightened standards believed to maintain among the peoples of this earth. At the time this treaty was signed, it was known that China was engaged in an attempt to develop the free institutions of a self-governing republic after her recent revolution from an autocratic form of government; that she would require many years of both economic and political effort to that end; and that her progress would necessarily be slow. The treaty was thus a covenant of self-denial among the signatory powers in deliberate renunciation of any policy of aggression which might tend to interfere with that development. It was believed—and the whole history of the development of the "open door" policy reveals that faith—that only by such a process, under the protection of such an agreement, could the fullest interests not only of China but of all nations which have intercourse with her best be served.

In its report to the President announcing this treaty, the American delegation, headed by the then Secretary of State, Mr. Charles E. Hughes, said:

"It is believed that through this treaty the 'open door' in China

"It is believed that through this treaty the 'open door' in China has at least been made a fact."

During the course of the discussions which resulted in the

treaty, the chairman of the British delegation, Lord Balfour, had stated that—

"The British Empire delegation understood that there was no "The British Empire delegation understood that there was no representative of any power around the table who thought that the old practice of 'spheres of interest' was either advocated by any government or would be tolerable to this conference. So far as the British Government were concerned, they had, in the most formal manner, publicly announced that they regarded this practice as utterly inappropriate to the existing situation."

At the same time the representative of Japan, Baron Shidehara, announced the position of his Government as follows:

"No one denies to China her sacred right to govern herself. No one stands in the way of China to work out her own great national destiny."

"No one defines to China the sactor light to Some stands in the way of China to work out her own great national destiny."

The treaty was originally executed by the United States, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal. Subsequently it was also executed by Norway, Bolivia, Sweden, Denmark, and Mexico. Germany has signed it, but her parliament has not yet ratified it.

It must be remembered also that this treaty was one of several treaties and agreements entered into at the Washington Conference by the various powers concerned, all of which were interrelated and interdependent. No one of these treaties can be disregarded without disturbing the general understanding and equilibrium which were intended to be accomplished and effected by the group of agreements arrived at in their entirety. The Washington Conference was essentially a disarmament conference, aimed to promote the possibility of peace in the world not only through the cessation of competition in naval armament but also by the solution of various other disturbing problems which threatened the peace of the world, particularly in the Far East. These problems were all interrelated. The willingness of the American Government to surrender its then commanding lead in battleship Government to surrender its then commanding lead in battleship Government to surrender its then commanding lead in battleship construction and to leave its positions at Guam and in the Philippines without further fortification, was predicated upon, among other things, the self-denying covenants contained in the Nine Power Treaty, which assured the nations of the world not only of equal opportunity for their eastern trade but also against the military aggrandizement of any other power at the expense of China. One cannot discuss the possibility of modifying or abrogating those provisions of the Nine Power Treaty without considering at the same time the other promises upon which they were really dependent.

Six years later the policy of self-denial against aggression by a

really dependent.

Six years later the policy of self-denial against aggression by a stronger against a weaker power, upon which the Nine Power Treaty had been based, received a powerful reinforcement by the execution by substantially all the nations of the world of the Pact of Paris, the so-called Kellogg-Briand Pact. These two treaties represent independent but harmonious steps taken for the purpose of alining the conscious and public opinion of the world in favor of a system of orderly development by the law of nations including the settlement of all controversies by methods of justice and peace instead of by arbitrary force. The program for the protection of China from outside aggression is an essential part of any such development. The signatories and adherents of the Nine Power Treaty rightly felt that the orderly and peaceful development of the 400,000,000 of people inhabiting China was necessary to the peaceful welfare of the entire world and that no program for the welfare and protection of China.

and protection of China.

and protection of China.

The recent events which have taken place in China, especially the hostilities which having been begun in Manchuria have latterly been extended to Shanghai, far from indicating the advisability of any modification of the treaties we have been discussing, have tended to bring home the vital importance of the faithful observance of the covenants therein to all of the nations interested in the Far East. It is not necessary in that connection to inquire into the causes of the controversy or attempt to apportion the blame between the two nations which are unhappily involved; for, regardless of cause or responsibility, it is clear beyond peradventure that a situation has developed which cannot, under any circumstances, be reconciled with the obligations of the covenants of these two treaties, and that if the treaties had been faithfully observed such a situation could not have arisen. The signatories of the Nine Power Treaty and of the Kellogg-Briand Pact, who are not parties to that conflict, are not likely to see any reason for

modifying the terms of those treaties. To them the real value of the faithful performance of the treaties has been brought sharply home by the perils and losses to which their nationals have

sharply home by the perils and losses to which their nationals have been subjected in Shanghai.

That is the view of this Government. We see no reason for abandoning the enlightened principles which are embodied in these treaties. We believe that this situation would have been avoided had these covenants been faithfully observed, and no evidence has come to us to indicate that a due compliance with them would have interfered with the adequate protection of the legitimate rights in China of the signatories of those treaties and their nationals

legitimate rights in China of the signatories of those treaties and their nationals.

On January 7 last, upon the instruction of the President, this Government formally notified Japan and China that it would not recognize any situation, treaty, or agreement entered into by those Governments in violation of the covenants of these treaties, which affected the rights of our Government or its citizens in China. If

affected the rights of our Government or its citizens in China. If a similar decision should be reached and a similar position taken by the other Governments of the world, a caveat will be placed upon such action which, we believe, will effectively bar the legality hereafter of any title or right sought to be obtained by pressure or treaty violation, and which, as has been shown by history in the past, will eventually lead to the restoration to China of rights and titles of which she may have been deprived.

In the past our Government, as one of the leading powers on the Pacific Ocean, has rested its policy upon an abiding faith in the future of the people of China and upon the ultimate success in dealing with them on the principles of fair play, patience, and mutual good will. We appreciate the immensity of the task which lies before her statesmen in the development of her country and its Government. The delays in her progress, the instability of her attempts to secure a responsible government were foreseen by its Government. The delays in her progress, the instability of her attempts to secure a responsible government were foreseen by Messrs. Hay and Hughes and their contemporaries and were the very obstacles which the policy of the "open door" was designed to meet. We concur with those statesmen, representing all the nations, in the Washington Conference who decided that China was entitled to the time necessary to accomplish her development. We are prepared to make that our policy for the future. future.

Very sincerely yours,

HENRY L. STIMSON.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I should like to see a full attendance of the Senate. This, I am sure, is a most important subject: in fact there is no more important subject than that to which the Senator is addressing himself. It has to do with the future of our great Nation and our future relations in the Pacific. I think we are greatly indebted to him for bringing this matter up at this time.

AMERICA'S NOTE

Mr. SCHWELLENBACH. I thank the Senator from Minnesota, and I hope that the Senators who are not present will make some use of the various documents which I intend to put into the RECORD during the course of my remarks.

Now, Mr. President, I wish to read from a statement of policy of the United States which was made by Secretary Stimson on January 7, 1932. It was a note sent by the American Government to the governments of China and Japan. I will read that document rather than have it included in the RECORD by reference.

With the recent military operations about Chinchow, the last remaining administrative authority of the government of the Chinese Republic in south Manchuria, as it existed prior to September 18, 1931, has been destroyed. The American Government continues confident that the work of the neutral commission recently authorized by the Council of the League of Nations will facilitate an ultimate solution of the difficulties now existing between Chine and Inner But to release the present existing will facilitate an ultimate solution of the difficulties now existing between China and Japan. But, in view of the present situation and of its own rights and obligations therein, the American Government deems it to be its duty to notify both the government of the Chinese Republic and the Imperial Japanese Government that it cannot admit the legality of any situation de facto, nor does it intend to recognize any treaty or agreement entered into between those governments, or agents thereof, which may impair the treaty rights of the United States or its citizens in China, including those which relate to the sovereignty, the independence, or the territorial and administrative integrity of the Republic of China, or to the international policy relative to China, commonly known as the "open door" policy; and that it does not intend to known as the "open door" policy; and that it does not intend to recognize any situation, treaty, or agreement which may be brought about by means contrary to the covenants and obligations of the Pact of Paris, of August 27, 1928, to which treaty both China and Japan, as well as the United States, are parties.

In other words, in that statement made by the then Secretary of State we very definitely recognized our responsibilities under the Nine Power Treaty; that was not simply

a matter of the responsibility of those in China and Japan toward our citizens and nationals in China, but that we ourselves, by signing the nine-power agreement, did have a responsibility toward affairs in China and the relationships between China and other nations. Furthermore, that we would never recognize any territory which was acquired in violation of the Kellogg-Briand Pact of 1928.

Mr. President, in considering the question of our relationship with China, I desire at this point to refer to the testimony which was given before the Foreign Relations Committee of the Senate when we were considering neutrality legislation by Dr. Walter H. Judd, who has been in China for many years, and who appeared before our committee as the only witness who testified upon the far eastern situa-

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. The Senator referred to the Kellogg-Briand Pact. That is the pact outlawing war, is it not?

Mr. SCHWELLENBACH. It is the pact signed by practically all the nations of the world, in which the nations agreed to relinquish war as an instrument of national policy.

Mr. LUNDEEN. It is a very short treaty, and I hope the Senator will include it in his remarks.

Mr. SCHWELLENBACH. I will include it before I con-

Mr. President, I wish to say that when the Committee on Foreign Relations had heard a number of witnesses we had an informal meeting of the committee on the question of other witnesses being called, and it was the unanimous opinion of those present at that meeting that the testimony of Dr. Judd had been so outstanding, and had so clearly and exhaustively outlined the situation in the Far East, that there was no need to call any other witnesses upon the Chinese-Japanese problem.

DR. JUDD'S TESTIMONY

Dr. Judd testified that he went to China first in 1925 as a doctor: he was there until 1931 when he was invalided home; practiced with the Mayo Clinic for 3 years; went back in 1934 to North China and has been in North China since 1934; that he left China 2 months ago, coming back to this country, and appeared at the request of the committee. He further testified that he spoke the Chinese language and also the Japanese language.

I want first to quote from his testimony upon the question of our background so far as China is concerned. He said this:

What is our past with regard to China? For 125 years we have been sending over missionaries to open schools, colleges, hospitals, and churches. It has been the single largest philanthropic enterprise, if considered only as that, that the world has ever seen from one people to another. Unfortunately for China, it led her to assume that because she found she could trust most of the missionaries as individuals therefore she could trust equally the nasionaries as individuals therefore she could trust equally the nations from which they had come. That confidence was too implicit

and not wholly justified.

In 1899 China was on the chopping block, the powers were on the point of tearing her to pieces, when the United States announced the "open door" policy, refused to recognize the other nations' claims to "spheres of influence"; and our resolute adherence to that doctrine was one of the major factors in preventing China's dismemberment at that time. China has always felt that she was saved by America. We may have forgotten, but she has not.

After the Boxer Rebellion in 1900 when the other nations grabbed their indemnities, America returned hers to China to use for building universities and sending selected students to America

to acquire our learning and skills, and then go back to modernize China. We may have forgotten, but China is eternally grateful. After the revolution in 1911, China took America as her model, as Japan had taken Germany as hers 50 years before. China wanted to be like the great sister Republic of the West, which had seemed to understand and help her all along the way. We procured that attitude and sent official and upofficial educations. encouraged that attitude and sent official and unofficial advisers

to help her. China does not forget.

In 1917 we went to war. Woodrow Wilson promptly asked China to go to war on the Allied side. It was not a primary concern of China, but when America, her great friend and counselor, suggested it, she consented.

Then came 1919 and four white men, China's allies, in Versailles, awarded to Japan, another ally, the old German rights and a good deal more in Shantung, China's sacred province. When the word got back to China, the students and teachers, the

articulate groups, left their studies and went out into the villages as living newspapers to inform and incite and organize that great est of all boycotts against Japan. It was the only weapon of

resistance they had.

It was the only weapon of resistance they had.

It continued for 2 long years and was at last slowly but surely bringing Japan to terms. She was far more vulnerable then than bringing Japan to terms. She was far more vulnerable then than now. She had not yet developed her great merchant marine; she did not have her economic base in diversified markets all around the world. She was far more dependent upon her China trade. China was on the point of solving her problem by the only method she had, when our country did something else. We called a disarmament conference here in Washington. We wanted Japan to consent to a 3-5-5 ratio of naval strength in relation to our own and Great Britain's. Japan skillfully replied that she could consent only if, in addition to certain other things such as scrapping more than 20 of our naval vessels, giving up our plans to fortify the Philippines, and so forth, we could get the Chinese to call off the boycott. China was glad to do that if the powers would promise that the Japanese troops would get out of Shantung and would stay out; that the nations would promise to all stay out and give China a chance to work out her internal difficulties without the constant fear and threat of external aggression.

We all promised. That is what the Nine Power Pact is—from China's standpoint. If some other nation had suggested that she give up her boycott in exchange for a piece of paper, she would have politely declined. She did not trust Japan or France or England. She did trust America. When we advised, we urged, we persuaded, she consented. China, poor, naive, amateur in international relations, trusted the promises utterly because she had come to trust us.

Mr. President, that is the relationship which we have ac-She had not yet developed her great merchant marine; she

Mr. President, that is the relationship which we have acquired toward the Chinese as the result of these years of contact with them and the very definite and specific obligation which we assumed under the Nine Power Pact.

THE NINE POWER PACT

I want at this point, because it is too long to read, but I think it is of extreme importance, to insert in the RECORD what is known as the Nine Power Pact, including the proclamation by the President of the United States, and the agreement itself, omitting the names of the signatories.

Mr. LUNDEEN. It will include the names of the nations? Mr. SCHWELLENBACH. It includes the names of the nations, but not the names of the representatives of the nations.

The PRESIDING OFFICER. Is there objection? There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Whereas a Treaty between the United States of America, the British Empire, Belgium, China, France, Italy, Japan, the Nether-lands, and Portugal, relating to the Principles and Policies to be followed in matters concerning China, was concluded and signed by their respective plenipotentiaries at Washington on February 6, 1922, the original of which Treaty, in the English and French lan-

1922, the original of which Treaty, in the English and French languages, is word for word as follows:

The United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal:

Desiring to adopt a policy designed to stabilize conditions in the Far East, to safeguard the rights and interests of China, and to promote intercourse between China and the other Powers upon the basis of equality of opportunity;

Have resolved to conclude a treaty for that purpose and to that end have appointed as their respective Plenipotentiaries;

ARTICLE I.

The Contracting Powers, other than China, agree:
(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;
(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of

China;

(4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from country of sub-States. tenancing action inimical to the security of such States.

ARTICLE II.

The Contracting Powers agree not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or, individually or collectively, with any Power or Powers, which would infringe or impair the principles stated in Article I.

ARTICLE III.

With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, the Contracting Powers, other than China,

agree that they will not seek, nor support their respective nationals in seeking—

(a) any arrangement which might purport to establish in favour of their interests any general superiority of rights with respect to commercial or economic development in any designated region of

China;

(b) any such monopoly or preference as would deprive the nationals of any other Power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government, or with any local authority, in any category or public enterprise, or which by reason of its scope, duration or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

It is understood that the foregoing stipulations of this Article are not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to the encouragement of invention and research.

China undertakes to be guided by the principles stated in the

China undertakes to be guided by the principles stated in the foregoing stipulations of this Article in dealing with applications for economic rights and privileges from Governments and nationals of all foreign countries, whether parties to the present Treaty or not.

The Contracting Powers agree not to support any agreements by their respective nationals with each other designed to create Spheres of Influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

ARTICLE V.

China agrees that, throughout the whole of the railways in China, she will not exercise or permit unfair discrimination of any kind. In particular there shall be no discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese Railways.

The Contracting Powers, other than China, assume a corresponding obligation in respect of any of the aforesaid railways over which they or their nationals are in a position to exercise any control in virtue of any concession, special agreement or otherwise.

ARTICLE VI.

The Contracting Powers, other than China, agree fully to respect China's rights as a neutral in time of war to which China is not a party; and China declares that when she is a neutral she will observe the obligations of neutrality.

ARTICLE VII.

The Contracting Powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present Treaty, and renders desirable discussion of such application, there shall be full and frank communication between the Contracting Powers concerned.

Powers not signatory to the present Treaty, which have Governments recognized by the Signatory Powers and which have treaty relations with China, shall be invited to adhere to the present Treaty. To this end the Government of the United States will make the necessary communications to nonsignatory Powers and will inform the Contracting Powers of the replies received. Adherence by any Power shall become effective on receipt of notice thereof by the Government of the United States.

ARTICLE IX.

The present Treaty shall be ratified by the Contracting Powers in accordance with their respective constitutional methods and shall take effect on the date of the deposit of all the ratifications, which shall take place at Washington as soon as possible. The Government of the United States will transmit to the other Contracting Powers a certified copy of the procès-verbal of the deposit of ratifications. of ratifications.

of ratifications.

The present Treaty, of which the French and English texts are both authentic, shall remain deposited in the archives of the Government of the United States, and duly certified copies thereof shall be transmitted by that Government to the other Contracting Powers.

In faith whereof the above-named Plenipotentiaries have signed

the present Treaty.

Done at the City of Washington the Sixth day of February One Thousand Nine Hundred and Twenty-Two.

CHARLES EVANS HUGHES	[SEAL]
HENRY CABOT LODGE	[SEAL]
OSCAR W. UNDERWOOD	[SEAL]
ELIHU ROOT	[SEAL]
BARON DE CARTIER DE MARCHIENNE	SEAL
ARTHUR JAMES BALFOUR	[SEAL]
LEE OF FAREHAM	[SEAL]
A. C. GEDDES	[SEAL]
R. L. BORDEN	[SEAL]
G. F. PEARCE	[SEAL]
JOHN W. SALMOND	[SEAL]
ARTHUR JAMES BALFOUR	[SEAL]
V S SRINIVASA SASTRI	[SEAL]

[SEAL]	SAO-KE ALFRED SZE	
[SEAL]	V. K. WELLINGTON KOO	
[SEAL]	CHUNG-HUI WANG	
[SEAL]	A SARRAUT	
[SEAL]	JUSSERAND	
[SEAL]	CARLO SCHANZER	
[SEAL]	V. ROLANDI RICCI	
[SEAL]	LUIGI ALBERTINI	
1.0000000000000000000000000000000000000	T. KATO	[SEAL]
	K. SHIDEHARA	[SEAL]
	M. HANIHARA	SEAL
	BEELAERTS VAN BLOKLAND	SEAL
	W. DE BEAUFORT	SEAL
	ALTE	[SEAL]
	ERNESTO DE VASCONCELOS	SEAL

And Whereas the said Treaty has been duly ratified on all parts and the ratifications of the said Governments were deposited with the Government of the United States of America on August 5, 1925;

Now, therefore, be it known that I, Calvin Coolidge, President of the United States of America, have caused the said Treaty to be made public, to the end that the same and every article and chause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done in the City of Washington, this fifth day of August in the year of our Lord one thousand nine hundred and [SEAL] twenty-five and of the Independence of the United States of America the one hundred and fiftieth.

CALVIN COOLIDGE

By the President: FRANK B. KELLOGG Secretary of State PROCÈS-VERBAL

OF DEPOSIT OF RATIFICATIONS OF THE TREATY BETWEEN THE UNITED STATES OF AMERICA, BELGIUM, THE BRITISH EMPIRE, CHINA, FRANCE, ITALY, JAPAN, THE NETHERLANDS, AND PORTUGAL, RELATING TO PRIN-CIPLES AND POLICIES TO BE FOLLOWED IN MATTERS CONCERNING CHINA, CONCLUDED AT WASHINGTON FEBRUARY 6, 1922.

CONCLUDED AT WASHINGTON FEBRUARY 6, 1922.

In conformity with Article IX of the Treaty between the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, relating to principles and policies to be followed in matters concerning China, concluded at Washington February 6, 1922, the undersigned representatives of the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, this day met at the Department of State at Washington to proceed with the deposit with the Government of the United States of the instruments of ratification of the said Treaty by the Governments they represent.

The instruments of ratification produced having been found.

The instruments of ratification produced having been found upon examination to be in due form, are entrusted to the Government of the United States of America to be deposited in the

archives of the Department of State.

In Witness Whereof, the present proces-verbal, of which a certified copy will be sent by the Government of the United States of America to each of the Powers signatory to the said treaty, is signed.

Done at Washington, August 5, 1925, at 12 o'clock. For United States of America: Frank B. Kellogg For Belgium: R. Tilmont SEAL For the British Empire: For China: H. G. CHILTON SEAL SAO-KE ALFRED SZE E. DAESCHNER SEAL For France: SEAL For Italy: For Japan: For the Netherlands: G. DE MARTINO SEAL T. MATSUDAIRA SEAL H. VAN ASCH VAN WYCK SEAL For Portugal: ALTE

[Note by the Department of State]

The ratifications of the signatory powers of the treaty regarding principles and policies to be followed in matters concerning China (Nine-Power Treaty) were duly deposited with the Government of the United States of America on August 5, 1925, as shown by the procès-verbal of deposit of that date, as follows:

UNITED STATES OF AMERICA ITALY BELGIUM JAPAN BRITISH EMPIRE NETHERLANDS CHINA PORTUGAL FRANCE

Mr. KING. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. KING. It may not be pertinent to the matter which the Senator is discussing, but it occurs to me that it might be appropriate to have inserted in the RECORD the provisions of the Kellogg-Briand Pact, and the notations by the Japanese Government and also by the German Government indicating their approval of it.

THE KELLOGG-BRIAND PACT

Mr. SCHWELLENBACH. I intended to put that in later, but I think it might well go in at this point. I ask unanimous consent that at this point the Kellogg-Briand Pact, with the notations mentioned by the Senator from Utah, be included in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ARTICLE I

The High Contracting Parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their relations with one another.

ARTICLE II

The High Contracting Parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means.

ARTICLE III

The present Treaty shall be ratified by the High Contracting Parties named in the Preamble in accordance with their respective constitutional requirements, and shall take effect as between them as soon as all their several instruments of ratification shall have

as soon as all their several instruments of ratification shall have been deposited at Washington.

This Treaty shall, when it has come into effect as prescribed in the preceding paragraph, remain open as long as may be necessary for adherence by all the other Powers of the world. Every instrument evidencing the adherence of a Power shall be deposited at Washington and the Treaty shall immediately upon such deposit become effective as between the Power thus adhering and the other Powers parties bereto.

become effective as between the Power thus adhering and the other Powers parties hereto.

It shall be the duty of the Government of the United States to furnish each Government named in the Preamble and every Government subsequently adhering to this Treaty with a certified copy of the Treaty and of every instrument of ratification or adherence. It shall also be the duty of the Government of the United States telegraphically to notify such Governments immediately upon the deposit with it of each instrument of ratification or adherence. or adherence.

IN FAITH WHEREOF the respective Plenipotentiaries have signed this Treaty in the French and English languages both texts having equal force, and hereunto affix their seals.

DONE at Paris, the twenty-seventh day of August in the year one thousand nine hundred and twenty-eight.

GUSTAV STRESEMANN FRANK B KELLOGG PAUL HYMANS SEAL SEAL ARI BRIAND SEAL CUSHENDUN W. L. MACKENZIE KING SEAL SEAL A J MCLACHLAN C. J. PARR J S. SMIT SEAL SEAL SEAL LIAM T. MACCOSGAIR SEAL CUSHENDUN G. MANZONI SEAL SEAL. SEAL UCHIDA SEAL AUGUST ZALESKI DR EDOUARD BENES SEAL

AND WHEREAS it is stipulated in the said Treaty that it shall take effect as between the High Contracting Parties as soon as all the several instruments of ratification shall have been deposited

the several instruments of ratification shall have been deposited at Washington;

AND WHEREAS the said Treaty has been duly ratified on the parts of all the High Contracting Parties and their several instruments of ratification have been deposited with the Government of the United States of America, the last on July 24, 1929;

Now, Therefore, be it known that I, Herbert Hoover, President of the United States of America, have caused the said Treaty to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this twenty-fourth day of July in the year of our Lord one thousand nine hundred and [SEAL] twenty-nine, and of the Independence of the United States of America the one hundred and fifty-fourth.

By the President:

By the President: HERBERT HOOVER

HENRY L. STIMSON Secretary of State

ADHERING COUNTRIES

When this Treaty became effective on July 24, 1929, the instruments of ratification of all of the signatory powers having been deposited at Washington, the following countries, having deposited instruments of definitive adherence, became parties to it:

Afghanistan Albania Austria Bulgaria China Denmark

Dominican Republic Egypt Estonia Ethiopia Finland Guatemala Hungary

Iceland Latvia Liberia Lithuania Netherlands Nicaragua Norway Panama Peru

Portugal Rumania Kingdom of the Serbs, Croats and Slovenes Spain Sweden Turkey

LANGUAGE IS NOT NEW

Mr. SCHWELLENBACH. Mr. President, it is of interest that the recognition of the territorial integrity of China did not come through the use of new language by the conference here in Washington at the time of the agreement to the Nine Power Pact. On November 2, 1917, the then Secretary of State, Mr. Robert Lansing, wrote a letter to the Ambassador from Japan concerning the situation in China and I wish to have it inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARTMENT OF STATE, Washington, November 2, 1917.

> > ROBERT LANSING.

EXCELLENCY:

I have the honor to communicate herein my understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to

the Republic of China.

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two

Governments with regard to China is advisable.

The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every

confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other powers.

tofore granted by China in treaties with other powers.

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "open door" or equal opportunity for commerce and industry in China. Moreover, they mutually declare that they are opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China. dustry of China.

I shall be glad to have Your Excellency confirm this understanding of the agreement reached by us.

Accept, Excellency, the renewed assurance of my highest con-

sideration.

His Excellency

Viscount Kikujiro Ishii.

Ambassador Extraordinary and Plenipotentiary of Japan,
on Special Mission.

Mr. SCHWELLENBACH. Mr. President, I wish to read especially one portion of the letter. This was a mutual note which was jointly published, and was in the nature of an exchange of notes by our Secretary of State and the Japanese Government. No treaty was signed, no treaty was ratified by the parliamentary bodies of the two nations. Nevertheless the note was made public, and made public for a very definite purpose, the date being November 2, 1917, and the purpose being to make it of assistance to both parties in the international situation which existed at that time. I read the following from the note:

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "open door" or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

EFFECT OF CHINESE ACTION

Mr. President. I think it might be well at this point to go back into the discussions which occurred here in Washington at the time of the conference called by President Harding, and directed by the then Secretary of State, now the Chief Justice of the United States, the Honorable Charles Evans Hughes. The background of it was outlined by Dr. Judd-he spoke of the Chinese embargo against Japanese goods, and the effectiveness of it, and the contention upon the part of Japan that she wanted that embargo to be lifted. Then the request was made that the Chinese delegation present to the Washington Conference the language which she would like to have in the agreement. On page 866 of the report of the Conference on the Limitation of Armaments held in Washington from November 12, 1921, to February 6, 1922, we find the following:

In conformity with the agenda of the conference, the Chinese Government proposes for the consideration of and adoption by the conference the following general principles to be applied in the determination of the questions relating to China:

1. (a) The powers engage to respect and observe the territorial integrity and political and administrative independence of the Chinese Republic.

(b) China, upon her part, is prepared to give an undertaking not to alienate or lease any portion of her territory or littoral to any power.

2. China, being in full accord with the principle of the so-called open door or equal opportunity for the commerce and industry of all nations having treaty relations with China, is prepared to accept and apply it in all parts of the Chinese Republic without exception.

Mr. President, that is the part which I wanted specifically to read into the Record, and I now ask unanimous consent that items 3 to 10, inclusive, contained on page 868 of the conference report, be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

3. With a view to strengthening mutual confidence and maintaining peace in the Pacific and Far East, the powers agree not to conclude between themselves any treaty or agreement directly affecting China or the general peace in these regions without previously notifying China and giving to her an opportunity to

4. All special rights, privileges, immunities, or commitments, whatever their character or contractual basis, claimed by any of the powers in or relating to China are to be declared, and all such or future claims not so made known are to be deemed null and void. The rights, privileges, immunities, and commitments, now known or to be declared, are to be examined with a view to de-termining their scope and validity and, if valid, to harmonizing them with one another and with the principles declared by this

5. Immediately, or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional, and administrative freedom of action are to be removed.

6. Reasonable, definite terms of duration are to be attached to China's present commitments which are without time limits.
7. In the interpretation of instruments granting special rights or privileges, the well-established principle of construction that such grants shall be strictly construed in favor of the grantors, is to be observed.

8. China's rights as a poutral are to be fully respected in future

8. China's rights as a neutral are to be fully respected in future wars to which she is not a party.

9. Provision is to be made for the peaceful settlement of international disputes in the Pacific and the Far East.

10. Provision is to be made for future conferences to be held from time to time for the discussion of international questions relative to the Pacific and the Far East, as a basis for the determination of common policies of the signatory powers in relation thereto.

Mr. SCHWELLENBACH. Mr. President, as a result of that proposal by the Chinese representatives, the chairman suggested that as this matter was of such importance, it might be fitting to reserve it for further discussion until after there had been time to study it.

Then there was a discussion by the chairman, Mr. Balfour, Mr. Robert Borden, Mr. Koo, Senator Underwood, Senator Lodge, and Senator Schanzer, and the following procedure was adopted:

The heads of delegations were appointed a subcommittee to consider the arrangement of the different topics relating to the Pacific and the Far East and to make recommendations to the general committee.

Shortly after that the report of the subcommittee was set forth by the chairman and general discussion was in order. Admiral Baron Kato made the following statement on the part of Japan:

1. It seems to the Japanese delegation that existing difficulties in China lie no less in her domestic situation than in her external relations. We are anxious to see peace and unity reestablished at the earliest possible moment, but we want to avoid all action that may be construed as an intervention in the internal affairs of China. All that this conference can achieve is, it seems to us, to adjust China's foreign relations, leaving her domestic situation to be worked out by the Chinese themselves.

In the light of some of the statements made since that time by the Japanese, in which they have contended that they had a right to go in and take charge of China because of the fact that China was not able to govern itself, this particular statement of Baron Kato at the Washington conference is not only interesting, but significant. He then proceeded to say:

The Japanese delegation wishes to assure the Chinese delegation and the whole conference that Japan has every desire to cultivate the happiest relations with China. We are solicitous of making whatever contributions we are capable of toward China's realization of her just and legitimate aspirations. We are entirely uninfluenced by any policy of territorial aggrandizement in any part of China. We adhere without condition or reservation to the principle of "the open door and equal opportunity" in China.

THE PORTUGUESE VIEWPOINT

Proceeding, the Portuguese delegate suggested that, in view of the fact that Mr. Elihu Root had been intimately related with Mr. Hay at the time of the original declaration in 1899, and had the confidence of all the members of the conference, Mr. Root should get up a statement which would be the statement of the conference if it were agreed to. This is found on page 880 of the report:

Mr. Root said he was quite in agreement with the opinion of the Portuguese delegate, that a mere expression of principle was not, of itself, of the highest value; however, he believed it was the necessary first step toward accomplishing the result which evidently all wished to accomplish in regard to China. He said that perhaps he might have a personal predisposition on account of having been a colleague of Secretary Hay in President McKinley's Cabinet, at the time Secretary Hay pronounced in favor of the open door; he was immensely pleased at the unqualified affirmative agreement of the powers to that principle. As he sat listening to the expression from the various delegations, he had been considering how to arrive at an expression of the points covered. It appeared, he said, (1) that all were agreed to respect the independence and territorial and administrative integrity of the Chinese Republic; (2) that all were agreed to follow a policy tending to secure to her the fullest possible opportunity to develop an effective form of government for herself, under the new conditions created by her abandonment of the old imperial form of government; (3) that all were agreed that there should be an equality of opportunity for the commerce and industry of all nations throughout China.

But anyone who had studied questions relating to the Far East Mr. Root said he was quite in agreement with the opinion

But anyone who had studied questions relating to the Far East and the Pacific knew that these same things had been repeated over and over again; they were repeated in 1902, 1905, and 1911, in the treaties between Great Britain and China; in the agreement of 1907 between France and Japan; in 1905, at Portsmouth; and in 1908 in the agreement known as the Takahira-Root agreement; they were the artifled policy in the computation of civilization. ment; they were the settled policy in the community of civilized nations, and he thought it would be useful to restate these principles all together.

As a result of that it was, as I have said, suggested that Mr. Root draw up the expression which he thought satisfactory.

Mr. President, going on with the report which Mr. Root made to the conference, the Chinese representative desired clarification and asked Mr. Root if in clause (1) the word "respect" included the idea "observe." The Senate will remember that I read from the original Chinese proposal, in which they used both words "respect" and "observe." The representatives of the Chinese Government at the conference had a feeling apparently that there might be a doubt raised by leaving out the word "observe," and the Chinese representatives asked for clarification upon that question. The Chinese representative stated that he had received the copy only as he entered the room and desired that the entire delegation should have the opportunity to consider the whole resolution.

Mr. Root replied that he regarded the word "respect" as rather stronger than the word "observe," stating that it made it really a declaration of the rule by which each signatory power would be guided in its individual conduct; that it did not import affirmative action: that it did not import interference by one country with another; that it did import what each one of the countries would do.

The Japanese representative, Baron Kato, asked the meaning of the phrase "administrative integrity" as used in the proposed resolution. He desired to know if this referred to political independence and was not intended to touch upon interests or privileges which in the past had been granted to various countries.

Mr. Root spoke with reference to their effect upon privileges that had already been granted. He replied that this phrase certainly did not affect any privileges accorded by valid or effective grants; that, on the contrary, respect for the administrative integrity of a country required respect for the things that are done in the exercise of its full sovereignty by an independent State.

MR. ROOT'S WORDS

I think it might be well to recall to the minds of the Senators what has occurred since 1931, up in Manchuria, and what has occurred since 1937 in other parts of China. Taking into consideration the definition by Mr. Root of the words "administrative integrity" and taking into consideration the fact that he specifically pointed out that the use of the word "respect" meant that each nation for itself would respect China's territorial integrity. We then can see how far Japan has gone from keeping the agreement which was made in reference to China in the nine-power pact.

Without very much further discussion, the resolution was read, and on page 900 we find the following language:

There being no further objection, each delegation was called and

There being no further objection, each delegation was called and the resolution was unanimously adopted as follows:

It is the firm intention of the powers attending this Conference hereinafter mentioned, to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;
(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China:

(4) To refrain from taking advantage of the present conditions in order to seek special rights or privileges which would abridge the rights of the subjects or citizens of friendly States and from countenancing action inimical to the security of such States.

Mr. SCHWELLENBACH. Mr. President, a few minutes ago I referred to the situation in which President Wilson asked the Chinese Government to join with us in our declaration of war against Germany, and the willingness of the Chinese Government to do that because of her friendly relations with the United States, and the confidence she had in the United States. I think we ourselves should just for a minute stop and consider what happened to China.

President Wilson found in the Far East precisely the same situation that he found in every other part of the world. We went into the war with the understanding that we were to accomplish certain things. We allied ourselves with certain nations, and when President Wilson got to Versailles he found that on point after point secret private agreements had been made between our allies, parceling out certain portions of the world to various nations in order that our allies might get the support of those nations.

I do not think any fair-minded person can doubt that President Wilson, in prevailing upon China to join with us in the war against Germany, was wholly sincere in his belief that it would be possible for him to protect China when the peace treaty was written.

Yet he got to Versailles and found the secret agreement between England and France on the one side and Japan on the other, by which it was agreed that if the Allies should defeat the Central Powers, Germany's rights in China would

be turned over to the Japanese. And the poor Chinese, who had joined up so readily and so willingly, without any promise, without asking for anything, ended up as allies in a victorious war, and instead of finding part of their country under the domination and control of a nation on the other side of the world, found it now transferred to the domination and control of a nation which had, as I will show in a few minutes, already, through the medium of its 21 demands, indicated its absolute and complete intention ultimately to destroy the territorial integrity of China.

But I do think since we participated in that meeting at Versailles that we should have some thought about what China got out of that war. Some things are funny, but they are impressive, because of the fact that they are funny, and being funny and impressive, they are also sad and tragic, and I think what happened to China at Versailles certainly can only be classified as tragic.

I read from a book written by a prominent writer, Carl Crow, the title of which is "I Speak for the Chinese."

read from page 29:

Chinese delegates sat at the peace conference and day by day saw their hopes still further crushed, their claims ignored. So incensed were they that they refused to sign the treaty. But the claims of China were not entirely overlooked. During the Boxer uprising the German troops in Peking had seized the ancient bronze astronomical instruments from the Imperial Astronomical Chasevery and cent them to Pottdem where they were alread as a Observatory and sent them to Potsdam, where they remained as a souvenir of the part Germany played in suppressing the Boxers. The Versailles Peace Conference compelled Germany to return the astronomical instruments to China. It was the booby prize of the war, and was regarded by the Chinese as nothing more than an ironical gesture.

LACKED OUR RESPONSIBILITY

So far as the rest of the nations are concerned, I do not think that probably they should have felt very badly about their treatment toward China at Versailles. They did not have the responsibility toward China that we had. We ourselves had, through the medium of our President, Woodrow Wilson, induced China to join with us against the Central Powers in the late war.

I mentioned a minute ago about the attitude of Japan toward China, and I think it is now a proper point to try to consider what the attitude of Japan always has been toward China. This present adventure of Japan in China is not her first. Ever since Commodore Perry established relationships between Japan and the outside world in 1853, and the Japanese people had been taught the ideas of the outside world, they also commenced to acquire the territorial ideas and the aggressive ideas of the outside world. We must admit that the world itself taught Japan about aggression and territorial expansion. From shortly after 1853 evidences may be obtained to show that Japan had those ambitions and aspirations toward China.

Mr. LUNDEEN. Mr. President-

Mr. SCHWELLENBACH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. Perhaps the Senator has already stated what I had in mind, that much of that which Japan has done, and much of the progress she has made along the line of armaments, and so forth, we ourselves have taught her. We met her at the time of the bow and arrow, the spear and the sword. We said, "We have a long barrel. We just put an iron slug in it and put some powder behind it, and you can shoot the bow-and-arrow man long before he can hit you." We proceeded to instill that idea. After that we said, "We have something that runs on wheels, that will throw a shell much farther than any rifle will shoot." We must accept some responsibility; and I think the Senator has well stated it.

Mr. SCHWELLENBACH. The first actual outbreak, however, came in the Chinese-Japanese War of 1894 and 1895. The policy of attempting to acquire territory in China by the Japanese has extended from that date until this.

Mr. President, I found in a little book on the reference shelf, called Chinese-Japanese War, an outline of those various attempts from 1894 down to date; and I ask unanimous consent that that portion contained on pages 86 to 90, inclusive, entitled "Summary View of Japan's Aggression in China," be printed in the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SUMMARY VIEW OF JAPAN'S AGGRESSION IN CHINA 1 LANDMARKS IN THE COURSE OF AGGRESSION

1. The Sino-Japanese War, 1894-95.

The Sino-Japanese War, 1894-95.
 By the Treaty of Shimonoseki Japan:

 Deprived China of Korea, Formosa, and the Pescadores.
 Acquired a foothold in Manchuria.
 Exacted an indemnity of 200,000,000 taels.
 The Russo-Japanese War, 1904-05.
 By the Treaty of Portsmouth Japan took bodily the rights and privileges acquired by Russia in south Manchuria.
 Further acquisitions of railway and mining rights, 1905-14.
 The crisis of 1909 and the five agreements concerning Manchuria.

b. The Nanking incident of 1913 and the demand for five rail-

ways in Manchuria and Mongolia.

4. During the Great War, 1914–18.

a. The seizure of Tsingtao (1914); the 21 demands (1915); secret treaties to guarantee the illicit gains (1916–17).

b. Lavish loans to incite and prolong China's internal strife

(1916-18).

c. War-participation agreements, under cover of which Japan secured freedom of movement in Manchuria and other privileges (1917–18).

5. The Peace Conference, 1919. a. Japan blocked China's rightful claims and secured the Shantung award.

tung award.
 The Washington Conference (1921-22).
 The force of world opinion constrained Japan to relinquish Shantung and to halt temporarily her open aggression.
 The Tsinan crisis, 1928.
 Japan bombarded the city of Tsinan.
 The Manchurian crisis, 1931.
 Japan occupied south Manchuria.
 The Shanghai invasion, 1932.
 Japan occupied Shanghai.

a. Japan occupied Shanghai.

RESULTS OF HALF-CENTURY AGGRESSION

A. Territorial gains and political influences.

Robbing China of her dependencies.
 Riukow (Loochow).

 A Chinese dependency since 1371.
 Incorporated into Japanese Empire, 1879. b. Korea.

(1) A dependency of China since early times.
(2) Japan's treaty with Korea refusing to recognize Chinese suzerainty, 1871.
(3) Japan's fight against China for domination in Korea, 1894.
(4) Annexation, 1910.
2. Annexation of Chinese territories.

2. Expresses 1895.

a. Formosa, 1895. b. The Prescadore Islands, 1895. 3. "Leases."

a. Liaotung, including Port Arthur and Dairen.
(1) Taken by Japan, 1895. Restored under compulsion of Russia, Germany and France.

(2) Taken over from Russia in consequence of the Russo-Japanese War, 1905.
(3) Lease extended 99 years, 1915 (1 of the 21 demands).
4. Concessions.

a. Mukden, Changchun, Newchang, Tientsin, Hankow, Shashih, Chungching, Soochow, Hangchow, Amoy. 5. Spheres of influence.

a. Fukien.

(1) Inalienation agreement, 1898.

(2) Reaffirmed by the 21 demands, 1915.

(3) Abolished by the Nine Power Pact of 1922.

b. Shangtung.

(1) Seizure of Tsingtao and privileges in Shantung, 1914.

(2) Restoration to China, 1922.

6. Encroachments in Manchuria and Mongolia.

a. Succession to Russia's leases and privileges in south Manchuria, 1905.
b. Acquisition of more railway and mining rights, 1909, 1913.
c. Tightening of control—group II of the 21 demands, 1915.
d. Further acquisition of railway and mining rights by the loans, and agreements of 1917–1918.

e. Attempts to extend Japanese influences into north Manchuria and Mongolia, 1918-22.
f. Military invasion by Japanese troops, 1931.
B. Railway and mining rights.
1. Railway rights:
a. Railways under Japanese control.
(1) Pairary Chargehous (trunk line of the South Manchurian

(1) Dairen-Changchun (trunk line of the South Manchurian Ry)

(2) Mukden-Antung. (3) Ssuekiatun-Fushun.

¹From pamphlet Secret Doctrines Relating to the Japanese Policy Toward Manchuria and Mongolia, by Tun-Chang Hsu, Ph. D., sometime Carnegie fellow of international law, p. 2–5. Peiping, China, January 31, 1931.

(4) Tashihchiao-Yinkow. (5) Dairen-Port Arthur.

(Branch line of the South Manchurian Ry.)

(6) Kirin-Changchun (virtually since 1918).
(7) Tsingtao-Tsinan, 1914-22.
b. Railroads under Japanese financial influences.

(1) Mukden-Simintun.
(2) Ssupinkai-Taonan.
(3) Nanchang.
(2) Railyoads which Japan demands the right to build.
(1) Kaiyuan-Hailing-Kirin.

(2) (3) (4) Changchun-Jehol

Kirin-Hueining (Korea). (Tsinan-Shunteh and Kaomi-Suchow, 1918-22.)

2. Mining rights. a. In Manchuria:

Coal mines along the south Manchurian railways, 1905.
 Fushun and Yentai (the former one of the richest collieries

in China), 1909.
(3) Acquisition of the right to exploit more mines by the 21 demands, 1915 (mines in 6 localities in Fentien, in Kirin).

the manus, 1819 (mines in 6 incanties in Frentier, in Kirin).

b. In Shangtung:

(1) Succession to Germany's right to exploit the mines along the Tsingtao-Tsinan Railway, 1914.

(2) Change to Sino-Japanese joint operation, 1922.

c. Along the Yangtze Valley.

(1) Tayeh iron mines, Pinshiang coal mines and the Hanyeh-

ping Co.
(2) Taochung, Anhui.
d. In Fukien—Near Amoy.

Mr. LUNDEEN. Mr. President-

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. Is the Senator referring to the war of

"JAPAN MUST FIGHT BRITAIN"

Mr. SCHWELLENBACH. It starts at that time, and comes down to date.

While we are on the point of what Japan has learned from other nations, I think it would be of interest to all of us to know what the Japanese attitude is as a result of the knowledge which she has acquired. The most interesting statement of it is in a book written by a lieutenant commander of the Japanese Navy named Tota Ishimaru. In this book entitled "Japan Must Fight Britain" is entitled in its entirety the argument of the Japanese with reference to the future. I wish to read from the last two pages of the

The British Empire is on the downgrade, or perhaps at the parting of the ways that lead to salvation and destruction. To fight Japan is to court destruction. England had better swallow her pride and make way. That is the wisest thing she can do to protect herself; she has territorial possessions in abundance.

Japan, England, and America are the three great Pacific powers; harmony and cooperation between them will bring peace. If the Pacific should prove to be the scene of another world war, it will be because the influence and possessions of these three are not evenly balanced and because two of them, England and America, persist in endeavoring to have everything their own way at the expense of the third. A condition precedent to the preservation of peace is that England and America should give way and enable a balance to be maintained.

Let each of the three reign supreme in its own domain.

Let each of the three reign supreme in its own domain. Amer-Let each of the three reign supreme in its own domain. America in the eastern, Japan in the western, England in the southern Pacific. Let each keep to its own allotted area, there to guide and guard the other powers. Let each respect the wishes of the others, honestly assist their progress and development, finally abandon all ideas of racial discrimination and hatred, remove all tariff walls and restrictions on migration, encourage the settlement of differences by an efficient system of arbitration. Then limitation of armament will present no difficulties, mutual confidence will increase, and the Pacific Ocean will not belie its name.

But unless America and England, and especially the latter who the more likely to come into collision with Japan, make way, all this is but so much froth.

England holds the key to the peace of the Pacific. Whether that ocean belies its name, whether it becomes the scene of another world war, depends on the attitude of the British people.

Mr. President, there may be those who will argue that it is perfectly proper to have Japan control the area which the lieutenant commander points out, to have us control the eastern part of the Pacific, and to have England control the southern part of the Pacific. There may be many who will argue that that is the proper solution of the problem. However, the fact is that our Government and other governments solemnly agreed that that would not be the policy; and we pledged ourselves, so far as we were concerned, that that would not be our policy. The Japanese Government is repeatedly importuning our Government to adopt precisely that policy.

I know that there are some personal problems with reference to Japanese fishing off the coast of Alaska. Fortunately we have been able to settle them amicably during the past few years; but I know that at any time, if we had agreed, Japan would have entered into any sort of an understanding we had wanted, saying, "We will draw a line down through the center of the Pacific Ocean. We will stay on one side and you will stay on the other, and there will be no argument about salmon fishing." However, we had entered into a solemn obligation binding not merely our Government but our own citizens, and each of them, to recognize and respect the territorial and administrative integrity of China. Once we attempt to adopt the sort of policy outlined by the lieutenant commander of the Japanese Navy we act in express violation of a solemn agreement into which we have entered.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. SCHWELLENBACH. I yield to the Senator from

Minnesota.

Mr. LUNDEEN. It seems to me that the Nine Power Pact gave the mandated islands to Japan. As I remember, they were spread all over the Pacific, in various zones and areas. I will say to the Senator that I was never much of an advocate of the Nine Power Pact. However, that is beside the question. We gave great mandated areas to the Japanese, and the Japanese, as soon as they got their hands on them, immediately began to fortify them. Is not that just exactly what we should have expected?

Mr. SCHWELLENBACH. I think the Senator is mistaken

in using the word "gave."

Mr. LUNDEEN. The islands were mandated.

VERSAILLES ACTION CONFIRMED

Mr. SCHWELLENBACH. The Nine Power Pact confirmed the action at Versailles in reference to the mandated islands. For all practical purposes Japan obtained them at Versailles. They did not quite close up the title to them at Versailles; and the Nine Power Agreement-

Mr. LUNDEEN. The Nine Power Agreement put the seal

of approval on the title.

Mr. SCHWELLENBACH. The Nine Power Agreement put the seal of approval on it. They had an incheate control over them before, and the Nine Power Agreement clinched it.

Mr. LUNDEEN. We spread Japan all over the Pacific, and put the seal of approval on it. What could we expect, except that she would fortify the islands and put herself in a powerful position, and almost immediately begin to breast her way over the waves of the Pacific and try to shoulder other nations out of their areas?

Mr. SCHWELLENBACH. Mr. President, a few minutes ago I referred to 21 demands which were made by the Japanese Government on the Chinese Government in 1915. I wish to refer to them at this point, because I think they also fit into the general picture which it is necessary to obtain in order to make a proper appraisal of the entire problem. In doing so I think I can save time by reading from a book written by an author of great prominence on Far Eastern affairs, G. Zay Wood, who has written a number of books. He is a graduate of Columbia University, and has been president of the Chinese Political Science Association. He wrote a book entitled "Chino-Japanese Treaties of 1915." I wish to read briefly from that book:

The Chino-Japanese treaties of 1915, taken all together, comprise two treaties, properly so called, one respecting the Province of Shantung and the other respecting south Manchuria and eastern Inner Mongolia, and 13 diplomatic notes exchanged between the Chinese and the Japanese Governments and presumably attached to the above 2 treaties. For the sake of convenience these 2 treaties and 13 notes are hereafter referred to merely as "the Chino-Japanese treaties of 1915." They were concluded on May 25 of the said year as the result of the series of diplomatic negotiations in regard to the 21 demands. The said demands were made by the Japanese Government January 18, 1915, and were pressed upon the Chinese Government for acceptance in their entirety. The nature and the contents of these demands, the motive which had actuated them, and their political and economic significance have been treated in extenso in the brochure, The Twenty-one Demands. We need only recapitulate them very briefly here in order to make

We need only recapitulate them very briefly here in order to make our narrative comprehensible.

The demands consisted of five groups, the first relating to Japan's succession to the German rights and concessions in the Shantung Province, the second relating to Japan's special interests in south Manchuria and eastern Inner Mongolia, the third relating to Japan's desire of making the Han-yeh-ping Co. a Chino-Japanese joint enterprise, the fourth asking for nonalienation of the coast of China, and the fifth relating to the questions of China's national advisers, police administration, purchase of arms, Japanese religious propaganda in China, Yangtze Valley railways, and Fukien Province. Except the fifth group, which was postponed for "future negotiation," the first four groups of demands were embodied, in one form or another, in the 2 treaties and 13 annexed notes.

He then goes on to say:

Studied from the point of view of international law, the Chino-Japanese treaties of 1915 are void, on a good many grounds, some of which may appear extravagant, but some are undoubtedly unanswerable. Among these grounds may be mentioned (1) lack of legislative sanction.

He goes on in the next chapter to outline in detail the complete failure of the legislative branch of the Chinese Government to ratify the two treaties executed in 1915, and cites the provision of the constitution of China, written at Nanking in January 1912, which says that:

The provisional president shall have power, with the concurrence of the national assembly, to declare war and conclude

That is almost the same sort of provision we have in our Constitution, which requires the adherence and ratification of the Senate before a treaty which has been signed by the executive branch of our Government becomes effective. Certainly no one would claim that if our Secretary of State signed a treaty and it failed to come to the Senate for ratification, it would be binding upon our Government under our Constitution.

Mr. VANDENBERG. Mr. President, will the Senator vield?

Mr. SCHWELLENBACH. I yield.

Mr. VANDENBERG. We have been doing that very thing with reciprocal-trade agreements.

Mr. SCHWELLENBACH. I am discussing the far eastern situation. I do not think the Senator seriously wishes to inject that question into this discussion.

Mr. LUNDEEN. Mr. President-

Mr. SCHWELLENBACH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I agree with what the Senator from Michigan has said.

Mr. SCHWELLENBACH. Mr. Wood continues:

(2) Vital change of circumstances under which they were entered (2) Vital change of circumstances under which they were entered into, (3) disappearance of one of their objects, (4) conflict with the existing treaties, (5) violation of the open-door principle, (6) inconsistency with the Covenant of the League of Nations, and (7) incompatibility with China's sovereignty and her right of selfpreservation and self-development.

So far as I am concerned it seems to me that the first of these reasons is enough. We do not need to state the others. The treaties were never ratified by the legislative branch of the Chinese Government.

Mr. Wood outlines in detail two other bases, each of which it seems to me are sufficient to prove his contention that the two treaties of 1915 were void.

Mr. President, I speak of treaties not for the purpose of citing them as treaties, but simply for the purpose of pointing out the 21 demands which were made, and the fact that in 1915 Japan was attempting by the 21 demands to obtain complete and absolute control over China and destroy the administrative and territorial integrity of China.

That is not the only evidence which has been given of that attitude upon the part of the Japanese Government and Japanese officials. On July 25, 1927, the then Premier of Japan, Premier Tanaka, presented to the Japanese Emperor what was known as the Tanaka memorial, which was a statement made by the Premier of the attitude of the Government of Japan concerning its future policy with China. It is a lengthy document, and I am not going to

ask that it all be printed in the RECORD, because I do not think I should care to have the RECORD so encumbered, but I do desire to read a few excerpts from it. He said this:

In the future if we want to control China, we must first crush the United States just as in the past we had to fight in the Russo-Japanese War period. But in order to conquer China we must first conquer Manchuria and Mongolia. In order to conquer the world we must first conquer China. If we succeed in conquering China, the rest of the Asiatic countries and the South Sea countries will fear us and surrender to us. Then the world will realize that eastern Asia is ours and will not dare to violate our rights.

The Nine Power Treaty is entirely an expression of the spirit of commercial rivalry. It was the intention of England and America to crush our influence in China with their power of wealth.

BARON SHIDEHARA'S VIEWPOINT

Take that statement in connection with the statement I read a few moments ago from Baron Shidehara, who represented Japan at the Washington Conference, in which he said in glowing terms that Japan had no intention to destroy the territorial or administrative integrity of China, believed in the open-door policy, and readily acquiesced in the Nine Power Agreement. But in 1927 the Japanese Premier says:

The Nine Power Treaty is entirely an expression of the spirit of commercial rivalry. It was the intention of England and America to crush our influence in China with their power of wealth. The proposed reduction of armaments is nothing but a means to limit our military strength, making it impossible for us to conquer the vast territory of China.

A more dangerous factor is the fact that the people of China might some day wake up. Even during these years of internal strife they can still toil patiently and try to imitate and displace our goods so as to impair the development of our trade.

The way to gain actual rights in Manchuria and Mongolia is to use this region as a base and under the pretense of trade and commerce penetrate the rest of China. Armed by the rights already secured we shall seize the resources all over the country. Having China's entire resources at our disposal we shall proceed to conquer India, the archipelago of Asia Minor, central Asia, and even Europe.

Omitting a portion and coming down to what he says as to rights in Manchuria. I quote further:

As to the rights in Manchuria, we should take forceful steps on the basis of the 21 demands and secure the following in order to safeguard the enjoyment of the rights which we have acquired so far.

Then he outlines them.

Mr. VANDENBERG. Mr. President, may I ask the Senator if there is any reference to the Philippine Islands in this particular paper?

Mr. SCHWELLENBACH. There is no specific reference to the Philippine Islands, except the general statement that the Japanese intend to obtain control of all the area of the western Pacific.

Proceeding further with the quotation:

After a large number of our people have moved into outer and inner Mongolia, we shall then buy lands at one-tenth of their worth and begin to cultivate rice, where feasible, in order to relieve our shortage of food supply. Where the land is not suitable for rice cultivation we should develop it for cattle raising and horse breeding in order to replenish our military needs. The rest of the land could be devoted to the manufacture of canned goods which we may export to Europe and America.

From now on we must take military purposes as our object and build circuit lines to circle the heart of Manchuria and Mongolia in order that we may hamper China's military, political, and economic developments there on the one hand, and prevent the penetration of the Russian influence on the other. This is the key to our continental policy.

In our struggle against the political and economic influence of Soviet Russia we should drive China before us and direct the event from behind. Meanwhile, we should still secretly befriend Russia in order to hamper the growth of Chinese influence.

We should now demand from China the right of building all the important military railroads. When these railroads are completed, we shall pour our forces into north Manchuria as far as we can. When Soviet Russia intervenes, as they must, that is our opportunity for open conflict.

When life there is made miserable for the Chinese, they naturally will leave for places afar. There are other methods

to bar the Chinese. Only if we try hard enough, no Chinese footprints will be found on Mongolian territory.

Then he goes on to say:

For the sake of self-preservation of giving warning to China and the rest of the world we must fight America sometime. The American Asiatic squadron stationed in the Philippines is but within a stone's throw from Tsushima and Senchima. If they send submarines to these quarters, our supply of foodstuffs and raw materials from Manchuria and Mongolia will be cut off entirely.

So far as I know, that is the only reference to the Philippines directly, and there he was not referring to the seizure of the Philippines except that they would ultimately have to fight America, and the first reason he gives is that the Philippines are so close.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. The reference in this document, whoever wrote it—

Mr. SCHWELLENBACH. It was the Japanese Premier in the report made to his Emperor at the time he was the head of the Japanese Government, so far as there was a head outside the Emperor, outlining, in detail, the future plans for the expansion of Japan. It is known as the Tanaka Memorial.

Mr. LUNDEEN. I will say to the Senator that is somewhat reminiscent of articles we have read in prominent magazines about some "red" Napoleon conquering the earth, and also of the example of the great British Empire, on which the sun never sets, which now has 600,000,000 people under its flag, and one-fourth of the earth in its area. It is also somewhat reminiscent of the propaganda we heard during the World War that the Kaiser would conquer the earth, although he only had an area as large as Texas, and that now Hitler is going to conquer the world. Who is first on the list of world conquerors, and are we going to allow ourselves to be alarmed and become excited at every report that comes out about someone conquering the world?

NO INTENTION TO ALARM

Mr. SCHWELLENBACH. I want to say to the Senator that I am not presenting this matter with a view of alarming anybody. I think the Senator will agree that even my manner of presentation is not of an alarmist nature. My final thesis is, that we have a responsibility under the ninepower agreement which we should recognize. We have entered into a treaty. I present the statements in reference to Japanese ambitions solely for the purpose of attempting to prove-and I believe they do prove-Japan's intention in the present conflict of destroying the territorial and the administrative integrity of China. I do not present these matters on the basis of a scarehead to indicate any intention on the part of Japan to conquer the world, or that we, ourselves, need be frightened. I present them upon the basis that we have a legal and moral responsibility and if incidental to the statements in reference to Japan's intentions in China there also creep in other statements in reference to her intentions toward other parts of the world, I ask that they be considered merely as incidents which are necessary because they are there, and I have to read all the sentence and cannot leave out part of it.

Continuing on the question of the war aims of Japan, I wish to read from a book, written by Mr. William Henry Chamberlin, who was for many years the representative of the Christian Science Monitor in the Far East. The title of the book is "Japan Over Asia." I think those who are familiar with writings on the Far East will admit Mr. Chamberlin as being a recognized authority upon the problems there. He said this, on page 374 of this book:

Japan's war aims have not been stated with any great clarity by its statesmen, but they have been indicated by the activities of its soldiers. When hundreds of thousands of men have been mobilized and a sum almost equal to the whole year's budget has been appropriated within 2 months after the outbreak of hostilities, it is clear that no petty concessions will satisfy Japan's ambitions. Repudiations of territorial ambitions may be technically sincere, but they are meaningless, because political changes can be brought about through the creation of new puppet states on the model of Manchukuo.

There is strong reason to believe that Japan has three definite aspirations in China. The first is the creation of a regime in North China that will be entirely subservient to Japanese wishes. Along with a completely dependent Chinese administration in Peiping and Tientsin, a new Mongolian state, the frontiers of which are still indeterminate, seems to be taking shape. And Japan's ambitions are not restricted to the Peiping-Tientsin area. They include Shantung, where Japanese possess extensive economic interests, and Shansi, with its coal mines.

A Japanese-controlled North China, it is believed, will mean more cotton for the mills of Osaka and a new barrier to Soviet influence from the north. The coal of Shansi and the iron of Chahar are also important considerations; Japan's growing continental empire is expected to provide a large part of the raw-material base for the heavy industry indispensable to a first-class imperial power.

is expected to provide a large part of the raw-material base for the heavy industry indispensable to a first-class imperial power.

Japan's second aspiration is for a government in Nanking which will be only a little less subservient than the new regime in North China. A Japanese diplomat, Mr. Toshio Shiratori, formulated an idea that would certainly find approval in Japanese military circles when he recently advocated, in terms that would suggest either naivete or cynical irony, a complete Japanese military protectorate over China.

A third probable demand is for a change in the status of Shanghai, which has now twice been the scene of flerce fighting. A combination of the foreign and Chinese parts of Shanghai under a single administration with the status of a free city is an idea that finds favor in some Japanese circles. That Japanese influence in Shanghai will be immensely strengthened if the war turns out favorably may be taken for granted.

In short, "Japan over Asia" today has become a living reality, for which Japanese soldiers and sailors and airmen go to their deaths with traditional courage, with banzais for the Emperor on their lips, and for which the Japanese masses will have to pinch and scrape still more as the war bills fall due for payment.

Then he goes on to say—and while this does not directly work in with the point which I am now attempting to develop, it is of interest:

What are the chances that Japan will realize its bold stake on the oriental empire and bring all China, in one form or another, within the orbit of its political and economic influence?

This book was published in November 1937, which was shortly after the incident at the Marco Polo Bridge.

Japan will realize its bold stake in oriental empire, and bring all China in one form or another within the orbit of its political and economic influence. The time factor is, I believe, of vital, if not paramount, importance. If Japan can crush effective Chinese resistance within 6 months the military and political situation side of its venture will have succeeded, although the very broad question of whether Japan will have the surplus resources for effective economic exploitation will remain to be answered.

This was written in November 1937, and he says that they would have to win within 6 months in order to actually achieve victory.

On the other hand, if China after a year still has forces in the field perhaps armed from Russia, Japan's ultimate victory is likely to prove a pyrrhic one. Financial and economic difficulties will multiply; stocks of gold and foreign exchange will run low; the country will be seriously weakened in the event of a clash with some power better armed than China.

July 1937 was a very fateful month in the history of Japan and China. It marked the beginning of what seems likely to be a decisive test of national power, a test which many people in both countries had foreseen and yet which had been postponed and evaded so often that optimists were beginning to believe that it might be escaped altogether. Every ounce of Japanese national strength has been mobilized to meet an emergency that has been steadily expanding in proportions ever since it started and that shows no signs of abating in the near future.

THE MATTER OF TIMING

Mr. President, I want for just a moment, because I think it is of interest in the general situation, to point to the timing of Japanese efforts with events in other parts of the world. I am not today presenting the far eastern problem from the point of view of its relationship with the European problem. However, we must recognize that it does have its relationship, that while Japan has not signed a military agreement with Italy and Germany, and cannot be considered certain to be a military ally in the event Italy and Germany should have a war against the other nations in Europe, nevertheless, there has been a certain synchronization of efforts which could not in each instance be coincidental, and I think it is of interest to consider that in connection with the timing.

It carries us clear back to the period during the World War. I pointed out the 21 demands which were made upon China

by Japan, made in January and February 1915, made at a time when the rest of the world was occupied, and seriously occupied, with conditions in Europe. It was at that time that the Japanese made their demands and they attempted to keep them secret from the rest of the world. They attempted to keep their treaty, to which I referred a few moments ago, secret from the rest of the world. They did succeed in keeping their treaties with England and France secret until the time of Versailles.

Mr. KING. Mr. President-

The PRESIDING OFFICER (Mr. Lundeen in the chair). Does the Senator from Washington yield to the Senator from Utah?

Mr. SCHWELLENBACH. I yield.

Mr. KING. I think the Senator might go a little further in his statement as to the synchronization of the efforts between the countries in the axis. The axis, of course, started out with Berlin and Mussolini, but it has been extended, as is conceded, I think, by Hitler and by Mussolini-to embrace Japan, and we notice that whenever there is a little tension in the east which will distract the attention of France and Great Britain, Japan then makes a reconnaissance in the Orient. She seizes the Honan, then moves to southeast China, and then makes further invasions into Canton and the neighboring country. So that they synchronize their activities. Whenever there is a little lull in the Occident, there is a recrudescence of the Japanese movements in the Orient, and vice versa. I think, as I stated on the floor of the Senate months ago, that there has been an understanding, if not a treaty, between the three powers looking toward their aiding each other in the destruction of the democratic nations.

POST ACTIVITIES

Mr. SCHWELLENBACH. Mr. President, I intend to develop that a little more fully. I disagree to a certain extent with what the Senator from Utah has stated. I do not think it has been upon the basis of a lull in Europe; it has been during lull periods, it is true, but, nevertheless, it has been during periods when there were threats of further action in Europe that the activity in the Far East is undertaken.

Going into detail on that question, on September 8, 1931, Japanese troops guarding the South Manchurian Railway fired on a Chinese patrol alleged to have torn up some S. M. R. rails north of Mukden. Thus Japan, on a pretext, began the invasion of Manchuria 3 years after signing the Pact of Paris. This incident came at a time when the world was submerged in the greatest economic crisis yet experienced, and coincided almost to the day—September 21—when Great Britain suspended her gold payments. It also coincided with the great Chinese flood of 1931 which inundated approximately 8,000 square miles in North Kiangsu Province, east of the Grand Canal and north of the Yangtse River.

On January 18, 1932, Japan extended her attack on China to Shanghai under an equally flimsy excuse. Two Japanese were injured in a free-for-all fight in front of a Chinese factory in the Chinese area of Shanghai. There was also some rioting 3 days later. The final casualties were three Chinese injured, one dead; three Japanese injured, one dead. This incident coincided with disturbances in Spain which culminated in a general strike at Seville. It also coincided with the march here in Washington by the bonus army. I do not believe, however, there was any synchronization of those two movements. It also coincided with severe difficulties in India, during which Gandhi was arrested.

On January 10, 1933, the Japanese Army marched into the Province of Jehol, cutting it off from China and making it a part of Manchukuo. This move coincided with more severe riots in Spain. There were general strikes at Barcelona, Valencia, Cuenca, and Cadiz.

On November 26, 1936, Japan and Germany signed the Anti-Comintern Pact, to which Italy later adhered. This portentous event coincided with the period when the attention of practically the whole world was centered on the rebel attack on the city of Madrid.

On July 7, 1937, the Japanese troops, carrying out night maneuvers, exchanged shots with a Chinese military unit at Marco Polo Bridge in Peking. This event, which was the beginning of the present conflict, coincided with meetings of the Nonintervention Committee on Spain. It also coincided with the further rebel attack on Madrid. July 7 was also the sixth day of the search for Amelia Earhart, lost in the Pacific Ocean. Also, at this time came the announcement of the British plan for the partition of Palestine.

On August 12, 1937, the undeclared war was extended to Shanghai. This event coincided with matters of extreme concern in Europe, principally the Anglo-Italian Pact negotiations. Subsequent events closely followed the developments of the war in Spain. The occupation of Nanking came on December 11, 1937, while the Panay was sunk the following day along with the destruction of three Standard Oil tankers. These two dates coincided with Mussolini's announcement in Rome of Italy's decision to withdraw from the League of Nations. In Soviet Russia the people voted by secret ballot for 1.143 candidates for election to membership in the Supreme Soviet.

The fighting in Siberia centering around Changkufeng, July 16 to August 28, 1938, was a preliminary diversion of attention from Hitler's demands on Czechoslovakia-Sudetenland absorbed October 3-and subsequent events during the following weeks served the same purpose. On October 13, Japanese troops landed in Bias Bay, entering Canton on October 21. On October 25 Hankow was occupied. This whole series of events both in Asia and in Europe not only served to divert the attention of the rest of the world, but also served to weaken the effectiveness of any moves which might have been made by the nations outside the Anti-Comintern Pact.

SEIZURE OF HAINAN

The seizure of Hainan came on February 9, 1939, at the time Hitler was in the process of taking over the whole of Czechoslovakia; also a few weeks later, on March 30, 1939, Japan extended her influence and control to the Spratly Islands in the South China Sea. This development coincided almost to the day with the surrender of Madrid.

Blockade of Tientsin in June and July of this year constituted a perfect diversion of attention from Hitler's demands on Danzig. The fighting around Lake Bor in Outer Mongolia served the purpose not only of diverting attention from Europe but also of discrediting Russia in relation to the possibility of an Anglo-Russian Pact, and also further diversion from attention to Hitler's demands on Danzig.

Mr. President, up to this time I have attempted to present two phases of this question: First, our responsibility toward China because of our relationship with the Chinese, and our treaty obligations to them; second, that Japan is in this war attempting to destroy the territorial and administrative integrity of China, in violation of the nine-power agreement.

I wish at this point to read the testimony of Dr. Judd on the question of the kind of war Japan is conducting in China. I read from his testimony at page 296:

The disregard for all rules of carrying on warfare; the refusal to take prisoners; the inhuman treatment of wounded Chinese soldiers, prohibiting Chinese or foreign Red Cross units to minister to their wounds or even to give them food and water; the attacks on undefended civilians as the primary "military objectives"; the unceasing diabolical assaults on Chinese women as a military measure, ordered by the high command which knew China's love of home to be her single most vulnerable spot; the taking over of home to be her single most vulnerable spot; the taking away of tens of thousands of Chinese children between the ages of 8 and 12, allegedly to be educated in Japan as Japanese; the systematic destruction of colleges and high schools to destroy China's scholarship and trained leadership which might conceivably be able to wear out and eventually assimilate China's present conquerors as it was able to absorb her previous conquerors; the forced growth and consumption by Chinese of opium and its more deadly derivative, heroin—all these I have seen personally, month in and month out, as the rule of Japanese conduct in China to which there is almost no exception. We used to say war was the worst of all evils in the world; but the wars we were talking about were, after all, "gentlemen's wars," mere child's play as compared to what is going on in China today. I think it is worth taking a few minutes at the outset to review these facts so we can have before us a picture of what it is we are helping along when we supply Japan with war materials; also, because this and 12, allegedly to be educated in Japan as Japanese; the systewar is unquestionably a prototype of what all wars are going to be in the future (at least those waged by totalitarian states), if we allow situations to degenerate to the place where most people can see no other way out than by resorting to war. It is people can see no other way out than by resorting to war. It is only as we face what the next war will surely be like that we can appreciate fully how imperative it is that we exert every effort to prevent its ever coming to us. That means trying in all proper ways to prevent its coming to anyone else either, for surely the only way we can be completely certain of keeping ourselves out of war is for there to be no war for us to get into.

AMERICA'S PARTICIPATION

Mr. President, turning to the question of what has been our participation and what is our participation in this war, there can be no question but that to a very material extent Japan is depending upon the United States for the materials which the Japanese are using in this war. We are participating in the Sino-Japanese War today. I know Senators have all read figures that we are furnishing 56 percent of the materials which might be used in the war. and I know that the Members of this Body were all shocked, knowing as they did of our treaty obligations and our relationship with China, to hear that we were furnishing 56 percent of the materials used in the war. But 56 percent is a deceptive figure, because in the matter of the most important articles the percentage we are furnishing is actually more than 56 percent. These are the figures as to some of the articles we are furnishing, figures compiled for the year 1938

Petroleum and products, 65.57 percent. Scrap or old iron and steel, 90.39 percent.

Ferro-alloys, 82.71 percent.

Other iron and steel semi-manufactures, 53.65 percent.

Copper, 90.89 percent.

Metals and alloys, not elsewhere specified in the list from which I am reading, 99.33 percent.

Automobiles and parts, 64.67 percent. Metal-working machinery, 67.09 percent.

Aircraft and parts, 76.92 percent.

So that as to the very important materials, we are furnishing a much higher percentage than the 56 percent which is furnished by us on the average.

Mr. President, an interesting article appeared on June 27 of this year in the Christian Science Monitor, written by Saville R. Davis, a staff correspondent, giving the figures I have read and other figures, and giving a statement concerning our participation through the medium of the supplies which we are furnishing. I ask unanimous consent that the statement may be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of June 27, 1939] UNITED STATES CHIEF ARMS PROVIDER TO JAPAN—DEMOCRATIC POWERS GIVE CHIEF AID TO CHINA'S ENEMY—AXIS NATIONS SUPPLY SMALL AMOUNT

(By Saville R. Davis)

Washington, June 27.—The United States is far and away the most important supplier of war materials to Japan, according to a broad and painstaking survey of world trade with that country made public by the Chinese Council for Economic Research here. Figures were obtained by Hu Tun-yuan from official Government sources and show that the United States supplied 56 percent of all Japan's imports of the most strategic war materials in 1938—a slight increase over the year previous—as compared with only 20.7 percent supplied by the British Empire in second place, and the 8.6 percent from Netherlands India in third place.

The three pations all interested in curbing Japanese aggression

The three nations, all interested in curbing Japanese aggression in China, controlled between them approximately 85 percent of Japan's foreign supply of these materials—a fact of prime importance in the event that economic restraining action should be attempted in future. While there are undoubtedly other sources for many of these materials, should these major suppliers adopt an embargo, the cost would be far greater and most of the commodities could not be found elsewhere in anything like the quantities needed by Japan tities needed by Japan.

FIGURES TELL STORY

The accompanying table speaks eloquently of the extent to which the United States has underwritten Japan's war on China—supplying in the past year 90 percent of the vital scrap or old iron and steel, 91 percent of the copper, 66 percent of oil and its products, 45 percent of the lead, 67 percent of the metal-working machinery, and so on and so on.

Aircraft and parts come in a special category. In 1938, according to Dr. Hu's figures, the United States provided \$17,454,000, or 77 percent, of the world supply to Japan. This trade has since almost dried up as a result of the voluntary boycott requested by Cordell Hull, Secretary of State, in May of last year. Substantial contracts in force previous to that time were supplied during the remainder of the years, but no new licenses for export have been issued by the State Department since November 1, 1938, and in 1939 the amounts actually shipped under old contracts amounted only to \$250,000 during the 5 months up to June 1. Parenthetically, these are the State Department's figures and include only aircraft and parts considered to be for war purpose; today airplane exports to Japan as reported by the Department of Commerce were approximately \$1,000,000 in May of this year and may include materials convertible to war purposes.

Another table prepared by Dr. Hu and too lengthy to reproduce here shows what amounts of all war supplies are furnished to Japan by the democratic powers, on the one hand, and by the axis powers on the other. Even a quick glance shows the overwhelming extent of control of the situation by the democratic powers. Their column shows one high percent after another, looking down the list of commodities in the 1937 and 1938 trade with Japan; while the column of percentages supplied by the axis contains one zero after another.

contains one zero after another.

HOW TRADE ROSE

Only in the case of manufactured materials has the axis any significant share and even this is greatly outweighed by the supplies from the democratic powers which dominate these categories also. Only mercury should be mentioned as an exception, being entirely supplied from the axis side.

Another table shows the extent to which the war materials trade from the United States to Jonan healthnessed between 1007 and

Another table shows the extent to which the war materials trade from the United States to Japan has increased between 1937 and 1938. In terms of quantity shipments gasoline and related fuels in containers more than doubled. Lead more than tripled. Aluminum went up 172 percent. Crude petroleum went up 35 percent. Significantly, also, a great many other items fell off, the most drastic of which was iron and steel scrap, which fell from 1,912,000 tons in 1937 to 1,382,000 tons last year. This was a decline of 29 percent in quantity and 44 percent in value. This was in line with a general curtailment of scrap from all sources which partly reflected the tightening of foreign exchange resources of Japan and partly reflected the taking over of the Lungyen iron-ore deposits in Chahar, China, which were opened up at the end of 1937.

Following are the salient figures with respect to the trade of Japan with the world as a whole:

Following are the salient figures with respect to the trade of Japan with the world as a whole:

The proportion of war material imports to all other imports rose from 29 percent in 1937 to 40 percent in 1938. War-material trade fell off only 3.4 percent, whereas total trade of all sorts fell off by 30 percent between these 2 years. "This reflects," says Dr. Hu, "Japan's policy of curtailing ordinary imports in favor of commodities that are necessary to the prosecution of war." In the case of cotton and wool for Japan's greatest nonmilitary export industry, the decline of imports was great, amounting to 49 per-

industry, the decline of imports was great, amounting to 49 percent for cotton and 69 percent for wool.

The total of world sales of essential war materials and articles to Japan amounted to \$306,000,000 in 1938, while sales of all commodities (including war materials) amounted to \$757,700,000.

HOW UNITED STATES AIDS JAPAN SHOWN

WASHINGTON, JUNE 27. United States share in world exports to Japan essential for war purposes in 1938, as compiled from Government sources by the

Chinese Council for Economic Research: [Value in United States dollars]

World exports, value	United States share, value	Percent
\$306, 393, 950	\$171, 574, 167	56.00
7, 916, 835 528, 369	2, 652, 482 44, 676	33. 50 8. 46
81, 034, 885	53, 135, 672	1. 68 65, 57 90, 39
2, 819, 420 20, 973, 343	2, 331, 979 11, 251, 804	82. 71 53. 65
24, 385, 546 13, 095, 231	22, 163, 778 476, 345	90. 89 3. 63
4, 613, 888	2, 100, 054	2.38 45,52
321, 711	319, 566	. 96 99. 33 64. 67
36, 448, 527 1, 658, 875	24, 454, 707 542, 637	67. 09 32. 71
22, 692, 655 696, 186 21, 882, 960	17, 454, 477 100, 365	76. 92 14. 42
	ports, value \$306, 393, 950 7, 916, 835 528, 369 81, 034, 884, 069 81, 034, 885 24, 407, 089 2, 819, 420 20, 973, 343 24, 385, 546 13, 095, 231 6, 624, 440 4, 613, 888 2, 794, 622 321, 711 18, 635, 299 36, 448, 527 1, 658, 875 22, 602, 655 699, 186	\$306, 393, 950 \$171, 574, 167 7, 916, 835 \$2, 652, 482, 528, 369 \$44, 676 14, 864, 069 \$249, 792 81, 034, 885 \$53, 135, 672 24, 407, 089 \$22, 061, 212 2, 819, 420 \$2, 331, 979 20, 973, 343 \$11, 251, 804 24, 385, 546 \$22, 163, 778 13, 095, 231 \$476, 345 6, 624, 440 \$157, 317 4, 613, 888 \$2, 100, 054 2, 794, 622 \$26, 768 321, 711 \$319, 566 18, 635, 299 \$12, 050, 536 18, 635, 299 \$12, 050, 536 18, 635, 299 \$12, 050, 536 24, 448, 527 \$24, 643, 707 1, 638, 875 \$42, 637 26, 692, 655 \$17, 454, 477 696, 186 \$100, 365 100, 365

the value of the exports to Japan, especially for war purposes, from various countries, by commodity groups, for the years 1937 and 1938.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Table 1 (b).—Value of exports to Japan essential for war purposes, from various countries, by commodity groups, 1938 compared with 1937

[Value in United States dollars]

	193	8	193	7	Increase (+) or decrease (-)		
Commodity	Value	Per- cent of grand total	Value	Per- cent of grand total	Value	Per- cent	
Grand total	306, 393, 950	100.00	317, 209, 688	100.00	-10, 815, 738	-3.40	
Hides and skins Leather	7, 916, 835 528, 369	2. 58 . 17	12, 832, 580 2, 562, 460	4.04	-4, 915, 745 -2, 034, 091	-38.33 -79.35	
Total	8, 445, 204	2.75	15, 935, 040	4. 85	-6, 949, 836	-45. 14	
Rubber Petroleum and prod-	14, 864, 069	4. 85	28, 678, 611	9.04	-13, 814, 542	-48.17	
ucts Ores (other than iron) Iron ore Ferro-alloys	81, 034, 885 2, 242, 835 8, 361, 301 2, 819, 420	26. 45 . 73 2. 73 . 92	2, 332, 950 8, 579, 161	22. 57 . 74 2. 70 . 54	-90, 115 -217, 860	+13. 18 -3. 86 -2. 56 +64. 16	
Scrap or old iron and steel	24, 407, 089	7. 97			-20, 345, 457	-45. 46	
Other iron and steel semimanufactures	20, 973, 343	6. 84	49, 218, 217	15. 52	-28, 244, 874	-57.39	
Total	56, 561, 153	18. 46	104, 267, 636	32. 87	-47, 706, 483	-45. 75	
Copper	24, 385, 546 13, 095, 231 8, 711, 639 6, 624, 440 4, 613, 888 2, 794, 622 404, 427 32, 501 321, 711	7, 96 4, 27 2, 84 2, 16 1, 51 .91 .14 .01	4, 808, 810 7, 404, 444 5, 740, 697 7, 708, 198 4, 967, 672 264, 613 529, 367	6. 36 1. 52 2. 33 1. 81 2. 43 1. 57 .08 .17	+4, 200, 773 +8, 286, 421 +1, 309, 195 +883, 743 -3, 094, 310 -2, 173, 050 +139, 814 -496, 866 +163, 305	+20. 81 +172. 32 +17. 69 +15. 39 -40. 14 -43. 74 +52. 83 -93. 86 +103. 39	
Total	60, 984, 005	19. 90	51, 764, 980	16. 32	+9, 219, 025	+17.81	
MicaAsbestos	793, 110 1, 337, 147	. 26	468, 578 1, 362, 962	. 15 . 43	+324, 532 -25, 815		
Total	2, 130, 257	.70	1, 831, 540	. 58	+298,717	+16.31	
Automobiles, parts, and accessories Metal-working ma- chinery Internal-combustion engines	18, 635, 299 36, 448, 527 1, 658, 875	6. 08 11. 90			+2, 179, 263 +18, 869, 761 +519, 245	+107.34	
Total	38, 107, 402	12.44	18, 718, 396	5. 90	+19, 389, 006	+103.58	
Aircraft and parts Arms and ammuni- tion	22, 692, 655 696, 186	7.41	3, 538, 757 2, 626, 918	- 0.0	+19, 153, 898 -1, 930, 732		
Total	23, 388, 841	7. 64	6, 165, 675		+17, 223, 166	No. 1	

Mr. SCHWELLENBACH. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD a table showing the shares of individual countries in total exports to Japan essential for war purposes, 1938, compared with 1937. I wish to point out this upon this particular table, Mr. President, because it is of interest. I read the same figure a few minutes ago as being the total percentage of exports from the United States to Japan, being 56 percent. During 1938, while we were furnishing 56 percent, we who are not allied in any way with Japan, we whose people almost unanimously abhor the methods which Japan is using in this war, Germany who is looked upon as an ally of Japan, furnished 7.68 percent, and Italy only 0.46

In 1937 we exported to Japan 54.54 percent, Germany 3.05 percent, and Italy 0.10 percent.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

¹Including shipments to Manchuria.

²Including shipments to Manchuria. United States figure for 1938 includes shipments to Shanghai.

³Includes ores, tin, antimony, mercury, mica, and asbestos.

Mr. SCHWELLENBACH. Mr. President, I also ask unanimous consent to have printed in the Record a table showing

The table is as follows:

Table 2 (a) .—Share of individual countries in total exports to Japan essential for war purposes, 1936 compared with 1937 [Value in United States dollars]

	1938	3	1937		
Country	Value	Percent of total	Value	Percent of total	
Total	306, 393, 950	100.00	317, 209, 688	100.00	
United States of America	171, 574, 167	56, 00	173, 009, 621	54. 50	
British Malay	28, 274, 857	9, 23	31, 802, 374	10.03	
Netherland India	26, 417, 420	8.62	29, 648, 992	9.35	
Germany	23, 522, 500	7.68	9, 679, 486	3. 03	
Canada		6.00	16, 025, 057	5. 05	
British India	9, 590, 874	3, 13	10, 430, 513	3. 29	
Australia	3, 911, 352	1.28	6, 894, 226	2.17	
Switzerland	3, 862, 547	1. 26	844, 848	. 27	
Philippines	3, 277, 268	1.07	1, 995, 740	. 63	
United Kingdom	3, 227, 182	1.05	5, 690, 393	1.79	
Sweden	2,000,000	. 65	2, 525, 605	.80	
Argentina	1, 958, 317	.64	1,690,443	. 53	
Norway	1,829,107	.60	1, 384, 879	.44	
Italy		.46	325, 427	.10	
Belgium and Luxemburg	1, 211, 527	.39	5, 380, 016	1.70	
China	1, 017, 217	.33	4, 495, 958	1.42	
France	702 478	.23	2, 141, 012	. 68	
French Indo-China	515, 909	.17	2, 549, 974	.80	
Rumania	402, 480	.13	421, 280	.18	
Poland	387, 385	. 13	586, 423	. 18	
Ecuador	210, 265	.07	191, 657	.00	
Czechoslovakia	191, 088	.06	657, 103	.2	
Austria	134, 951	.04	0	1	
Hong Kong	134, 260	.04	2, 330, 301	.7	
Mexico	120,000	.04	0		
Netherlands	54, 459	.02	0		
Union of Soviet Socialist Republics	0.4,100	0	Ů.		
Others 1	2, 074, 037	.68	6, 508, 360	2.0	

 $^{^{\}rm I}$ Only those countries which export rubber, leather, and hides and skins to Japan, but which are not separately listed in table 3.

Mr. SCHWELLENBACH. Mr. President, I next ask to have inserted in the Record tables showing shares of various groups of countries in total exports to Japan essential for war purposes. It shows that the United States and the Philippine Islands in 1938 furnished 57.7 percent. The United Kingdom, British Malay, Canada, British India, and Australia furnished a total of 20.69 percent. The Netherlands and Netherland India furnished 8.64 percent. France and French Indochina furnished 0.40 percent. Germany, Italy, Czechoslovakia, and Austria furnished a total of 8.24 percent. In other words, it is the so-called democracies of the world which are furnishing these supplies to Japan to be used for the purpose of destroying the territorial integrity of China and using them in the way which I have described through the testimony of Dr. Judd.

There being no objection, the table was ordered to be printed in the Record, as follows:

Table 2 (b).—Share of various groups of countries in total exports to Japan essential for war purposes

[Value in United States dollars]

	1938		1937	
Country	Value	Percent of grand total	Value	Percent of grand total
Grand total	\$306, 393, 950	100.00	\$317, 209, 688	100.00
United States of America Philippines	171, 574, 167 3, 277, 268	56.00 1.07	173, 009, 621 1, 995, 740	54. 54 . 63
Total	174, 851, 435	57.07	175, 005, 361	55. 17
United Kingdom	28, 274, 857 18, 375, 282 9, 590, 874 3, 911, 352	1. 05 9. 23 6. 00 3. 13 1. 28	5, 690, 393 31, 802, 374 16, 025, 057 10, 430, 513 6, 894, 226	1, 79 10, 03 5, 05 3, 29 2, 17
Total	63, 379, 547	20, 69	70, 842, 563	22. 33
Netherlands Netherland India	54, 459 26, 417, 420	. 02 8, 62	29, 648, 992	0 9. 35
Total	26, 471, 879	8.64	29, 648, 992	9, 35
FranceFrench Indo-China	702, 478 515, 909	0. 23 . 17	2, 141, 012 2, 549, 974	. 68
Total	1, 218, 387	. 40	4, 690, 986	1.48
Germany	23, 522, 500 1, 417, 021 191, 088 134, 951	7. 68 . 46 . 06 . 04	9, 679, 486 325, 427 657, 103 0	3. 05 . 10 . 21 0
Total Union of Soviet Socialist Repub-	25, 265, 560	8. 24	10, 662, 016	3, 36
lics	0	0	0	0
Switzerland. Sweden Argentina Norway Belgium and Luxemburg. China	1, 958, 317 1, 829, 107 1, 211, 527 1, 017, 217	1. 26 .65 .64 .60 .39	844, 848 2, 525, 605 1, 690, 443 1, 384, 879 5, 380, 016 4, 495, 958	0. 27 .80 .53 .44 1. 70 1. 42
Rumania Poland Ecuador Hong Kong ¹	402, 480 387, 385 210, 265 134, 260	.13 .13 .07	421, 280 586, 423 191, 657 2, 330, 301	.13 .18 .06
Mexico Others ²	120, 000 2, 074, 037	.04	Zero 6, 508, 360	Zero 2.05
Total	15, 207, 142	4.96	26, 359, 770	8. 31

¹ Hong Kong is not included in the British Empire group since it serves primarily as a transshipment point to China's southwest.

² See footnote, table 2 (a).

Mr. SCHWELLENBACH. Mr. President, I next ask unanimous consent to have printed in the Record another table showing the details of our shipments to Japan for the year 1938, compared with the year 1937. The table shows the United States exports to Japan essential for war purposes. In connection therewith I also wish to have printed in the Record a table showing United States exports to Kwatung, Manchuria, of essentials for war purposes, because the figures of both tables should be taken together.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

ARIE 4 - United States errorts to Janan essential for var murnoes 1938 commared with 1971

field to have a basis of the	1938		1937		Increase (+) or decrease (-)		Percent increase (+) or decrease (-)	
Commodity	Quantity 2	Value (dollars)	Quantity 4	Value (dollars)	Quantity 6	Value (dollars)	Quantity 8	Value 9
Hides and skins, rawpounds_ Leatherscrap rubbertons_	24, 501, 850 6, 533	2, 652, 482 44, 676 249, 792	15, 526, 653 4, 524	2, 690, 983 702, 942 171, 362	+8, 975, 197	-38, 501 -658, 266 +78, 367	+57.8	-1.4 -93.6 +45.7
Petroleum and products (1 barrel=42 gallons): Crude petroleum barrels Gas and fuel oil Gasoline and other petroleum motor fuel	40 14 VOICE OF 13 15 10 1	29, 955, 915 6, 675, 464	15, 994, 669 6, 308, 194	22, 102, 846 7, 139, 225	+5, 294, 903 -1, 010, 730	+7, 853, 069 -463, 761	+33.1 -16.0	+35.5 -6.5
in bulk do. Gasoline and other petroleum motor fuel in containers barrels. Lubricating oil do. Residual fuel oil do.	501, 356 557, 277 288, 722 3, 029, 586	1, 929, 054 5, 783, 799 2, 614, 236	915, 392 177, 637 444, 405 4, 044, 999	2, 427, 333 1, 255, 807 5, 518, 074	-414, 036 +379, 640 -155, 683	-498, 279 +4, 527, 992 -2, 903, 838	-45. 2 +213. 7 -35. 0	-20.5 +360.6 -52.6
Total, petroleum and productsdo	30, 963, 977	2, 532, 365 49, 490, 833	27, 885, 296	3, 631, 890 42, 075, 175	-1, 015, 413 +3, 078, 681	-1, 099, 525 +7, 415, 658	-25.1 +11.0	-30, 3 +17, 6
Iron and steel semimanufactures (1 ton=2,240 pounds): Iron and steel scrap ² tons. Pig irondo. Steel ingots, blooms, billets, slabs, not containing	316, 280	22, 061, 212 4, 886, 258	1, 911, 508 409, 241	39, 385, 832 9, 671, 678	-529, 707 -92, 961	-17, 324, 620 -4, 785, 420	-28.7 -22.7	-44.0 -49.5
alloy tons Tinplate, taggers' tin and terneplate pounds Iron and steel plates do. Wire rods. do. Steel sheets, black do.	24, 052, 087	3, 084, 566 1, 649, 174 713, 921 551, 021 366, 864	204, 562 95, 624, 271 226, 858, 110 68, 012, 210 30, 965, 752	8, 754, 439 4, 484, 478 5, 972, 357 1, 554, 490 2, 238, 878	-113, 101 -66, 955, 093 -199, 912, 409 -43, 960, 123 -27, 572, 428	-5, 669, 873 -2, 835, 304 -5, 258, 436 -1, 003, 469 -1, 872, 014	-55.3 -70.0 -88.1 -64.6 -89.0	-64.8 -63.2 -88.0 -64.6 -83.6
Total, iron and steel semimanufactures Ferro-alloys	experience production	33, 313, 016		72, 062, 152		-38, 749, 136		-53.8 +70.7

¹ Compiled and computed from data obtained from the Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce, Department of Commerce Washington, D. C. Japan includes Taiwan and Chosen.

² Including tinplate scrap and waste-waste tinplate.

TABLE 4.—United States exports to Japan essential for war purposes, 1938 compared with 1937—Continued

	19	38	19	1937		Increase (+) or decrease (-)		Percent increase (+) or decrease (-)	
Commodity	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value	
1	2	3	4	5	6	7	8	9	
Nonferrous metals:	A Trans		The The						
Copper: Refined copper in ingots, bars, or other forms						The state of the s			
pounds	217, 879, 738	21, 813, 071	145, 688, 923	17, 997, 004	+72, 190, 815	+3, 816, 067	+49.6	+21.2	
Copper, old and scrapdo	3, 804, 560	350, 707	10, 838, 709	1, 215, 430	-7, 034, 149	-864, 723	-64.9	-71.1	
Total, copperdo	221, 684, 298	22, 163, 778	156, 527, 632	19, 212, 434	+65, 156, 666	+2, 951, 344	+41.6	+15.4	
Tood:					No. of Control of Control				
Pig, bars, sheets, pipes, etcdo Solderdo	66, 406, 420 1, 300	2, 099, 691 363	15, 198, 914 113, 432	738, 297 16, 061	+51, 207, 506 -112, 132	+1,361,394 -15,698	+336.9 -98.8	+184. 4 -97. 7	
Total, leaddo	66, 407, 720	2, 100, 054	15, 312, 346	754, 358	+51, 095, 374	+1,345,696	+333.7	+178.4	
Aluminum:									
Bauxite concentrates ton. Ingots, slabs and alloys pound.	1, 458, 554	203, 238	1, 469, 410	2, 462 248, 777	-33 -10,856	-2,462 -45,539	-100.0 -0.7	-100.0 -18.3	
Plates, sheets, bars, strips, and rodsdo	396, 038	201, 249	68, 158	28, 822	+327,880	+172, 427	+481.0	+598.2	
Tubes, moldings, castings, and other shapes	67(67/67/67)	/8/8/8/00 NO	100000000	100000000000000000000000000000000000000	7.757.7655.655	in basings.	- 1-3399000		
pound	59, 980	71, 858	0	0	+59, 980	+71,858			
Total, aluminum Nickel: Nickel, monel metal, and alloys in ingots,		476, 345		280, 061		+196, 284		+70.1	
bars, etcpound_	375, 471	157, 317	432, 664	218, 638	-57, 193	-61, 321	-13. 2	-28.0	
Zine: Ore concentrates and dross (zine)do	169, 232	2,093	471, 446	8, 736	-302, 214	-6, 643	-64.1	-76.0	
Cast in slabs, plates, blocks, rolled in sheets,		100000	200000000000000000000000000000000000000	57800 5054				1 - 1 - 1	
etcdo Dustdo	463, 823 6, 000	24, 255 420	387, 990 6, 000	44, 685 576	+75, 833 Zero	-20, 430 -156	+19.5 Zero	-45.7 -27.1	
		26, 768	865, 436	53, 997	-226, 381	-27, 229	-26.2	-50.4	
Total zincdodo	000,000	319, 566	300, 400	94, 852	-220, 331	+224, 714	-20.2	+236.9	
Total, nonferrous metals		25, 243, 828		20, 614, 340		+4, 629, 488		+22.4	
Metal-working machinery	Toron a decoder de la company	23, 811, 408		12, 151, 886		+11,659,522		+95.9	
Internal combustion engines		412, 536		433, 535		-20,999		-4.8	
Automobiles, parts and accessories:	20020	NO NEW YORK			5944		The second	16/16/2	
Passenger cars and chassisnumber	1, 633 5, 802	695, 517 2, 091, 237	6, 222 10, 462	3, 091, 664 3, 875, 283	-4,589 -4,660	-2, 396, 147 -1, 784, 046	-73.8 -44.5	-77.5 -46.0	
Automobile parts for assembly	0,002	3, 624, 222	10, 402	3, 541, 058	-4,000	+83, 164	-44.0	+2.3	
Motor trucks, busses, etc	7,809	959, 461	11, 114	1, 067, 786	-3,305	-108,325	-29.7	-10.1	
Others		2, 772, 007		2, 005, 587		+766, 420		+38.2	
Total, automobiles, parts, and accessories		10, 142, 444		13, 581, 378		-3, 438, 934		-25, 3	
Arms, ammunition, and implements of war:	100					1.0 100 101		1000	
Aircraft and parts		11, 062, 477 100, 365		2, 483, 946 49, 038		+8, 578, 531 +51, 327		+345.4	
Total, arms, ammunition, and implements of war-		11, 162, 842		2, 532, 984		+8, 629, 858		+340. 7	
								-5.6	
Grand total		158, 855, 836		168, 382, 799		-9, 527, 026		-5.6	

TABLE 4 (a).—United States exports to Kwantung, Manchuria, essential for war purposes, 1938 compared with 1937 1

	1938		1937		Increase (+) or decrease (-)		Percent increase (+) or decrease (-)	
Commodity	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value
1	2	3	4	5	6	7	8	9
Petroleum and products (1 barrel=42 gallons):			2 IIII	ALL SES	A-AVA-SIE	1		26,40.8
Crude petroleum barrels Gasoline and other petroleum motor fuel in bulk	916, 863	1, 372, 462	673, 003	974, 002	+243, 860	+398, 460	+36.2	+40.9
barrels	604, 035	1, 526, 816	373, 537	1, 032, 284	+230, 498	+494, 532	+61.7	+47.9
Gasoline and other petroleum motor fuel in con- tainers barrels	33, 062	200, 282	12, 619	99, 600	+20, 443	+100,682	+162.0	+101.1
Gas and fuel oildo			276, 693	424, 796	-276, 693	-424, 796	-100.0	-100.0
Lubricating oildo	54, 469	545, 279	25, 913	294, 629	+28, 556	+250, 650	+110.2	+85.1
Total, petroleum and productsdo	1, 608, 429	3, 644, 839	1, 361, 765	2, 825, 311	+246, 664	+819, 528	+18.1	+29.0
Iron and steel semimanufactures: Iron and steel plates, not fabricated, not containing alloypound Tinplate and taggers' tindo Steel bars, not containing alloydo Steel sheets, black (ungalvanized) not containing	61, 829, 313 2, 845, 586 36, 931, 003	1, 278, 905 144, 992 830, 121	68, 414, 210 42, 104, 043 18, 255, 899	1, 720, 850 2, 110, 613 548, 236	-6, 584, 897 -39, 258, 457 +18, 675, 104	-441, 945 -1, 965, 621 +281, 885	-9.6 -93.2 +102.3	-25.7 -93.1 +51.4
alloy	4, 805, 571 712, 034	112, 994 19, 373	2, 171, 299	52, 949	+2, 634, 272 +712, 034	+60,045 +19,373	+121.3	+113.4
Total, iron and steel semimanufactures		2, 386, 385		4, 432, 648		-2, 046, 263		
Ferro-alloys. Refined copper, ingots, bars, etcpounds. Leaddo	5, 545, 330 628, 556 16, 508	14, 880 589, 249 21, 274 19, 513 1, 908, 092 643, 299 130, 101 25	972, 627 112, 066 3, 276	125, 445 5, 720 478 1, 624, 853 71, 638 105, 020 2, 073		14, 880 +463, 804 +15, 554 +19, 035 +283, 239 +571, 661 +25, 081 -2, 048	+470.1 +460.9 +403.9	+369.7 +271.9 +3,982.2 +17.4 +798.0 +23.9 -98.8
Grand total		9, 357, 657		9, 193, 186		+164, 471		+1.8

¹ Compiled and computed from data obtained from the Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D. C.

Mr. SCHWELLENBACH. I also ask to have printed in the RECORD at this point a table showing our share in world exports to Japan essential for war purposes.

There being no objection, the table was ordered to be printed in the RECORD as follows:

TABLE 6 .- United States share in world exports to Japan essential for war purposes

(Value in United States dollars)

		1938	1937					
Commodity	World	United St share	World exports	United States share				
	exports (value)	Value	(value)		Value	Per- cent		
Total	306, 393, 950	171, 574, 167	56.00	317, 209, 688	173, 009, 621	54, 54		
Hides and skins Leather Rubber Petroleum and products ¹ Scrap or old fron and	7, 916, 835 528, 369 14, 864, 069 81, 034, 885	44, 676 249, 792	8. 46 1. 68	2, 562, 460	171, 362	27. 43 . 60		
Ferro alloys	24, 407, 089 2, 819, 420	22, 061, 212 2, 331, 979		44, 752, 546 1, 717, 712	1, 366, 062	79. 53		
semimanufacturesCopperAluminum NickelLeadZinc	20, 973, 343 24, 385, 546 13, 095, 231 6, 624, 440 4, 613, 888 2, 794, 622	476, 345 157, 317	90. 89 3. 63 2. 38	20, 184, 773 4, 808, 810 5, 740, 697 7, 708, 198	19, 212, 434 280, 061 218, 638 754, 358	95. 18 5. 82 3. 81 9. 79		
Metals and alloys, not elsewhere specified Automobiles, parts and accessories ¹	321, 711	The state of the s	2.500000	1 2307 1010	0000000000			
Metal-working ma- chinery!	18, 635, 299 36, 448, 527		1350 CP 290	200000000000000000000000000000000000000	15, 206, 231 12, 223, 524			
engines 1 Aircraft and parts 2 Arms and ammunition All others 3	1, 658, 875 22, 692, 655 696, 186 21, 882, 960	17, 454, 477 100, 365	76.92 14.42	2, 626, 918	2, 483, 946 49, 038	70. 19		

¹Including shipments to Manchuria.

¹Including shipments to Manchuria.

United States figure for 1938 includes shipments to Shanghai.

Including ores, tin, antimony, mercury, mica, and asbestos.

Mr. SCHWELLENBACH. I also ask to have inserted in the RECORD a table showing the percentage contribution of democratic countries having interest in the Far Eastgroup I-and of axis powers-group II-to various materials shipped to Japan.

There being no objection, the table was ordered to be printed in the RECORD as follows:

Table 7.—Percentage contribution of democratic countries having interests in Far East (group I) and of axis powers (group II) to various war materials shipped to Japan 1

Commodity		ercent of	1937, percent of total		
	Group I	Group II	Group I	Group II	
Hides and skinsLeather	48. 72 68. 89	0 9.37	43. 50 70. 68	0 10.50	
Rubber Petroleum and products Ores (iron, manganese, etc.)	95. 06 99. 09 99. 21	0 0	88. 26 99. 14 90. 54	0	
Scrap or old iron and steel Ferroalloys Other iron and steel semimanufactures	99. 23 90. 45 88. 76	.70 .91	97. 73 81. 66 84. 68	0 0 1.68	
Copper Aluminum Tin	99. 95 49. 60 99. 14	0 16.22	98, 73 77, 64 83, 59	0. 23 5. 23	
NickelLead	100, 00 99, 86	0	89.33 99.50	0	
ZineAntimony	71,85	1. 52 0 100. 00	74.96	0 100.00	
Mercury Metals and alloys, n. e. s	99.33 100.00 100.00	0 0	59. 88 100. 00 100. 00	0	
Automobiles, parts and accessories	71. 25	35, 20 26, 61 40, 94	93, 46 73, 95 47, 26	6. 5 21. 8 47. 5	
Aircraft and parts Arms and ammunition	77. 03 14. 42	22. 97 40. 96	71, 64 1, 87	28. 3 96. 3	

¹ Group I includes (1) United States and Philippines; (2) British Empire—United Kingdom, British Malaya, Canada, British India, and Australia; (3) Netherlands and Netherland India; (4) France and French Indochina. Group II includes Germany and Italy, as well as Austria and Czecho-Slovakia.

PROFITS IN WAR

Mr. SCHWELLENBACH. Mr. President, there can be no question in anyone's mind that we are actively participating in the war which Japan is conducting in China. As a matter of fact I do not know but the position of the Japanese might be considered a little more honorable than ours. They at least are sending out their men who are taking a chance on being killed. We do not take any chances on our lives in that war. All we do is to send our goods and materials over there that they use for military purposes and we get the profit out of it.

Mr. President, there has been much discussion in the Congress during the last 5 or 6 years about the question of profits in war. There has been and is a very sincere desire upon the part of the Congress, if it is possible, to work out legislation by which to prevent profits to accrue to our citizens from war, if we should be so unfortunate as to get into one. But certainly we cannot justify that sort of a position so long as we are actively furnishing to a nation in the world the supplies and the materials from which her munitions are manufactured for the purpose of destroying another nation, when we ourselves are obligated under the terms of a treaty to respect the territorial integrity of that

What difference is there so far as international morality is concerned between furnishing the soldiers to shoot the bullets and providing the material with which the bullets are made? What difference is there so far as international morality is concerned between furnishing the driver of the truck or furnishing the truck and the gasoline that goes to operate that truck? What difference so far as international morality is concerned between furnishing the pilots who operate the airplane and the men in that airplane who pull the gadgets that let the bomb go down to destroy the lives of the people in the community and the nation that furnishes the gasoline which propels that airplane?

We have taken a high and lofty position in world affairs. We have told the nations of the world that we insist upon respect for treaties. We tell the nations of the world that our hands are clean and that we are "holier than anybody else." We claim the right to pick and choose our friends, because some of them violate treaties and others do not.

In our actions in reference to Japan and by our violation of the Nine Power Pact, we become just as flagrant a violator of international agreements as any other nation in the world. And it does not speak very well for us to be casting reflection upon other nations when we, just because we can make some money out of it, just because we can make the profits out of it, proceed to furnish, I think, probably 70 percent-I have not attempted to segregate these figures, but, as I pointed out, it is 56 percent of the total amount, and I think 70 percent of the really essential material that Japan is using in the transaction of this war.

What is the attitude of our people on this subject, Mr. President? I introduced this resolution to which I referred some weeks ago. Since I have been in the Congress I have never seen such a favorable response. And I was not surprised a couple of weeks ago in reading the Gallup poll, the last poll, which was printed on July 23, to find what the replies were. The question was submitted to people throughout the country:

How far do you think United States Government should go to protect American interests in China?

This was not the question I am presenting. I said at the outset that I did not present this problem from the point of view of protecting American interests in China at all. I presented it from the point of view of our responsibility and our obligation as a nation under a treaty into which we have entered.

But the question was presented upon a basis which, to my mind, would receive much more unfavorable response than the question as I presented it. They asked:

How far do you think we should go? What should we do?

1. Fight Japan?

Protest to Japan?
 Stop shipments of war materials?
 Do nothing?

The answers were, 4 percent of the people wanted to fight, 18 percent wanted to protest, 51 percent wanted to stop shipments, and only 25 percent wanted to do nothing.

In other words, basing their answers upon what it seems to me should be a much less popular question than the one I would suggest, 75 percent of the people who were queried, answered that we should take some sort of action, and the majority of them answered that we should stop our shipment of goods, 4 percent, saying that we actually should go over there to fight.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point that particular portion of the article which refers to the Gallup poll in the United States, upon that question. I do not ask that the part with reference to the English poll be included.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

VOTERS FAVOR EMBARGO ON WAR MARERIALS TO JAPAN, POLL SHOWS AMERICAN VOTERS FEEL THEIR GOVERNMENT SHOULD PROTECT INTERESTS IN CHINA BY TAKING ACTION

(By Dr. George Gallup, Director, American Institute of Public Opinion.)

PRINCETON, N. J., July 22.—As the war between Japan and China enters its third year, majority sentiment in the United States, as indicated in a survey by the American Institute of Public Opinion, favors taking positive action to protect American interests in

China:

Only one-fourth of the voters in the survey think the United States Government should "do nothing" about China. The remaining three-fourths favor three definite courses of action. One group—a small one—thinks the United States should fight Japan. A second slightly larger group is content to have the State Department merely lodge protests with the Japanese Government whenever American interests in China appear to be molested. A third group, the largest numerically, believes that the proper course of action is to stop all shipments of American arms and war material to the Japanese forces.

The survey was conducted among a cross-section of voters in every State on the question: "How far do you think the United States Government should go to protect American interests in China?"

Voters were given their choice of four policies which the Gov-

Voters were given their choice of four policies which the Government might follow. Should the United States, they were asked:

1. Fight Japan?

2. Protest to Japan through the State Department?
3. Stop all shipments of war materials from this country to

4. Do nothing?

The vote was as follows:

	Percent
Fight_ Protest_ Stop shipments Do nothing	6 18 51 25

VOTERS IN FAR WEST STRONGEST FOR ACTION

The American survey revealed a number of interesting differ-The American survey revealed a number of interesting differences of opinion by geographical sections. The far West, which includes the Rocky Mountain and Pacific Coast States, is the section most in favor of taking action to protect American interests in China. The vote in favor of "doing nothing" was lower in the far West than anywhere else in the country, perhaps because that area is geographically the closest to Japan and most affected by events in the Pacific.

The vote by sections:

The vote by sections:

	Fight	Stop ship- ments	Protest	Do nothing
New England Middle Atlantic East Central West Central South Far West	Percent 7 4 E 7 11 9	Percent 44 49 50 46 50 61	Percent 15 20 17 18 18 18	Percent 34 27 28 29 21 15

AVERAGE CITIZEN EXPLAINS ATTITUDE

In explaining their attitude toward Japan voters in the American In explaining their attitude toward Japan voters in the American survey gave a wide variety of reasons for favoring action. Those who favor the most extreme course—fighting Japan—declared that the United States "will have to fight Japan sooner or later" and that we should help "stop the gangster nations."

Those who favor an embargo on war materials to Japan echoed the sentiment of one voter, a housewife in Troy, N. Y., who said: "If we don't believe in war, why do we furnish the materials of war?"

Others argued that since Japan "cannot fight without supplies" the quickest way to clear up the issue of American rights in China would be to stop shipment of war materials to Japan.

In the group who favor an embargo or merely a series of protests through the State Department were many who took the view that the American people should not be expected to fight for the protection of purely commercial interests in China. As one voter

"Why should we go to war to protect a few industrialists over there? The businessmen—and the missionaries—should remain there at their own risk."

WHAT AMERICANS SAY

Following are the results of a national survey of public opinion on the issue of what the United States should do to protect her interests in China:

"How far do you think the United States Government should go to protect American interests in China?"

	Perc	ent
(a)	Fight Japan	6
	Protest to Japan through the State Department Stop all shipments of war materials from this country to	18
	Japan	51
(d)	Do nothing	25

Mr. SCHWELLENBACH. At this point in my remarks I wish to have printed in the RECORD a number of excerpts from newspaper editorials from every part of the country showing the attitude of the newspaper editors upon this question.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 7, 1939]

It is with shame that most Americans learn that American metals and other war goods have been available to Japan during these last 24 horrible months.

[From the Christian Science Monitor of June 30, 1939]

Relations with Japan have one very curious aspect. The United States supplies most of the raw materials with which Japan makes armaments, with which she orders United States ships out of Chinese harbors. It's just like kicking oneself.

[From the Strasburg (Va.) North Virginia Daily of November 10, 19381

We seem to have sold our birthright of trans-Pacific trade for a mass of munitions money.

[From the Conneaut (Ohio) News Herald of November 10, 1938]

Thus we lose the incalculable opportunities for the future that could have been expected from a revitalized, modernized China leagued with us in friendly trade. And we lose it largely by our own short-sightedness in selling to Japan most of the gasoline, steel, and other materials with which she has won her undeclared war. For transient millions we have given future billions.

[From the Alliance (Ohio) Review of November 8, 1938]

The most recent protest by the State Department against Japanese interference with American trade with China contained a veiled hint of possible retaliation.

A large part of our export trade to Japan since the beginning of its undeclared war on China has been in materials essential to the conduct of war and the supply of which Japan would hardly like to see cut off.

[From the Jamestown (N. Y.) Post of December 12, 1938] We cannot afford longer to be a party to Japan's ruthless murder of civilian men, women, and children.

[From the Oswego (N. Y.) Semiweekly Times of January 6, 1939] It is a situation which fills increasing numbers of Americans with deep concern and shame. We are, in effect, fighting with Japan against China although the overwhelming sympathies of our people are on the other side. Japan by herself alone, without these exports, could not possibly prosecute the war.

[From the Washington (D. C.) Post of January 5, 1939]

It is the overwhelming sentiment of the American people that

military action against Japan must be ruled out.

Specifically, an embargo on Japanese goods might be imposed and, if it is necessary to go further, the United States might, through Congress, place an embargo on all exports to Japan.

[From the Athens (Ga.) Herald of January 12, 1939] We hope that Congress will no longer delay its action in pro-hibiting the shipment of such large quantities of scrap iron, especially to unfriendly nations.

[From the Washington Star of January 10, 1939]

If it is right to withhold aircraft and bombs from Japan, why not scrap iron, which is so essential to the production of munitions?

[From the Christian Science Monitor of November 8, 1938]

Nevertheless, Americans in general feel some shame that their munitions have played a large part in the assault on China. Something can be done about this. Congress' first job should be to empower the President to stop this traffic to Japan.

[From the Birmingham (Ala.) News of December 21, 1938] We lose little by risking Japan's resentment, since Japan has no plans that would benefit us anyway.

[From the Indianapolis (Ind.) Star of April 23, 1939; the Auburn (Ind.) Courier of May 2, 1939; and the Muncie (Ind.) Star of April 25, 1939]

There is almost complete national unity in sentiment regarding the shipment of munitions and war-making materials to Japan. The country may be divided on the neutrality issue. It resents deeply, however, the continued flow of supplies to the Japanese and deplores the failure of our Government to place an embargo on such shipments.

It may be true that other sources of supply might be available, although there is no other country with such resources open to export. Japan's anti-Communist allies can spare little. Russia is not aiding a prospective enemy and the democracies of Europe are conserving their supplies. America remains as a major aid to the Japanese in their conquest. If right and justice are joined with sentiment, an emberge should be placed on were materials with sentiment, an embargo should be placed on war materials to nations which obviously are aggressor or have violated treaties to respect territorial integrity of neighbors. Japan stands indicted on both of these counts.

[From the Cleveland (Ohio) Plain Dealer of November 20, 1938] Japan will be only too glad to receive financing from the Occident to develop China. It now appears that the next step will be for western nations—particularly the United States and Britain—to decide whether they will finance Japan in explaining the fruits of her undeclared war. To do so would be to make permanent their own exclusion from the Asiatic commodity

[From the New York Post of June 22]

In this connection let us remember that the United States supplies Japan with more than 50 percent of her munitions, much of her oil, and with close to a million tons of scrap iron and steel annually. If Japan flouts a treaty she has signed, we are certainly under no obligation to sell her munitions, oil, or metal. We can embargo

We think an embargo on all munitions and metal to Japan is the way. It won't bring war; the embargo alone draws Japan's sting. It might lead to a reintegration of world relations. Surely each nation has the same obligation to act lawfully against disregard of its rights, as has each citizen in a democracy to act against willful disregard of his rights.

[From the Alton (Ill.) Telegraph of April 19, 1939]

There can be no condoning the shipping of scrap iron and other war necessaries to Japan when it is being used for imperialistic exploitation of China.

America's interest in stopping Japan is that soon or late Japan will be stepping into the Philippines, maybe using our own war materials to enforce seizure of the islands.

[From the Alliance (Ohio) Review of June 26, 1939]
The spectacle of congressional confusion on foreign policy encourages Japan.

It happens that Japan is extremely vulnerable to the kind of nonmilitary pressure which the United States could easily apply against her. More than half of all the strategic raw materials that Japan needs for the conduct of the undeclared war on China comes from the United States.

The Japanese do not underestimate the strength and importance of the United States. That is left for overtimerous Members of Congress.

[From the Detroit (Mich.) Evening News of March 12, 1939]

We in America, however, need nothing but determination to stop us from helping Japan conquer China. Our denunciation of the dictators and pressure for the open door would come with better grace from a nation that was not supplying Japan with a large share of raw materials, without which her chances of whipping China would dwindle considerably.

[From the Seattle (Wash.) Post Intelligencer of March 24, 1939] Japan's warfare against China already has injured Pacific coast

Japan's warfare against China already has injured Pacific coast business severely.

It is daily growing more evident that one phase of the business that still exists—the shipment of scrap iron for replenishment of Japanese armaments—is repugnant to the conscience of our people. Insistence upon continuance of this traffic holds a menace far outweighing the possible monetary profits.

It is time that this viewpoint should be expressed at Washington by members of the Pacific coast congressional delegations, with the full support of their constituents.

The only practicable solution is to embargo scrap iron.

[From the Baltimore (Md.) Morning Sun of March 12, 1939]

Nobody, surely not China, is asking us to send an army to rescue China or even to take a long-shot chance of becoming involved in a war. But it does not seem unreasonable to withdraw from our partnership with Japan, which we cannot do until we recover from the Nye notion that the United States of America must continue a foreign policy consisting in raising the hands in holy horror over the conduct of "both sides" while we supply copper and trucks and chemicals to the side whose triumph is rightly feared by our diplomats and our people.

[From the Richmond (Va.) Times-Dispatch of February 11, 1939]

The results of our present policy are painfully clear. The story The results of our present policy are painfully clear. The story of how we fueled Japan's war machine during the conquest of coastal China has been told before. Most of Japan's steel shortage is made up by United States shipments. All of its special steel alloys come from this country. We supply over 90 percent of Japan's oil, copper, and scrap imports. Its 1938 scrap purchases, thanks to 500,000 tons bought after Canton fell, closely approximate the 1937 record of 2,000,000 tons. Its copper buying in 10 months of 1938 exceeded that for all 1937.

[From the Burlington (Vt.) Free Press of February 14, 1939]

Burlington is getting organized to join in the growing movement throughout the country to stop shipments of war materials to Japan, and to stop the purchase of Japanese goods which are playing a large part in financing the Japanese invasion of China. It is stated on the authority of figures assembled by the Department of Commerce that 90 percent of the automobiles and trucks used by the Japanese were imported from the United States. Statistics gathered by competent authority show that 54 percent of all Japanese war materials were imported from the United States.

[From the Elkhart (Ind.) Truth of February 9, 1939]

Sympathizing with the Chinese as they do, most Americans do not realize that it is conservatively estimated that the United States has contributed \$300,000,000 or more of war materials to Japan for its murderous assault on China.

While of late our State Department has discouraged the sale of airplanes to Japan, scrap iron, cotton, and other materials have been going to that country in large quantities.

[From the Roanoke (Va.) World of February 23, 1939]

[From the Roanoke (Va.) World of February 23, 1939]
During the past 5 years, 12,000,000 tons of scrap iron have been exported from the United States, of which Japan has taken 7,500,000 tons, or nearly two-thirds. Without that metal, it is asserted, Japan could not have conducted its war of destruction in China. At the very time we are arming against Japanese aggression, constructing new battleships and discussing new naval bases, we are supplying Japan with one of the most essential elements of war making, an element in which Japan is most deficient. The exportation of scrap is still going on. Large fortunes have been made in America by reason of the world market for scrap. And each cargo of scrap metal shipped from our shores has drawn just that much away from the supply necessary for our own defense. our own defense.

[From the Washington Post of February 23, 1939]

[From the Washington Post of February 23, 1939]

Had we refused to supply Japan with a virtually unlimited amount of scrap metal, it is almost certain that that country could not have prosecuted its ruthless campaign in China. We have, under the cloak of neutrality, not only made it possible for "our next probable enemy" to obtain essential materials for war against one of our friends but have at the same time cut seriously into our own supply of materials that would be urgently needed if we were confronted with a sudden emergency. We have been guilty of a tragic inconsistency in this matter—as we have in the matter of supplying Japan with other munitions—bitterly deploring Japanese savagery in China while permitting the aggressor without interruption to draw upon us for the materials which have made that aggression possible.

[From the Springfield (Ohio) News of February 14, 1939]

Twelve million tons of scrap iron have been exported from the United States in the last 5 years. Seven and a half million of these tons have gone to Japan. Japan has bled China with the scrap iron which we supplied.

In return for our iron Japan sent us mostly silk and shipped us some gold.

The silk wore out. The gold was buried in the Kentucky hills. The scrap iron was lost forever to the United States. It was shot away in Japan's war.

The transaction stands a total loss, the ruin of China being the deepest item in the "red."

[From the La Porte (Ind.) Herald of February 18, 1939]

Another voice has been raised against the shipment of scrap iron Another voice has been raised against the shipment of scrap iron from our shores to Japan where it is eagerly sought to help carry on the conquest in China. Most of the cries of protest have come from individuals whose humanitarian feelings revolted against having the United States in the role of aider and abettor of war, of profiting in human blood and suffering. The statistics show that our sale of scrap iron to Japan grew by leaps and bounds after the conquest of China began. The Japanese needed the metal for carrying on the war, being short on iron and steel of all kinds. The new voice who protests against our continued shipping of scrap metal to Japan or any place is Emory E. Smith, dollar-a-year Commissioner for the War Industries Board. The wholesale exporting of scrap iron is weakening our own position, he claims, until in case we should become involved in any war the shortage of scrap iron might tell the story against us.

[From the Sioux City (Iowa) Journal of March 9, 1939]

It is common sense to say that embargoes on goods to Japan and a free flow of goods to China would have protected American interests in the Far East through making the Tokyo Government aggressive campaign against the Chinese more difficult. So the Neutrality Act operated not only against China's interests but against

[From the Albion (Mich.) Recorder of February 20, 1939]

We are now selling Japan more than 54 percent of the military supplies and munitions that enable her to carry on the aggression against China, and that without our help Japan could not continue. Some of these same munitions of American origin are even causing death and suffering to Americans in Chinese territory and damage to American property. At the same time, our Government is building up a vast military and naval machine to combat the very Japanese threat to supremacy in the Pacific it is aiding by allowing export of military supplies to Japan. There's something decidedly wrong in this picture.

[From the Athens (Ga.) Herald of March 8, 1939]

Congress should enact a law placing an embargo on the sale of scrap iron to foreign countries. It is a well-known fact that practically all of these nations making potential purchases are engaged in war or are preparing for fortifying themselves against attacks or defense for self-preservation.

While, of course, the American people are desirous of making every dollar they can by sales of all kinds of products, the sale of scrap iron is entirely different from the sale of commercial products

to these countries.

[From the Morgantown (W. Va.) Dominion of March 9, 1939]

Italy, Japan, and Germany have been the big purchasers of scrap iron, the basic material for war munitions. Some exports claim that had we refused to sell scrap iron to the three nations named there would have been no war in China, no threat of war in Europe, because the nations mentioned could not have afforded to provide their war materials from metals available only from ores found in their own territories.

[From the Fort Worth (Tex.) Star-Telegram of March 14, 1939]

The nonofficial position that the United States has actually held toward nations at war in recent years has been both ridiculous and hypocritical. Lip service has been given to "righteous causes" in the Orient and in Europe, while American trade has poured millions of tons of iron and steel into Japan, Germany, and Italy. Other materials and supplies essential to the conduct of war has Other materials and supplies essential to the conduct of war has been furnished aggressors openly regarded as potential enemies of this country. The attitude is the same as that of the individual who professes loyalty to ideals which he ignores in the so-called necessities of daily living.

[From the Kansas City (Mo.) Times of March 10, 1939]

But the situation remained unhappy because there was no way of preventing Japan from buying essential war materials in this country and taking them home, while it was almost impossible for China to do this. America thus has seen Chinese cities bombed with airplanes driven by American gasoline and Chinese soldiers and civilians shot down with arms and munitions manufactured

from American scrap iron.

Here has been a dramatic illustration of the impossibility of framing rigid legislation to apply to American relations with a

rapidly changing world.

[From the Winchester (Va.) Star of January 27, 1939]

Worst of all, citizens of the United States are aiding Japan to destroy China. While Americans condemn the Japanese outrages in China and its cruelties to helpless civilians, as well as the inso-

in China and its cruelties to helpless civilians, as well as the insolent attitude of Japan toward us, we go ahead, for dollars, supplying that nation with the sinews of war—scrap iron, oil, steel, trucks—all more necessary to her than manufactured munitions. While we spend billions of dollars for armaments to protect us against the threats of such nations as Germany and Japan, we ship them supplies with which they can carry out their ambitions and menace our own security. This does not make sense.

We have not only the moral duty to stop this but the legal right, since Japan is warring upon China in violation of a solemn treaty of peace, of which the United States is a party.

[From the Salt Lake City (Utah) Deseret News of February 24, 1939] The American people from the beginning of the Japanese invasion of China should have demanded with united voice that America should not be a sharer in Japan's war guilt. Aiding Japan to conquer China does not make sense, neither does it make right or justice. It violates the moral sense of the American people.

[From the Atlanta (Ga.) Journal of January 26, 1939] It is sheer folly for American factories to supply Japan with a

large part of the munitions for her savage attack on China's independence.

[From the Washington (N. C.) Progress of January 25, 1939] Millions of people in this country have not been able to reconcile the well nigh universal abhorrence of Japanese ruthlessness in China with the almost complete freedom with which Japan has continued to purchase war supplies in America.

[From the Bluefield (W. Va.) Telegraph of January 24, 1939]

If it is this Nation's foreign policy in this particular case to say we do not approve and endorse Japan's aggression in China and the implications thereof, then we certainly should not contribute as a people to such aggression.

[From the Washington (D. C.) Star of January 22, 1939]

Uncle Sam is the world's great purveyor of one of the basic raw stuffs from which death-dealing implements of war are fabricated.

But it seems inconsistent that we should be furnishing certain potential enemies of the United States with the basic material for weapons that may some day be turned against these shores and our own officers. own citizens.

[From the Monrovia (Calif.) Journal of January 26, 1939]

The American attitude toward the Japanese militarists is as well known in Tokyo as it is here, and these facts, therefore, will not come as news to the Nippon leaders. What is significant, however, is that the United States, as well as other nations, may actually take a vital part in a conflict between two foreign countries without sending armed forces abroad. Economic sanctions, indeed, may prove to be one of the most important measures for maintaining world peace.

[From the Lenoir (N. C.) Topic of January 13, 1939]

Japan has secured millions upon millions of dollars in supplies, consisting of junk and other war materials, with which they have waged ruthless war upon China while America has become horrified at the atrocities and murderous destruction of innocent men, women, and children in China. Destruction wrought by the very material they purchased from us.

[From the Durham (N. C.) Sun of February 6, 1939]

While, then, we are becoming more jittery year by year over the tension between this country and Japan, we are definitely making it possible for Japan to acquire military and economic status which make her dangerous to our own interests. Without the supplies sold Japan by the United States Japan could not approach the military strength it has reached and the potential strength which impends. Japan could not conquer and so command a vast range of raw materials and a great reservoir of bond-servant labor.

Since here in America we do not hesitate to take any economic

Since here in America we do not hesitate to take any economic advantage, even to buying Japanese goods while our own mils close down, there is not reason to believe why the Japanese, whom we consider less enlightened, will seize every advantage. If we cut off Japan's American supplies, we shall lose some money. If we do not, however, we may see our entire economic system shaken to its roots. Is it that we do not care about the America of the future? Do we discuss the dealth records in the transfer of the control dismiss the dark prospect with the mental reflection that it will not come until we have passed on? Do we simply intend to grab all we can for ourselves while we live, confident that we shall be dead before the consequences fall?

[From the Springfield (Ohio) News of February 6, 1939]

American scrap iron is fighting Japan's war against the Chinese. Our junked automobiles and other metal worn-out things cross to the West by the trainload for transshipment to the Japanese factories which turn our junk into instruments of death.

[From the Youngstown (Ohio) Vindicator-Telegraph of January 14, 1939]

Shipments of steel scrap and other war materials are still going to Japan, and most Americans would be pleased to have Mr. Hull extend his request, so that our assistance would be denied any nation which bombs civilians.

[From the Carrolltown (Pa.) News of February 16, 1939]

The Congressmen who are so concerned over the shipment of planes to France do not seem to be worried about the purchases of oil that Japan is making in this country. Neither did they tear their hair about the immense quantities of scrap iron that Japan bought in this country evidently in preparation for her attack upon China.

[From the Jackson (Mich.) Citizen-Patriot of January 21, 19391

A complete shut-down on the shipment of all war materials to Japan by United States, France, and England will be more effective than all the notes sent so far, and there have been plenty of them.

[From the Sheridan (Wyo.) Press of January 27, 1939]

The realization is spreading over the country that for some time we have been very greatly helping the Japanese conquest of China by furnishing to Japan material and supplies without which she could not conduct her Chinese campaign and which she probably could not get in sufficient quantities from any other country at this time. That is not a welcome thought to the majority of our people who not only sympathize with the Chinese but also do not look with complacence on the prospect of an aggressive and ambitious Japan dominating the Far East.

[From the Staunton (Va.) Leader of January 28, 1939]

Popular opinion is against furnishing war supplies to Japan and to do so while we simultaneously protest against air attacks on Chinese cities and extend credits to China is inconsistent, doing violence to our sympathies with China.

[From the Lakeland (Fla.) Ledger and Star-Telegram of December 29, 1938]

But Japan is violating every pledge and promise made with regard to the rights of other countries in China.

Other powers, including the United States, can wage an economic war against the aggressor that will count.

[From the Tacoma (Wash.) News-Tribune of November 8, 1938] Is it not hypocritical to issue high-sounding pronouncements against Japanese aggression and at the same time sell enormous amounts of material to Japan to carry on that aggression?

[From the Lake Charles (La.) Press of December 27, 1938] There is little fear of American war with Japan, which has its Incre is little leaf of American war with Japan, which has its hands full. It seems safe, and it is probably the honorable and wise thing to do, to provide more liberal credits for China within the limitations of international law. This is not mere partisanship but fairness and decency, because we have been helping the aggressor by selling Japan huge war supplies. It is high time for China to "get a break."

[From the Augusta (Ga.) Chronicle of December 21, 1938] By denying the United States free trade with China Japan can hardly be placing herself in the category of "friendly" nations, and therefore should not regard as strange any friendly gesture that this country made with respect to China.

[From the Providence (R. I.) Bulletin of December 21, 1938] We should be closing our eyes to reality if we did not admit that this is so: That we have indicated our wish to see the Chinese Government strengthened to continue the resistance to Japan.

[From the New Haven (Vt.) News of December 29, 1938] Officially our Government protests loudly against Japan's action in closing the open door in China, and all the while in the name of neutrality we allowed Japan to purchase in 1 month 320 tons of iron to be used in closing trade doors in China. While some of our citizens protested against the invasion of China, other citizens made about \$3,000,000 in November by selling iron to the invaders.

[From the Boston (Mass.) Morning Globe of December 21, 1938] Credits to embattled China are but one weapon in the arsenal of retort to such tactic. Another, more devastating, is still reserved. It is a flat embargo upon her goods, because of her discriminatory policy against us in China. Such embargo is within the power of Washington under the Commerce Act. And it is about time it was

[From the Owensboro (Ky.) Messenger of January 19, 1938] If Britain and the United States wish to protect their own interests in the Far East they can do so only by refusing in any way to aid Japan in her aggressions in Asia.

[From the Cleveland (Ohio) Plain Dealer of Janua y 29, 1939] While we cry crocodile tears over the slaughter in China, our manufacturers earn big profits from the sale of munitions to the robber nation. Fifty-four percent of the war supplies used by Japan are supplied by the United States. England is next in line with a mere 17 percent of the total war material.

[From the Benzenia (Mich.) Banner of January 26, 1939] Altruists is a good title for the great majority of our American citizens; this is evident considering the firm stand they are taking against supplying Japan with war material with which to destroy

[From the Anniston (Ala.) Star of January 22, 1939] There may be a temporary profit in these sales to Japan, but in the long run they will be used to erect a Frankenstein that will destroy our Far Eastern trade entirely.

[From the Worcester (Mass.) Gazette of January 21, 1939] The airplane ban against Japan is now complete. But there is no ban on the supply of scrap iron, oil, steel, and trucks. And these products are more necessary to Japan than manufactured munitions.

[From the Brunswick (Ga.) News of January 14, 19391 Secretary Hull and his associates are to be commended for cutting off the American source of supply to those nations inhumane enough to bomb women and children and other noncombatants.

[From the Richmond (Va.) News Leader of February 7, 1939] Nothing that Americans can do at this time will so menace the future of the Far East as for us to lend Japan money with which to exploit China and thereby to enslave the Chinese.

[From the Detroit (Mich.) Evening News of February 2, 1939] Sharp distinction between cases accounts for the stoppage of sales of American war planes to Japan while their sale to France at the same time is allowed. If not technically, Japan actually is at war with China; she is a violator of trade and political treaties, a discriminator against the United States.

[From the St. Petersburg (Fla.) Times of January 25, 1939] We sell Japan old junk from which bullets are made and lend China money with which bullets are bought.

[From the Laurel (Del.) State Register of January 27, 1938] Americans will welcome the news that moral suasion has ended the situation by which the United States was supplying airplanes for Japan's bombing of Chinese civilians.

[From the Oskaloosa (Iowa) Herald of November 5, 1938] The American people are not exactly happy to know that Japan is using American gasoline for its bombing planes and American material in its Army equipment for the unjustified invasion of

[From the Lafayette (Ind.) Evening Courier of December 29, 19381 To the average persons, declares the Danville (Ill.) Commercial-News, the spectacle of Japan drawing much of her war material from the United States, whose people are overwhelmingly against the tactics and objects, is objectionable.

[From the Ithaca (N. Y.) Journal of December 7, 1938] No one wants the United States to go to war with Japan over China, but it does not appear, on the other hand, as the situation has developed, that we must necessarily continue to supply Japan with the sinews of war.

[From the Christian Science Monitor of July 1, 1939] The Christian Science Monitor a few days ago published figures as to the size of the American stake in the Japanese war making in China. The fell work that those implements have done cannot be matched since the Dark Ages. It is time that Japan, Government and military, were told that this kind of "cooperation" will no longer be afforded.

Mr. SCHWELLENBACH. I have said repeatedly that I do not present this matter from the point of view of our interest in China, and I do not present it from that point of view. However, I have heard the statement made that as a result of any action upon our part we would lose our cotton business in China, and I present data, not in the nature of an affirmative argument but in answer to those who are interested from the point of view of cotton. I shall not read it. But I ask permission to have placed in the RECORD two brief studies made by the Department of Agriculture and one argument in the magazine Contemporary Manchuria, found on page 44 of that magazine for January of this year, entitled "The Cotton Industry in North China."

There being no objection, the two studies and the article referred to were ordered to be printed in the RECORD, as follows:

TRENDS AND POSSIBILITIES OF COTTON PRODUCTION IN CHINA (By Fred J. Rossiter, agricultural economist, Bureau of Agricultural Economics)

China is the third most important cotton-producing country, being exceeded only by the United States and India. Cotton production in China has increased more than a million bales during the past 5 years. This recent expansion has become an important

factor in reducing the demand for American and other growths, which China had been consuming largely in the form of imported cloth. The total amount of cotton piece goods, yarn, and raw cotton imported annually into China from 1900 to 1932 averaged the equivalent of more than 1,250,000 bales of raw cotton. During the past 2 years imports into China of cotton goods and raw cotton have almost ceased.

It is important to ascertain what brought about this increase in production and to see what the possibilities are as to further expansion. Is it possible for cotton production in China to increase beyond domestic needs and compete with other cotton on

the world market?

the world market?

During the past 15 years China's raw-cotton consumption has totaled about 3.5 million bales annually. The Chinese cotton crop in 1936 was placed at 3,870,000 bales. An early estimate of the 1937 production was 4,400,000 bales, but this estimate is expected to be revised downward materially, possibly to as low as 3,600,000 bales, as a result of excessive, late rains and military activities in some of the important producing districts. Thus China's production is already slightly in excess of domestic needs. Furthermore, in most producing sections in China cotton is still a minor crop. Soil and climatic condition in many parts are suitable for cotton growing, and, with abundance of labor and other favorable economic factors and a continuation of cotton improvement work, it is possible for cotton production to be increased provement work, it is possible for cotton production to be increased considerably.

HISTORICAL BACKGROUND

China has been producing cotton for centuries. In an old Chinese classic written about 2205 B. C., mention is made of cotton as having been used in the manufacture of cloth and given as tribute to the rulers of the "Middle Kingdom."

During the last half of the eighteenth century, records of shipping companies indicate that China was exporting cotton piece goods to Europe and America, so that China at that time evidently had a supply of raw cotton in excess of domestic requirements. By about 1800, however, a small amount of raw cotton was imported annually, which possibly offset the piece goods exported at that time. After 1820 and during the remainder of the nineteenth century, China was deficient in the supply of raw cotton, as total imports of cotton goods and raw cotton exceed exports. Cotton production evidently did not keep pace with the demand during this period when the population was increasing rapidly. rapidly.
Foreign trade statistics for China indicate that imports of

cotton piece goods and yarn in 1900 amounted to the equivalent of 1,000,000 bales of raw cotton. Since the Chinese population at that time was estimated at 400,000,000, China must, in addition, have been producing at least 1,500,000 bales of raw cotton to clothe this number of people.

RAPID INCREASE IN PRODUCTION SINCE 1932

Estimates of Chinese cotton acreage and production are available since 1920. These estimates, though perhaps somewhat incomplete for the earlier years, are continuous and give some indication of the trend. Without census data or land surveys, it is im-

tion of the trend. Without census data or land surveys, it is impossible to obtain accurate data. But the figures for the important producing provinces are believed to be fairly reliable.

Information available concerning the amount of Chinese raw cotton consumed by the modern spinning mills in China and the amount of raw cotton exported serves as a guide for production estimates. A large quantity of cotton is known to be used in home consumption, but accurate statistics are lacking. The severe winters and shortage of fuel north of the Yangtze River have given rise to the utilization of considerable raw cotton in padded winter garments and in so-called padded blankets. Raw cotton is still used for home spinning in the more remote sections cotton is still used for home spinning in the more remote sections of China.

Table 1.—Chinese cotton acreage, production, and yield, 1920-37

Year	Acreage	Produc-	Yield per	
	harvested	tion	acre	
1920	1.000 acres 5, 500 5, 830 5, 500 5, 425 5, 000 5, 500 6, 000 6, 350 6, 960 6, 770 6, 720 7, 080 7, 280 8, 450	1,000 bales 2,400 2,200 2,510 2,400 2,510 2,460 2,300 2,824 2,720 2,458 2,615 2,092 2,720 2,980 3,243 3,243 3,243 3,870 3,870	Pounds 206 188 218 211 223 232 243 197 206 178 199 211 2119 212 219 204 219 210	

¹ Preliminary.

Shanghai office, Bureau of Agricultural Economics,

¹Bales of 478 pounds net are used in this article. ²Fong, H. D., Cotton Industry and Trade in China, the Chihli Press, Inc., Tientsin, China, Aug. 1932, p. 1.

China's cotton acreage from 1920 to 1931 averaged about five and one-half million acres, equal to about 15 percent of the United States acreage. During this period Chinese acreage showed no definite trend; but, beginning in 1932 and continuing into 1937, the acreage rapidly increased. Last year it was equivalent to about 25 percent of the acreage harvested in the United States

States.

Production of Chinese cotton, which fluctuated around 2,400,000 bales from 1920 to 1931, was equal to about 55 percent of the Indian crop for this period and 20 percent of the United States harvest. As a result of increased production, the Chinese harvest for the year 1936 equaled 70 percent of the Indian crop and over 30 percent of the United States harvest.

The yield per acre of Chinese cotton from 1920 to date shows no definite trend and only a slight variation from year to year, as compared with yields of most countries. This relative stability in yields is partially accounted for by the fact that, if a cottonfield gets a poor start in the spring, the farmer usually puts in a catch crop in place of the cotton; whereas, if a crop gets a fairly good start, the summer weather is generally favorable for producing at least an average harvest. Furthermore, the Chinese farmer seldom experiences disastrous diseases or insect infestation, at least not on as large a scale as in some countries.

Table 2.—Chinese cottom acreage and production, by Provinces, 1936

TABLE 2.—Chinese cotton acreage and production, by Provinces, 1936

Province	Acreage	Production
Hopei Shantung Shantung Shansi Honan Shensi Kiangsu Chekiang Anhwei Kiangsi Hupeh Hupan Others	1,000 acres 1,584 928 315 921 646 1,579 261 213 34 1,349 112 592	1,000 bales 687 484 134 370 254 656 231 140 11 722 70
Total	8, 534	3, 914

China Cotton Statistics Association. These estimates differ slightly from those in table 1, which are from a different source. The yield per acre in China, as a result of intensive culture, averages higher than in the United States. The mature cotton plants are smaller in size than those in this country, but they are planted much closer together and, in addition, the crop is picked ever few days, with the result that there is little loss in harvesting.

MAJOR PRODUCING REGIONS

China has two rather distinct cotton-producing regions—the Yangtze Valley and North China. In addition, there are small producing districts between these two main regions and also a number of districts growing a small amount of cotton scattered over other parts of China. In the two principal producing regions, the basic factors affecting cotton production, such as climate, soils, and cropping systems, are materially different. Weather conditions that are favorable in one region are often unfavorable in the other. In the Yangtze Valley, cotton and a second crop are regularly produced on the same land each year. In North China, when cotton is grown, only one crop is raised per year. The recent expansion in cotton acreage has taken place largely in the North China region.

Yangtze Valley

The Yangtze Valley, which is in about the same latitude as southern Georgia, has been an important cotton-producing region for a long time. Two decades ago, this region furnished a large supply of commercial cotton. Of the 34 cotton-spinning mills in operation in China at that time, all but 2 were located in the Yangtze Valley.

The most intensive cotton-growing area is found along the Yangtze River in the Nantungchow district of Kiangsu Province. This Province has for many years been the leading producer of cotton. Cotton growing is also fairly extensive on the south bank of the Yangtze River and surrounding the city of Shanghai.

The second most important cotton-producing area in the Yangtze Valley is west and northwest of Hankow in Hupeh Province.

Province.

In Chekiang Province, along the south bank of Hangchow Bay, is a small area where production is intensive. Cotton produced in this section matures earlier than elsewhere in China and usually reaches the Shanghai market about the first of September.

A few cotton-producing districts are located at Anhwei, Kiangsi, Hunan, and Szechwan Provinces, but these sections supply only a small part of the commercial staple consumed in the modern spinning mills. A marked expansion in cotton acreage has taken place in recent years in northern Hunan.

North China

The north China cotton region is in about the same latitude as North Carolina and the southern half of Virginia. Production

³ Many observations in this article are based on field investiga-tions made by the writer from 1931 to 1936, while stationed at Shanghai.

in this region is heavily concentrated in the Yellow River Valley.

The heaviest producing area is in southern Hopei, northwest Shantung, and northern Honan Provinces. Another important cotton-growing area in the Yellow River Valley is in northwest

thonan, southern Shansi, and eastern Shensi. China's long steple comes from this area, and during the past few years a considerable expansion in acreage has taken place in Shensi Province.

Minor producing areas in the north China region are north-central Shantung Province and the Tientsin area. These two districts are of particular importance, as the recent expansion has consisted largely of improved staple.

Manchuria

Some consideration should be given to Manchuria because of the recent efforts to increase production in this area. Climate, soil, and cropping conditions are somewhat different from those in north China. The soil is more fertile, the growing season shorter, and rainfall somewhat more certain than in north China. shorter, and rainfall somewhat more certain than in north China. In general, only one crop is grown in Manchuria per year. Manchuria has been growing native types of cotton for many years and producing approximately 40,000 to 50,000 bales each year. As a result of a great deal of effort by the new government in Manchuria to increase production and improve the staple, the cotton crop has been increased to approximately 90,000 bales; government officials plan to increase production within 15 years to approximately 400,000 bales. Private concerns, however, have lost interest in Manchuria as a supplier of raw cotton because production has increased so slowly, despite the heavy investments already made.

PHYSICAL FACTORS AFFECTING PRODUCTION

As far as physical factors, such as rainfall, temperature, and soil, are concerned, China appears to be well adapted to cotton production. Most of the sections in the Yangtze Valley region are suitable for cotton growing, and in North China the temperature and soil

are fairly well adapted, although rainfall is somewhat uncertain.

Much of the total area in China is mountainous, but practically all of the cotton is produced at an altitude of less than 500 feet. The only exceptions are small acreages in south China, Yunnan Province, and part of the acreage in Szechwan Province. In some sections of the Yangtze Valley and in north China cotton is grown on lowlands, which are usually flooded in years of excessive rainfall.

Climate and soil generally favorable

The amount of rainfall in the Yangtze Valley corresponds with that of the eastern Cotton Belt of the United States. The annual amount averages 45 to 50 inches and is well distributed seasonally for cotton production. While the average annual distribution appears nearly ideal, the year-to-year distribution is irregular.

Excessive rainfall and droughts frequently damage the cotton crop in some of the important areas in the Yangtze Valley region. Too much rainfall damages the crop on the low-lying fields, where poor drainage exists. On the other hand, a dry period exceeding 2

or 3 weeks during the summer months seriously injures the cotton plants, as the temperature is usually high and the moisture is not retained so long as in some countries because of the lack of organic matter in the soil. In several sections, however, farmers irrigate their fields by pumping water from streams or canals when rainfall is deficient. In the Yangtze Delta typhoons (severe wind and rainstorms) occur in some years and cause considerable damage to the cotton crop

TABLE 3.—Rainfall in cotton regions of China

mile and	Yangtz	e Valley	North China			
Month	Shanghai,	Hankow,	Tientsin,	Taming,	Shanchow,	
	53-year	44-year	35-year	17-year	6-year	
	average	average	average	average	average	
January February March April May June July August September October November December	3.7 3.6 7.4 5.9 5.7 4.7 3.1	Inches 1.8 1.9 3.8 6.0 6.5 9.6 7.1 3.8 2.8 3.2 1.9	Inches 0.2 1.4 4.7 1.1 2.5 6.9 5.2 1.9 6.4	Inches 0.4 3 5 5 8 2.4 5.2 5.6 3.1 5 4 2.2	Inches 0.2 .1 .6 .8 .2 .2 .2 .2 .4 .1 .4 .0 .1 .1 .22 .22	
Total	46. 4	49. 5	20. 1	19. 9	18.3	
Highest	62. 5	82. 9	31. 3	34. 1	26.5	
Lowest	27. 9	22. 8	10. 0	9. 9	7.8	

Chapman, B. Burgoyne, The Climatic Regions of China, University of Nanking, Bull. No. 3, 1933.

In the north China cotton region, the annual rainfall amounts Texas. Although the annual precipitation is low, the average distribution is quite well suited for cotton growing, approximately 70 percent occurring during June, July, and August. While the

average annual distribution is satisfactory, the year-to-year uncertainty in this region is a very important factor in determining the cotton acreage in any particular year. Most areas of North China are subject to the possibility of insufficient moisture in April and May, and often the summer rains do not come until the middle of July. Under such conditions cotton acreage is materially reduced. Such a reduction occurred in 1935, when the intentions to plant pointed to an acreage above that of the preceding year but, as a result of the dry weather during May and June, the actual acreage was substantially lower. On the other hand, July and August rains are sometimes excessive and result in floods, which damage the crops in some localities.

Well irrigation, which was promoted by the China International

Well irrigation, which was promoted by the China International Famine Relief Commission about 16 years ago, has become quite common in many districts in Hopei and has developed to some extent in other Provinces in north China. A farmer having a good well is usually able to obtain a satisfactory cotton crop each year. In a few districts approximately 50 percent of the farmers have wells but the arrest many sections only a few wells have have wells, but in a great many sections only a few wells have been dug. Many farmers in north China lack sufficient capital for digging a well, the average cost of which is estimated to be around \$50.

Temperature in the Yangtze Valley and north China regions is amply warm, and the growing season is sufficiently long in most sections to insure suitable cotton production. In all sections of China the cotton plants, in general, cease growing and dry up during the last half of September, variable weather having but little effect.

TABLE 4 .- Temperature in cotton regions (Fahrenheit)

N. S. C. C. C.	Yangtze	Valley	1	North China	hina		
Month	Shanghai, 44-year average	Hankow, 29-year average	Tientsin, 10-year average	Taming, 4-year average	Sian, 8-year average		
January February March April May June July August September October November December	Degrees 38 39 46 56 66 73 80 73 63 52 42	Degrees 40 43 50 62 71 80 85 77 67 55 45	Degrees 25 29 40 555 67 75 79 69 58 40 27	Degrees 28 33 42 58 71 78 84 82 71 61 44 33	Degrees 33 39 50 63 65 82 77 65 44 36		
Average date of— Last frost First frost	Mar. 15 Nov. 22	Feb. 23 Dec. 17	Mar. 31 Nov. 5	Mar. 25 Nov. 8	Mar. 10 Nov. 19		

Chapman, B. Burgoyne, The Climatic Regions of China, University of Nanking, Bull. No. 3, 1933.

The temperature in the Yangtze Valley is very similar to that in southern Georgia though the spring months are slightly cooler. In central China, however, summer months are somewhat warmer and winters are colder in comparison with seasons in the same latitude in the United States. The average period free from frost in the Yangtze Valley is over 250 days, or slightly longer than in couthern Georgia southern Georgia.

In North China, the temperature in the spring months is similar to that of North Carolina and Virginia. The summer months in North China, especially inland from the coast, are warmer and the winters colder in comparison with these States. Contrary to general opinion, the season free from frost in North China is not too short for cotton production. It averages about 225 days, or nearly the same as in North Carolina and Virginia. It is true that the lack of sufficient moisture in the early summer months often retards the growth of the cotton plants. Furthermore, imported American cottonseed, before becoming acclimatized, often fails to

Chinese cotton is produced on soils largely of alluvial deposits, which have a good mechanical texture but are low in fertility and organic matter. In both of the major producing regions, the crop is grown on what is considered good farm land. The production of most of the cotton on alluvial soils is further evidence that the crop is raised largely at a low altitude.

the crop is raised largely at a lew altitude.

In the Yangtze Valley the soils are principally of a gray alluvial type, especially those west of Hankow and near Shanghai. In the Yangtze delta along the seacoast are saline alluvial deposits where the heavy cotton-producing section of Nantungchow is located. This type of soil is found also in the cotton district on the south bank of Hangchow Bay in Chektang Province. Most soils in the cotton sections of the Yangtze are acid.

The principal soil of the North China cotton-producing region is a brown calcareous alluvial deposit found in central and southern Hopei, northern and western Shantung, and northern Honan. This type of soil has been washed down by the Yellow River from

the loess deposits of the west. In northwest Honan, Shansi, and Shensi Provinces, cotton is grown on a chestnut loess soil. The loess deposits are fairly deep, with the result that most of the cotton produced in this section is grown on land with a slight elevation. In the Tientsin area, most of the cotton is produced on a college classifier. saline alluvial type of soil.

Cultural practices

Cultural practices

Cotton planting and harvesting in the two major producing regions occur at approximately the same dates. Planting is usually begun about the 1st of May, although wet weather in some localities in the Yangtze Valley and the lack of moisture in north China may make later planting necessary. It is possible to plant cotton up to the end of May. If moisture conditions are not suitable by that time, some other crop is eventually planted.

In many sections of the Yangtze Valley cottonseed is commonly broadcast in the wheat or barley crop. When the grain crop is harvested the last of May or the 1st of June, the young cotton plants are from 1 to 3 inches high. In north China the cotton-fields are spring-plowed and harrowed and the seed is planted by hand in rows. The principal cultivation in both regions is hoeing by hand. Well irrigation in north China requires considerable work. The water from the wells is brought up by small containers attached to an endless chain, which is operated by a power wheel pulled by a donkey, horse, or cow. A number of farmers, however, pull the water up by means of a hand windlass.

Various kinds of fertilizers are used for the cotton crop. The Chinese have a saying, "If seeds are planted, feed must be provided for the young plants." Barnyard manure, canal and pond mud, ashes, and, to a limited extent, vegetable ollseed cakes are some of the common fertilizers used. The oilseed cakes, however, are used more extensively for rice and wheat, which generally give a higher return per acre.

Picking the cotton crop in China is work at which all members

return per acre.

Picking the cotton crop in China is work at which all members of the family lend a hand. Several pickings are made during the season, but fully 70 percent of the crop is harvested during the month of September. In Chekiang Province, where cotton matures the earliest, the first picking begins about the middle of August. Late pickings in north China end in early October.

ECONOMIC FACTORS LIMIT COTTON ACREAGE

Though physical factors are reasonably favorable to cotton production in China, economic factors account for the fact that only a small percentage of the cultivated land in China is today producing cotton.

The density of population is estimated at about 1,560 people per square mile of cultivated land as compared with 200 in the United States. This fact makes it necessary for the Chinese people to use a very large percentage of their land for producing food for human consumption. Even in the heaviest cotton-producing section, Nantungchow, it is estimated that on an average only 33 percent of the land is in cotton. No estimates are available to indicate the amount of cultivated land in the two major cotton regions that is used for cotton production but compacting that is used for cotton production but compacting the contract of the state of the cotton production but compacting the contract of the cotton production but compacting the cotton production but compacting the cotton contract of the cotton production but compacting the cotton contract of the cotton cotton contract of the cotton cotton contract of the cotton cotton cotton cotton. cotton regions that is used for cotton production, but crop estimates would indicate it to be less than 5 percent. This compares with over 40 percent of the cropland in the nine Cotton Belt States of the United States. Approximately 90 percent of the cultivated land in China is used for producing food for human consumption, and small percentages are in tobacco, hemp, ramie, mulberry trees, etc. No cultivable land is left in hay or pasture, nor is any used for producing feed for livestock.

nor is any used for producing feed for livestock.

In land utilization cotton occupies a minor place in both producing regions. In the Yangtze Valley, two separate crops are produced on most of the land each year. Cotton is grown in competition with other summer crops, such as rice and soybeans. Winter wheat is the most important winter crop, while barley, broadbeans, rapeseed, and peas are also grown extensively during the winter season. Rice is considered the most profitable crop. Some farmers, however, raise cotton or beans, since rice is more expensive to produce in that it requires much greater amounts of labor and fertilizer. labor and fertilizer.

labor and fertilizer.

In North China, about 50 percent of the land is in winter wheat each year. The other half is fallowed during the winter and in the spring such crops as kaoliang (grain sorghum), millet, and cotton are planted. Kaoliang and millet are harvested in time for seeding winter wheat, but in this region cotton requires the entire season. Summer crops, such as soybeans, millet, peanuts, sweet-potatoes, and corn, are planted after the winter wheat is harvested. Cotton, in some sections, is grown on the same land each year, but it is more common in a 2- or 3-year rotation.

The amount of cotton planted each year depends not only on climatic conditions but also, to a certain extent, on the price of cotton in comparison with other crops. When food prices are high in relation to cotton, or vice versa, it is believed the Chinese farmer makes a shift in the crops planted. Available information giving acreages of various crops from year to year is not sufficient to judge the extent of the shifts in plantings caused by changes in farm-price relationships. Agricultural prices at Shanghai, according to table 5, indicate that in the autumns of 1935 and 1936, raw-cotton prices were more favorable than those of rice and raw-cotton prices were more favorable than those of rice and peanuts, compared with prices of previous years. Whether there was a decrease in the acreage of rice and peanuts the following year is not known, but estimates of cotton acreage for China show large increases in 1936 and 1937.

TABLE 5 .- Agricultural prices at Shanghai, 1930-36

	Chines	e dollars	per 100 I				es dollars per 100 pounds		
Date	Raw cotton	Rice	Soy- beans	Pea- nuts	Raw	Rice	Soy- beans	Pea- nuts	
November: 1930 1931 1932 1933 1934 1935 1936	36. 19 36. 19 33. 17 24. 34 31. 75 33. 57 39. 01	8. 50 7. 13 5. 12 4. 56 7. 51 6. 70 5. 66	4.54 3.41 4.41 2.98 4.72 5.08 4.99	7.86 7.82 5.61 4.43 4.08 5.62 5.90	10.09 8.99 6.99 7.94 10.64 9.90 11.51	2. 37 1. 77 1. 08 1. 49 2. 52 1. 98 1. 67	1. 27 .85 .93 .97 1. 58 1. 50 1. 47	2. 19 1. 94 1. 18 1. 44 1. 37 1. 66 1. 74	

Shanghai office, Bureau of Agricultural Economics, and Shanghai Monthly Prices and Price Indices.

In spite of good prices for cash crops such as cotton, the Chinese farmer's first goal is to produce sufficient food for himself and his family. Most farmers carry only a small reserve supply and have but little cash with which to purchase food in years of poor crops. With inadequate transportation facilities, food prices are always very high in years of crop failure. In the North China region, therefore, where crop production is somewhat uncertain, the average farmer grows a variety of crops and does not put in so large a cotton acreage as he probably would if he lived in an area with a more dependable climate. If ample food supplies were assured, the Chinese farmer would undoubtedly be willing to grow proportionately more cotton.

assured, the Chinese farmer would undoubtedly be willing to grow proportionately more cotton.

An attractive price, nevertheless, induces farmers to plant cotton. The price of Chinese cotton is, of course, affected by supply and demand conditions in China. Since comparatively small quantities of cotton are exported at the present time, the demand is determined largely by the activities of the modern spinning mills in China. This demand, in turn, depends upon the market for yarn, which is affected materially by economic conditions in the country, such as favorable crops, level of farm prices, and stability of the Government.

In general however, prices of Chinese cotton follow the trend.

stability of the Government.

In general, however, prices of Chinese cotton follow the trend of world prices. Prices of foreign growths at Shanghai are affected by changes in import duties and fluctuations in foreign exchange. For example, when Indian and United States currencies were devalued, prices of foreign cotton became cheaper in Chinese currency. In 1935, when Chinese currency was devalued, prices of foreign cotton became proportionately higher at Shanghai. The Chinese Government, by raising the import duty on raw cotton from 42 cents per 100 pounds 'in 1929 to \$1.72 in 1934, increased the cost of foreign cotton in China and thereby raised the price of domestic staple. During recent years, the price of Chinese cotton has followed rather closely the price of Indian Akola at Shanghai, with the Chinese staple usually remaining slightly below the price of Indian. When prices of Indian Akola at Shanghai become cheaper, cotton mills begin to buy Indian staple.

MARKETING METHODS AND MARKET CENTERS

MARKETING METHODS AND MARKET CENTERS

Marketing Methods and Market centers

Marketing of cotton in China requires a great deal more labor than in the United States, and methods are relatively inefficient. Most of the ginning is done in the home during the fall and winter when there is little demand for farm labor, by means of a spike gin operated by the foot. Only in remote places is the seed separated from the lint by hand. Near some of the cotton centers, farmers sell their seed cotton to a central gin. The majority sell their ginned cotton to a local buyer, who, in turn, sells to a visiting middleman to ship to a concentration point or to a central market. Cooperative marketing has been undertaken by farmers in a few districts during the past few years.

After the cotton is ginned, it is tied up by a home-made press into a native bale varying in weight from 100 to 150 pounds. If the cotton is consumed in a nearby locality, it is sold to the mills in the native bales. Cotton produced in distant sections is brought to central marketing points, where it is usually resold, taken to modern presses for putting into bales of 300 to 400 pounds, and then shipped to the consuming centers.

There are five principal cotton-marketing centers in China; namely Shanghai, Hankow, Tientsin, Tsinan, and Chengchow. At each center are several cotton dealers, who have large warehouses for storing cotton. Most of these dealers are financed by the leading Chinese banks.

leading Chinese banks.

Shanghai, which is the largest market, receives cotton from all parts of China. Fifty-two percent of the country's cotton spindles are located there. Prices paid at Shanghai usually determine

are located there. Prices paid at Shanghai usually determine prices paid at other centers.

Hankow is the market for cotton produced in the upper Yangtze Valley and receives a small amount by railroad from Honan and Shensi Provinces in the North China region. Hankow, having only six cotton mills, has a considerable excess of raw cotton. Several modern press packing plants located there re-press the surplus and ship it to Shanghai.

⁴ This includes import duty, customs surtax, flood-relief surtax, and conservancy fees.

Chengchow, located at the junction of the east-west and north-south rallways in Honan Province, is an important cotton center. A large percentage of the cotton grown in western Honan and Shensi Provinces is sold at Chengchow, where it is re-pressed before shipment to Shanghai, Hankow, or Tsingtao. Markets like Cheng-chow receive hourly radio cotton quotations from the Shanghai Cotton Exchange.

Cotton Exchange.

Tsinan, in Shantung Province, also located at a railroad junction, is a market for cotton produced in the western part of the Province. While there are three cotton-spinning mills at Tsinan, considerable quantities of raw cotton are shipped to Tsingtao and

some to Shanghai.

Tientsin has long been a cotton market, receiving cotton from most of the districts of Hopel, some from northwest Shantung, northern Honan, and Shensi Provinces. Tientsin has for many years exported a type of cotton produced in Hopel and desired in

The cost of marketing cotton is high because of the many middlemen and the lack of adequate transportation facilities. This is especially true of cotton produced inland from railroads and waterways.

QUALITY OF COTTON HAS IMPROVED

Chinese cotton has long been known for its short staple and poor

Chinese cotton has long been known for its short staple and poor spinning qualities. There are, however, many degrees of quality and lengths of staple grown in China, although there is no reliable information as to the quantities of the various grades produced. Staple produced from Chinese seed that has been native to the country for a long period is short in length, and until recent years little effort has been made to improve Chinese cotton. In the last few years considerable work has been done to improve the staple and during 1937 cotton produced in China was used almost entirely for spinning yarn up to 40 count. A few years ago most of it was suitable only for spinning yarn of 16 count and below.

In staple length the bulk of native cotton produced is from one-half to three-fourths inch. The best native cotton produced in the Yangtze Valley is in the Nantunchow area, and averages about three-fourths inch in length. The native staple of the Hankow area averages about five-eighths inch. Most of the native cotton grown in North China has been short in staple and of poor quality.

A type known as rough cotton has been produced in Hopei Province for many years in fairly large quantities. A small volume of rough cotton also has been produced in northeastern Hupeh Province. This type, about one-half inch in length, is wiry in character and has not been used to any extent by modern power spinning mills, except possibly for 10- to 12-count yarn. It has, however, been in demand in foreign countries for padding and for mixing with wool. At times it has commanded higher prices than improved American cotton in some of the world markets. The yield per acre of this type, however, is relatively low, and production has declined rather rapidly in recent years, as farmers have shifted to improved varieties.

An improved staple has been grown for several years in northwest improved varieties.

An improved staple has been grown for several years in northwest Honan and Shensi Provinces which has been called German cotton. This cotton is from American seed introduced by German missionaries some 20 or 30 years ago. Although the seed has degenerated, cotton produced in this area is considered one of the best staples in China and is known as Lingpao.

Table 6.—Samples of Chinese cotton classified by the Cotton Division of the Bureau of Agricultural Economics

Cotton-producing district	Staple length (inches)	Classification according to American standards
1. Lingpao, Honan 2. Shantung, American seed 3. Shensi 4. Tientsin, rough 5. Tientsin, American seed 6. Nantungchow, Kiangsu 7. Shanghai 8. Hankow	15/16 to 13/16 76 34 1/2 78 34 34 95 1/2 to 5/6	(Middling Spotted. (Strict Middling Spotted. Good Middling Spotted. Strict Middling Spotted. Do. Good Middling Spotted. Middling Spotted. Strict Middling Spotted.

Chinese agricultural experiment stations have for several years chinese agricultural experiment stations have for several years been growing American and improved Chinese cotton varieties and in the past few years have supplied farmers with increasing quantities of improved cottonseed. In north China, more extensive work has been done than in the Yangtze Valley. In several districts of Shantung Province, near Tientsin, and in central Hopei Province, the use of improved seed has resulted in a marked nopel Province, the use of improved seed has resulted in a marked increase in production of staple three-quarter to 1 inch in length. Also in Shensi Province, the Government has been active in distributing improved cottonseed. The improvement work has been more noticeable in north China as a result of the expansion in acreage and the shift from the rough type to the improved staple production.

TABLE 7.—Tentative Chinese cotton classes

Classification	Description	Staple length
Long staple American seed. American short staple Chinese black seed	All varieties possessing soft, fluffy, brilliant, silky appearance. All varieties of improved staple Native types of black seed, fine fiber,	1 inch or more. 34 to 1 inch. 56 inch.
4. Chinese white seed	of creamy color. Native types of white seed, slightly silky in appearance.	% to 13/16 inch
5. Coarse fiber	Native type, slightly rough charac- ter, and white color.	34 to 34 inch.
6. Extra-coarse fiber	Rough, harsh quality, dull white in color.	1/2 inch.

Chinese Economic Journal, Shanghai, November 1934. Standards established by the Shanghai Bureau of Testing and Inspection.

Improved cottonseed has also been distributed to farmers in the Yangtze region, but to a lesser extent than in the north. Some improvement work has taken place in practically every cotton-producing Province in the Yangtze, the largest amount probably in Hupeh Province.

No statistics are available that indicate the amount of improved No statistics are available that indicate the amount of improved cotton being produced. In the Yangtze Valley there is a considerable quantity of approximately three-fourths inch staple being produced, but that above seven-eighths inch in length is still quite limited. In north China improved cotton with a staple length of three-fourths inch or longer is now being produced in several districts of Shantung and Hopei Provinces and in western Honan, but the annual quantity probably does not exceed 400,000 bales. The improved seed that has been distributed in recent years may, however, result in larger production of improved-quality cotton during the next few years, both in north China and in the Yangtze region.

TABLE 8 .- Staple lengths of Chinese cotton marketed at Shanghai 1

Staple length	Percent- age of total	Staple length	Percent- age of total
Inches: Under 34	0. 8 16. 5 29. 2 20. 2 5. 7 8. 1	Inches: 2952 15/16 31/52 1 or more Total	7. 6 7. 1 2. 4 2. 4

¹ Based on tests made by the Shanghai Testing and Inspection Bureau from about 100,000 bales from the 1933 crop. These results were obtained by laboratory measurements and probably averaged slightly higher than if determined by commercial

Chinese Economic Journal, Shanghai, November 1934.

DOMESTIC CONSUMPTION OF RAW COTTON INCREASING

The increased consumption of Chinese cotton and the decreased consumption of foreign cotton, directly and indirectly, in China during the past 18 years are more pronounced than the increased production. An examination of these trends brings out striking results in the loss of the market for American and other foreign production. An examination of these trends brings out striking results in the loss of the market for American and other foreign growths. In 1921 modern spinning mills in China used about 1,000,000 bales of native staple, or 74 percent of the total consumed. During the same year China imported 470,000 bales of raw cotton, and, in addition, imported piece goods and yarn made from American and Indian growths approximately equal to 982,000 bales of raw cotton. In 1936 the spinning mills in China used 2,372,000 bales of Chinese staple, or 92 percent of the total consumption. China's imports of raw cotton in 1936 fell to 188,000 bales, and imports of cotton piece goods and yarn declined to an equivalent of approximately 44,000 bales of raw cotton. Thus the combined imports of foreign cotton and cotton textiles was equivalent to 1,452,000 bales in 1921 compared with only 232,000 bales in 1936.

A large volume of Chinese cotton is still used for home consumption in China. In the remote places spinning is still a home industry. A considerable quantity of raw cotton is used for padded garments and padded blankets. The total quantity used in home consumption has been roughly estimated at 800,000 to 1,000,000 bales annually. Since much of this cotton does not enter commercial channels, it is impossible to arrive at an accurate production figure.

Cottonseed is largely consumed within the country. In most of the heavier producing districts the oil is crushed from the seed. The oil is used largely for cooking purposes and the cake for fer-

⁸ An article dealing with the development of the cotton-textile industry in China and its effects on the market for American cotton is in preparation.

tilizer and, to a small extent, for feeding livestock. China for a number of years has annually exported from 60,000 to 150,000 short tons of cottonseed, the bulk of which goes to Japan. During the past 3 years China has also exported small quantities of cottonseed oil

IMPORT AND EXPORT COTTON TRADE

From 1920 to 1936 China was a net importer of raw cotton. Increased demand was created for suitable spinning cotton at the close of the World War by the construction of a large number of power spinning mills. During the period 1920-36 the spinning mills more than doubled their output of yarn. This, in turn, required a much larger quantity of desirable raw cotton and made it necessary to import from India and the United States. The large raw-cotton imports in 1931 and 1932 were attributed to the low prices of foreign staple and the short Chinese crop of 1931. China was the fourth best customer of the United States for raw cotton during 1931-32, taking 12 percent of our exports. 1931-32, taking 12 percent of our exports.

Table 9.—Chinese imports of raw cotton, average 1916-20 to 1931-35, annual 1931-37

Period	United States	British India	Japan t	Others	Total
Average:	Bales	Bales	Bales	Bales	Bales
1916-20	7, 533	50, 667	33, 034	11, 589	102, 823
1920-25	55, 653	289, 466	105, 426	8,715	459, 260
1926-30	216, 218	363, 958	150,861	7, 987	739, 024
1931-35	466, 958	229, 095	19,672	22, 642	738, 367
Annual:		*********			
1931	717, 924	505, 182	68, 917	15, 670	1, 307, 693
1932	865, 370	126, 535	24, 807	20, 814	1,037,526
1933	355, 013	182, 338	3,539	15, 663	556, 553
1934	269, 232	233, 201	727	33, 855	537, 015
1935	127, 250	98, 221	370	27, 209	253, 050
1936	43, 428	94, 825		49, 417	187, 670
1937 1	11, 399	27, 448		31,804	70,651

¹ Reexports, principally of United States and Indian cotton.
² Preliminary.

Compiled from the Maritime Customs, Foreign Trade of China,

The Chinese cotton crop, which began to increase in 1932, has The Chinese cotton crop, which began to increase in 1932, has been sufficiently large during the past 2 years to reduce the demand for foreign growths to an insignificant amount. At the present time only small quantities of American and Egyptian cotton are needed in China for spinning yarns above 40 count. Small quantities of Indian cotton also are imported, generally when prices of equal grade at Shanghai are below Chinese staple. As long as the present import duty remains in effect, however, imports of foreign staple into China will probably continue to be small except in years of short Chinese crops. of short Chinese crops.

of short Chinese crops.

China has been an exporter of raw cotton for many years; prior to 1920 exports had exceeded the volume of imports for more than three decades. The bulk of cotton exported during these many years was primarily of the rough type produced in north China and shipped from Tientsin. The principal market for this type was Japan, with small quantities exported to the United States and to Europe. The decline in exports reflects the decrease in production of rough cotton. Exports reached their peak in 1927, amounting to 403,000 bales, and by 1934 had fallen to only 96,600 bales. Since 1935 there has been a gradual increase in exports. While the shipments of rough cotton to the United States have increased recently there has been an increase in staple suitable for spinning exported to Japan from both the Yangtze Valley and north China.

Table 10.—Chinese exports of raw cotton, average 1916-20 to 1931-35, annual 1931-37

Period	Japan	United States	Ger- many	United King- dom	Chosen	Others	Total
Average: 1916 to 1920	Bales 201, 892	Bales 31, 469	Bales 58	Bales 6, 206	Bales 1,235	Bates 5, 938	Bales 246, 798
1921 to 1925 1926 to 1930	195, 794 235, 785	31, 949 37, 627	4, 622 8, 736	2, 641 1, 221	1,711 2,775	3, 557 4, 308	240, 274 290, 452
1931 to 1935	132, 113	21, 734	6, 733	58	2, 400	6, 764	169, 802
1931	194, 170 137, 054	19, 065 30, 732	1, 179 6, 874	98 540	2, 684 2, 581	3, 128 7, 230	220, 324 185, 011
1933	153, 116 76, 881	37, 057 10, 285	2, 074 2, 855	419 209	2, 328 2, 340	6, 856	201, 850 96, 582
1935	99, 342 119, 207	11, 535 33, 502	20, 684 8, 011	401 542	2, 066 5, 532	11, 217 3, 129	145, 245
1937 1	108, 074	43, 774	11, 409	308	4, 564	7, 994	169, 923 176, 123

¹ Preliminary.

Compiled from The Maritime Customs, Foreign Trade of China.

FACTORS CAUSING RECENT EXPANSION IN PRODUCTION

As a result of all the work that has been done to improve and increase cotton production during the last 4 years, China has now become practically self-sufficient, both as to quantity and as to

quality of raw cotton.

The increase of approximately 3,000,000 acres in cotton during the period 1932 to 1937 has been accomplished largely through a

shift from other crops, as probably less than 5 percent of the increase has been on new land. An increase of 3,000,000 acres planted to cotton would not appear large in the United States, but in China this amount of land diverted from food-producing crops means a decrease in the food supply at least equivalent to that required for 7,000,000 people. During recent years, China has not increased imports of food, but since 1934 has considerably reduced imports of wheat, wheat flour, and rice. Just what crops cotton has replaced is not definitely known, but it appears that they include kaoliang, soybeans, and, in some districts, peanuts. Three explanations have been offered for the adequacy of food supplies during the period of expanding cotton acreage: First, improved transportation has facilitated a freer movement of food crops from surplus areas; second, relatively peaceful conditions have prevailed in almost all sections of the country; and, third, favorable prices for farm products have stimulated more intensive cultivation.

It has been pointed out that cotton production has increased

It has been pointed out that cotton production has increased to the point where China no longer finds it necessary to consume annually more than 1,000,000 bales of foreign cotton, but is now growing a supply ample for domestic requirements at the present level of consumption. In order to have a basis for evaluating future possibilities, it is necessary to consider how this increased production has been brought about.

ENCOURAGEMENT BY DOMESTIC AGENCIES

Chinese cotton farmers have received encouragement, not only from their own Government and private agencies, but from foreign interests as well.

The most important single factor has probably been the raising The most important single factor has probably been the raising of import duties on yarn, piece goods, and raw cotton by the Chinese Government. Between 1919 and 1934, the import duty on yarn was increased six different times. The import duties on piece goods were raised five times between 1929 and 1934, a total increase of 370 percent in less than 6 years. These large duty increases resulted in a tremendous reduction in the quantity of yarn and piece goods imported. During this period, the domestic milling industry was expanded and the demand for raw cotton increased. Annual imports of yarn and piece goods prior to 1920 were equivalent to more than a million bales of raw cotton, but in 1936 they amounted to less than 50,000 bales. Likewise, the National Government from 1929 to 1934 increased the import duty on raw cotton several times.

During the world depression, China developed a very unfavor-

the import duty on raw cotton several times.

During the world depression, China developed a very unfavorable balance of trade. While the visible Chinese trade balance had been unfavorable for several decades, the trend became more pronounced after 1930. A number of important factors contributed to this situation. Overseas remittances by Chinese living abroad declined more than 50 percent; the devaluation of foreign currencies made it easier for foreign goods to enter China; and the large Manchurian soybean export trade was lost after 1931. To counteract these developments the Chinese Government. 1931. To counteract these developments, the Chinese Government raised import duties several times on practically all commodities between 1931 and 1934.

hetween 1931 and 1934.

Another important factor influencing Chinese cotton production is found in the promotional activities of the Government. A program to improve and increase cotton production was started in 1931. In 1932, the Chinese Government set up the National Economic Council, the purpose of which was to improve economic conditions. One of the main activities of this organization was cotton improvement, which was to follow three main lines; namely, distribution of improved seed, increased credit facilities for cotton farmers, and improvement of marketing facilities. The National Cotton Control Commission was organized under the auspices of the Economic Council in October 1933 to carry on the cotton-improvement work.

The National Government established a central agricultural experiment station near Nanking in 1934, which also cooperated with the provincial experiment stations on selection and distribution of cottonseed. An American plant breeder was employed for several years to assist the Federal and provincial experiment stations in these activities.

tions in these activities.

The Government also set up testing and inspection bureaus at several of the important marketing centers. One of the main functions of these bureaus was to test cotton offered for sale in an endeavor to improve the quality of cotton marketed, by reducing adulteration and moisture content.

In November 1935 the Chinese Government abandoned the silver

In November 1935 the Chinese Government abandoned the silver monetary standard and adopted a managed-currency system. This increased the price of imported cotton and contributed to the rise in domestic farm prices. The competitive position of Chinese cotton as compared with foreign growths was improved, and an acreage expansion was thereby stimulated.

Cheaper interest rates to farmers through cooperative credit societies, sponsored directly and indirectly by the Government, assisted farmers in some localities to dig wells for irrigation and in some districts to market their cotton. The loan agencies often assisted members of the cooperative societies in selling their cotton. By eliminating several middlemen, the producer obtained a large percentage of the market value of his cotton.

The provincial governments in practically all the important cotton-producing Provinces, the municipalities of Shanghai and Tsingtao, the leading Chinese banks, and the China International Famine Relief Commission also have aided in the cotton-improvement work and acreage expansion.

ment work and acreage expansion.

Japanese influence

The Japanese have shown an interest in cotton production in China for a number of years. Of the 5,100,000 spindles in China, approximately 40 percent are owned by Japanese. The Japanese mills are especially interested in improved cotton, as they spin a high percentage of the fine-count yarn made in China and produce an important quantity of the yarn and piece goods exported. Certain Japanese leaders have proclaimed on several occasions that they were interested in securing a source of raw-cotton supply for Japan near home, the purpose of which would be to replace as much Indian and American staple as possible. For instance, a Japanese monthly publication, the Oriental Economist, of August 1935 stated: "If China can be induced to grow cotton in such volume and quality as will meet the expanding requirements of Japanese spinning and weaving mills, the benefits accruing to both nations therefrom will be manifold."

The Japanese cotton mills and the Japanese Government have also been assisting in Chinese cotton-improvement work, particularly in Shantung and Hopei Provinces and Manchuria.

larly in Shantung and Hopei Provinces and Manchuria.

In Shantung Province the Japanese cotton mills (there are nine Ingrapes and Manchuria) in Shantung Province the Japanese cotton mills (there are nine Ingrapes mills at Tsingtao) organized the Shantung Cotton Improvement Association. For 4 years this association has been distributing American acclimatized cottonseed from Chosen, known as the King variety, to cotton farmers in eastern Shantung. In 1936 it was reported that 133,000 pounds of cottonseed were imported at Tsingtao.

Japanese industrial and agricultural experts have visited Hopel Province in North China several times in recent years. The South

Province in North China several times in recent years. The South Manchurian Railway (Japanese-owned) now maintains a large office in Tlentsin employing many statisticians and research workers engaged in studying general economic conditions, including the cotton-growing industry. Japanese interests have, during the past 2 years, acquired possession of several cotton mills in Tlentsin. The Japanese have taken an active part in the work at the agricultural-experiment station owned by the Peiping-Mukden Railway located about 20 miles northeast of Peiping. This station, consisting of about 50 acres, has been managed since 1934 by a trained Japanese agricultural expert and has been stressing cotton acclimatization and growing seed for distribution. One of the principal types of cotton grown at this station is from American seed that has been acclimatized in Chosen. It is reported that the railway and Japanese interests each pay half of the operating expenses of the experiment station. How much of the improved seed has been distributed is not known, but American-type cotton can now be seen growing along the railways in several districts where native types were formerly raised.

types were formerly raised.

In Manchuria the Japanese Army and the cotton-textile industry of Japan began an energetic cotton-improvement program in 1933. The Manchurian Cotton Producing Association was organized for the purpose of increasing cotton production from about 50,000 bales the purpose of increasing cotton production from about 50,000 bales in 1933 to 400,000 in 1948. New cotton-experiment stations were established, farmers were furnished seed, and marketing organizations were set up. Because of unfavorable weather conditions in 1934 and 1935 there were only slight increases in production. This confirmed the general opinion that climatic conditions in Manchuria are unfavorable for cotton production. As a result, the Japanese cotton industry lost interest, but the Army has continued the program on a reduced basis and, after further experimentation, expects to develop cotton varieties more suitable to the Manchurian expects to develop cotton varieties more suitable to the Manchurian climate. An early estimate of the 1937 crop placed the production in Manchuria at 91,000 bales, but this figure will undoubtedly be revised downward because of heavy rains in the late summer.

POSSIBILITIES FOR FUTURE PRODUCTION

It has been pointed out that in the last few years China has It has been pointed out that in the last few years China has reached a point of practical self-sufficiency in cotton production and thereby replaced over a million bales annually of American and Indian cotton formerly imported. This increase has been the result of a number of developments, including the imposition of import duties on raw cotton and cotton textiles, favorable cotton prices in relation to other crops, improved transportation facilities, and the crop-improvement program.

So far, the increase in production has resulted in practically eliminating foreign cotton from the Chinese market. In view of the growing desire of Japanese interests to obtain cotton from nearby sources, it is of particular interest to determine whether or not Chinese cotton production can be expanded further and

not Chinese cotton production can be expanded further and thereby replace American and other growths in the other markets

of the Orient.

Under certain conditions, such an expansion in Chinese production appears possible. Import duties imposed by the Chinese Government will not, of course, encourage production beyond the point of domestic self-sufficiency, but the other factors that have aided in bringing about the recent increase in production may be effective in expanding the production of cotton for export.

The competition for land that exists between cotton and other crops is particularly severe in China. Even where the price of cotton is favorable, a farmer may not grow it, because he is interested first of all in assuring a sufficient supply of food. This is particularly true in regions where transportation facilities are

⁶Since the beginning of Sino-Japanese hostilities in August 1937 several hundred thousand spindles at Shanghai and Tsingtao have been destroyed or damaged.

[†] From a report of the American Consulate General, Tientsin, September 2, 1936.

inadequate. It is probable that an improvement in transportation facilities will be made. This may make it possible to bring foodstuffs into North China from the surplus-food-producing regions of Manchuria and certain sections of north China and result in a further expansion of cotton acreage.

further expansion of cotton acreage.

In addition to helping solve the question of food supply, improved transportation would in many places also reduce cotton-marketing costs. In many of the cotton-producing sections, the crop passes through the hands of a number of middlemen, each of whom moves the cotton along another stage to market. Better transportation and the resulting reduction in the number of middlemen would result in lower costs of raw cotton to the mills and possibly higher prices to the farmers.

On the other hand, improvement in the economic status of the Chinese farmer resulting from better transportation facilities might effect some increase in the domestic consumption of raw cotton, thereby reducing supplies available for export. Furthermore, should increased industrialization be developed in north China, a larger volume of cotton would likely be required for local consumption. There are still certain areas in China where new land might be brought into use for the production of cotton. Some of these are

brought into use for the production of cotton. Some of these are located along the seacoast of Hopei Province and in the coastal region north of Shanghai. The reclaiming of this land, which will require a large amount of capital, would necessarily devolve upon the Government, and such a project is not likely to be undertaken for some time. for some time.

for some time.

Even more uncertain are the possibilities of bringing new land into cultivation in northwestern China. Large areas of land are available in that part of the country, where the rainfall is extremely light and the growing season shorter than that of Hopei Province. Expansion of the crop acreage in this region would be dependent upon irrigation, for which water supplies are rather limited.

Some increase in the crop acreage in the Yangtze Valley might be made through large-scale drainage operations. Here again, however, it would be a question of a Government undertaking. Furthermore, in most sections of the Yangtze cotton region, rice is generally a more profitable crop than cotton, and it is not probable

generally a more profitable crop than cotton, and it is not probable that more than a small part of any new land brought into cultivation would be devoted to cotton.

A continuation of the cotton-improvement work appears likely, once the current conflict in China is ended. The program has been primarily effective in improving the quality of the crop, but in the long run it should result in higher average yields. Production of higher-quality cotton would, of course, make the Chinese crop more

competitive in the export market.

At the present stage of developments, Chinese cotton is more suitable for replacing Indian cotton than American. Little information is available with respect to the comparative advantages of cotton production in India and China. On the basis of general forming practices however, and the much higher ridge pro-

of cotton production in India and China. On the basis of general farming practices, however, and the much higher yields per acre in China, cotton production there is considered more efficient. In conclusion, it is believed that, if an energetic program for expanding the acreage and improving the quality of the crop is continued, especially in north China, cotton production will exceed Chinese requirements. This cotton would be sold in other oriental markets, supplanting a certain amount of American cotton but offering stronger competition to Indian cotton. Uncertain rainfall in north China, however, will no doubt result in an irregular supply from year to year.

from year to year.

One of the most important questions in respect to future Chinese cotton production is the extension of Japanese influence in China. The purchase of Chinese cotton with Japanese currency not only would ease the Japanese foreign-exchange situation but would create a larger market for Japanese goods in China. As such developments occur, they may be expected to result in the utilization by the Japanese cotton industry of larger amounts of Chinese cotton, which would replace other foreign growths.

As long as military activity continues, however, cotton production will be materially reduced. Some Chinese cotton will probably be exported to Japan, because of the large number of cotton mills that have been closed in China.

THE COTTON INDUSTRY IN NORTH CHINA

- I. Cotton cultivation and exportation of north China.
- II. Advantages of cotton cultivation in north China.

 III. Natural conditions for cotton cultivation in north China.

 IV. Varieties of cotton cultivated in north China.

 V. Cotton policy, encouragement and experimental facilities.
- - COTTON CULTIVATION AND EXPORTATION OF NORTH CHINA

The history of cotton cultivation in north China goes back to The history of cotton cultivation in north China goes back to remote ages, beginning almost contemporaneously with the introduction of Buddhism into China. This crop was first raised as an agricultural product about 1,000 years ago, but its propagation and encouragement among the masses did not take place until rather recently. To be more exact, it was not until 1919 when cotton cultivation received a strong impetus from the spinning industry which recorded a sudden spurt about that year and continued to encourage cultivation. In consequence land used for the raising of cotton has increased in area considerably.

According to the 1937 statistics the area of land used for cotton cultivation in China totaled 3,500,000 hectares and production of raw cotton amounted to 14,000,000 tan (1 tan equals 60 kilo-

raw cotton amounted to 14,000,000 tan (1 tan equals 60 kilograms), an amount which is equivalent to 12 percent of the world's total production, and next to the United States and India in rank. The three provinces of Hopei, Shantung, and Shansi are

the main producing centers of north China, whose average annual production is about 3,770,000 tan or 36 percent of China's total. The area of land under cultivation and the cotton production of these three provinces for the past 5 years ending in 1936 are given in the table below.

China's cotton cultivation and north China's position

Year	Land under cultivation (1,000 mu)			Cotton production (1,000 tan)			
	China	3 prov- inces of North China	Percentage of North China	China	3 prov- inces of North China	Percentage of North China	
1932 1933 1934 1935 1936	37, 000 40, 454 44, 971 35, 026 55, 041	12, 288 12, 790 15, 096 9, 185 17, 685	33. 1 31. 6 33. 6 26. 2 32. 1	8, 160 9, 774 11, 203 8, 143 14, 430	3, 206 3, 416 4, 771 2, 826 4, 750	38. 3 34. 9 42. 6 34. 7 32. 6	
Average for 5 years	42, 518	13, 409	31. 2	10, 331	3,774	36.	

1 mu is equivalent to 1,000 square meters. Statistics from S. M. R. north China office, Hokushi Bosckigo Kiso Shiryo (Source: book on the Spinning Industry in north China), 1938.

Adding the productions of Honan and Shenhsi Provinces to those of the three mentioned above, the total for north China becomes 49.7 percent of the entire country. Since there are in North China only 26 percent of the country's total number of spindles which are the main "consumers" of raw cotton, the chances of exportation of this product are great indeed.

The following table gives the amount of cotton exported and consumed at home during the years 1933 to 1936.

Demand and supply of north China cotton

[1,000 tan]

	1933	1934	1935	1936
Production	3, 416	4, 771	2,826	4, 750
	121	53	37	11
	461	162	202	329
	3, 076	4, 662	2,661	4, 432

Statistics from ibid.

ADVANTAGES OF COTTON CULTIVATION IN NORTH CHINA

Unlike the highly mechanized and industrialized cotton cultivation in the United States, cotton growers in North China are farmers of an extremely low standard, striving for the best to get a meager livelihood. These people barely meet their fundamental needs, such as food, clothing, and shelter through their main agricultural pursuits, and anything more that they want they must get through raising cotton, wheat, and other commercial products. Since cotton cultivation yields the largest income among farm products, it is quite indispensable in the rural regions of north China, and is consequently regarded as one of the big five crops, namely, maize, kaoliang, millet, and wheat. The importance which cotton cultivation holds in agricultural economy is very great, as it can be seen from the following table, and, in fact, forms the basis of agriculture in this region. Unlike the highly mechanized and industrialized cotton cultiva-

Income and expenditure of 1 mu of land according to crops [Unit-Yuan]

	Income	Expendi- ture	Profit
American cotton	25.80 19.25 10.50	17. 90 16. 17 11. 30	7. 90 3. 08 80 . 80 50
Kaoliang MilletSoybeans	10. 50 11. 70 9. 10	9.70 12.20 7.20	1.90
Groundnuts Maize	14. 40 8, 50	15. 60 9. 90	-1. 20 -1. 40

Statistics from S. M. R. Hokushi Yoran (General Survey of North China), 1937.

Moreover, the cotton yield of Hopei and Shantung is 26 chin (1 chin equals 0.60 kilograms) from 1 mu of land, which is a little better than the 22-chin-per-mu average for China as a whole, indicating that this part of the country is more favorably suited for raising this particular crop.

NATURAL CONDITIONS FOR COTTON CULTIVATION IN NORTH CHINA

Since cotton is a native plant of tropical countries, it demands since cotton is a native plant of tropleal countries, it demands more sunshine and higher temperature than other crops. The location of the cotton-raising regions of North China is 37 degrees north latitude, or slightly to the north of the average location of the world's principal centers which is generally regarded as 35 degrees north latitude. This places north China on a climatic and geographic disadvantage, and consequently the cultivation of the higher-grade varieties of cotton is limited. Varieties like the Egyptian cotton, which require a much longer time to

attain growth, a warmer climate, and much humidity, cannot be raised in this region. Therefore, the selection of the best type for cultivation is very essential, since there are species like the American upland cotton which does quite well under dry climate and irregular rainfall and ripens within a relatively short time. Regardless of the poor climatic conditions (in comparison to the best producing centers of the world) north China is by far the best suited than Japan, Chosen, or Manchuria.

Period of maturity: In north China seeds can be sowed in the middle of April and harvested in early November or a period of two-hundred-odd days. This period is somewhat longer than that of Manchuria or Chosen, but a month shorter than the American cotton belts. In short, the period of growth is satisfactory.

two-hundred-odd days. This period is somewhat longer than that of Manchuria or Chosen, but a month shorter than the American cotton belts. In short, the period of growth is satisfactory.

Temperature: The temperature of the cotton-growing season, namely, for the 6 months between May and October is nearer to the ideal. The weather for June, July, and August is especially good, the highest temperature for this period being 30° Centigrade, and seldom below 20° Centigrade at the lowest. Unlike Chosen and Manchuria the thermometer rarely registers below 10° Centigrade in May, thus facilitating germination considerably.

Rainfall: Rainfall in north China is about 600 millimeters on the average which is approximately equal to that of Manchuria but half of that of Japan. Subtracting the rainfall of the rainy months, July and August, which is between 300 to 400 millimeters, the year's average, according to months is exceedingly low. In a word, rainfall of north China is relatively small and distribution very irregular. Crops must face a dry season from the very beginning to the time they attain full growth, then during their fertilization period or in July and August rainfall is so heavy and thunder so frequent that a poor yield results. However, the rainy season ceases with the passing of these 2 months and with the coming of September and October dry climate sets in again to promote ripening and harvest.

Sunshine: To make up for the low rainfall north China enjoys much sunshine. Being a wet month, the month of August is an exception to this rule, but the average number of sunny hours for the 6 months is approximately 250 hours per month, which is about the same with Manchuria. Both have plenty of sunshine.

Varieties of cotton cultivated: Native cotton and the American upland cotton which has been imported from America are the main varieties under cultivation in north China. Special characteristics

Varieties of cotton cultivated: Native cotton and the American upland cotton which has been imported from America are the main varieties under cultivation in north China. Special characteristics of the former are its short but strong fibers and high ginning percentage. It is best suited for making threads below No. 20 size, for thick-thread spinning, for making cotton for stuffing, and for making woolen and cotton mixtures.

King and Tries varieties are the primary upland cottons which are grown. These varieties ripen very early, their fibers are longer than the native variety, and are used mainly to produce threads of the No. 30 or 40 sizes. For these reasons these two varieties have become very popular, and their cultivation has increased tremendously in recent years. It is predicted that they will hold a more prominent position than the native variety in the near future. It is interesting to note here that the significance of upland cotton was first recognized with the earnest encouragement by the Japanese in Shantung and central Hopei Provinces from about the year 1917. year 1917.

THE COTTON POLICY AND ENCOURAGEMENT AND EXPERIMENTAL FACILITIES

Policy of increasing production: The question of increasing cotton production in north China has long been a matter of deep concern on the part of the proper authorities. Deliberations on the question on the part of the proper authorities. Deliberations on the question have been going on for some time between the provisional government of Peking and the Japanese, both of whom are represented in the Japan-China Economic Council, but of late cotton has been recognized "as a profitable agricultural product for native farmers and an important raw material for Japan." In line with this conclusion a policy for increasing production was adopted, execution of which will begin with the present year. The main points embodied in this plan are as follows: plan are as follows:

1. In north China a plan calling for increasing cotton production to 10,000,000 tan per annum at the end of a period of 9 years beginning with 1938 will be carried out.

2. The area of land allotted for cotton cultivation will be increased to 30,000,000 mu. Much care will be taken to prevent the decrease which might occur in the cultivation of wheat and other grains in enlarging the area for cotton cultivation.

King's Improved and Tries will be selected for encouragement together with superior native varieties.
 Parts of the plan to be carried out each year are given in the

table below.

Projected cotton production for each year

[1fi 1,000 tan]				
	American variety	Native variety	Total	
1038	2, 246 2, 499 2, 803 3, 470 4, 199 5, 070 5, 972 6, 837 7, 665	1, 958 2, 154 2, 369 2, 357 2, 343 2, 327 2, 310 2, 359 2, 335	4, 204 4, 653 5, 171 5, 827 6, 542 7, 397 8, 282 9, 196 10, 060	

The following are the points which will be carried out in the fulfillment of the policy.

1. To increase and encourage the cultivation of superior va-

2. To advance loans for the establishment of irrigation facilities.

S. Establishment of publicity and encouragement organs.
 Strengthening of the supervisory system.
 Improvement of farming methods and the eradication of

pests and plant disease

6. Readjustment of land leases for small tenant farming, improvement of transportation facilities, rationalization of transportation rates, readjustment of the customs, encouragement of immigration, and the encouragement for increasing the production of foodstuffs.

The total estimated expenditure needed to carry out the nine-year plan is approximately 29,128,000 yuan, while the establish-ment of irrigation facilities will require an additional 72,362,000 yuan which will bring the total well up to the 100,000,000-yuan

mark.

Upon realization of the plan and cotton production subsequently boosted to 10,000,000 tan per annum, this amount will be apportioned as follows

Three and one-half million tan to be consumed by the spinning industry of north of north China which will have by then a total of

Other local consumption-1,000,000 tan

Upon the revival of the spinning industry, Central China is expected to demand 2,500,000 tan, leaving 3,000,000 tan available

for exporting to Japan.

Encouragement and experimental facilities: With the unrestriced support of the Japanese authorities, the Provisional Government of Peking is working assiduously to complete its organization for the encouragement of the cotton industry, and other organs connected with the cotton policy. The various organizations are outlined briefly below.

1. North China Cotton Industry Association: The membership of this organization is composed of prominent Hopei, Shantung, and Shanhsi men in the cotton industry and reorganized groups

of this organization is composed of prominent Hopel, Shantung, and Shanhsi men in the cotton industry and reorganized groups of provincial cotton-encouragement organs, and has its head-quarters in Peking. For some time in the past the provisional government has given assistance in the promotion of enterprises, financing and supervision in Shantung, Hopei, and Shanhsi Provinces. This organization is semiofficial in nature and is a jurificial preson of the Chinese Republic. Its capital is subscribed ical person of the Chinese Republic. Its capital is subscribed jointly by the Government and by the Japan-China Spinners' Association. It has invited Japanese experts to supervise cultivation, improve quality, and to increase output. Through the Rural Agricultural Associations it distributes seeds of improved varieties supervises cultivation, and makes advances to those in varieties, supervises cultivation, and makes advances to those in need of funds.

2. North China Cotton Co.: This organization was formed at Tientsin last spring as a cotton-purchasing firm under the joint auspices of the Japan-China Spinners' Association and the Cotton auspices of the Japan-China Spinners' Association and the Cotton Industry Association. At present it owns three press factories and engages in the distribution of seeds and the financing of rural cotton-raising communities, but since its small capital of 3,000,000 yuan tends to limit its sphere of activities preparations to increase it to 40,000,000 to 60,000,000 yuan are now under way.

Agricultural experiment stations in North China: The experiment stations dealing with cotton and other agricultural products that have existed from the China inclinate days are listed in the

that have existed from pre-China incident days are listed in the

following paragraphs

that have existed from pre-China incident days are listed in the following paragraphs.

1. Tsung-hsien Cotton Experiment Station: This experiment station is located to the east of Peking and was founded by Yin Tung, chief of the former Pei-Ning Railway Bureau, who with the assistance of the Japanese (especially Dr. Yoshida) created the experiment station under the management of the railway in 1934. The services of a Manchurian expert (Mr. Iwasaki) were acquired from the S. M. R. which has operated a long string of experiment and encouragement institutions. This expert selected the most suitable site for the purpose and with the completion of the buildings, the station was ready for real work in 1935.

Since the foundation of the station up to the outbreak of the China incident a total of six Japanese instructors and experts have been dispatched but two out of this group gave their lives to their cause, the weather conditions being disagreeable. Thanks to the untiring services of the other four pioneers of peaceful industrial development and to the generous efforts of Chinese assistants good progress was made, but unfortunately a brutal fate had to befall upon all of them in the form of bloody Tsungchow massacre carried out by the Chinese soldiers. The loss of these men is a grievious matter for the Chinese themselves.

Since then more earnest assistance has been given by Japan and

Since then more earnest assistance has been given by Japan and 14 Japanese experts (S. M. R. men) detailed to the station in November 1937, have carried on the work, while buildings and lands have been readjusted and a new entomology section created. Twenty-one Chinese who are cooperating heartily in the

work have been added to the staff.

Today this station is carrying on experiments to produce highgrade seeds and to improve cultivation methods, while fertilizers
and irrigation matters are also receiving due attention. In addition wheat, kenaff, and other grains are being studied, and the eradication as well as the prevention of insect pests are occupying much of the experimenters' time. The benefits which the gen-

eral farmers of north China will shortly receive from the enthusiastic work of the station will be great indeed.

2. Peking Municipal Agricultural Experiment Station: 64 chobu

of land (1 chobu is equal to 2.45 acres or 99.17 ares). Director, mayor of Peking; 6 sections.

3. First provincial agricultural experiment station of Hopei at Tientsin: Yearly expenditure, 4,000 to 6,000 yuan; 10 persons on

staff. 4. Hantan second station: Yearly expenditure, 4,000 to 5,000

yuan; personnel, 8.
5. Tsohochen Third Station: Personnel, 8; yearly expenditure, 4,000 to 5,000 yuan.

6. Titan Fourth Station: Annual expenditure, 3,000 yuan; personnel. 6.

7. Linfen Cotton Experiment Station: Unknown.

8. Linching Cotton Experiment Station: Unknown.

9. Chengting National Cotton Experiment Station: Unknown.

10. Tsitung National Cotton Experiment Station: Unknown. 11. Tsinan Agricultural Experiment Station: Unknown

12. Ting-hsien Experiment Station for Public Enlightenment. With the outbreak of hostilities the responsible persons of these with the outbreak or nostilities the responsible persons of these experiment stations fled into safer regions carrying with them all valuable material and documents. Then came the anti-Japanese elements who utilized these stations for military purposes and left only the wrecks as reminders of what had existed before. No information regarding these stations was available under such conditions but with the coming of the Japanese anything that can still be used is being put in order. Before long the former statill be used is being put in order.

conditions but with the coming of the Japanese anything that can still be used is being put in order. Before long the former stations will be in working order again.

The above-related policy of the Government to increase cotton production is presently marking time, awaiting the full adjustment of the encouragement organs and institutions but upon their completion the plan will be pushed enthusiastically to the limit. From the very beginning the Japanese Nation has given substantial assistance toward the materialization of the plan. The Ministry of Overseas Affairs purchased in the spring of this year 1,000,000 chin (a load for 68 freight cars) of improved Chosen upland cotton seeds and through the provisional government distributed them free of charge to north China farmers. In addition, experts and instructors have been sent to north China and Chinese employees are being given training in the field. In truth the Japanese are are being given training in the field. In truth the Japanese are giving all the assistance and help that they can give. On the other hand the Peking Provisional Government is doing its part, if not more. Fully realizing the importance of cotton, it is contemplating the creation of a central organ to deal with everything that has to do with cotton, and to entrust to this organ the work of promoting and encouraging cultivation, experimenting, and the purchasing of produced cotton. Of course, separate organs will take care of the functions just listed, but they will be incorporated in the central organ. All these activities will help to bring about the speedy realization of the large-scale cotton production program which all circles concerned have placed much interest and expectation. S. OKADA.

NOVEMBER 1938.

Mr. KING. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. KING. I am sure the Senator if he will expand the argument will contend that we do have interests aside from trade relations in China. First we have the open-door policy under which we have moral as well as material interests in China. We have property rights there, we have schools, hospitals, eleemosynary institutions, and have treaties with China under the terms of which through reciprocity we have interests there as well as China having trade relations with the United States.

Mr. President, it seems to me the Senator, if he has not already done so, could very properly expand to show that we do have interests in China, spiritual interests, moral interests, educational interests, property interests, all of which Japan is attempting to destroy, and to assert, as the Senator has contended, that dictatorial, autocratic control over the entire territory and domain of China.

Mr. SCHWELLENBACH. I may say to the Senator from Utah that I did develop that from all except one point of view, and that is actual investments in China.

I leave that out deliberately—perhaps not properly. The Senator knows that any time we talk about investments in foreign countries somebody makes a speech saying that we do not want to do anything to protect the Standard Oil Co. in China. We were not even very much cutraged about the Panay incident because of the fact that there were some Standard Oil tankers about. I wish to eliminate that part of the argument entirely; and in a desire to eliminate it I have omitted it from my discussion on this question.

However, on the question of future possibilities, and what we may lose as a result, assuming that Japan succeeds in conquering China, I wish to read from two articles. The first is a speech delivered in Washington at the Mayflower Hotel by Mr. C. H. French, of Shanghai, who was vice president of the Chinese-American Foreign Trade Council, based upon knowledge acquired through years of business connections in the Orient. He said:

The potentialities of China are so great as to justify the prediction that, if permitted to retain her sovereignty as contemplated by the nine-power treaty she will within the next generation eclipse every other nation in the world as a market for United States products, * * * and a steady export trade to the value of \$750,000,000 per annum, to say nothing of the enormous quantities of capital goods which will be required of us in the meantime while the intensive construction program is in process. Our greatest all-time customer in the past has been the United greatest all-time customer in the past has been the United Kingdom, where we now have a well-established market in excess

greatest all-time customer in the past has been the United Kingdom, where we now have a well-established market in excess of \$500,000,000 a year. America stands ready to fight, if necessary, to protect that trade with Great Britain. Does not every consideration of self-interest demand that we protect our trade with a country which, if permitted to retain its sovereignty, is destined to become our greatest all-time customer of the future?

Her area is greater than that of the United States; her population is in excess of 450,000,000; her natural resources are enormous; her projected industrialization as planned by her Government is on a scale comparable to that which has characterized the development of our own country west of the Mississippi since the completion of our first railway to the Pacific.

The Government of China is now headed by a group of able Chinese who are sincerely devoted to the task of securing for their country a worthy and honorable position in the family of nations. In this connection it is pertinent to call attention to the appeal formulated by the Japanese Chamber of Commerce at Shanghai early in 1937 beseeching their Government and the Japanese people to change their attitude of hostility toward China for one of peaceful cooperation in recognition of the tremendous progress made by the Chinese in political unity, financial rehabilitation, and economic advancement.

ARTICLE BY ARNOLD

In addition, Mr. President, I wish to read briefly from an article written by Julean Arnold, for many years a commercial attaché in the Far East-a man who has had probably as frequent contacts with problems of a commercial nature as any man in the United States. I call the attention of the Senate to some of the facts pointed out by Mr. Arnold.

So far as railroads are concerned, he points out that China has only 10,000 miles of railroad, as compared with our 250,000 miles. She needs within the next 10 years, if the war should be ended, 50,000 miles. For each thousand miles of railroad she would need \$50,000,000 worth of equipment. She would need the facilities of our railroad organization. The construction of 50,000 miles of railroad would mean the use of 100,000,000 wooden ties. We in the Pacific Northwest, with our lumber industry, should at least be interested in the possibility of that sort of an outlet for our products.

During the past decade China has constructed 60,000 miles of highways. Prior to that time she had no roads usable for automobiles. She now has about 75,000 motorcars, of which 80 percent are constructed in the United States. If she could be permitted unmolested, under her new leadership, to develop herself economically, the automobile industry of this country would receive the benefit.

She has installed a network of air lines, making it possible to cover important cities. In 1936 they carried 27,000 passengers. She needs further air lines and further air equipment, which would come very largely from the United States.

During the past 10 years more cities and towns were reconstructed in China than in any other country in the

world for a similar period.

Nanking, China's new capital, exhibited a most active building program and was destined, except for the war, to become one of the world's most beautiful capitals. The population of Nanking increased from 350,000 in 1925 to 1,100,000 in 1937. The material for the further development of that city would come from the United States. Mr. Arnold says:

A China free to work out her own destiny would undoubtedly offer opportunities which, within a decade or two, would surpass those of Japan and most other countries, giving us an export trade with China probably tenfold that of the year 1936.

Thus at the beginning of 1937, America was just at the threshold of realizing in a big way on the potentialities in China's vast

modernization program.

What country is better prepared financially to step in and realize upon China's potentialities than America? Shall we make credit advances to China for constructive developments and thereby conserve our future on the Pacific, or shall we make these funds available to Japan to further the ambitions of her military overlords and thereby jeopardize our entire future on the Pacific?

I now ask unanimous consent, Mr. President, that the article by Julean Arnold be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINA'S FAITH AND AMERICA'S FUTURE (By Julean Arnold)

Americans are mainly interested in the present struggle in Asia because of its possible effects upon them. Japan's invasion of China is the most appalling tragedy in all of human history, because it was launched at a time when that most populous of nations was at the very threshold of a huge constructive modernization program. When one of our outstanding American journalists tells his radio audience, as one recently did, that China has made no progress during the past 20 years, it is time that someone who knows better stepped forward and gave the facts. After serving my country for 37 years in China and Japan, I have had an opportunity to see, hear, and learn much. I shall now attempt to present frankly my views upon the situation, as I believe it affects our people and our country. I am presumptuous enough to hold the opinion that in any presentation of statistics regarding trade and economic conditions in China and Japan, one would be stupid indeed were he not to use great care intelligently to interpret them for otherwise they might be very misleading. Americans are mainly interested in the present struggle in Asia misleading.

WHAT WERE THE CONDITIONS IN CHINA BEFORE THE JAPANESE INVASION?

"The National Government in China is now completely secure with capable hands in control of the nation's finance and economy."

"China's financial structure has become firmly laid as has been proved by the considerable improvement in her international

payments.

A British journalist in Shanghai some years ago accused me of being an incurable optimist regarding China. Had the above statements been imputed to me, they might have elicited no statements been imputed to me, they might have elicited no surprise. Certainly very few people would have expected sentiments of this sort from a Japanese. They are, nevertheless, taken from a report of Mr. Seiji Yoshida, chairman of the Japanese Chamber of Commerce and Industry in Shanghai and manager of the Mitsubishi Bank in Shanghai. The report as broadcasted through the press of the Far East emanated from Tokyo under date of Moreh 1 1027. This power item further extens. date of March 1, 1937. This news item further states:

"Pointing out the strengthening of the Chinese Government,
Mr. Yoshida believes the present is an opportune moment for the
Japanese Government and people to rectify their erroneous China
policy as hitherto employed;" and
"Regarding the much-talked-of economic cooperation between

the two countries as is being followed by Japan, Mr. Yoshida said that this would be possible only as long as China remains a semi-feudal, semicolonial state, but China's political and economic progress in recent years has been rapid, and the Chinese people have been earnest in working out their destiny."

This news item makes no mention of any comments by Mr. Yoshida on communism in China, undoubtedly for the reason that he realized, as did all unbiased observers, that communism in China had by 1937 just about spent its force and was no longer a matter of serious concern to those interested in China's moderni-

WHAT WERE AMERICA'S PROSPECTS IN CHINA BEFORE THE JAPANESE INVASION?

No other country on the face of the earth had made such phenomenal strides in modernization as had China during the past 10 years. These presaged big potentialities in the trade of the future. years. These presaged hig potentialities in the trade of the future. They spelled a transition in imports from consumer to capital goods. They indicated manyfold increases in the country's imports. Those with vision appreciated their significance in its extensive ramifications. Mr. Yoshida and his colleagues sensed this when they made their report. They appreciated the potentialities in trade which a self-rejuvenated China could offer. Now, what about the possibilities of realizing on those potentialities? To be specific, let us consider this subject under definite concrete subtopics:

Railroads: China has but 10,000 miles, compared with America's

Railroads: China has but 10,000 miles, compared with America's

250,000 miles.

During the past few years China rehabilitated existing lines and was engaged in construction of several thousand miles of new rail-

China is the only country still needing as much as 50,000 miles. For each 1,000 miles of railroads, \$50,000,000 worth of equipment is needed.

The country has the experienced railroad engineers and operators necessary for handling its railroad problems.

Chinese bankers were participating in financing railroad construction.

Great Britain, France, Germany, and Belgium eagerly signed loan agreements for the construction of new lines under Chinese auspices,

stipulating that materials must be purchased from their respective nationals

Export-Import Bank, Washington, was prepared to negotiate credits for the several hundred million dollars for American materials, bringing big trade opportunities to American manufacturers

Sales of railroad equipment to China represent mainly manufactured goods and no war materials. The construction of 50,000 miles of railroads means the use of 100,000,000 wooden ties. This

prospect is of special interest to our Northwest lumber interests.

Highways: During the past decade China constructed 60,000 miles of highways, mostly in sections of the country which pre-

viously had had no roads.

About 80 percent of the 75,000 motor cars in China are American.

Further plans embraced several hundred thousand miles with provision for coordination with rallroads and waterways.

A prospering China will need millions of motor vehicles for the

highways necessary to her economic transportation.

Waterways: The improvement of China's waterways was well advanced by 1937.

Existing steamship lines were reorganized and improved. Schools were established in China for training personnel for the

China had purchased new steamers from England. She was pre-paring to negotiate for the purchase of American ships. Airways: China had installed a network of air lines, making it

possible to cover all important cities by regular schedules. In 1936 they carried 27,000 passengers.

A Chinese-American company occupied an important place in commercial aviation, operating about 3,000 miles of lines on a profitable basis and was prepared to extend its operations and equipment several fold.

American equipment and personnel were outstanding factors in

China completed airway connections with America, England, and France.

Telegraphs, telephones, and radios: Wireless-telegraph stations were installed in the principal cities.

Radio telephone communications were opened with America May

A network of long-distance telephones was completed connecting important cities, although the total number of telephones was only

250,000.

Largest telephone company in China is an American concern in Shanghai.

Radio broadcasting stations were installed in important cities. America occupied first place in the supply of radio equipment.

Industrial developments: China made greater progress in the in-stallation of modern industrial plants during 1936-37 than at any other time in her history.

Throughout the interior smokestacks vied with pagodas for a place in the sun of new China.

place in the sun of new China.

Among the larger industries were: Cotton spindles, 5,000,000; looms 50.000; flour mills, yearly capacity, 25,000,000 barrels; cigarette factories, yearly capacity, 80,000,000,000. The largest electric-power plant, with 300,000-kilowatt capacity, is American owned.

The imports of industrial machinery and equipment presented prospects for ever-increasing sales of American-manufactured goods and promised steadily rising economic levels among the masses in China, hence increased purchasing power.

Building construction: During the past 10 years more cities and towns were reconstructed in China than in any other country in the world for a similar period.

towns were reconstructed in China than in any other country in the world for a similar period.

Nanking, China's new capital, exhibited a most active building program and was destined, except for the war, to become one of the world's most beautiful capitals. The population had increased from 350,000 in 1925 to 1,100,000 in 1937.

With the beginning of 1937, China embarked upon a modern building program, offering well-grounded hopes for big sales of American building materials, heating, lighting, ventilating, and air-conditioning equipment.

Agricultural developments: With 80 percent of China's population rural, agriculture is of prime importance.

tion rural, agriculture is of prime importance.
Improvements among rural masses during the years 1932-37 a striking factor in effectively combating communistic activities.

The installation of credit cooperatives, giving farmers money at 8 percent annually instead of the former 2 and 3 percent a month, was of outstanding significance.

Better conditions among the masses were reflected in steadily

increased purchasing power.

Financial betterments: With the beginning of 1937 China was definitely headed for currency stabilization, uniform currency

definitely headed for currency stabilization, uniform currency throughout the country, and adequate provision for refunding her outstanding foreign and domestic loans.

Improved national credits were evidenced by the resumption of foreign loans and credits by foreign countries, especially in long-term credits to government organs for constructive projects.

The American silver policy which forced China onto a managed-currency basis with notes of the Government banks as legal tender proved helpful to China's financial reorganization. If represents the most helpful contribution to the country in its present crisis as it enabled China to establish substantial credits abroad through her nationalization and exports of silver. her nationalization and exports of silver.

Political conditions: Following the revolution of 1911 China suffered serious internal disruptions for two decades, but by 1930 conditions began definitely to improve and by 1937 national unifica-

tion became a reality.

The restoration of confidence in the central government was evidenced by the increasing support of the country's bankers in constructive development projects.

Foreign trade: Had China been privileged to execute her mod-

ernization program upon which she was so well embarked in 1937, she would have startled the world by the huge volumes of foreign trade which would have followed in its wake. It portended a vastly greater emphasis upon capital goods, which were destined

for constructive purposes.
Salient facts in America's trade with China: During the 5 years preceding 1937, America led in both China's exports and imports, taking about 30 percent of the former and selling about 20 percent

Our exports to China represented mainly manufactured products and agricultural commodities.

Our imports from China, which amounted to upward of \$100,-000,000 a year, represented mostly raw materials or semimanufactured products, hence were essential to our manufacturing industries

Industries.

Invisible items in our trade with China include banking, shipping, insurance, tourists' expenditures, missionary and Government expenditures, the maintenance of American business and industrial concerns in China, and American investments.

industrial concerns in China, and American investments.

The aggregate of American investments in China are about \$250,000,000, including about \$50,000,000 in missionary and other eleemosynary institutions.

American trans-Pacific steamship companies early in 1937 reported the most encouraging outlook for years, especially in the American tourist trade.

In 1937 there were about 12,000 Americans resident in China,

including about 4,000 resident in Shanghai.

American business houses, American schools, American mission-aries, and other American institutions and organizations all contribute toward the popularizing of American goods, American methods, and American ideas, among the Chinese people.

American motion-picture films have been an important factor in

opularizing things American. About 80 percent of the imported

films are American.

With the severance of Manchuria from China, our import and

With the severance of Manchuria from China, our import and export returns with China were considerably reduced.

Our 400 American concerns in China were unanimous in early 1937 in proclaiming that the country presented the most hopeful outlook ever offered, with prospects for a record year and still better opportunities for succeeding years.

A China free to work out her own destiny would undoubtedly offer opportunities which, within a decade or two, would surpass those of Japan and most other countries, giving us an export trade with China probably tenfold that of the year 1936.

Thus at the beginning of 1937, America was just at the threshold of realizing in a big way on the potentialities in China's vast modernization program.

old of realizing in a big way on the potentialities in China's vast modernization program.

What country is better prepared financially to step in and realize upon China's potentialities than America? Shall we make credit advances to China for constructive developments and thereby conserve our future on the Pacific, or shall we make these funds available to Japan to further the ambitions of her military overlords and thereby jeopardize our entire future on the Pacific?

WHAT WERE JAPAN'S PROSPECTS IN HER TRADE WITH CHINA BEFORE THE HOSTILITIES?

Mr. Yoshida is quoted as stating in his report as mentioned

Mr. Yoshida is quoted as stating in his report as mentioned above:

"While other foreign powers are trying to create new opportunities to meet the new situation in China, Japan has remained inactive. Japan must henceforth discard her vigorous China policy and adopt one that is morally acceptable to the Chinese Government and is practical. It is absurd that Japan has always charged China with insincerity or befriending other foreign powers to antagonize Japan, for which Japanese diplomatic and other Government authorities must be held partially responsible."

During the years immediately preceding the Japanese invasion, Japan's trade with China was on the increase, even discounting the smuggling trade in north China which did not enter into the returns of the Chinese customs. Had Japan followed the advice of her chamber of commerce at Shanghal and pursued a policy of friendly cooperation, it is patent that the Chinese were prepared to accord Japanese trading, industrial, and financial interest, opportunities equally as good as those accorded other foreign nations. For instance, the Chinese Government expressed a willingness to negotiate credit-loan agreements with the Japanese for railroad construction on terms similar to those offered other foreign nationals. However, Japan's military overlords demanded a degree of supervision over the construction and operation of these lines, which was repugnant to an independent China naturally set upon the preservation of her territorial integrity and sovereign rights.

Furthermore, it is more than probable that if Japan had been prepared to play the game on the basis of a recognition of the policy of the open door, American financiers and manufacturers would have been willing to participate with Japanese in development projects in China. In fact, Japan, with her close geographi-

cal proximity to China and her natural facilities for tapping the Chinese markets, stood to gain by everything which other foreign interests might have done toward stimulating the vast modernization program upon which China had embarked.

WHAT ARE JAPAN'S POLICIES IN THE INVASION OF CHINA?

Prince Konoye, Japanese Premier, August 28, 1937, proclaimed Japan's only course in China is to beat China to her knees so that she may no longer have the spirit to fight. Communism in China had almost spent its force, hence this could not be cited as a legit-imate pretext for the invasion.

Japan hopes:

Japan hopes:

1. By a policy of terrorism to subjugate the great masses in China, and thereby establish a Japanese feudal military overlordship on the Asiatic Continent.

2. To prevent the Chinese from developing the training or equipment for military protection, but to impress into the service of the Japanese armies as much of the Chinese manpower as can be safely and effectively used under Japanese military direction.

3. To set up on the Asiatic Continent a grandiose Japanese military machine in preparation for further conquests in the Pacific and eventually to achieve Japan's so-called manifest destiny to rule the world.

and eventually to achieve Japan's so-called manifest destiny to rule the world.

4. To secure monopolistic control of China's economic resources, thereby freeing Japan from reliance on America for cotton, to-bacco, iron and steel, heavy chemicals, and certain other essential products. In North China the Japanese are trying to force Chinese farmers to grow American-type cotton even at the expense of cereal production, to guarantee to Japanese mills the needed cotton at prices probably less than half the production costs of cotton in America.

5. To control and direct all modern industrial developments in China, utilizing the greatest mannower in the world on a mere

5. To control and direct all modern industrial developments in China, utilizing the greatest manpower in the world on a mere subsistence-wage basis, thereby making possible the flooding of the markets of the world with cheap Japanese-manufactured products.

6. To create in China a monopolistic market for Japanese-manufactured products through a control of all means of communications and through preferential tariffs and marketing facilities.

7. To set up Japanese-controlled regional puppet governments vested with responsibility, but with little or no authority, and answerable to their Japanese military overlords.

8. To eradicate from the Asiatic Continent American and other westernizing influences, substituting the Japanese language for English, and putting into the schools textbooks written in Japan.

9. Under the fiction of relinquishing special Japanese concessions and extraterritoriality, to induce other nations to do likewise and in reality develop China as one huge Japanese concession with Japanese nationals enjoying preferential considerations.

EFFECTS OF JAPAN'S UNDECLARED WAR ON CHINA

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Military conditions

Statistics are estimates for	Jan. 1, 1909.]
Number Japanese troops landed in Chin Number Japanese troops landed in Mand	
Number Japanese casualties	600,000
Number Japanese killed	
Number Chinese Government troops in Number Chinese guerillas (no estimates	
Number Chinese troops casualties	
Number Chinese troops killed	
Number Chinese civilian casualties (aeri	
Number Chinese civilian deaths	
Number Chinese civilians forced to flee	
armies	
Number Chinese civilian refugees in sur	nmer of 1938 30,000,000

General effects

General effects

Hundreds of colleges, schools, and hospitals, thousands of industrial plants and business establishments, as well as tens of thousands of houses, have been destroyed or occupied by Japanese. Hundreds of industrial plants, business establishments, and private houses have been appropriated without compensation. Scores of cities and towns have been looted and hundreds of tons of art treasures shipped to Japan.

In areas occupied by Japanese the Chinese customs revenues are being held by Japanese, and none are released for foreign commitments against revenues. China's financial reforms, which were nearing perfection before the invasion, are now threatened with chaos.

Occupied areas are scoured for metal coins, hence are depleted

of silver and copper.

of silver and copper.

Military notes, irredeemable and inconvertible, in denominations as low as 1 cent, the equivalent of about one-seventh of a cent American currency, are forced on the populace.

Opium shops and narcotic peddlers follow the Japanese armies; hence Japanese collect toll while demoralizing the population.

Wholesale disorder and brigandage are spreading over occupied areas, with general political and economic break-down.

Japanese occupied areas in China at beginning of 1939 (estimates):

Japanese occupied areas in the state of the

(g) Occupied area includes much rich agricultural and mineral

(h) Occupied area includes two-thirds of China's railway mile-

Chinese communications in operation, April 1939:
1. China coast ports Ningpo, Wenchow, and Foochow, through which exports, principally tung oil and tea, get out in limited quantities

2. Yunnan-Haiphong Railway, connecting by highway with

Chungking.
3. Yunnan-Burma highway connecting Chungking with Ran-

3. Yunnan-Burma highway connecting Chungking with Rangoon.

4. Szechuan-Lanchow to Soviet Russia by motor cars and camels.

5. About 200 tons of cargo daily are shipped over routes 2 and 3.

6. About 1,000 tons monthly pass over Lanchow route.

7. The Hunan-Kwangsi Railway in southwest China permits transport across Kwangsi Province to Yunnan.

8. Commercial airplane services maintained between west China points and Hong Kong and Hanoi (Indo-China).

9. Trans-Pacific air service thrice monthly with Hong Kong, thence via Hanoi to Chungking and west China cities.

10. Sino-American airline operates between Yunnan and Burma and between Yunnan and Hong Kong.

11. Radio-telephone services inaugurated between Chungking and Moscow and telecommunications extended throughout Chinese-controlled territory.

12. The most powerful broadcasting station in the Far East is at Chungking, the present temporary capital of China.

Industrial conditions beginning 1939:

1. In Manchuria emphasis is placed upon projects essential to war

1. In Manchuria emphasis is placed upon projects essential to war

industries.

2. In Japanese-occupied areas Japanese have destroyed or taken over principal Chinese industrial plants.

3. Chinese Government in areas under its control encourages economic self-sufficiency by promotion of "industrial cooperatives" with machinery available and by expanding handicraft industry. Banks are aiding in financing these developments.

4. Significant is the widespread modern economic development in areas under Chinese control, especially in Szechuan, Yunnan, and west China generally, and includes expediting the development of letent mineral resources. latent mineral resources.

WHAT ARE AMERICA'S PROSPECTS IN CHINA AFTER JAPAN'S INVASION?

Railroads: A Japanized China will build and operate railroads primarily to further Japan's policies of military and economic domina-tion of the Far East, using as soon as possible a maximum of Japanese equipment, even to the extent of tapping the stands of timber in Manchuria for ties or sleepers. Although we may be offered some alluring initial orders to secure our financial backing, yet as soon as Japan gets her financial wind, we shall have very soon to be content to take the crumbs that drop from the master's table and these will get drier as time goes on. Japanized railroads will be so operated as to give preferential consideration to Japanese

with the so operated as to give preterioral consideration to Japanese trade and other Japanese interests.

Highways: Roads will be built as accessory to railroads and waterways and primarily for Japan's military purposes and to further her plans for tapping the economic resources of China. As for equipment, American branch plants in Japan may, for some years, be permitted to supply cars, but all accessories will be manufactured by Japanese concerns. In fact, Japan is already engaged in developing a plant in Mukden for the manufacture of

manufactured by Japanese concerns. In fact, Japan is already engaged in developing a plant in Mukden for the manufacture of motor cars and trucks.

Waterways: The Japanese flag will enjoy enclusive privileges on the inland waterways and coastal trade of China, under a Japanized China. Vessels will be built in Japanese shipbuilding plants. Through the control of all internal water routes, Japan will have a stranglehold on the trade and economic developments of China. Alrways: American participation in the operation of China's commercial aviation will cease immediately under a Japanese-dominated China. Japan will dictate the terms under which we shall be permitted to operate our trans-Pacific air clippers in making connections with China, and if possible, other sections of the Far East as well. A minimum of American equipment will be purchased, the quantities decreasing as Japan is able to produce her own airplane industry.

Telegraphs, telephones, and radios: With a Japanized China, American equipment will become as rare as snow on the streets of San Francisco. Broadcasting will be censored so that China will be fed what "Master" Japan wants to give her, and send out what he wants her to say.

Industrial developments: With a Japanized China, here is where

what he wants her to say.

Industrial developments: With a Japanized China, here is where America will be hoodwinked into believing that she is going to get some good business. Exacting long-term credits, Japanese will take American machinery but only to build up industries whereby they may use Chinese labor on mere subsistence wages, so as to outdo the rest of the world in production costs and then flood the world with their cheap-manufactured products. We shall then be faced with a real "yellow peril." Thus, we shall be invited to furnish capital and equipment to beln Japan undermine our wage. furnish capital and equipment to help Japan undermine our wage scales and standards of living. Furthermore, Japan will be especially concerned with building up her war industries on the Asiatic Continent, so that we shall be asked to help finance these, as we have been helping Japan to build up her war industries in Manchuria. What sort of investments will these present for American capital?

Trade and cultural stakes: Following the outbreak of hostilities, several thousands of Americans were evacuated from or had to

leave the country because of the Japanese invasion. Huge quantities of American cargo destined to China had to be diverted. American properties in China have been destroyed or occupied by Japanese armed forces. In fact, foundations in trade and cultural contacts built up after decades of labor and with outlays of hundreds of millions of dollars are being destroyed by this undeclared war on China.

The \$250,000,000 in American investments in China under a Japanized China will be threatened with extinction. By forcing exports and imports in China to be handled through Japanese concerns, our banks, insurance companies, steamship companies, and other servicing organizations now constituting important items in our invisible trade will leave to do what our companies in Man-

our invisible trade will leave to do what our companies in Manchuria did, namely, to get out.

The losses, direct and indirect, to American interests will aggregate more than the total of our trade with Japan for some years.

America has been toboganned from first to third place in China trade, with heavy reductions in both exports and imports.

America has depended upon China for large quantities of materials which enter into her manufacturing industries, such as tung-oil for our varnish; bristles for our brushes; vegetable oils for our cooking, fats, and soaps; wool for our carpets; goatskins for women's shoes; antimony for type and babbitt metals; tungsten for high-speed machine tools and electric-light filaments; and tin for our tinned plate. We were her best customer, taking 30 percent of her exports. Japan aims to secure control of these commodities, purchase them with fiat money, force us to buy them with good American money, and pay tolls to Japanese brokerage houses, Japanese banks, Japanese insurance companies, and Japanese ships. She may even force us to take them in processed form nese ships. She may even force us to take them in processed form if she chooses.

Japan's plans for the increased production of American-type cotton and leaf tobacco in China, if successful, spell the doom of our former lucrative trade in the Far East in these commodities. Japan will be able to force the Chinese at the point of the bayonet Japan will be able to force the Chinese at the point of the bayonet to raise American-type cotton at 3 or 4 cents a pound. Recent news flashes from China inform us that the Japanese authorities plan to rush their cotton-production program by making cotton planting in North China compulsory, while attempting to prohibit the planting of cereals, counting upon Manchuria to supply the latter to North China.

Through the use of their Federal Reserve Bank of China notes, which are inconvertible and irredeemable, the Japanese are shutting out American competition in imports and experts to be proported.

ting out American competition in imports and exports in Japanese-controlled areas.

Through preferential tariffs, transportation and travel facilities, and currency-exchange manipulations, Japanese traders and goods are forcing Americans and American commodities out of the

are forcing Americans and American commodities out of the market. Her policies threaten the elimination of the American mercantile marine from the Pacific.

Through the control of the telegraphs, posts, and all other means of communication, Japan will set up annoying barriers against American contacts with China.

Anti-American propaganda is being broadcast in Japanese-controlled areas for the purpose of killing the effectiveness in American trade and other relations of American-educated Chinese and those friendly with our institutions goods and methods

and those friendly with our institutions, goods, and methods.

The appalling destruction of property and lives has reduced the purchasing power of the population, curtailing seriously import possibilities for American goods, which in China sell on a quality basis.

By the wholesale operations in China of Japanese opium and narcotics vendors, our difficulties in shutting out narcotics from our country will be multiplied very considerably.

IS AMERICA AN ALLY OF JAPAN?

While public opinion in America sympathizes with China's cause while public opinion in America sympathizes with China's cause in the defense of her country from foreign invasion, yet as circumstances have developed, we actually find ourselves rendering far more material aid to Japan than to China. The vast bulk of our exports to Japan during these past few years have been in war materials or commodities which figure in Japan's war industries. A recent United Press news item from Tokyo informs us that 10,000 tokyo box. taxis have been taken out of service in Tokyo alone, while private owners of cars are limited to 1½ gallons of gasoline daily, so rigid are the rations of materials used for the prosecution of the war. In Japan's needs for iron, it states cast iron and rubber splash guards have been taken off automobiles, and bicycles no longer have tin license plates. Efforts are being made to substitute porce-lain for iron for mail boxes. In the same way, the Government control of textiles has reduced purchaseable linen, woolen, and cotton almost to nothing.

Some have boasted of our increased imports to Manchuria during these past 2 years, but reports from official sources from Manchuria show that nearly all of the exports are for war industries. Thus during these last few years comparatively little of our exports to Japan, which roughly total about \$300,000,000 annually, are other than war materials.

If one were to follow the Japanese armies in China and witnessed all the American-mechanized equipment, he might think, except for the personnel, that he was following the American

By the purchase of Chinese commodities from Japanese concerns in the Japanese-controlled areas we are helping further to assist Japan in the purchase of war materials. She buys these products with irredeemable and inconvertible paper, or flat money, and we

have to pay American money, thereby helping her to establish credits abroad.

It is estimated that there are being sent back to Japan annually by the 280,000 Japanese resident in America upward of \$20,-000,000. Thus we are furnishing this Japanese population in our country with opportunities for the accumulation of surpluses from their earnings which contribute substantially to the country's war chest. On the other hand, Americans resident, or having interests in Japan or Manchuria, are forbidden by the exchange-control laws from sending any money from those territories.

Japanese are permitted to flood our country with tons of propaganda, to broadcast over our radio, and to send their spokesmen around pleading Japan's cause, while we are prevented from the

around pleading Japan's cause, while we are prevented from the opportunity of presenting to the Japanese people our interpretation of our views and our interests in the China situation.

The longer we delay taking positive action to protect our interests in Asia and the Far East the more difficult will become the task, because the more deeply the Japanese penetrate China the larger the sources of supply upon which she will be able to draw for assisting her in carrying on her war.

SUGGESTED COURSES OF ACTION OPEN TO AMERICANS

Whereas Japan has violated the Nine Power Treaty and the Whereas Japan has violated the Nine Power Treaty and the Kellogg Pact, and whereas America enjoys extraterritorial rights in her treaty with China which impose on her certain responsibilities to her nationals, which she is now unable to discharge because of Japan's undeclared and unprovoked war on China, therefore it is proposed that we institute certain reprisals against Japan in our efforts to protect our rights and interests in China. Among the suggested reprisals which may well receive consideration are the following:

1. Devise some method of effectively controlling the flow of Ameri-

1. Devise some method of effectively controlling the flow of Ameri-

can war materials to Japan.

2. Study carefully America's needs in essential war materials in

2. Study carefully America's needs in essential war materials in case of emergency demands, so as to safeguard our country against the depletion of stocks necessary for our own armaments.

3. Impose prohibitive import tariff duties on commodities imported primarily from Japan. In this connection an import tariff of one or two hundred percent on raw silk, which constitutes over 50 percent of our imports from Japan, may prove quite effective in case of the control of t curtailing this trade.

4. So long as Japanese military or other organizations continue to occupy American premises in China without due compensation or permission, consider some such reciprocal action as the closing down of Japanese-language schools in our country. There are 189 of these in the Hawaiian Islands.

5. In order to help Americans in their purchases of Chinese commodities in Japanese-controlled areas, require that purchases of Chinese commodities be accompanied with consular certificates showing that they were financed through American-currency trans-

showing that they were financed through American-currency transactions, with no discriminations against American buyers.

6. So long as the Japanese refuse to allow the free passage of American commodities in the waterways of China and embarrass our American concerns operating in China through the imposition of disastrously discriminatory treatment, which in some cases amounts to confiscation, restrict Japanese ships in their use of American barbors.

7. So long as Americans in Japan and Manchuria are prohibited

from sending money from those countries, devise some method of making it difficult to send money from America to Japan.

8. Discountenance American manufacturers and bankers extend-

ing credit accommodations to Japan while Americans are discriminated against in trading in China.

9. Insist that American manufacturers do not shift the handling

of their business in China from American to Japanese houses.

10. Encourage American manufacturers and exporters to organize export syndicates effectively to prevent Japanese importers and exporters from operating under monopolistic conditions, play-

and exporters from operating under monopolistic conditions, playing one concern off against another.

11. So long as Americans are not privileged to send material into Japan to enlighten the Japanese people concerning the situation in China affecting American interests, prohibit Japanese propaganda from being disseminated in the United States.

12. America and American broadcasting stations should be prohibited from receiving Japanese broadcasts while American broad-

casts are not received in Japan.

casts are not received in Japan.

13. So long as Japanese in China censor American mail and other communications going into Japanese occupied areas, institute a censorship on mail and other communications coming into America from Japan and the Japanese-occupied areas in China.

14. Extend credit facilities to China for the purchase of American commodities, as one way of helping the Chinese to make their defense effective. A leave of a few hundreds of millions of others.

defense effective. A loan of a few hundreds of millions of dollars at this time would be tantamount to insurance on a Pacific peace policy. In this connection, the facilities of the Export-Import Bank should be extended to make the advancement of these credits possible.

HOW IMPORTANT ARE OUR RESPONSIBILITIES AS A PACIFIC POWER?

Much has been said in the past about an impending Pacific era. Few of our people now realize that with Japan's invasion of China, which is in fact one of the most momentous events in all of history, the Pacific era has been ushered in. It is here. Henceforth, what may transpire in this section of the world is likely to be of even greater concern to us as a nation than what may happen on the other side of the Atlantic.

America is essentially more of a Pacific than an Atlantic power. It is feasible to construct a bridge across the Behring Straits whereby it may be possible to drive our motorcars across onto the Asiatic Continent. In fact, the shortest distance from St. Louis in the Mississippi Valley to Hankow in the Yangtze Valley is along the great circle traversing the Behring Straits. Furthermore, but a greater Pacific coast line then has sure other we have a greater Pacific coast line than has any other occidental nation.

Modern means of communications have brought our Asiatic neighbors into a stone's throw of us. We can now hall them across the water. We cannot any longer build up walls of isolation shutting us away from the rest of the world. The Pacific Ocean is no longer a formidable barrier separating us from the Far East—better now called the Far West.

Many Americans with little background in things Japanese.

Far East—better now called the Far West.

Many Americans with little background in things Japanese but prominent in our business, industrial, professional, and other walks of life have visited Japan, and their Japanese hosts found it easy to fit them with Japanese glasses and ear trumpets, which enable them to see and hear the Japanese versions of Far Eastern matters. Some of these, after returning to America, continue to wear these Japanese glasses and ear trumpets, indicating quite clearly that our whole educational system is at fault in not furnishing our people with the means of a good education in the fundamentals of the civilizations and institutions of these important Asiatic peoples.

in the fundamentals of the civilizations and institutions of these important Asiatic peoples.

We have spent hundreds of millions of dollars and sent tens of thousands of our nationals to China and Japan in efforts to carry American ideals and ideas to the Far East. Millions of Chinese and Japaneses speak, read, and write English and understand us and our institutions. How many Americans are there who possess a substantial knowledge of China and Japan and understand the psychology of the Chinese and Japanese?

Japan moved into Manchuria, a territory larger than Germany and France combined, and now threatens to occupy an area greater than the United States with a population nearly three times larger, yet we show more concern over the taking of a few hundred square miles in Europe by a European power than we manifest toward what constitutes a major threat to our entire civilization.

civilization.

If Japan succeeds in her conquest of China, she will not stop here. Her occupation of Hainan Island and the Spratley Islands indicates that she has greater ambitions. She aims to set herself up as master of the Pacific. How long will it be before she will, with 150,000 Japanese in the Hawaiian Islands, demand that the Japanese flag be hoisted over this important American outpost in

Japan has exhibited a persistent interest in the rich fishing resources in the Alaskan waters. How long will it be, should she succeed in her ambitions on the Asiatic continent, before she pushes her fishing fleet into our northern waters and begins colonization

There are 140,000 Japanese on our mainland, mostly on the Pacific coast. In Los Angeles alone there are in so-called Little Tokyo 40,000 Japanese. Should Japan succeed in her military domination of the Far East, how long will it be before she will make demands that our immigration bars be let down still lower? While we are quite willing to continue to permit Japanese merchants, students, and travelers admission into our country, we feel the necessity of safeguarding our standards of living against the influx of hordes of

laborers on low economic levels.

In January of 1929 Mr. Sado Saburi, the Japanese chargé d'affaires in London, was quoted in the Shanghai press as having given utter-

in London, was quoted in the Shanghai press as having given utterance to the following sentiments:

"There are those who think that a stage has been reached in the life of Japan when she must decide whether she shall throw in her lot with the East or West. The idea is manifestly one which presupposes antagonism ultimately leading to conflict between the two civilizations and is comprehensible only if one tolerates the policy of a 'yellow peril.' It is, however, entirely too narrow in its conception and far too terrible in its potential consequences to merit consideration by Japan who in her nursuit of the grad of enduring pages. sideration by Japan, who in her pursuit of the goal of enduring peace and the continuous advancement of mankind aspires to serve as a link connecting and harmonizing the civilizations of the East and

link connecting and harmonizing the civilizations of the East and the West."

Taking these sentiments, along with those of Mr. Yoshida as quoted in the earlier part of this article, one must be convinced that there are Japanese who think very differently from their military leaders, who are now dictating their country's policies. Were Japan's destinies entrusted to those possessed of these forward-looking sentiments, we should have good reason then to be optimistic regarding the prospects of developing policies of peaceful cooperation with our neighbors on the Pacific. But in our ignorance and apathy we have thus far chosen to give our material support to Japan's militarists, who are obsessed with the ambition to set themselves up as military masters of Asia and of the Pacific, preliminary to world domination, all of which is in keeping with what they are taught to revere as Japan's "manifest keeping with what they are taught to revere as Japan's "manifest destiny." Shall we not, if we continue our drifting policies, invite the annihilation of our standards of living and our democratic institutions?

Pasadena, California, April 22, 1939.

Note.—The above summary of conditions in China concerning America and American interests was compiled by Julean Arnold while on an extended leave of absence in this country. The opinions and sentiments expressed are personal and are not intended to imply a reflection of the ideas or opinions of any of our Government departments or representatives.

Mr. President, on June 1, I introduced the joint resolution to which I have referred; and during the remainder of my discussion I wish to discuss the joint resolution. I now ask unanimous consent that the joint resolution be printed in the RECORD at this point in connection with my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

Resolved, etc., That in compliance with our treaty engagements, and to conserve our resources for national-defense purposes, there shall be retained within the United States, and denied export therefrom, all goods, wares, merchandise, munitions, materials, and supplies of every kind and character, except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation, whose sovereignty, independence, and territorial and administrative integrity the United States is obligated by treaty to respect. respect.

SEC. 2. The President shall issue from time to time as may be

necessary public proclamations specifying articles and materials to be retained within the United States and denied export therefrom under this act, and the extent to which and the terms and conditions under which such articles and materials shall be so

conditions under which such articles and materials shall be so retained and denied export. Any such proclamation shall become effective on the date specified therein.

SEC 3. Any proclamation issued under section 2 of this act, together with a statement of the facts upon which it is based, shall be transmitted by the President to the Congress forthwih, or, if the Congress is not in session, at the beginning of the next session. If the Congress shall thereafter disapprove of such proclamation by concurrent resolution, such proclamation shall not be effective after the date of such concurrent resolution.

lamation by concurrent resolution, such proclamation shall not be effective after the date of such concurrent resolution.

SEC. 4. The President may, from time to time, promulgate such rules and regulations, not inconsistent with law, as may be necessary and proper to carry out any of the provisions of this joint resolution; and he may exercise any power or authority conferred on him by this joint resolution through such officer or officers, or agency or agencies, as he shall direct.

SEC. 5. It shall be unlawful to export, or attempt to export, or any manner contribute to the export of any article or material

in any manner contribute to the export of, any article or material from the United States in violation of the terms or conditions of any proclamation issued under section 2. Any person violating the provisions of this joint resolution or any rule or regulation issued hereunder shall, upon conviction, be fined not more than \$50,000 or imprisoned not more than 5 years, or both.

Mr. SCHWELLENBACH. Mr. President, the joint resolution provides:

That in compliance with our treaty engagements, and to conserve our resources for national-defense purposes, there shall be retained within the United States, and denied export therefrom, retained within the United States, and denied export therefrom, all goods, wares, merchandise, munitions, materials, and supplies of every kind and character, except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation whose sovereignty, independence, and territorial and administrative integrity the United States is obligated by treaty to respect.

Mr. President, I read that language because of the fact that the joint resolution is not an embargo against any other nation. It is not an embargo against any particular nation. It is a resolution which does two things:

First, the Nine Power Pact binds our citizens as well as our Government. The resolution prevents our citizens from themselves exporting to any nation goods which will be used in violation of that treaty. Second, the joint resolution is not an embargo against a nation. It is an embargo against goods. Under the provisions of the joint resolution we could send any kind of goods we chose to Japan except goods which were destined to be used for the purpose of destroying the territorial integrity of China. In the joint resolution nothing is said about Japan. It simply says that if any nation uses goods exported by our citizens for the purpose of destroying the territorial integrity of any country the territorial integrity of which we have agreed to respect, we will stop our citizens from exporting them.

As a matter of fact, if we want to be technical about it, its first point of application would be against England and Canada, because a very large part of the goods prohibited from shipment under the resolution are shipped in English and Canadian ships. There is nothing in the joint resolution which compels an embargo against any particular nation or against any goods except those which are intended to be used

in violation of our treaty obligations.

After this question arose there was presented the question as to whether or not we had a right to pass the joint resolution which I described, or the joint resolution introduced by the chairman of the Foreign Relations Committee [Mr. PITTMAN]. The basis of the argument was that in 1911 we entered into a treaty with Japan under which we agreed to give to Japan the same sort of treatment, so far as the export of goods is concerned, as any other most-favored nation.

Mr. President, that treaty was proclaimed on February 21, 1911; and I think it is desirable, in order that the RECORD may be complete, that it be printed at this point in the

There being no objection, the treaty was ordered to be printed in the RECORD, as follows:

TREATY OF COMMERCE AND NAVIGATION BETWEEN THE UNITED STATES AND JAPAN, AT WASHINGTON, FEBRUARY 21, 1911; RATIFICATION ADVISED BY THE SENATE, WITH AMENDMENT, FEBRUARY 24, 1911; RATIFIED BY THE PRESIDENT, MARCH 2, 1911; RATIFIED BY JAPAN, MARCH 31, 1911; RATIFICATIONS EXCHANGED AT TOKYO, APRIL 4, 1911; PARTIFICATIONS EXCHANGED AT TOKYO, APRIL 4, 1911; PROCLAIMED, APRIL 5, 1911

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Whereas a Treaty of Commerce and Navigation between the United States of America and the Empire of Japan, was concluded and signed by their respective Plenipotentiaries at Washington on the twenty-first day of February, one thousand nine hundred and eleven, the original of which Treaty, being in the English language, is, as amended by the Senate of the United States, word for word as follows:

The President of the United States of America and His Majesty the Emperor of Japan, being desirous to strengthen the relations of amity and good understanding which happily exist between the two nations, and believing that the fixation in a manner clear and positive of the rules which are hereafter to govern the companying intercourse between their respective countries will company the companying the company mercial intercourse between their respective countries will contribute to the realization of this most desirable result, have re-

ribute to the realization of this most desirable result, have resolved to conclude a Treaty of Commerce and Navigation for that purpose, and to that end have named their Plenipotentiaries, that is to say:

The President of the United States of America, Philander C. Knox, Secretary of State of the United States; and
His Majesty the Emperor of Japan, Baron Yasuya Uchida, Jusammi, Grand Cordon of the Imperial Order of the Rising Sun, His Majesty's Ambassador Extraordinary and Plenipotentiary to the United States of America: United States of America;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following articles:

Article I.

The citizens or subjects of each of the High Contracting Parties shall have liberty to enter, travel and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses and shops, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects submitting trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established.

They shall not be compelled, under any pretext whatever, to pay any charges or taxes other or higher than those that are or may be

paid by native citizens or subjects.

The citizens or subjects of each of the High Contracting Parties shall receive, in the territories of the other, the most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or may be granted to native citizens or subjects, on their submitting themselves to the conditions imposed upon the native citizens or subjects.

selves to the conditions imposed applications subjects.

They shall, however, be exempt in the territories of the other from compulsory military service either on land or sea, in the regular forces, or in the national guard, or in the militia; from all contributions imposed in lieu of personal service, and from all forced loans or military exactions or contributions.

Article II.

The dwellings, warehouses, manufactories and shops of the citizens or subjects of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for purposes of residence or commerce, shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or a search of, any such buildings and premises, or to examine or inspect books, papers or accounts, except under the conditions and with the forms prescribed by the laws, ordinances and regulations for nationals.

Article III.

Each of the High Contracting Parties may appoint Consuls General, Consuls, Vice Consuls, Deputy Consuls and Consular Agents in all ports, cities and places of the other, except in those where it may not be convenient to recognize such officers. This exception, however, shall not be made in regard to one of the Contracting Parties without being made likewise in regard to all other Powers. Such Consuls General, Consuls, Vice Consuls, Deputy Consuls and Consular Agents, having received exequaturs or other sufficient authorizations from the Government of the country to which they

are appointed, shall, on condition of reciprocity, have the right to exercise the functions and to enjoy the exemptions and immunities which are or may hereafter be granted to the consular officers of the same rank of the most favored nation. The Government issuing exequaturs or other authorizations may in its discretion cancel the same on communicating the reasons for which it thought proper to do so thought proper to do so.

Article IV.

There shall be between the territories of the two High Contractright and a between the territories of the two high Contracting Parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the Contracting Parties, equally with the citizens or subjects of the most favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come. country to which they thus come.

Article V.

Article V.

The import duties on articles, the produce or manufacture of the territories of one of the High Contracting Parties, upon importation into the territories of the other, shall henceforth be regulated either by treaty between the two countries or by the internal legislation of each.

Neither Contracting Party shall impose any other or higher duties or charges on the exportation of any article to the territories of the other than are or may be payable on the exportation of the like article to any other foreign country.

Nor shall any prohibition be imposed by either country on the importation or exportation of any article from or to the territories

importation or exportation of any article from or to the territories of the other which shall not equally extend to the like article imported from or exported to any other country. The last provision is not, however, applicable to prohibitions or restrictions maintained or imposed as sanitary measures or for purposes of protecting animals and useful plants.

Article VI.

The citizens or subjects of each of the High Contracting Parties shall enjoy in the territories of the other exemption from all transit duties and a perfect equality of treatment with native citizens or subjects in all that relates to warehousing, bounties, facilities and drawbacks.

Limited-liability and other companies and associations, commercial, industrial, and financial, already or hereafter to be organized in accordance with the laws of either High Contracting Party and domiciled in the territories of such Party, are authorized, in the territories of the other, to exercise their rights and appear in the courts either as plaintiffs or defendants, subject to the laws of such other Party. such other Party.

The foregoing stipulation has no bearing upon the question whether a company or association organized in one of the two countries will or will not be permitted to transact its business or industry in the other, this permission remaining always subject to the laws and regulations enacted or established in the respective countries or in any part thereof countries or in any part thereof.

Article VIII.

All articles which are or may be legally imported into the ports All articles which are or may be legally imported into the ports of either High Contracting Party from foreign countries in national vessels may likewise be imported into those ports in vessels of the other Contracting Party, without being liable to any other or higher duties or charges of whatever denomination than if such articles were imported in national vessels. Such reciprocal equality of treatment shall take effect without distinction, whether such articles come directly from the place of origin or from any other foreign place.

In the same manner, there shall be perfect equality of treat-

or from any other foreign place.

In the same manner, there shall be perfect equality of treatment in regard to exportation, so that the same export duties shall be paid, and the same bounties and drawbacks allowed, in the territories of each of the Contracting Parties on the exportation of any article which is or may be legally exported therefrom, whether such exportation shall take place in vessels of the United States or in Japanese vessels, and whatever may be the place of destination, whether a port of the other Party or of any third Power.

Article IX

Article IX.

In all that regards the stationing, loading and unloading of vessels in the ports of the territories of the High Contracting Parties, no privileges shall be granted by either Party to national vessels which are not equally, in like cases, granted to the vessels of the other country; the intention of the Contracting Parties being that in these respects the respective vessels shall be treated on the footing of perfect equality.

Article X.

Merchant vessels navigating under the flag of the United States or that of Japan and carrying the papers required by their national laws to prove their nationality shall in Japan and in the United States be deemed to be vessels of the United States or of Japan,

Article XI.

No duties of tonnage, harbor, pilotage, lighthouse, quarantine, or other similar or corresponding duties of whatever denomination, levied in the name or for the profit of Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories of either country upon the vessels of the other, which shall not equally, under the

WM H TAFT

same conditions, be imposed on national vessels in general, or on vessels of the most favored nation. Such equality of treatment shall apply reciprocally to the respective vessels from whatever place they may arrive and whatever may be their place of destination.

Article XII.

Vessels charged with performance of regular scheduled postal service of one of the High Contracting Parties, whether belonging to the State or subsidized by it for the purpose, shall enjoy, in the ports of the territories of the other, the same facilities, priviliges and immunities as are granted to like vessels of the most favored posterior.

Article XIII.

The coasting trade of the High Contracting Parties is excepted from the provisions of the present Treaty and shall be regulated according to the laws of the United States and Japan, respectively. It is, however, understood that the citizens or subjects of either

It is, however, understood that the citizens or subjects of either Contracting Party shall enjoy in this respect most-favored-nation treatment in the territories of the other.

A vessel of one of the Contracting Parties, laden in a foreign country with cargo destined for two or more ports of entry in the territories of the other, may discharge a portion of her cargo at one of the said ports, and, continuing her voyage to the other port or ports of destination, there discharge the remainder of her cargo, subject always to the laws, tariffs and customs regulations of the country of destination; and, in like manner and under the same reservation, the vessels of one of the Contracting Parties shall be permitted to load at several ports of the other for the same outward voyages. ward voyages.

Article XIV.

Except as otherwise expressly provided in this Treaty, the High Contracting Parties agree that, in all that concerns commerce and navigation, any privilege, favor or immunity which either Contracting Party has actually granted, or may hereinafter grant, to the citizens or subjects of any other State shall be extended to the citizens or subjects of the other Contracting Party gratuitously, if the concession in favor of that other State shall have been gratuitous, and one the same or equivalent conditions, if the concession shall have been conditional.

Article XV.

The citizens or subjects of each of the High Contracting Parties shall enjoy in the territories of the other the same protection as native citizens or subjects in regard to patents, trade-marks and designs, upon fulfillment of the formalities prescribed by law.

Article XVI.

The present Treaty shall, from the date on which it enters into operation, supersede the Treaty of Commerce and Navigation dated the 22nd day of November, 1894; and from the same date the last-named Treaty shall cease to be binding.

Article XVII.

The present Treaty shall enter into operation on the 17th of July, 1911, and shall remain in force twelve years or until the expiration of six months from the date on which either of the Contracting Parties shall have given notice to the other of its intention to terminate the Treaty

reminate the Treaty.

In case neither of the Contracting Parties shall have given notice to the other six months before the expiration of the said period of twelve years of its intention to terminate the Treaty, it shall continue operative until the expiration of six months from the date on which either Party shall have given such notice.

Article XVIII.

The present Treaty shall be ratified and the ratifications thereof shall be exchanged at Tokyo as soon as possible and not later than three months from the present date.

In witness whereof, the respective Plenipotentiaries have signed

this Treaty in duplicate and have hereunto affixed their seals.

Done at Washington the 21st day of February, in the nineteen hundred and eleventh year of the Christian era, corresponding to the 21st day of the 2nd month of the 44th year of Meiji.

PHILANDER C KNOX [SEAL]

Y. UCHIDA

And whereas, the advice and consent of the Senate of the United States to the ratification of the said Treaty was given with the understanding "that the treaty shall not be deemed to repeal or affect any of the provisions of the Act of Congress entitled 'An Act to Regulate the Immigration of Aliens into the United States,' approved February 20th 1907;"

And whereas, the said understanding has been accepted by the Government of Japan;

And whereas, the said Treaty, as amended by the Senate of the United States, has been duly ratified on both parts, and the ratifications of the two Governments were exchanged in the City of Tokyo, on the fourth day of April, one thousand nine hundred and eleven;

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Treaty, as amended, and the said understanding to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifth day of April in the year of our Lord one thousand nine hundred and eleven, and of

the Independence of the United States of America the one hundred and thirty-fifth.

[SEAL]
By the President:

P C KNOX

Secretary of State.

DECLARATION.

In proceeding this day to the signature of the Treaty of Commerce and Navigation between Japan and the United States the undersigned, Japaness Ambassador in Washington, duly authorized by his Government has the honor to declare that the Imperial Japanese Government are fully prepared to maintain with equal effectiveness the limitation and control which they have for the peet three years experied in recordation. for the past three years exercised in regulation of the emigration of laborers to the United States.

Y. UCHIDA

FEBRUARY 21, 1911.

PROTOCOL OF PROVISIONAL TARIFF ARRANGEMENT BETWEEN THE UNITED STATES AND JAPAN. SIGNED AT WASHINGTON, FEBRUARY 21, 1911; RATIFICATION ADVISED BY THE SENATE, WITH AMENDMENT, FEBRUARY 24, 1911; RATIFIED BY THE PRESIDENT, MARCH 2, 1911; RATIFIED BY JAPAN, MARCH 31, 1911; RATIFICATIONS EXCHANGED AT TOKYO, APRIL 4, 1911; PROCLAIMED, APRIL 5, 1911.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Protocol of a provisional tariff arrangement between the United States of America and the Empire of Japan was concluded and signed by their respective Plenipotentiaries at Washington, on the twenty-first day of February, one thousand nine hundred and eleven, the original of which Protocol, being in the English language is, as amended by the Senate of the United States, word for word as follows:

PROTOCOL.

The Government of the United States of America and the Government of Japan have, through their respective Plenipotentiaries, agreed upon the following stipulation in regard to Article V of the Treaty of Commerce and Navigation between the United States and Japan signed this day to replace on the 17th of July, 1911, the Treaty of the 22nd of November, 1894:

Pending the conclusion of a treaty relating to tariff, the provisions relating to tariff in the Treaty of the 22nd of November, 1894, shall be maintained.

be maintained.

In witness whereof, the respective Plenipotentiaries have signed this Protocol in duplicate and have hereunto affixed their seals.

Done at Washington the 21st day of February, in the nineteen hundred and eleventh year of the Christian era, corresponding to

the 21st day of the 2nd month of the 44th year of Meiji.

[SEAL] PHILANDER C KNOX
[SEAL] Y. UCHIDA

And whereas, the said Protocol, as amended by the Senate of the United States, has been duly ratified on both parts, and the ratifications of the two governments were exchanged in the City of Tokyo, on the fourth day of April, one thousand nine hundred and eleven;

Now, therefore, be it known that I. William Howard Taft, Presi-

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Protocol to be made public, to the end that the same and every article and clause thereof, as amended, may be observed and fulfilled with good faith by the United States and the citizens

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifth day of April in the year of our Lord one thousand nine hundred and SEAL] eleven, and of the Independence of the United States of America the one hundred and thirty-fifth. WM H TAFT

By the President: P C KNOX

Secretary of State.

Mr. SCHWELLENBACH. Mr. President, I do not agree that the 1911 treaty should have prevented our Government from adopting the joint resolution which I introduced. I concede, however, that like all legal questions about which there is an argument, there can be an argument about that question. Under those circumstances I certainly am in no way critical of the Members of this body who contended that before we took further action the 6-months' notice should be given Japan. In matters of this kind, in which we base our position upon a treaty, certainly we must be punctilious. I do not think there was any necessity for our recognizing the 1911 treaty as an obstacle to the proposed action. However, as I say, I am not arguing that point with a view of arguing that my joint resolution or the Pittman joint resolution should be adopted during this session of the Congress.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Schwartz in the chair). Does the Senator from Washington yield to the Senator from Utah?

Mr. SCHWELLENBACH. I yield.

Mr. KING. Mr. President, in view of the obligations upon our Government, as well as upon the other signatories to the Nine Power Treaty, does not the Senator believe there would be some moral, if not legal, obligation on the part of the United States if one of the signatories to the treaty violated its terms in such a flagrant manner as Japan has violated its terms in its treatment of China? There is an obligation upon our part to respect that treaty and to respect the obligations therein contained by insisting that the territorial integrity and political independence of China shall be respected. Is not that an obligation which imposes upon us the duty to protest against the infraction of the treaty by the assault by Japan upon China, which, of course, is covered by the terms of the treaty referred to?

RESPONSIBILITY IS AMERICA'S

Mr. SCHWELLENBACH. The whole thesis of my remarks is that by reason of the nine-power agreement we have an obligation upon us to respect the territorial and administrative integrity of China; and that we are violating that obligation. I present this matter as an affirmative violation on our part. The agreement is binding not only upon our Government, but upon our citizens. When our Government sits by and permits our citizens to violate the treaty by making the profit they can make out of sending to Japan materials which we know are to be used by Japan for the purpose of destroying China's territorial integrity, I say we are violating the Nine Power Agreement.

One of the positions I take is that we cannot justify our violation of the Nine Power Agreement, signed 11 years later, upon the basis that we might possibly violate the 1911 treaty with Japan, because Japan also joined with us in the Nine Power Agreement; and it is she who has brought about the situation which makes it necessary for us to insist upon our obligation to comply with the provisions of the Nine

Power Treaty.
Mr. KING. Mr. President, I think the Senator is correct if I understand his thesis.

In January of last year I discussed this question and the flagrant violation of the terms of the Nine Power Treaty by Japan, and insisted that our Government take some course which would indicate its condemnation of Japan's policy and our affirmative desire to protect China against the invasion of Japan.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I am asking for information. I wonder if the Senator includes shipments of food, gasoline, trucks, and such materials not in the nature of guns or manufactured war weapons.

Mr. SCHWELLENBACH. The resolution does not contemplate a limitation to arms, munitions, and implements of war. As a matter of fact, our furnishing of them to Japan is very unimportant. Japan does not need us to furnish arms, ammunition, and implements of war. What Japan needs is our gasoline, our scrap iron and steel, and other commodities which she uses to manufacture or to propel the manufacture of those things she manufactures for war purposes.

Mr. LUNDEEN. Do I understand the Senator to advocate that we should cut off all such exports?

Mr. SCHWELLENBACH. Yes.

Mr. LUNDEEN. Including food?

Mr. SCHWELLENBACH. No. I do not include food, for the reason that it is almost impossible to tell, when it comes to food, which civilian population would be punished, whether it would the population of China or that of Japan, to use that as an illustration. It is almost impossible to know whether the food would be used to feed people in China or in Japan, and I think a sense of humanity requires that agricultural products used for food should not be included in the embargo.

Mr. LUNDEEN. Does the Senator have a schedule or list?

Mr. SCHWELLENBACH. That would be a function of the executive branch of the Government. The resolution

Except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation.

Mr. LUNDEEN. The Senator is now referring to the resolution introduced by himself?

Mr. SCHWELLENBACH. Yes.

Mr. President, going back to the question raised by the Senator from Utah [Mr. KING], which fits right into the point I am discussing, I wish first to read a short quotation from the work, International Law, by Charles Cheney Hyde, found in volume 1, page 422, in which he says:

The setting in motion outside of a state of a force which produces an injurious effect therein, justifies the territorial sovereign in prosecuting the actor when he enters its domain.

It is true we did not actually send our soldiers, we did not enter into China for the purpose of destroying her, but this authority recognizes that the setting in motion outside of a state of forces which later result in the destruction of a territory constitutes an act against them to almost as great an extent and almost as directly as if they were actually within the territory.

I wish to call attention to a proclamation which President Coolidge issued when he proclaimed the Nine Power Treaty:

To the end that the same in every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof-

ATTITUDE OF THE COURTS

For the purpose of getting into the RECORD in order that such use may be made of them as Senators may see fit, I desire to give a few citations in reference to the attitude of our courts upon the question of treaties. I have said several times that a treaty into which the Government enters is obligatory not merely upon the Government but upon its citizens. My reason for repeating it is that the function of the joint resolution I have introduced is to stop our citizens and not merely to stop our Government. That statement was made by the Supreme Court of the United States in Poole v. Fleeger (229 U.S. 447), in which they said:

A treaty is binding upon the Nation and all its citizens and

The Constitution of the United States itself provides:

This Constitution and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under authority of the United States shall be the supreme law of the land (art. VI, sec. 2).

In the case of Missouri v. Holland (252 U. S. 415), Mr. Justice Holmes used this language in reference to our attitude toward the treaties and indicates a treaty to be of higher sanctity than an act of Congress:

Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution; while treaties are declared to be such when made under the authority of the United States.

In the case of Foster v. Neilson (2 Peters 253-314), the Court said:

Our Constitution declares a treaty to be the law of the land. It is, consequently, to be regarded in courts of justice as equivalent to an act of Congress whenever it operates of itself without the aid of any legislative provision.

In the case of Davies against Hale, found in 91 United States Reports, page 13, the Court said this:

Treaties which are complete within themselves need no supplementary legislation to give them force and validity.

In construing this particular treaty, knowing the relationship between the nations which were involved at the time, I think it is all important to understand the attitude of our Supreme Court upon the question of the relationship between a nation which is stronger and a nation which is weaker. In the case of Choctaw Nation v. United States (119 U.S. 1), the Supreme Court said:

A treaty between a superior and an inferior nation should be construed in favor of the latter.

In the case of Asakura v. Seattle (265 U. S. 332), the Supreme Court said:

A treaty is to be construed in a broad and liberal spirit, and where two constructions are possible, one restrictive of the rights that may be claimed under it and the other favorable to them, the latter is to be preferred.

In the case of Sullivan v. Kidd (254 U. S. 433) the Supreme Court said:

A treaty is to be executed in the utmost good faith, with a view of making effective the purpose of the high contracting parties.

Now, proceeding with the question of embargo, Justice Bushrod Washington, in the case of Odlin against Insurance Co., 2 Washington Reports, 312–322, said:

What is an embargo? In its nature and design it imposes a temporary restraint; it is a measure of precaution and State policy, intended by the Government either to distress some foreign nation, or to protect the property of its own citizens.

I conclude this branch of the discussion with the statement that we do have a treaty obligation to observe to respect the territorial integrity of China. Our goods are now being used for the purpose of destroying China's territorial integrity. Goods are being shipped by our citizens who are subject to control by our Government in this country. The joint resolution which I have introduced is based upon that treaty, and provides that our Government shall stop our citizens from disobeying the treaty obligations which were imposed upon them by the treaty by shipping goods intended to be used for the purpose of violating a treaty which they as citizens are obligated to respect.

Under these circumstances, since it is not a complete embargo, since it does not refer to any nation, since it is simply an embargo upon goods for a particular use, I am convinced that there never was any necessity of standing by and waiting for the 6-month period to expire. Nevertheless, we have given that notice, and I am not urging that anything in the way of action by the Congress be taken prior to the time when the notice shall become effective.

A WAY TO HELP

Mr. President, a few months ago the Secretary of State, recognizing the situation in Japan and China, called upon the airplane manufacturers of this country voluntarily to desist from shipping their airplanes to Japan. He had no authority; he assumed no authority; he claimed no authority. It was a mere request made to men in business in this country, on the basis that they should not profit by the manufacture of materials to be used in the way, and for the purposes, Japan was using them. That request was almost 100 percent effective. Since the first of the year there have been very few, if any, shipments of airplanes to Japan. I happen to know of one instance of an airplane manufacturer in this country who had an offer, a firm commitment by the Japanese Government, to purchase from that company airplanes at a cash profit of \$500,000 over and above the expenses of manufacture.

It was a very attractive and alluring offer so far as the company was concerned, but readily, willingly, and cheerfully that company gave up the right to do that business, because they knew it was wrong, and the Secretary of State had asked them to desist. During the next 6 months' period, if the Secretary of State would ask the business interests of the country, the oil companies, for example, or the junk companies, for example, to desist from making a profit out of the sale of their goods which are being used in violation of our treaty obligations, I think he would receive not a hundred percent cooperation, it is true, but he would receive a very substantial cooperation.

Shortly after the Japanese-Chinese incident occurred in 1937, I introduced a bill in this body to prevent the shipment of scrap steel. I was deluged for several weeks with letters and telegrams of protest coming from those engaged in the junk business in this country. They were simply outraged to think that I would introduce such a piece of proposed legislation. The measure was referred to the committee, and because of its nature I recognized that I could not make the case necessary to secure action upon that particular bill. I

reintroduced the bill this year, however, and I have not received a protest from a single source. The people engaged in the junk business in the United States, who in 1937 protested vigorously because of the possibility that they would be deprived of their profits, have registered no protest and no objection to the proposed legislation this year. I think that means something; I think it means that if the Secretary of State would do generally what he did with the airplane industry, he could bring the exports of these materials down to somewhere below 25 percent of their present volume.

In view of the seriousness of the situation with which we are confronted, in view of the fact that for the next 6 months we are going to be compelled to violate a treaty with China because we feel that we cannot take any other position as a result of our 1911 treaty with Japan, I call upon the Secretary of State to ask the business interests of this country to desist from carrying on their traffic during this period of time; and, should he do so, I venture the prophecy that the Secretary of State would achieve very material results.

I wish to conclude by reading from a statement which was made on the floor September 26, 1921, by the Senator from Idaho [Mr. Borah]. I had read it in the newspapers at the time; it impressed me, and I have not forgotten it:

"Mr. President, there is a law stronger than constitutional law, stronger than legislative law, and that is the moral law, and it finally wins." (Senator WILLIAM E. BORAH, addressing the Senate, September 26, 1921, on the Versailles Treaty.)

We do have in this situation, as a result not merely of our treaties but as a result of past experience, past contacts with the Chinese Government and the Chinese people, a very definite obligation. Courts of equity recognize that when people who have a friendly or fiduciary relationship deal with each other there is a greater need for strict compliance with agreements, and that a man who depends upon another and gives to him control of his property or his future has a right to rely upon a greater degree of support from his fiduciary than when they were simply dealing at arm's length.

The same theory applies among governments. Through the years the Chinese people have trusted us. Through the years the Chinese people have relied upon us, and now, in their hour of need, despite our very definite concrete, treaty obligations, we are not carrying out those things which common decency and common honor would compel us to carry out in our relations with China.

Mr. President, I conclude with this one statement:

This above all: to thine own self be true, And it must follow, as the night the day, Thou canst not then be false to any man.

I do not think the people of this country want to be false to their responsibility to the people of China.

THE PREVAILING WAGE

Mr. DAVIS. Mr. President, I have long upheld the principle of the prevailing wage. In my judgment, this is the wage that represents the most stable standards of labor and industry in any community. I do not believe the Government should take any step that will destroy these standards. I have seen recurring attacks made on wage standards, but in the end they have always been repulsed, because Americans generally realize that fair wages make for increased purchasing power, on which the welfare of all of our citizens depend.

Mr. President, I am not of the opinion that the prevailing wage is completely satisfactory in every respect. I know there is possibility for improvement in legislation and in administrative rulings made under existing law. However, I have always proceeded on the basis that some standards are better than no standards for work and wages. We are trying to establish these standards. And at such a time it would be most unfortunate for the Government to take any decisive or permanent action that will frustrate the efforts made in private enterprise to establish stabilized procedures in work and wages.

The key to the effect of prevailing-wage legislation upon all interested parties is in the definitions actually applied.

Real dangers to both employers and employees are inherent in the power of administrators to change at will the meaning of such terms as "prevailing," "similar work," and "corresponding classes." Nevertheless it is best that the present administrative definitions shall stand until they can be improved through careful committee study and thoroughgoing legislative action. This is too important a problem to solve in these days of hurried debate. The principles of the prevailing wage, already established in private and public work, should continue to prevail until something better can be found. I shall vote to uphold the principle of the prevailing wage in both Government and private work contracts as opportunity offers and as long as this is the only practical plan provided up to the present time for the establishment of any kind of general work and wage standards whatsoever.

Mr. President, no consideration of the prevailing wage can be made in any comprehensive way under the present conditions of international trade without consideration of the prevailing wage levels of the foreign powers with which we trade. Those prevailing wage levels, based on underpaid and sweated labor, are constantly tending to lower our own, especially in the last few years. My attention has been called repeatedly by constituents in Pennsylvania, from one end of the State to the other, to the unemployment resulting from tariff reductions. Only this morning I was brought face to face with this condition in the zinc industry by a representative group of citizens from Washington County, Pa., who told of the desperate conditions that prevail there. The same condition prevails in the lace industry, boots and shoes, window glass, coal, and farm products.

On July 5, 1939, Secretary of Commerce Harry Hopkins, issued a statement showing that there is no abatement in the United States in the demand for laces made in Calais, France. Mr. President, I ask unanimous consent to have this brief statement included in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Without objection, it is so ordered.

The statement is as follows:

DEPARTMENT OF COMMERCE. Washington, July 5, 1939.

NO ABATEMENT IN UNITED STATES DEMAND FOR CALAIS LACES

No slackening has been evident in the strong American demand No stackening has been evident in the strong American demand for French laces which in the past year has brought prosperity to Calais' lace industry, according to a report from Consul J. G. Carter, made public by the Department of Commerce. Local manufacturers are booked up with orders from the United

States for many months to come.

May exports of lace from the Calais district to the American market established a new high record not reached even during the prosperous years prior to 1932. The trade with Canada, Australia, and South American countries, which has improved in recent months, was well maintained during May, although there are indi-cations that June will show a falling off in the demand from these

markets.

The extent of the increased American demand for Calais lace is indicated in a comparison of May shipments this year to the United States with those of the preceding month of April and with May 1938. The May 1939 exports were higher by 52 percent in value and 39 percent in volume than for April, and by 171 percent in value and 120 percent in volume compared with May 1938. Cumulative shipments covering the first 5 months of 1939 increased 155 percent in value and 137 percent in weight compared with the corresponding period of 1938. corresponding period of 1938.

Mr. DAVIS. Mr. President, the same protection that we ask for industry we also seek to an equal extent for agriculture, which is now devastated with low prices. The parity prices between industry and agriculture, about which we heard so much a few years ago, have not been realized. Indeed, we scarcely ever hear mention of parity prices today. The scale of agricultural prices in the United States has pegged to the world market, making it possible for international traders to gamble with farm products, while American farmers and American taxpayers foot the bill. Unless and until an American price, as distinguished from a world price, is fixed for agricultural products there is no price for an American tariff to protect.

We have come to the time when we should realize that no plan for wage rates can be acceptable that does not take into consideration the divergence between American and foreign scales of work and production. Our Nation needs equally with national defense on land, sea, and air, a program of protection that shall make a fair place for our American standards of living, our dollars, our labor, our agriculture, our industry, our investment, and our peace. We must have sound money and a protective tariff. When we begin practically to realize these ideals we shall not be so deeply disturbed as we are at present about prevailing wage scales in America, for out of our abundance we can meet all fair demands.

AMENDMENT OF RETIREMENT LAW OF APRIL 23, 1904—CONFERENCE REPORT

Mr. SHEPPARD submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 839) to amend the Retirement Act of April 23, 1904, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following immediately preceding the period at the end of the first paragraph of the Senate bill: "Provided, That the words, 'or after forty years' service,' contained in the Retirement Act of Congress, approved April 23, 1904, be changed to read: 'or after thirty years' service, including cadet service'; and be it further provided that the words 'otherwise than as a cadet' in the same act be changed to read 'including cadet service'"; and the House agree to the same. agree to the same.

MORRIS SHEPPARD. LISTER HILL, RUFUS C. HOLMAN, Managers on the part of the Senate. A. J. MAY, R. E. THOMASON, W. J. ANDREWS, Managers on the part of the House.

The report was agreed to.

ORDER OF BUSINESS

Mr. LUNDEEN obtained the floor.

Mr. PEPPER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. PEPPER. Mr. President, I did not quite understand the situation. Is the Senator from Minnesota going to address the Senate?

Mr. LUNDEEN. That is my purpose. I assume the Senator from Florida desires to make a brief statement?

Mr. PEPPER. I merely desire to say that I have two or three little bills which I hope to have considered some time during the day. I did not know whether or not the Senator intended to address the Senate at considerable length. I did not want to interfere with his remarks, of course, but I give notice that so soon as I am able to get recognition I shall ask for the consideration of Calendar No. 157, Senate bill 1162, Calendar No. 854, House bill 5681, and Calendar No. 928, House bill 6505. I did not want Senators to leave the Chamber with the impression that an effort would not be made to have those bills considered, because I have been trying for some time to have them considered.

Mr. KING. Mr. President, let me console the Senator by saying that there is no chance of having them considered

Mr. PEPPER. At least I assure the Senator that I will be here behind this particular desk speaking and seeking for recognition when the Senate adjourns.

RELIEF OF INDIAN SERVICE DISBURSING AGENTS AND EMPLOYEES

Mr. THOMAS of Oklahoma. Mr. President, on March 14 of this year the Senate passed Senate bill 1415 for the relief of disbursing agents. The bill was reported by the committee and passed this body and was sent to the House, and on July 31 the House passed an identical House bill. Notwithstanding the fact that the House had the Senate bill for months in its possession, they saw fit to pass a House bill which was identical. In order to make progress I ask unanimous consent that the Chair lay before the Senate the bill which passed the House, House bill 4085.

The PRESIDING OFFICER laid before the Senate a bill from the House of Representatives, which was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to employees of the Indian Service and in the accounts of J. E. Balmer, S. F. Stacher, and J. W. Elliott, disbursing agents in the Indian Service, for payments made during the period November 1933 to April 1934 to certain employees for the use of their personally owned automobiles as provided in the act of February 14, 1931 (46 Stat. 1103), to the extent that payments have been disallowed solely because the oil and gas used in such automobiles were purchased from Government supplies.

solely because the oil and gas used in such automobiles were purchased from Government supplies.

Sec. 2. Refunds are hereby authorized to be made, out of any money in the Tréasury not otherwise appropriated, to any employees from whom collections have been made and deposited into the Treasury pursuant to disallowances on account of mileage payments made by the disbursing agents named in section 1 hereof.

Mr. THOMAS of Oklahoma. I ask unanimous consent for the immediate consideration of the House bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 4085) for the relief of certain disbursing agents and employees of the Indian Service was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF EMPLOYERS' LIABILITY ACT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1708) to amend the Employers' Liability Act.

Mr. NEELY. Mr. President, I move that the Senate disagree to the House amendment, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Neely, Mr. Burke, and Mr. Austin conferees on the part of the Senate.

WINGS OVER THE EARTH

Mr. LUNDEEN. Mr. President, this morning I asked unanimous consent to have inserted in the Record certain articles appearing in the papers concerning aviation. I wish to request that there also be printed an article in today's Star under the title "Aviation Anniversary."

ORVILLE AND WILBUR WRIGHT

Congress has awarded Orville Wright honorary pilot certificate No. 1. I am informed that Mr. Wright's birthday will be celebrated on the 17th of August, and if I had my way about it we would make that day a national holiday, the day which gave to the world this man of genius who has so honored the United States.

Various other editorials have appeared in papers concerning this thirtieth aviation anniversary, and I ask unanimous consent to have these added to the request I made this morning.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD.

ROADS OF THE AIR

Mr. LUNDEEN. Mr. President, addressing ourselves to the subject which is before us today, that of aviation, this being the thirtieth anniversary of the purchase of the first plane by the War Department, we might well think about wings over the earth, about the roads of the air.

ON A MAGIC CARPET TO EUROPE

A recent and deeply stirring personal experience prompts me to call to the attention of the Senate at this time a matter which is, in a very particular and very vital sense, of the utmost public importance to the people of the United States, to their affairs of today, to their future prosperity, to the place of this Nation in the world—more, to the continued existence of the great democratic ideal which on this continent found its birth, and which, now, faces a test more trying than any which has confronted it in the century and a half of its existence and growth.

It was my privilege last month, with my colleague, the junior Senator from New Mexico, and distinguished representatives of the House and the executive departments, to travel to Europe and return by air. We followed the route which Leif Ericson must have first traveled so many centuries ago. The saga of his voyages does not recount for us the number of his days upon the sea. The first navigators of whom we have record took months to make this crossing. The fastest and finest steamships now take days. It is but a feeble reflection of the epochal importance of our experience to say that we spanned the North Atlantic in a matter of hours.

BEFORE LONG IT WILL BE TEN HOURS TO EUROPE

To be exact, the journey in crossing the Atlantic from Botwood, Newfoundland, to Foynes, Ireland, on the famous river Shannon, 18 miles from old Limerick, occupied just 13 hours and 28 minutes. The return took 16 hours and 36 minutes, the difference being accounted for by the trade winds, which blow continuously toward Europe and make the westerly crossing about 3 hours slower, and from the great cities of continental Europe about 5 hours slower.

As twilight fell we saw the wooded heights of Lief Ericson's New Found Land drop beneath the horizon against the reddening sun as he must have seen it, facing months of peril on the surface of the unknown sea, returning to the land of his forebears, tossed in his fragile open craft a thousand years ago.

CELEBRATING A BIRTHDAY 2 MILES UP OVER MIDOCEAN

Far above those lashing waves, calmly, comfortably, cheerfully, in a room more luxurious than any viking castle could ever have known, born on great wings, driven by great engines which were the creatures of American genius, we celebrated the birthday of one of our company. We slept in beds as luxurious as any I have ever known. And with the dawn we saw beneath us the smiling green hillsides, the bright blue waters, the white cottages of Ireland. The President of Eire, Eamonn de Valera, did us the honor at that early hour to greet us as we stepped ashore upon the magnificent trans-Atlantic air terminal which his country has provided. A few hours later we again were received ashore in that great heart of British shipping, the port of Southampton, and well before the close of day we were in the capital of the British Empire, ancient London.

Great as was the personal thrill of this experience, none of us, I think, for a moment forgot that our personal satisfaction might well have been mitigated by the knowledge that we were but witnesses of a triumph for the American flag and all it stands for.

Long has that flag been denied preeminence upon those waters. It flew proudly there, eminently first, in the days of sail, in the days of wooden ships and iron men, in the days when this country politically independent, sought economic and financial gains upon the continent of Europe and the Old World. Then our men of iron, our pioneers, turned their eyes and their efforts from the bitter waves of the Atlantic to the green waves of the prairies to the west. There they built an empire of grain, of cattle, of iron, and of gold, that made us not only economically independent of Europe but made Europe, as a matter of fact, economically dependent upon us.

THE CROSSROADS OF THE WORLD

The conquest and consolidation of our own continental empire, our great homeland, has been completed east and west. For essential purposes, here upon this continent we have all that our teeming millions of people can need or desire. But we have more. We stand midway between two great groups of the world's peoples, those of western Europe, whence came the germs of our own civilization, and those of eastern Asia, where civilizations, older than Europe's, are engaged in a sanguinary clash of war.

Many years ago we legislated to close our western door to invasion by ways of life, by peoples, and by economies that were not ours. For many years we have well-nigh controlled the traffic between those two mighty centers of population. Four years ago an American company made it sure that we dominated and will continue to dominate for many years the newest and the swiftest means of communication

between peoples on the Pacific. After long experience and proud achievement in fostering communication with our neighbors in our own hemisphere, Pan American Airways established regular service between San Francisco and Hong Kong, spanning the mighty Pacific for more than 7,000 miles.

PAN AMERICAN LEADS THE WAY

It is not accident that that company has now been the first to establish regular service between our eastern seaboard and the centers of civilization of western Europe. It was because, in the good American way, that company and the men who made it and manage it had acquired the necessary skills of all sorts to enable them to close this last link in air communication among the earth's great centers of population. Before it started to fly the North Atlantic its airplanes had logged four and a half million ocean miles upon the other seas. That was six times as many ocean miles as German planes had flown. It was eight times as many miles as French planes had flown overseas. It was almost 20 times as far as British planes had flown despite the far-flung Empire the British airways sought to link.

Mr. President, at this point I ask permission to introduce, among other editorials and newspaper articles referred to a moment ago, the statements of our distinguished aviator, Charles A. Lindbergh, Dr. Charles G. Abbot, Dr. George W. Lewis, and Edward H. Chamberlain, made at the time of the hearings on the third deficiency appropriation bill for 1939, in which he largely deals with research in aviation.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

LINDBERGH ON RESEARCH—STATEMENTS OF DR. CHARLES G. ABBOT AND COL. CHARLES A. LINDBERGH, MEMBERS OF COMMITTEE; DR. GEORGE W. LEWIS, DIRECTOR OF AERONAUTICAL RESEARCH; AND EDWARD H. CHAMBERLAIN, ASSISTANT SECRETARY

CONSTRUCTION AND EQUIPMENT AT SUNNYVALE, CALIF.

Mr. Woodrum. We have an item in House Document 151 for the National Advisory Committee for Aeronautics, for construction and equipment at Langley Field, Va., and Sunnyvale, Calif., \$6,140,-000, \$2,140,000 to be available for Langley Field and \$4,000,000 for Sunnyvale; provided, that the Advisory Committee is authorized to enter into contracts for construction at Sunnyvale at a total cost of not to exceed \$10,000,000.

Dr. Abbot, will you give us the justification for this item?
Dr. Abbot. Mr. Chairman, we thank the committee for the opportunity to present what we consider an emergency.

I regret that the chairman of the National Advisory Committee I regret that the chairman of the National Advisory Committee for Aeronautics is unable from illness, and the vice chairman from absence, to testify. My technical knowledge is much less than theirs, but Dr. Lewis is here, and Colonel Lindbergh is here. Mr. Warner has gone, I am sorry to say; but I have been in experimental research myself for over 40 years, and no one knows better than I do what its necessity is. The best schemes one lays out in his mind have to be corrected by trial.

In order not to forget my points, I will ask the committee to indulge me to read what I have prepared. It is under six heads, as follows:

as follows:

"1. What makes the need?
"2. What makes the emergency?
"3. Why not expand Langley Field? "4. Why prefer Sunnyvale?
"5. Will there not be duplication?

"6. Will there not be inefficiency?

"1. What makes the need? Answer. The national defense.
"Several other countries are each devoting individually several several other countries are each devoting individually several times as much study to the increase of offensive power in military airplanes as we do. They do not communicate their results to us, Hence they are forging ahead, particularly in the item of speed. The consequence is that our air force, if it should be forced to fight with them, would even now be at a disadvantage which would be disastrous. And so rapid is the progress made by this hothouse forcing of military-airplane research in certain foreign countries that we fall further behind monthly in that basic knowledge which is only to be gained by costly experiments.

"2. What makes the emergency? Answer. The world's unquiet

condition.

"No man can foresee when war storms may break which might involve us. It is hazardous to delay enlarging our research program for 12 months until appropriated for by the next session of Congress. We are already far behind the foreign accomplishment and getting behind further every month. We cannot approach the pace set abroad until the facilities contemplated in this estimate are appropriated for and put into operation.

"3. Why not expand Langley Field? Answer. For three prin-

cipal reasons.

"Firstly, because in an emergency it is not wise to have all the eggs in one basket. We are not far from the time, possibly it has already unknown to us arrived by the progress of foreign research, when a foreign foe could construct such long-range airplanes as

could be sent before the declaration of war (as is now fashionable) to wreck Langley Field. Or the foreign foe might employ agents

here to do such bombing as has lately been done in London.

"Again, fire and flood might work destruction. Several years ago a hurricane put Langley Field 3 or 4 feet under salt water. Such a catastrophe would produce a lamentable delay in our investigations.

"Secondly, large structures and additional power requirements are contemplated in the proposed research program. Space is limited at Langley Field, and sufficient additional power is not avail-

able there.

"Thirdly, and most important, over 60 percent of the airplane building for military purposes is along the Pacific coast from Seattle down to San Diego. While engines are almost entirely built in the East, engine research does not require large high-speed wind tunnels. It is the play of air streams of 500 miles an hour and more on airplane surfaces that involves research of a mide variety of kinds on the structures of the modern military

"Now that hundreds of millions of dollars are to be expended on Now that hundreds of millions of dollars are to be expended on military airplanes, new problems must be solved for every new type, lest the money be wasted. To ship models and experts from the west coast to the East for testing purposes, and back and forth perhaps several times before the correct solution is made, in making each new development, is wasteful of time and money in the extreme. Moreover, there is a tendency to omit tests that really ought to be made because of this time element involved. In illustration I may made because of this time element involved. In illustration I may inform the committee that every new type of airplane that has been submitted to the committee for investigation at Langley Field has been improved in speed from 20 to 35 miles per hour. The laboratories at Langley Field and Sunnyvale will deal equally as well with basic new problems from which the findings will be used by all manufacturers throughout the country, but for problems of applied research so essential in the development of new types of simplenes. research, so essential in the development of new types of airplanes on the west coast, where over 60 percent of the airplane construction is under way, it is essential to have the new laboratory on the west coast.

"4. Why prefer Sunnyvale? Answer. Because selected after thor-

ough study by experts.
"Sunnyvale is in a valley near sea level at the south tip of San Francisco Bay. It is on a military reservation where 70 acres (twice as much as we have at Langley Field) is available for laboratories. It is adapted to both naval and Army airplane researches. It may It is adapted to both havai and Army airplane researches. It may be reached within 2 hours by airplane from any airplane factory on the Pacific coast. It is available to large power sources. It is not in the earthquake faults of California. It is not subject to inundation by storms. A committee of experts comprising highest officials of Army, Navy, and civil aeronautics chose it after extensive research all over the country.

"5. Will there not be duplication? Answer. No.

"New problems will be attacked at Sunnyvale with new and more powerful apparatus. Tests will be made there which cannot be made in timely fashion at Langley Field, only because there are not hours enough in the day to keep up at Langley Field to Army, Navy, and commercial demands, let alone to do needed basic research equal to that of foreign nations.

"Langley Field facilities are still to be operated at full capacity, and they are suited to most problems. Sunnyvale would be needed and would be a highly valuable laboratory station if it merely duplicated Langley Field in every piece of equipment. But the military race has brought us into new fields of speed where even more powerful research apparatus is required. And our enormous airplane-construction program has heaped up more testing than can possibly be done in timely fashion at Langley Field. Besides all this, to bring that testing across the continent is wasteful of

both time and money.

"6. Will there not be inefficiency? Answer. Separation geographically does not mean divided control.

"Both research establishments will be under the direction of the National Advisory Committee for Aeronautics. Problems will be assigned to one or the other station as most convenient, but will not be duplicated."

Now, gentlemen, Dr. Lewis and Colonel Lindbergh are here and will be able to answer questions in regard to this matter, I am sure, better than I could myself.

Mr. Woodrum. We had rather extensive hearings on this when the matter was up before. I wonder if we can have a copy of those hearings. I do not want to duplicate anything that has been gone

LOCATIONS OF WIND TUNNELS AND OTHER EXPERIMENTAL FACILITIES

Mr. TABEE. Can somebody give us a picture of what wind tunnels there are outside of Langley Field at this time in this country, and what experimental resources or facilities this country has, operated either privately or by the Government?

Dr. Lewis. I can answer that,

Dr. Lewis. I can answer that.

This country is fortunate in having research facilities at universities, largely as the result of the Guggenheim gift. Universities that have wind-tunnel facilities are as follows: Massachusetts Institute of Technology, California Institute of Technology, University of Weshington, New York University, University of Michigan, Georgia School of Technology at Atlanta. There are wind tunnels also at Detroit University, Carnegle Institute, and Purdue University.

These wind tunnels are all available for research work and we

These wind tunnels are all available for research work, and we have included in our request today an item to support research in universities.

The progress in research in Europe is so tremendous as compared with what we are doing here at the present time that we have not only got to use what we have asked for at Sunnyvale, if that is made available, but we have got to use all the facilities in this country, if we hope to catch up.

AMOUNT AND PURPOSE OF SUPPLEMENTAL APPROPRIATIONS CONTAINED IN SECOND DEFICIENCY APPROPRIATION BILL FOR 1939

Mr. WOODRUM. May I put in the record at this point an excerpt from the hearings on the second deficiency appropriation bill for

On February 23, 1939, this committee had hearings on these items, and they extend from pages 29 to 78, inclusive, and that might be referred to for some of this information.

Now, Doctor, may I ask you this: I do not know whether you have this committee print before you.

Dr. Lewis. I have before me the break-down of what we are

asking for in funds.

Mr. Woodrum. And you have the revised request, do you?

Mr. Chamberlin. We do have the revised request. It has not

Mr. Woodrum.

Mr. Woodbrum. What did we give you in the bill which we passed? We gave you some of the things that you asked for. What did we give you?

Dr. Lewis. You gave us \$2,140,000 for structures at Langley Field, and you gave us an increase of \$105,960 for increased personnel.

sonnel.

Mr. Woodrum. That was because of the increased facilities at Mr. Woodrum. That was because of the increased facilities at Langley Field which we gave you?

Dr. Lewis. That is right. You gave us \$118,020 for increased electric power, supplies, and equipment.

Mr. Woodrum. That is the total that we gave you?

Dr. Lewis. That is the total that you gave us; yes.

Mr. Woodrum. That totals \$2,363,980?

Mr. CHAMBERLIN. That is right.

Mr. Woodrum. And you are asking now for what; \$10,359,000?

Mr. TABER. No; \$6,140,000.

AMOUNT AND PURPOSE OF ESTIMATES FOR SUNNYVALE, CALIF.

Mr. Cannon. How much was appropriated for Sunnyvale? Mr. Woodrum. None. That is what we did not allow. You are asking \$4,000,000 for Sunnyvale?

You are asking \$4,000,000 for Sunnyvale?
Dr. Lewis. \$4,000,000 for Sunnyvale; \$104,020 for training personnel for Sunnyvale; for research in universities, \$250,000; and for a west-coast coordinator, which was deleted from the last consideration of this item, \$5,000; a total of \$4,359,020.

Mr. Wooddrum. Which we did not allow?
Dr. Lewis. Yes, sir.
Mr. Wooddrum. You asked for a \$6,000,000 contractual authority?
Dr. Lewis. We asked for that the last time.
Mr. Wooddrum. That was in addition to the \$4,000,000?
Dr. Lewis. That was in addition to the \$4,000,000.
Mr. Wooddrum. So that makes \$10,000,000?
Dr. Lewis. \$10,359,020.
Mr. Wooddrum. Now, is this statement which you have just handed me the part of the program which you asked for before that we did not allow?

Dr. Lewis. That is the part of the program that you did not allow.

Mr. WOODRUM. Has there been any change in that?

Dr. Lewis. No, sir.
Mr. Woodrum. It is exactly the same?

Mr. WOODRUM. It is clastly the same.

Mr. WOODRUM. And it includes the Sunnyvale operation?

Dr. Lewis. The Sunnyvale operation.

Mr. WOODRUM. All right, sir.

ADVANTAGE OF HAVING PLANT LOCATED ON WEST COAST

Mr. TABER. There are two or three things that seem to bother me Mil. TAREK. There are two or three things that seem to bother me a little bit on this. You tell us that Langley Field is so near the coast that it is subject to bombing. Sunnyvale is in the same position, only on the west coast. Now, is that a desirable location for that kind of set-up or not? I am rather wondering, in view of your suggestion that Langley Field was subject to bombing, if Sunnyvale would be the sort of location that we should embark on. What do you think about it? you think about it?

you think about it?

Dr. Lewis. That was very carefully considered by the committee, Mr. Taber, and balanced against the value of that particular development over a period of years to our development of aircraft in this country. The Sunnyvale site was considered, with a number of sites inland, but it was desirable to have it near the aircraft industry, near a center of population, where power is available, and where there is a good labor and supply market.

Mr. Taber. Now, this California field is just as much subject to bombing as Langley Field, is it not?

Dr. Apara, Not from Europe sir

Dr. Abbot. Not from Europe, sir. Mr. Taber. No; but from the other side. Dr. Abbot. Still there would hardly be a combination to bomb both.

Mr. TABER. You figure that they would not both be under attack

Mr. TABER. You ingure that they would not both be under attack at the same time?

Dr. Abbot. I think not, sir.

Mr. Ludlow. I would like to ask, in line with Mr. Taber's questions, whether you gentlemen, who are experts, have considered the Midwest for this location? I happen to represent a city which prides itself on being called the Crossroads of America—Indianapolis. They have within 24 hours apprised me that they are going to make a very earnest bid for this research station. They

are close to an adequate labor supply; they have splendid railroad facilities, geographical location, and everything; and without making a special plea for my city, I wonder why there are not certain arguments for the Midwest that can be advanced as against the Pacific coast. For instance, protection from foreign invasion and security. Have those considerations been taken into greater account?

Dr. Abbot. I consider, Mr. Chairman, that the probability is that there will be other stations required in order to keep up with the immense development of research in foreign lands; that the one which is immediately needed now is Sunnyvale, on account of the large production of military planes on the west coast, but that it is probable that the Committee will be coming to the Congress later on for other stations in other parts of the country as well. Is on for other stations in other parts of the country as well. Is not that so, Dr. Lewis?

Dr. Lewis. That is so.

Mr. Taber. Have we quite a set-up in Wright Field in Cleveland

Dr. Abbot. There is a testing station at Wright Field for the uses

of the Army.
Dr. Lewis. An experimental engineering station.
Mr. Lambertson, My colleague speaks about the Midwest. The Midwest would be Wichita.

Mr. Luplow. That is a question of interpretation. LOCATION OF WIND TUNNELS AND OTHER EXPERIMENTAL FACILITIES

Mr. TABER. I am a little bothered about another thing. men in the Army are, of course, always interested in development. They told us that Germany already had 5 research laboratories, and as I understood Dr. Lewis when he enumerated the list of research activities that we have, he enumerated, if I remember right, 10 or 12 places that had wind tunnels. He did not enumerate Wright Field, and he did not enumerate the set-up in Philadelphie. Philadelphia.

Dr. Lewis. May I answer that, Mr. TABER? Mr. TABER. Yes.

Mr. TABER. Yes.

Dr. Lewis. I understood you to ask me about the educational institutions that had facilities for wind tunnels. I did not mention facilities of the Army, Navy, and Bureau of Standards.

Mr. TABER. NO; I asked you where the wind tunnels were, and the research facilities. I did not mention education.

Dr. Lewis. There is a wind tunnel at Wright Field, and they are constructing a larger one.

Dr. Lewis. There is a wind tunnel at Wright Field, and they are constructing a larger one.

Mr. Taber. When the last aeronautical program for the Army was under consideration, at the hearing held by the subcommittee in charge of the Army appropriation bill, General Arnold said, as appears on page 32 of that hearing:

"The construction of any new research facilities for the N. A. C. A. would have little effect on our production of planes to bring the number to the 5,500 level. Likewise, the securing of more performance from planes now on hand would be dependent on the research facilities or the laboratory facilities that we have at the present time, but additional facilities would help us 2, 3, or 4 years from now. It would take that long before the facilities could be created."

What about that?

Dr. Lewis. We plan for Sunnyvale to have the first wind tunnel

Now. It would take that long before the facilities could be created."
What about that?

Dr. Lewis. We plan for Sunnyvale to have the first wind tunnel ready in 9 months to a year, to be available to actually assist in the design of the new type of airplanes.

Mr. Taber. Here is a statement with reference to the location of these facilities, made by Colonel Jouett, representing the manufacturers, as it appears on page 325 of the same hearing. The question was as to whether research facilities should be near the center of airplane production. Colonel Jouett said:

"Not necessarily near the center of airplane production, because, in some ways, it is better to have them a little distance from the center of airplane production, because then the airplane-manufacturing people are not so inclined to bother the fundamental researcher. Langley Field has some facilities for applied research, in that they have a water run where they try out floats, and a full-size wind tunnel and other facilities where wings can be tested. In general, however, a university like Boston Tech or California Tech or the various others around the country can have facilities that would be of great benefit to the manufacturer in carrying out applied research. They should be handy to the manufacturer so that he has not transportation problems or does not have to waste a great deal of time visiting them."

For the California manufacturers we have a set-up in southern California, and we have another set-up in the University of Washington for the people in the Northwest, with wind tunnels and research facilities.

I am wondering to what extent those facilities take care of the needs of these people out there.

I am wondering to what extent those facilities take care of the needs of these people out there.

Dr. Lewis. They do not begin to meet the needs at the present time, and it is necessary for the Government to have research facilities on the west coast if we are going to safeguard the expenditure of all the money we are going to put into military airplanes. What we are asking for is \$4,000,000, not simply to be spent in a year, but as a permanent investment.

AVAILABILITY OF RESULTS OF RESEARCH BY FOREIGN GOVERNMENTS TO OTHER COUNTRIES

Mr. Cannon. To what extent are the results of the research done by foreign governments available to other countries?

Dr. Lewis. In Germany, none.

Mr. Cannon. Then your cursory observations would be of no value, the results of their researches were not available on the surface.

Dr. Lewis. No. The results of their researches are not available; but their new wind-tunnel equipment, which is in advance of anything we have in this country, indicates they are obtaining valuable results in the development of high-speed airplanes. One wind tunnel has a speed of 700 miles an hour and requires 15,000 horsepower.
Mr. Taber. Is there anything like that contemplated in this

California project?
Dr. Lewis. Yes, sir.
Mr. Taber. How high is that speed, and how much power is involved in it?

Dr. Lewis. We have listed that as a wind tunnel, with a capacity of 600 miles an hour but the horsepower may be changed to increase the air speed. That was put down before I went to Germany.

NUMBER AND LOCATION OF RESEARCH STATIONS NEEDED Mr. Ludlow. How many research stations do you think we ought

to have in this country?

Dr. Lewis. I would like to ask Colonel Lindbergh to answer that question.

Colonel LINDBERGH. It is hard to answer that definitely. I think

Colonel Lindbergh. It is hard to answer that definitely. I think Dr. Lewis has very accurately stated the situation abroad.

While it is true that a few years ago we definitely led in research, largely through the N. A. C. A., we have now fallen seriously behind so far as our military research facilities are concerned. During a recent period when foreign countries had relatively less research facilities than they now have, even during that period they went ahead of us in performance of military aircraft. So I cannot see any chance for us to catch up with them again on military performance abroad without increasing our research facilities.

Our manufacturers and scientists are I believe as able as any in

Our manufacturers and scientists are, I believe, as able as any in

the world. But they have not the necessary equipment and necessary facilities to keep up with the people abroad.

As to numbers, I think it is a little misleading when we speak about wind tunnels at these different universities. They should not be compared to the research stations we have, although they are of extreme importance. They should be used largely for training personnel, for the training of students in aeronautical quali-

fications.

As Dr. Lewis said, most of the large ones were put in by the Guggenheim Foundation. At the present time some of those are

Guggenheim Foundation. At the present time some of those are in a pretty difficult condition.

I was in California recently and I stopped at one university where the original Guggenheim grant has been exhausted. There is even a question whether they can carry on the work for another year.

To my mind it is just as important to keep the universities in a position so that they can do this work and educate their students as it is to put in large additional stations.

I think if we put in another research station it is advisable to put it on the west coast because over half of our aircraft industry

is on the west coast.

If we put another station on the west coast and give reasonable support to the university facilities that now exist we will be taking a wise step. And I cannot overemphasize the importance of sup porting these universities. I think that is one of the most vital matters now facing us because they need that badly.

If we will support the universities and put in the additional research station, then I think we will be taking a long step

toward putting ourselves in a position to regain the leadership we once held.

I do not mean to give the impression that we have lost all of our leadership. Our manufacturing equipment and workman-ship is still ahead of that abroad. But in the major types of military aircraft we have fallen behind, and that is why I believe

it is so important to increase our research facilities. I think that is the key, without which we cannot equal foreign nations.

Mr. Ludlow. Without desiring to commit you as to the matter of a choice between Wichita and Indianapolis, what would be your thought about having a research station in the middle part of the

country?

Colonel Lindbergh. Without placing the location, I think there should be an engine research station eventually established somewhere in the eastern section of the country. That should be in relation to the needs of the factories that now exist. But if we have an aerodynamics research station it would be a mistake, I think, to put it too far from the west coast, inasmuch as we now have one on the east coast, and I think the major part of our production is on the west coast, between southern California and Seattle Wesh and Seattle, Wash.

Mr. Lublow. Assuming that ultimately there will be several re-search stations, and if we had three or four, how would you dis-

tribute them?

Colonel Lindbergh. I would have to make a study of that. I think the next step should be to put one on the west coast. After that, offhand, I should think we should need an engine research station on this side of the center of the country.

On the other hand, I think it is a little too early to suggest where that should be placed. If we can make use of the universities, that will help us a great deal now.

STATUS OF FACILITIES AT UNIVERSITIES

Dr. Abbot. A great deal has been said about the facilities at the universities. They can do good theoretical work and solve important smaller problems, but they do not have wind tunnels of anything like a capacity of 700 miles an hour—great, tremendous wind tunnels, capable of doing the advanced work that has to be done in view of the new conditions.

Colonel LINDBERGH. No; their wind tunnels are, and I think should be, relatively small.

Dr. Abborr. They do excellent work as it is, but they cannot do

this other work that is required.

Dr. Lewis. Our committee has encouraged educational institutions as much as possible with the funds that have been allotted to us, but \$25,000 is a very meager amount.

But the universities come through in fine shape. I have a list of 12 reports that our committee has issued as a result of research that we have allotted to universities which we knew had the particular equipment which made them well qualified to carry out those research problems.

The point I want to particularly emphasize is that with the research facilities abroad we have to use everything we have in this country if we are going to catch up. That is why we are asking for more money to encourage research in the educational institutions

Mr. Differ. Do you look upon the Sunnyvale proposition as a contribution in the field of the development of commercial airplanes as well as military airplanes?

Dr. Lewis. I certainly look upon the Sunnyvale proposition as a very vital proposition in both fields.

Colonel Lindbergh. May I emphasize again the importance of the work done at the universities, especially in view of the small expenditures at those institutions. We are not at this time putting a tremendous amount of money in the work at the universities, but I think there is not anything more in the work at the universities, but I think there is not anything more in the work at the universities. sities, but I think there is not anything more important than that

Work.
Mr. Woodrum. We are very glad to have had you gentlemen with us this afternoon and appreciate the statements you have given us, and I want to thank Colonel Lindbergh particularly and say that we are especially glad to have had you with us this after-

Mr. LUNDEEN. Mr. President, I have just stated the comparison between the miles of flight made by the Pan American Airways and flyers of other nations. The North Atlantic has been flown many times. As early as 1919 the two gallant British flyers, Alcock and Brown, were the first to make the crossing. Our own Navy was not far behind in that same year with the organized flight of the NC boats under command of Admiral Towers, now head of naval aviation, and Captain Read, the skipper of the one flying boat to complete the route to the continent and who now gallantly commands the Navy's great aircraft carrier, the Saratoga.

Lindbergh, Byrd, Chamberlain, innumerable others have made that flight as a matter of individual achievement in American planes. Englishmen, Frenchmen, Germans, and Italians have done it in the planes of their countries. But when it became obvious that between these two groups of people, our own and those of western Europe, a regular air service was inevitable, Pan American Airways, an organization of enthusiastic, intelligent, skillful young Americans, was the only organization in all the world able to establish that route this year upon a regular basis of business regularity. By air, in the modern way, and from every direction, we control access to our country, here at the crossroads of the

THE AMERICAN WAY WINS

Hence the importance of this first commercial crossing of the North Atlantic. Hence the triumph of Pan American Airways is more than a great success for a corporate entity. Communication by air was inevitable. Was the chanel of that communication to be our kind of a chanel or a kind of a channel very different from ours?

Let us look back for a moment. Let us remember that the art of mechanical flight is an art native to our own land. Two ingenious Americans, the Wright brothers, Orville and Wilbur, solved that problem. On their own, with their own slendor resources, they brought to man the wings he had aspired to since our earliest myths. Barely a decade after their first flight on the dunes of Kitty Hawk, their invention was put to the sanguinary test of war. In war's crucible, for almost 3 years before we were drawn into it, the airplane grew from an instrument of doubtful scouting value into a decisive implement of combat. Our airplanes played no great part in that combat. The stress of war in Europe had forced technical development so far that when we were drawn into the maelstrom we never caught up with the aeronautic advances of either our associates or our enemies.

WORLD WAR AND AVIATION

Hence it was perhaps natural that for a decade after the war we lagged behind in the civil use of aviation. In allied and enemy countries bombers were converted into transports. Within a year of the close of hostilities Europe was criss-crossed by more or less subsidized air-transport lines, while in this country civil aviation was confined to the occasional barnstormer and to more or less sporadic and unreliable attempts to carry the mail.

Out of those attempts to carry the mail came a young man who, by his fine character and courage, perhaps more than through any technical advance he demonstrated, fired the imagination of the United States and of the world. I refer to the flight to Paris of the Lone Eagle, Charles A. Lindbergh.

The flight came near to the climax of a mad era of speculation. Even though most people said they would never fly "unless Lindbergh were the pilot" there were thousands who thought that financially the airplane could carry them to the pot of gold at the end of the rainbow. Most of these deluded gentry risked not only their own but that great commodity of those days, other people's money. There was at least one brilliant exception. Juan Terry Trippe had been a naval aviator during the war. His ancestors had been seafarers for generations. From the banking house in which he sought to start his business career, his eyes and his imagination kept drifting to the sea and to the sky.

YOUNG ENTHUSIASTS PITCH IN

Fortunately he found other young men with money and with the same imaginative trend as his own. Twelve of them contributed \$25,000 each, of their own money, not other people's money. And then, in the autumn of 1927 they found that little company named Pan American Airways, Inc., one of whose active officers was George Grant Mason, Jr., now a distinguished member of the Civil Aeronautics Authority. That company had won a contract for carrying the mail between Key West and Havana. And Mr. Trippe and his friends had \$300,000 with which to finance the commencement of that short flight, the beginning of the almost 42,000 miles of foreign air-mail routes over which Pan American's airplanes fly today.

Mr. Trippe and his group not only had the money, they had made arrangements for the use of the first generally successful multimotored plane, the Fokker trimotor, then new to this country and to the world. Up to this moment it is sound aviation doctrine that only in multimotored planes is it safe to carry passengers. Up to this moment the use of multimotored airplanes is typical of the fashion in which Mr. Trippe and his associates have expanded their business. They have always known what the next step in that business would be, and they have always been prepared to take it.

Having started to Cuba the next step was obviously to go further into Latin America. The step was not as easy as it seemed. As early as 1919 Dr. Von Bauer, an Austrian war ace, had inaugurated an air service in Colombia and extended it up through Central America to Cuba. By 1929, German and French lines had encircled South America and were preparing to connect those lines with their home countries by flying the relatively short ocean hop between Dakar, in Africa, and Natal in Brazil. By the use of fast cruisers across this stretch of ocean, the French had already made Buenos Aires only 9 days from Paris, whereas it was still 18 days away from New York.

AVIATION SUPREME IN NATIONAL DEFENSE

I will say to the Senate that I would not consume the Senate's valuable time on this occasion if I did not think that the subject is of vital importance to the defenses of this country of ours; that it is vital that we hold the supremacy of the air in the Western Hemisphere, and that we sail the clippers of the air, as the clippers of the sea once were, into every harbor and port of the earth.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. McKELLAR. Some 2 years ago Mr. Trippe, the head of the Pan American Airways, came before the Senate Committee on Appropriations and testified at length about the building up and the goal of the Pan American system. I wish to say to the Senator that, while that hearing was confidential, having never been printed or made public, we

were reminded, by that recital, of the remarkable romantic stories of the Count of Monte Cristo, Jules Verne's 20,000 Leagues Under the Sea, and others of a similar nature, only the recital which was made to us by Mr. Trippe was infinitely more interesting and practical and one which ought to make every American feel proud that he is an American citizen. I hope that sometime those proceedings may be published in the newspapers, because it would be a marvelous thing for the American people to read the portrayal that was made at that time by Mr. Trippe to the committee.

Mr. LUNDEEN. Will the Senator indicate the date of the hearing referred to, and the nature of the hearing?

Mr. McKELLAR. Time passes so rapidly that I cannot

Mr. LUNDEEN. What committee was it?

Mr. McKELLAR. It was before the Committee on Appropriations 2 or 3 years ago.

Mr. LUNDEEN. Was that a subcommittee?

Mr. McKELLAR. It was before a subcommittee, but I think most of the members of the committee attended. The statement was remarkable.

Mr. LUNDEEN. I will say to the able Senator that I have observed Mr. Trippe, and I have a profound admiration not only for his ability, but for his Americanism and his outlook upon the future of aviation, the dawn of which we are just witnessing—and it is merely the dawn.

Mr. McKELLAR. It might be stated further that Mr. Trippe was 38 years of age at the time he testified. His statement was the most remarkable exhibition of a great industry that I ever heard related by anyone.

Mr. LUNDEEN. I thank the Senator; and I will say further that Mr. Trippe heads an able group of officers and men unequaled anywhere in the aviation world.

The statement of the Senator is well taken. I wish to touch upon other companies besides Pan American, the American Export Co., and other companies which are in competition. They are American companies. We are all proud of their marvelous achievements.

I have just referred to the French making the Paris-Buenos Aires journey in only 9 days, when we were taking 18 days from New York.

SOUTH AMERICAN TRADE

This was at a time when, while the European nations had been busy in their own cockpit of war, we had increased our share in the two-billions-a-year foreign trade of South America from about 16 percent before the war to 30 percent afterward.

Into this crisis in our foreign trade leaped Mr. Trippe, Mr. Mason, and their young associates. They brought to their organization men who knew Latin America and men who knew flying. Again, on their own, with their own money for negotiation and organization, they acquired flying rights in almost every one of the countries to the south of us.

I should like to remind Senators that these men acquired their own air fields and lighted them. They established weather and other services in South America and paid for them themselves, without Government subsidy. We certainly owe any company which performs a service like that a tremendous debt of gratitude.

WE CIRCLE SOUTH AMERICA

By 1936, from Los Angeles, Brownsville, and Miami, Pan American lines went to and through Latin America paralleling the Germans and the French, penetrating the interior where the Europeans had not gone, and generally making their system not only the most important air line in the Southern Hemisphere but the most far-flung means of transportation of any kind in that hemisphere.

Remember that the French and the Germans got their start in Latin America because of the surplus of war planes on their hands after 1918. Strangely enough, that phenomenon is repeating itself; but this time it is not a surplus of airplanes remaining over after a war. It is a surplus of airplanes existing because of frantic preparation for war. Those airplanes are being dumped into South America not only by the Germans but by the Italians and to a lesser

extent by the British and the French. They are being offered to companies in South America at prices only possible for surplus war material.

Let us not minimize the danger of such measures, not only to our business in South America but to the actual military isolation of this country. An air-transport plane cannot easily be converted into a bomber. But the same base from which a transport flies is adequate to a bomber. The same radio beams that guide a transport may send a bomber on its mission and bring it back home. The same engines and spare parts which serve to keep a transport plane in the air may well keep a bomber at the peak of its flying efficiency. These foreign civil air bases and all their facilities are today within easy bombing range of a sector of the United States, including this very city of Washington.

STRATEGIC AIR BASES

For that reason I have introduced five joint resolutions concerning islands on the west coast within 1,500 miles of the Nicaraguan-Panama Canal Zone; islands which belong to various countries and which should now be acquired by the United States. They should be under our flag.

Just the other day I was glad to insert in the Record an article reporting that the Canal Zone authorities favored these measures. I have two other joint resolutions concerning islands to the east of the Canal Zone and along our Atlantic seacoast.

I hope that the Congress of the United States, perhaps in the coming year or sometime in the near future, may act upon these joint resolutions or on similar measures. I want to see this thing done. If the majority wish to take the matter up, I shall be delighted to support them, of course.

OUR GOVERNMENT STEPS IN

In many cases the very arrogance of nations which seek to supplant us with our southern neighbors is defeating its own purpose. The long record of achievement of American planes and of Pan American Airways can stand the test of that kind of competition. Every possible measure is being taken to help them meet that test. By lighting and marking the airway through our own West Indies the Civil Aeronautics Authority is ready to enable Pan American to shorten its time to Buenos Aires by almost a day.

However, all that our Government may do does not alter the fact that the real burden of competition in South America rests upon the broad shoulders of a private American company. Its competitors from Europe are not only directly sponsored and strictly controlled by their own governments; they are heavily subsidized and consciously directed to the attainment of economic and strategic ends.

CAN AMERICA HOLD HER PLACE?

Let us take no fatuous assurance from the fact that the United States led the world in aeronautical exports in 1938, with \$68,000,000 worth of planes, engines, and accessories. I have just seen an analysis of the world trade in aeronautical material prepared by the Aeronautical Chamber of Commerce, which represents all important aviation manufacturers in the United States. For the first time Germany led Great Britain in second place in the aeronautical export field. Italy was fourth, and France was fifth. The important fact in those figures is that Germany and Italy combined, exporting \$36,000,000 worth, led France and England combined by almost \$6,000,000. Further analysis of the figures shows that these powers thus assumed the lead largely because of their exports to South America.

Our aeronautical trade in South America is important. In 1938 we sold there \$12,518,000 of such goods, providing a full year's employment for 3,000 of our wage earners at home. Germany and Italy sold in South America last year some \$7,400,000 worth of aeronautical material, which would have provided a year's work for 2,000 more of our artisans had it been bought in the United States.

BATTLE FOR SUPREMACY IN SOUTH AMERICA

The result very largely of this intensive drive by these countries for this kind of trade in Latin America is that, for the first time this year, German-owned or German-

controlled air lines have more route-miles in our southern hemisphere than we have; for where the equipment is of one national origin in South America, operation will be in the same national hands. This is particularly true of the German and Italian equipment, for these countries have pushed its sale in South America by the most intensive methods of penetration. German salesmen who go to South America boast that they are prepared for their task by training, not only in the design, operation, and maintenance of German planes and equipment, but by comprehensive courses in the history, politics, economics, and social habits of our neighbors to the south, and, of course, by intense indoctrination in their own national socialism and the best methods of spreading its ideas among the peoples to whom they are sent as trade emissaries.

Can we meet such competition? I venture to believe that we can. Wherever our planes and engines come into competition with the planes and engines of any other nation on even terms, without political or nationalistic pressure, they win the popular support of patronage. This is particularly true, for instance, on the lines of the Royal Dutch Airlines. Despite the small extent of Holland, and despite its absorption first in the development of the great air line which binds the mother country to its colonies in the East Indies, clear across Europe and Asia, the Royal Dutch Airlines have successfully operated a network of passenger and mail lines throughout Europe for the past few years very largely because they have used American airplanes, which by their superior speed and comfort draw patronage from all passengers who have a choice between them and the planes manufactured by any European power.

AMERICA FIRST THROUGH THE AIR TO CHINA

So it has been in the air-transport struggle in South America. Up to the present time Pan American has not only held its own there, but has acquired the experience in foreign and ocean flying which enabled it 4 years ago, when need arose to span the Pacific, to make stepping stones out of Hawaii, Midway, Wake, Guam, and Manila, and bring the American flag first through the air to China.

KNOWLEDGE IS POWER-IN THE AIR

But if, at this juncture, Government fails to play its part, the results may be tragic. Government has a part to play in husbanding and directing typical American ingenuity and initiative. Look at the lesson of all industry. That industry which fails to husband and direct its own initiative is a dead industry. Millions of dollars are spent every year in directing initiative in every worth-while industry in the United States. It is husbanded and directed through research.

RESEARCH, RESEARCH, AND STILL MORE RESEARCH

I wish I could emphasize the word "research" to all Senators within the hearing of my voice and all Senators who are not now in the Chamber because of other and important business. I wish we would emphasize research. I have inserted in the Record the statement of Colonel Lindbergh, because the statement has been repeatedly made that the Germans have 10 times the research facilities which we have. I am not reciting any of these statements about foreign countries in any spirit of hostility. There is every reason why we should have appropriated funds for Sunnyvale, the research establishment on the west coast, or for other like establishments. We should provide ample research facilities.

The aviation industry has not lagged behind in this respect. Some \$40,000,000 has been expended by the private makers of airplanes, motors, instruments, and equipment in the last 3 years in merely finding out what better kinds of airplanes, motors, instruments, and equipment can be made. But there has been a sad lack of coordination for all of those fine efforts. No private industry in aviation can afford to cover all of the ramifications to which research into even the simpler problems may lead. That requires the disinterested service of Government.

Government has long accepted that responsibility in its establishment of the National Advisory Committee for Aeronautics, with its research center at Langley Field, Va. Langley Field was the model for all research centers in aviation.

It was copied in almost every other country with pretensions to power in the air. It was more than copied. Within the last 3 years it has been reproduced over and over again until now, we are credibly informed, Germany alone has no less than six research centers, any one of which is as large as Langley Field and, perhaps, as fruitful.

COL. CHARLES A. LINDBERGH

We do not have to guess about that. That fine young American, Col. Charles A. Lindbergh, with whose distinguished father I had the honor to serve in the House of Representatives has, tragically and certainly through no fault of his own, been compelled to spend the last 4 years away from his native land. That time was not wasted.

At the cost of his leisure, at the cost of the privacy he values so highly, sacrificing the company of the little family to which he is so deeply attached, he has traveled through every country in Europe; and everywhere the magic of his name opened doors to him that were closed to all others.

And now back in this country he has brought to the committees of this Congress the most definite information any of them have yet received as to the lengths to which aviation has developed abroad. And not the least startling phase of his reports has been his conclusion, several times repeated, that unless we press on with our research we will soon be outdistanced in all fields of aviation as, he believes, we are already outdistanced in certain special fields.

I should like to have my fellow citizens realize, with me and with other Senators, that so rapidly does this great industry move forward that, unless we keep pace with the forward movement, we will be left hopelessly behind.

On July 10 Colonel Lindbergh appeared before a subcommittee of the House Appropriations Committee to plead for the passage of the bill to establish a second Langley Field on the West coast. Unqualifiedly he stated that unless certain research projects were begun—projects for which the facilities at Langley Field are admittedly inadequate—there will be certain definite deficiencies in the airplanes now being designed to carry the American flag, in competition with others, in South America and elsewhere in the world.

AMERICA CANNOT NEGLECT INCREASED RESEARCH FACILITIES

That is expert evidence this country cannot neglect. Those increased research facilities should be provided, at whatever cost. I have no interest in their location. All I know is that those facilities should be located at the place where those who are depending upon them want them located. The testimony of the Army, the Navy, the Civil Aeronautics Authority, the aviation industry, was unanimous in its agreement with the plans presented by the National Advisory Committee for Aeronautics calling for the use of the facilities at Sunnyvale, Calif., because those facilities are so close to the tremendous factory capacity in airplanes that has been built up on the West coast in recent years.

With that testimony Colonel Lindbergh agreed heartily. It is proposed to spend \$4,000,000 immediately and to authorize the expenditure of \$8,000,000 additional for this purpose.

The question I should like to ask at this point is, What is being done about that? Where are the duplications of Langley Field? Where are we erecting them? Or are we failing to do this thing which all our great national experts say should be done?

In this connection I desire to recall that I voted for the 6,000 airplanes for America. I should like to see America in the lead in aviation, as it was at first when two immortal Americans invented this great instrument of travel—the airplane.

Colonel Lindbergh, the man who, through his life's experience and his very up-to-the-minute knowledge of what is going on in the rest of the world, swears to the necessity of such a step.

THE SCIENCE OF AERONAUTICS

The science of aeronautics is perhaps our youngest. The frontiers of that science are almost limitless. It is only through properly guided and coordinated exploration that the frontiers of our knowledge can be pushed into the future

of aviation, and in that future, more than in any other, knowledge is power. To fail to acquire that knowledge as the experts tell us we must acquire it, at a cost of \$12,000,000 over a period of the next few years, would, indeed, be a betrayal of that spirit of American initiative that has enabled us to be first in commercial flight across the North Atlantic. I refuse to believe that we will fail or permit the leaders of our aviation industry, like those who won the North Atlantic for us, to fail.

I should like to recall at this moment the statements that appeared in the press of this country at the time of the Munich conference. I do no wish to give expression to any alarm or sentiments or to intrude into the quarrels of Europe, but it was reliably reported that it was air power in the hands of one great nation that, so far as that crisis was concerned, proved decisive. In the future it may be well to keep that in mind, as the Congress meets from time to time and year after year, aviation research must not be neglected.

No wonder that company again was ready when the time came to be the first to fly the North Atlantic. It is as seriously concerned with the problem of South America as anyone. Now that its officials can give renewed attention to that problem and if, particularly, it is backed by every applicable energy of its own Government, if American manufacturers continue to cooperate with it and with each other in the study and supply of this important market, I think we need have no fears for the ultimate triumph of American ingenuity and initiative there, or any other place in the world.

THE ATLANTIC VICTORY

A word about the history of this victory in the North Atlantic will, I think, confirm my optimism as to this result. From the moment of Lindbergh's flight in 1927, every nation with interests on either side of the Atlantic has been studying the possibility of its commercial flight. These studies came to a head in 1935. On July 2, in response to inquiries from abroad, President Roosevelt formed an interdepartmental committee with representatives of the State. Treasury, Post Office, and Commerce Departments, to handle the problem of foreign air-line extensions. During succeeding months, conferences were held with the British, Irish, Canadian, French, and German missions which came to this country. The only definite result at that time was the conclusion of an arrangement whereby Pan American Airways agreed with British Imperial Airways that both should commence commercial crossings of the Atlantic at the same time and that each could avail of the home facilities of the

About a year ago, however, the situation changed again. Pan American Airways, by placing with the Boeing Aircraft Co. definite orders for six of the largest and most effective flying boats yet built any place in the world, had put itself, so far as equipment was concerned, far ahead of Imperial Airways or any other competitor. As these great planes approached completion, the British announced that by last spring, before the Boeings could be ready, they intended to link up their so-called empire route by regular flights from London to Montreal.

BRITAIN FOR ONCE OUT-MANEUVERED

Yes; they would faithfully observe the agreement with Pan American and not send their planes into New York before Pan American was ready to send its planes out of New York. But there was a notable reluctance to negotiate the details of Pan American's imminent flights.

Fortunately, almost prophetically, the Congress had made provisions which enabled the United States effectively to meet and counter this diplomatic plan. A year ago Congress united all authority over civil aeronautics in a single independent body responsible only to Congress and the President, the Civil Aeronautics Authority. The President, in pursuance of law, had abolished the interdepartmental committee. The Civil Aeronautics Authority, among whose capable members sat Mr. Harllee Branch, a veteran of the Post Office's handling of air-mail problems, and that same Mr. Grant Mason, who 12 years before had participated in

that first little Key West-Habana line of 251 ocean miles, which had grown since 1928 to the 42,000-mile system of Pan American Airways, was able to act directly through the State Department.

The result of that action was a reciprocal agreement with France, providing for commercial air-line services between the two countries. The effect upon London was electric. Within a very few days it was announced that any American air line was quite welcome to land in British home territory, with the proviso only that British lines might later land in the United States with equal frequency.

REWARD, BUT NO MONOPOLY

This, however, is the heaviest transocean traffic in the world. Obviously, it was not in the American tradition to confine this traffic to a single American company. Of the total of trans-Atlantic passenger travel in first and cabin classes by steamship, 47 percent goes to the United Kingdom, 27 percent to France, 11 percent to Germany, and 8 percent to Italy. The remaining 7 percent is divided.

A successful American steamship line, the American Export Steamship Co., had already indicated its desire to supplement its surface transportation by transportation in the air. It had gathered a skilled air personnel, it had ordered experimental airplanes, and it had made studies of the problem, second only to the very extensive surveys that had been made by Pan American Airways.

Under the terms of the international agreements mentioned, six landings a week are available in England and France to American air lines. Very wisely, therefore, the Civil Aeronautics Authority has for the present limited Pan American Airways to two of these frequencies, with the announcement that, if traffic warrants it before an American competitor comes into the field, its number of weekly crossings may be increased to four. The Authority has expressed the determination to preserve at least two of these frequencies for American Export Airlines or any other American company that may apply for them and prove itself capable of using them.

THE BLUE RIBBON OF THE ATLANTIC

But Pan American Airways had already proved its capability; it was ready to go; it has gone on to carry the American flag first through the air on this most valuable of all transocean air lines. Through its long and brilliant achievements on the other oceans of the world, through its accumulation of the most highly skilled personnel, through its development of its own radio facilities and its own technique of flight, through its purchase of these six magnificent new airplanes, and through its attainment of a safety record never remotely approached for its small number of casualties to passengers and crew by any comparable air operation in all the world, it had well earned the right to make this flight first.

Let me say to the Senate in that connection that these great clippers of the ocean are of 41 tons, 82,000 pounds. Within them there is an ample walk 80 feet in length, a promenade. The berths within those clippers are as comfortable as any Pullman. The seats are upholstered and most comfortable and convenient; in fact every facility for comfort that can be found on any de luxe train is found on these very clippers.

REAL SAFETY OVER THE SEA

As has been said before, Pan American pioneered in multimotored airplanes. It has always insisted that its planes be capable of safe flight even though one of its two or three motors fail. Its four-motored ships can complete their assignments in safety if even two of their motors fail. And now a further step has been taken. The clippers which fly the Atlantic are so large and so well-designed that each of their four motors is accessible to an engineer any time in flight. Any one or any two of them can be stopped and repairs, approaching major repairs in character, can be made from within the wing or within the nacelle without interruption to the plane's safe progress in the air, without the necessity of landing on the sea.

Already the possibility of this has been twice proven. On 1 of the 10 or more flights already made with scheduled loads, 1 motor has been stopped, an engineer has stepped through the wing, minor repairs have been completed, and the engine started again. And throughout it all no passenger, even passengers who were experts in the air, perceived, in the huge and comfortable cabins, any slightest variation in the steady flight of the plane.

AIR COMMERCE

Proud as we may be, gentlemen, of the foreknowledge and discretion with which Congress and the executive departments concerned have handled this problem, the final and the greatest glory goes to those courageous, intelligent, patriotic young Americans who 10 years ago first carried the American flag over the seas. By their devotion, by their technical skill, by the knowledge of the world in which they moved, they have proved themselves worthy successors to the masters of the clipper ships of other days who by their skill in construction, by the knowingness and courage of their seamanship, made the Stars and Stripes known and respected in every harbor of the world which our trade penetrated.

We must have commerce with the rest of the world. I am glad, I think every Member of this House should be glad, I think the people of the United States will be glad and proud and confident that our air commerce, so vastly influential upon all other commerce in this day and age, is in such loyal and such skillful hands.

What does this "blue ribbon of the North Atlantic" mean? Any shipping man can tell you that. The possession of the finest, largest, fastest, and most luxurious liners, even though they are run at heavy loss on their own operation, have invariably produced profits for those who operate them many times their own losses in freight and other profitable services of a less spectacular kind. That is the reason for the Queen Mary, for the Normandie, for the Bremen, the Europa, and the Rex. That is the reason for the Broadway Limited, the Twentieth Century, the Empire Builder, the Chief, the great de luxe trains of our railroads. They set a fashion—and, rightly or wrongly, trade, profit follows fashion in the world. Already, in the air over the North Atlantic, Pan American Airways has set a fashion and established a vogue. With a year's start it will be difficult, indeed, for any nation to catch up with us.

We hear from time to time of imminent flights across the North Atlantic by the British, the French, or the Germans. I will believe these reports when, as a Member of the Senate, I am able to entertain here in Washington a member of the British Parliament who has flown to this country with the speed and comfort that enabled me last month to enjoy their hospitality on the charming terrace of historic Westminster Hall.

OUR REAL GLORY IS AT HOME

But let us not permit the dazzle of these conquests of the ocean to blind us to the solid achievements and the formidable advance of our civil aviation establishment at home. To do so would be false modesty indeed. I venture here and now to predict that for aviation in this country, this year of 1939 marks the attainment of that industry's majority. No longer is it an infant industry. It now takes its place not only as a vital, an irreplacable element in our national defense, but it has become a public utility serving 3,000,000 of our people annually. To them, to those people who habitually or occasionally make use of the scheduled air lines or of non-scheduled and private airplanes, the airplane is as common a utility as the electric light or the telephone to the people of a city almost as large as Chicago.

TWELVE HUNDRED PASSENGERS IN THE AIR

I do not wish to burden you with statistics. But as I talk to you here and now, as is true for almost every second of the 24 hours of the day and night, about 1,200 people, men, women, and children, are in the air on the scheduled air lines of the United States alone. With them flies from 15 to 20 tons of the United States mail.

It is difficult to give you any kind of an accurate statistical picture of the growth of this great new utility, this soundly flourishing new industry.

The statisticians of the Civil Aeronautics Authority, for instance, are just now completing the study of the year 1938 and its relationship with previous years. But, even as they are setting down the final figures for 1938, the first figures for 1939 make them pale into insignificance.

There were, for instance, 23,000 pilots and 10,000 airplanes licensed by the Civil Aeronautics Authority the first of the year. The 1st of July there were 26,144 pilots and 11,160 airplanes so licensed, an increase for the first 6 months of this year of 13 percent in the case of pilots and of almost 12 percent in the case of airplanes.

SCHEDULED AIR LINES

On the scheduled air lines during the last 90 days a new schedule has been put in operation every day, 90 new services in 3 months. Traffic on the air lines for April was 30 percent ahead of April 1938; it was 40 percent up for May; and while final figures for June are not yet available, the Wall Street Journal predicted on July 6 that the traffic increases for that month were so large that every air line in the United States would show an operating profit for June and that for the first 6 months of 1939 the air line transport industry as a whole would show a profit of \$500,000. A half a million dollars profit in that 6 months is a profit of which almost any industry in the United States, large or small, might well be proud.

But let it be remarked here and now, it is a profit derived in the good American way out of service to the American people.

THE AIR LINES OF THE UNITED STATES

The scheduled air lines of the United States fly on routes covering 35,000 miles within the United States and 46,000 miles abroad, a total of 81,000 route-miles.

The airplanes on these routes flew 70,000,000 airplanemiles at home last year and 11,000,000 airplane-miles abroad, a total of 81,000,000 airplane-miles.

They carried 1,536,111 passengers, a total of 635,556,184 passenger-miles.

They carried 23,641,967 ton-miles of mail and 9,452,600 pounds of express.

All of the other principal air lines of the world, excluding Germany for which no official figures are available, maintained about 162,000 route-miles within and without their own countries.

But over this mileage, almost twice our own, all of the air lines of the rest of the world carried less passengers than the United States lines, only a third as much mail, and, while they carried more express, they included in express such items as excess baggage and newspapers which are not counted as express on the American lines.

All other lines carried only about 1,300,000 passengers, 8,000,000 ton-miles of mail, and 33,000,000 pounds of express.

For the 12 months preceding June 1, 1939, the air lines of the United States flew 42,000,000 passenger-miles per passenger fatality.

FIFTY MILLION PASSENGER-MILES WITHOUT A FORCED LANDING

For the winter months of 1939 the three principal transcontinental routes and the principal north-south route flew 50,000,000 passenger-miles without so much as a forced landing

No other air-line operation in the world has ever remotely approached this record of safe performance.

To make but one comparison that comes readily to mind, Pan American Airways in its 10 years of operation, from Hong Kong to Buenos Aires, has lost but 3 of the fine fleets of flying boats it has successively put into service. Our British friends have built and used, in the last 2 years, 39 of the type of flying boat they propose to use on the North Atlantic. Including the Cavalier, which fell this spring between New York and Bermuda, 11 of these flying boats have become total losses either through crashes or fire.

The devotion of the air lines of the United States to safety in flying has paid big dividends in increased patronage. The close connection between the figures on safety and the figures on increased business on the air lines is inescapable. In all business, in all industry, in all economics, in all engineering, there are no two statistical Siamese twins more closely connected than these: safety in the air and increased volume of air traffic.

CONTINUED IMPROVEMENTS

The air lines themselves deserve much credit for this. By their improvements in equipment, by the better training of their personnel both in the air and on the ground, by the development of procedures ministering to safety, the air lines have done much. But, as in all competitive businesses, there have arisen occasions upon which one air line was tempted to take advantage of the misfortunes, or the caution, of another air line. In previous winters, when one air line canceled a schedule on account of adverse weather, for instance, it was not infrequent for another air line along the same route to take a chance, to seek to gain the business of its competitor by attempting to put an airplane through where the competitor had decided against a flight.

So one of the first things that the Civil Aeronautics Authority did last September was to sit down with the operators of the air lines in Chicago and persuade them to adhere rigidly to an agreement whereby if one line canceled a schedule on account of dangerous conditions, no competitor would attempt to make that flight.

Thus, we may well say that the declaration by this Authority governing civil aviation, that it was above all steadily preoccupied with the question of safety, had its influence upon making the great safety record, the fruitful and productive safety record that the air lines made last winter.

SAFETY IN THE AIR

Congress has long been concerned with this question of safety in the air. Back in 1926, when the first act was passed to regulate and encourage civil aviation, the concern of Congress for safety in flight expressed itself in two phases of regulation. It empowered the air bureau in the Department of Commerce to regulate the construction and operation of airplanes in interstate commerce. And it began the construction and maintenance of those aids to navigation through our common air which are so closely analogous to the aids to navigation upon the public waters of the United States, aids to navigation available to all who travel through either common domain.

From year to year, as aviation grew, these aids to navigation proved their worth. Congress has always generously recognized that worth. Quite properly, whenever an accident occurred, due to failure of the aids to navigation, or to their nonexistence in any particular place, Congress generously provided for material that would not fail or for filling in the gaps in the system. This policy has resulted in building up the system of Federal airways, 25,500 miles of radiomarked and lighted paths, a coordinated system of aids to navigation in the air throughout the United States whose completeness and efficiency can nowhere in the world be equaled.

THE FEDERAL AIRWAYS

You cannot see an airway, as you can a highway, or a railway, or a waterway. You may occasionally see the flash of a beacon as you travel along a highway at night. You may see the roofs of buildings marked with signs which can be read from the air. Nevertheless, in addition to all these things, there are 25,500 miles of airways within the United States definitely marked and just as accurate for a skilled pilot to follow as it is for you to keep to the right side of the white stripe in the middle of a broad highway when you drive an automobile.

There are 2,000 beacons on the airways, visible day and night, and spaced at approximately 15 miles from each other.

BEACON EVERY 15 MILES

I might add right here that in the air 15 miles is soon covered; the 15-mile bases do not seem very far apart. The

airplane flies from one to the other in a very short space of time. There are 300 emergency landing fields, about

50 miles apart, in addition to the airports.

But those are merely the good-weather aids to navigation. More and more the skilled pilot is flying in bad weather, day and night, and more and more he is flying above the clouds. In such flights, visible guide posts on the ground do him little good. He goes "on instruments," as he says. On those flights only the miracle of modern radio can guide him. And the most modern developments in all radio are now extending their invisible but readily audible fingers over 25,500 miles, the Federal Airways System in the United States. They connect every major center of population. They reach over mountains and deserts and seas where there is no population.

THREE HUNDRED EMERGENCY LANDING FIELDS

They are available not only to the great air lines that ply on regular schedule, but to every pilot whose plane is properly equipped to use them. This includes several thousand planes of the Army, Navy, and Coast Guard, which must regularly move from one place to another in the United States. It includes the 11,000 planes of private flyers who more and more are using their airplanes to get from one place to another, who are equipping their planes with radio and learning how to use it.

LIGHTER-THAN-AIR CRAFT AND HELICOPTERS

Mr. President, I am not going into the matter of the helicopters or the lighter-than-air craft. I have spoken on many occasions in the House of Representatives and in the Senate about various methods of flight. I will say that recently a small helicopter flew through the main entrance of a great auditorium and over the heads of an audience, and hovered for several minutes over the head of the chairman of that meeting, and then flew out, under perfect control. I repeat that we are just at the dawn, at the very beginning of a new world of travel.

RADIO AND THE AIRWAYS

The radio marking of airways depends upon the transmission of code signals into four sectors rather than in all directions as is generally done in entertainment broadcasting. These sectors resemble a pie cut into four pieces. Into two opposite sectors, or pieces of pie, is transmitted an "N" signal (dash-dot), into the other two opposite sectors an "A" (dot-dash). Within any sector the pilot receives either an N or A, but right along the edges of the sectors (or on the knife cuts) the pilot receives both signals. The N and A signals are staggered so that when the pilot is riding along the edges of the sectors he gets the two signals interlocking so as to form a continuous tone very different from either N or A. In different stations the sizes of the sectors (or pieces of pie) are varied so that their edges (or knife cuts) lie along the airway courses. These are known as the radio range courses, sometimes referred to as the "beams." They are, of course, not as thin as knife cuts, but gradually widen to a breadth of five or six miles a hundred miles away from the transmitting station.

When a pilot passes directly over the transmitting station, he hears nothing. For a moment he is in the "cone of silence" and he knows to within a few yards just where

he is.

Mr. President, when have Senators heard of a radio beam failing in recent months or even in recent years? When the system was first inaugurated there were difficulties. Now we are approaching perfection in some matters connected with radio.

RADIO FINGERS COVER THE UNITED STATES

Look at the map and see how completely this system of radio fingers covers the United States. A pilot now can fly from any populous center to any other without ever losing touch with those fingers.

But the magic of these audible markings in the air is not enough. The pilot must know the condition of the air he is to fly into, as well as the direction of his flight. He must know what the weather is to be. Hence, on all these ranges,

at regularly specified intervals, through the steady tone of the directional signal will come the voice of the weather broadcaster, with every detail of wind and temperature and visibility which the pilot is about to encounter rising like the words of a song clear above the musical accompaniment of the steady note of the directional beam.

AIR TRAFFIC CONTROL STATION

Furthermore, and in the same manner, voice communication can be used to and from many of these stations for emergency messages—orders to a pilot, answers to his inquiries. These stations are supplemented by the traffic-control stations of the Civil Aeronautics Authority which at different points throughout the United States assign to each plane entering a busy airway its altitude, its place in relation to every other plane on the airway, and the order in which all of them approach an airport and land upon it.

The information and guidance furnished by these radio stations is further supplemented by the radio stations of the air lines and the traffic-control radios of the major

airports.

That is the Federal Airways System as it exists today. Every month it is being extended and improved, not only in the United States but in our island possessions and in Alaska.

SEEING ALASKA BY AIR

If I may diverge from the statement I am making for a moment, when we were on committee business in the Hawaiian Islands in 1935 and 1937, considering the matter of a statehood for the Territory of Hawaii, we members of the committee flew from island to island, where in years gone by the members of the Committee on Territories traveled by boat. These little interisland boats plowed through the waters between the islands and passengers would arrive at their destinations after a long tiring night of travel. Often they were much ill at ease during the voyage. Whereas now one gets into an airplane and flies from one island to another in a very short time, between some of them in 25 or 30 minutes. I think the longest trip between any of the islands is an hour and 10 minutes. I am informed there has never been a forced landing in all the 10 years of flight between these islands.

In Alaska, when I was there on Government business, my good wife and I flew from certain points to others in an airplane in the Alaskan Territory. Alaska is a Territory of such huge dimensions, such a great Territory that it is impossible to see it in a short period of time without traveling through the air.

DEVOTED PUBLIC SERVANTS

It is upon this work that the vast majority of the employees of the Civil Aeronautics Authority are engaged. Three-fourths of its personnel are in the field on this vital safety work. They are maintaining the airways—almost 2,000 are in communications alone. They are testing and inspecting airplanes and airmen.

It has been said on the floor of this Chamber-and I am sure that the unfairness of the criticism was unintentional that this new Authority already has more employees than the Interstate Commerce Commission which regulates all the railroads and bus lines and pipe lines. I regret to say that that criticism has been extensively repeated as coming from this responsible source. So I should like particularly to put into the RECORD a statement to correct as far as possible what I am sure was an unintended injustice to a devoted body of public servants. I am sure the statement was made without proper foundation. It is true that the Authority has a few more employees than the Interstate Commerce Commission. It has more employees because its duties extend far beyond the regulatory sphere of the older body. It must, under the law as Congress enacted it, establish and maintain a far-flung physical plant. To compare it with the Interstate Commerce Commission in personnel it would be necessary to imagine the Commission charged not only with the regulation of the railroads, for instance, but with the design, erection, operation, and maintenance of the entire block-signal and telegraph systems of all of the principal trunk-line railroads of the United States, or with similar concern with all of the lighthouse plants and personnel of our navigable waters, and with the examination of every train as to its safe condition, and every trainman as to his professional competence every 6 months.

CIVIL AERONAUTICS AUTHORITY

Unlike the Interstate Commerce Commission, too, the jurisdiction of the Civil Aeronautics Authority extends not only to the common carriers of the air, but to all private and military users of the airways. It extends not only to these activities within the United States but to our carriers abroad from Hong Kong to Marseilles and from Point Barrow, Alaska, to Buenos Aires in the Argentine.

There are some 9,000 commercial pilots in the United States, each one of whom must be examined physically and as to his technical skill each 6 months. In addition there are 53,000 private flyers, including student pilots, who must be examined periodically in the same way. There are nearly 12,000 civil aircraft for the safe operating condition of which the inspection services of the Civil Aeronautics Authority are, in the last analysis, responsible. All of these things it has been ordered to do by Congress, and very properly ordered to do.

If they fail to do them, if through any laxity an accident occurs, such as the unfortunate death of United States Senator Bronson Cutting 3 years ago, those laxities are very promptly brought out. After the death of Senator Cutting, in fact, Congress very properly and very generously provided for the extension and improvement of the Federal Airways System and largely increased the inspection responsibilities which the Authority inherited whole from the Bureau of Air Commerce with all of the 2,900 employees engaged in these activities pursuant to law before the Civil Aeronautics Authority was ever created.

SAFE AND USEFUL DEVELOPMENT

That work must be done. If it is not done, if the high standards of safety which have proven so fruitful in the records of the last few years are not maintained, we might just as well give up all thought of the development of civil aeronautics and close up shop entirely. For the only kind of development for civil aeronautics that is worth a penny's expenditure by the Federal Government is its safe and useful development.

And another mistake—a mistake very wide of the mark—was made when it was said that there are more employees in the Civil Aeronautics Authority than there are on the scheduled air lines. As of the 1st of March there were 3,601 persons on its pay rolls. Only 772 of these employees were departmental employees in Washington. The others, 2,829 of them, were the men in the field, operating the radio stations, tending the lights, spending hours of overtime, and flying from point to point on Sundays and holidays to keep up with the ever-growing volume of inspection work. As against those 3,601 employees of the Authority the scheduled air lines alone employ about 14,000. The best estimate is that other branches of the industry employ 40,000 or 50,000 men.

FAITHFUL AND LOYAL SERVANTS

But what I resent, what I resent deeply, in such criticism is the lack of appreciation of what these men on the radio ranges, in the weather stations, and at the emergency landing fields are doing for the safety of human life in the air. Fair weather and foul, they stand by. More than that, it is in foul weather that their services are most needed. The records of the Authority are full of stories of men plowing through snow or flood and darkness and storm to reach their stations on the mountaintops, in the deserts, to repair machines, to see to it that the steady note of the ranges, the periodic reports of the weather, do not fail the pilot when he needs them most.

Well may it be said of these men on the radio ranges and weather stations, the lightkeepers of the air, coast guardsmen on the coasts of infinity, what Herodotus said of those who made possible communication in an ancient day. The Post Office Department has made frequent use of a free translation of the passage. It appears on the facade of the Union

Station here in Washington and on the pediment of the main post office on Seventh Avenue in New York, as follows:

Not snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds.

HERODOTUS AND THE COURIERS

That is an admirable tribute to the long-familiar faithfulness of the men in gray who serve the post office. But a scholarly friend of mine recently called to my attention a more literal translation of what Herodotus said. He was discussing, in book VIII, chapter 96, of his work on Urania, the astonishingly swift means of communication in that country. What he said may well serve as a tribute not only to the pilots in the air, our modern messengers, but to these ever-faithful men on the ground who enable them to stay in the air. Literally translated, Herodotus said:

The Persian messengers travel with a velocity which nothing human can equal. * * * Neither snow, nor rain, nor heat, nor darkness are permitted to obstruct their speed.

In this day it is the tenders of the radio beams and weather stations who do not permit the elements to obstruct the speed of their brethren in the air.

SAFETY IN THE AIR

There is ample public reason for the maintenance of this corps of airway keepers. There is reason for their duties in the use our citizenry makes of the ways they guard. Probably 3,000,000 men, women, and children will fly this year of 1939. The concern of government for their safety in the air begins long before they step into the airplane. It begins with almost the first stroke of an airplane designer's pencil on the drawing board.

During the 36 years that men have been building and flying airplanes many designers have made mistakes. But each mistake that could be analyzed avoided other fatal mistakes like it. In the United States all that can be found of that world-wide record of trial and error has been embodied in the civil air regulations. They show the airplane designer what mistakes he must avoid. By mathematical calculation and out of long experience, the regulations lay down the limits of safety for every part of an airplane and its relationship to every other part. The result of following this accumulated experience is that structural failure of airplanes is now relatively rare. When it occurs it is generally the result of the airplane being subjected to conditions for which it was not designed and for which it never should have been used.

Each part must be tested before it is used. Inspectors of the Civil Aeronautics Authority are assigned to all important airplane factories and visit regularly all others. They not only approve design but watch actual construction to see that design and specification are adhered to. Tests must be carried out in their presence. These tests range all the way from the loading of a structural part with sandbags, to determine its breaking point or its yield to stress or pressure, to the actual flying of the finished plane. The inspectors themselves must participate in these test flights, for they are not only skilled engineers but highly skilled pilots.

PRODUCTION AND TESTING OF PLANES

Once, then, an airplane has been produced and tested to meet these exacting requirements, it may be given an approved type certificate under which the manufacturer can turn out replicas. Each individual plane must be examined and tested, however, before the Civil Aeronautics Authority gives it a license certifying it as fit for the task to which, and to which only, it may be assigned.

Once performing that task all repairs and alterations must be approved by an inspector, and, at stated periods, it must be reinspected throughout to see that it has been properly maintained in an airworthy condition.

Presumably then, you have an airplane fit to fly. Next you must have a pilot fit to fly it. Before a student can begin instruction he must pass a stiff medical examination before a doctor designated by the Authority. He must have eight hours of dual instruction—with a qualified instructor in the plane with him—and he must have up to fifty hours total flying before he gets his first license to take passengers

in an airplane with him. This is the private pilot's certificate. To earn this he must pass both a written and a flight test with an inspector of the Authority in the plane.

PILOTS AND THE TRAINING OF PILOTS

If he wishes to carry passengers for hire, limited commercial, commercial and air-line pilot ratings are open to him after further hours in the air. A pilot must have had 1,200 hours of certified solo flying before he becomes eligible for air-line rating. To attain each upper grade further and increasingly extensive written and flight tests must be passed with an inspector of the Authority and in the upper grades each pilot certificate must be renewed each six months. Special ratings are provided for instructors and pilots capable of instrument flight, or flight by instrument alone through conditions in which the ground is invisible.

Certificates are likewise required for student, private and commercial glider pilots, upon examinations based upon

knowledge of gliding and soaring flight.

Each pilot's certificate, based upon his training and experience, limits him to the type, power, and weight of plane

he has proven himself capable of flying.

Of course no inspection service can cover all of the details involved in the certification of airplanes and pilots. So a further system of certification has been set up for those who must look into the details. Upon examination and test, the Authority certificates ground instructors, aircraft mechanics, aircraft engine mechanics, parachute riggers, airport control tower operators, and air-line dispatchers.

Violation of any of the Civil Air Regulations they have shown themselves to know and are supposed to carry out subjects any certificate holder to loss of his certificate and,

in some cases, to heavy fines.

WE ADD ECONOMIC SAFETY TO TECHNICAL SAFETY

The economic regulation of air transportation provided for the first time in the statute creating the Civil Aeronautics Authority in 1938 is the mark of that industry's attainment of the status of a public utility, an industry used by and useful to the public as a whole. Having attained that status the public has a direct interest in its soundness and continued usefulness. This phase of the Authority's work naturally is concerned almost exclusively with the scheduled air lines of the United States, including their foreign extensions.

Having determined on the economic regulation of air transportation, Congress directed that no air line be established until its proponents had come before the Authority and proved that there was public business to be done in the territory proposed to be served, and that the proponents were fit, willing, and able to do such business. This is the familiar doctrine of public convenience and necessity applied to other such public utilities as railroads, communications, and power.

AIR RATES UNQUESTIONED

Lines having once been established, Congress instructed the Authority to see to it that rates for passengers and property were just, reasonable, and nondiscriminatory and that the sums the Government itself pays the air lines for the carriage of mail are fair to the Government, the carrier, and

the public which both serve.

In applying the doctrine of convenience and necessity to the establishment of the air lines Congress assumed that those lines which had grown up previous to the enactment of this law, largely through the granting of contracts for the carriage of the mail, had proven themselves to be useful to the Government and to the public. Hence it provided that to those lines the Authority should issue certificates of convenience and necessity on the mere showing that they had been operating for a stated period before the effective date of the act and that during that period service had not been inadequate or inefficient. This the Authority has done and has now turned its attention to many applications for the extension of existing lines and for the establishment of new ones.

AMERICAN PLANES OVER ALL SEAS

It has already granted one certificate of convenience and necessity of historic importance. Upon such a certificate, regular mail, passenger, and express service under the Ameri-

can flag is now being carried on across the North Atlantic between the United States and Europe by one American company with another now engaging in survey flights for a second service.

TO EUROPE AND BACK IN 3 DAYS

I had the honor to make that first commercial and mail flight over the North Atlantic, and the flag of that flight is now deposited in Washington. It is the flag that floated in triumph over land and sea and followed the great circle route to Europe and back in 3 short days.

Within the United States some fifty applications are pending for certificates of convenience and necessity covering new routes. If all were granted it would increase the approximately 35,000 miles of scheduled air lines in the United States by about 15,000 miles. Hearings have already begun on these applications. To them come not only the companies seeking to establish the service, but representatives of the communities sought to be served, other communities seeking to be included and, in some instances, representatives of other carriers who believe that their established business would be injured by the authorization of new services or routes.

The certificates of convenience and necessity, however, cannot be construed as exclusive franchises. New services may be established upon proof that existing services do not meet existing or prospective public needs.

All of the carriers now rendering service have filed, as prescribed by law, schedules of all of their rates for the carriage of passengers and property. So far, no complaints have been made, either by the public or by rival companies, as to these rate schedules.

So far as rates are concerned, we know they are being steadily reduced from month to month and year to year, until they are now very reasonable, and, as I understand, no complaints are being made.

RATES FOR THE CARRIAGE OF MAIL

Practically all of the carriers, however, have pending before the Authority proceedings to adjust the rate the Government pays them for the carriage of mail. Two cases have already been decided which lay down the principles upon which the others will be determined. The act itself provides, according to the Authority's first opinion, that the rate must be fairly compensatory and assure the stable economic development of the carrier to meet the needs, not only of the foreign and domestic commerce and the Postal Service of the United States, but also the needs of the national defense. In this case the Authority set a rate which, it said, was such as "to recognize managerial efficiency and to permit benefit therefrom to redound to the carriers, thus providing an incentive to management for further development."

In a subsequent case, however, the Authority severely criticized the financial and fiscal policies of the management of the air line in question and refused to set a rate which, it said, would require the Government to make mail payments to cover the costs of inefficient management or unsound fiscal policy.

Under this application of the statute's formula for establishing mail payments, the Authority has thoroughly investigated the financing, the corporate relationships, the operations, and the management efficiency of all applicants—from their banking costs to their methods and costs of soliciting business. The act provides that the revenues from business other than mail must be taken into account in setting a mail rate that will enable a carrier to operate soundly and develop properly.

ECONOMIC SAFETY AND TECHNICAL SAFETY

Last year, through this measure, Congress very wisely decided to add economic safety to technical safety in its encouragement and development of civil aviation. No longer is it possible to start an air line on blue sky. No longer is it possible to go to the Post Office Department with the boasts of this or that chamber of commerce and the pressure of this or that Member of Congress and demand that an air line be established where there is little more for an air line to serve than the nebulous business of local pride. Now, beyond the

shadow of doubt, upon a record proof against review in the courts, the proponents of an air line must prove that business to be done is in existence or within reasonable hope of development and that the proponent is fit, willing, and able to perform the services needed.

Think what this provision in law might have saved us in the development of other utilities. Think of the railroad and other utility securities foisted upon a trusting public by the overhopeful or the underscrupulous in other days. Perhaps some of you gentlemen cherish, too, among your not too happy family inheritances the handsomely engraved securities of some such prospect as the Painted Post, Fancy Prairie, and Pacific Continental Railroad. By the wise action of the Congress in providing for this economic regulation of the growing air-transport industry it has at least been saved from that veritable old man of the sea, the accumulation of overindebtedness which the railroads have inherited from their overoptimistic or underscrupulous days, and which today imperils their usefulness as servants of our national economy.

THE AIR SAFETY BOARD

Though every possible aid to safe flying, technically and economically, be provided in the Federal airways and though every possible precaution be taken in the certification of the aircraft and the airmen permitted to use them, accidents still occur in flying as they do in most other human activities. Why? To answer that very proper question and to prevent, so far as possible, the recurrence of flying accidents, Congress, in the Civil Aeronautics Act of 1938, created the Air Safety Board, within the Civil Aeronautics Authority but in many ways independent of it.

This Board of three members has its own staff of experts. To it is reported every aircraft accident that occurs in the United States or on the lines of American companies operating into foreign territory. Each of those accidents is investigated. A finding on each is reported to the Authority. Wherever necessary, as the result of this investigation and report, recommendations are made to prevent the recurrence of a similar accident. In general, these recommendations call for changes in airplane construction or operation where such change is indicated by the facts of the accident, or for punishment of individuals who may have been responsible, either through suspension or revocation of certificates or through fines. In the first instance the recommendations are carried out by the Authority through changes in the pertinent civil air regulation; in the second instance, penalties are inflicted after notice and hearing before the Authority or its officers.

The Air Safety Board, as the body which investigates, determines causes, and makes recommendations to prevent the recurrence of accidents, is thus, independent of the Authority, the body which manages the safety facilities of the airways, makes the regulations, and is responsible for their enforcement. The Air Safety Board is likewise authorized to make public as it deems best any phase of its work.

PROCEDURE IN TIME OF ACCIDENT

Hence it is that on all accidents of importance, such as those involving airliners carrying passengers, one or more members of the Air Safety Board, with technical and legal experts, proceeds to the scene of the accident at the first possible moment. It is now possible for members of the Board to reach any part of the United States within a few hours. At the scene of the accident the investigation of causes is thus immediately in expert and responsible hands.

Full examination of all records and circumstances surrounding the flight is immediately begun. The airplane involved and the neighborhood of the accident are minutely searched for evidence as to causes. Survivors, if any, and witnesses to the accident are interviewed, and the results of all of these preliminary investigations are promptly recorded in a public hearing. Thus, to a remarkable degree, it has been possible to strip airplane accidents of the mystery that has hitherto surrounded them, no matter how expertly they were investigated, for subsequent study and report.

Full study is nevertheless provided for in the work of the Air Safety Board. All evidence at the public hearings is carefully analyzed; all material which might indicate the failure of any part of the airplane, its power plant, or its controls is submitted to engineering and laboratory examination and the report of the Air Safety Board is subjected to the further scrutiny, and to public hearings if necessary, by the Civil Aeronautics Authority itself before action may be taken. At all times, however, these proceedings are open to all interested parties and to the public, lest the wrong element or the wrong individual be blamed for an accident and lest an unwise change in the regulations be adopted.

The same principles are adhered to in the Air Safety Board's handling of less spectacular accidents. Full examination of all available material is made both by the Air Safety Board's staff and the staff of the Authority. Where private planes only are involved the public interest is obviously less than in the case of accidents to common carriers licensed to serve the public generally. But private accidents are nevertheless carefully studied, both individually to determine blame if any, and statistically to determine dangerous trends of practice that may be altered by amendments to the regulations or otherwise.

Disciplinary measures against pilots, from air-line pilots to students, have already been carried out as a result of investigations by the Air Safety Board. Changes in construction details of several widely used types of airplanes have been brought about. But the members of the Air Safety Board and of the Authority have expressed the belief that, more important than all of this detailed work in the already observable improvement of civil aviation's safety record has been the knowledge of all connected with civil flying that a constant, skillful pressure is being exerted by experts to show beyond doubt that the only way to fly is to know how to fly safely, and to fly no other way.

This steady, intelligent pressure for safety has already borne results. I have cited the magnificent record of the air lines, already so fruitful in the production of new business. I am happy to be able to tell you that already in private flying during these first months of summer, through the first holidays hitherto productive of increased air fatalities, the records show that those fatalities are steadily decreasing, despite the fact that there has been a steady and large increase of flying both on the scheduled air lines and among the private flyers.

And all of this we can credit to moral effect. The real measures taken to increase safety in private flying have not yet even begun to be felt.

PILOT TRAINING AND WHY

The Civil Aeronautics Authority will train 15,000 private pilots between the ages of 18 and 25 in the colleges and universities of the United States during the 1939–40 school year if the Congress makes the appropriation for this purpose it has already authorized.

This flight-training program extends vocational training through Federal aid in the colleges to aviation, just as such aid has long been extended to other practical pursuits. This training will, of course, provide a reservoir of pilots who could be called upon in time of emergency to supplement the trained flying personnel of the Army and Navy. But the primary purpose of the program is its effect on civil aeronautics itself. The first and most important effect will be, it is believed, a very large increase in the safety of flying.

The Authority's method of controlled flight training was given a practical Nation-wide test during the second semester of the 1938–39 school year in 13 colleges. In those colleges 95 percent of the 330 boys qualified for their private pilots' licenses after an average of a little over 35 hours each of flight instruction. There was but a single casualty among the 330 who flew in all 1,300 hours.

This remarkable record of safety is attributed to two requirements in the course: The first is the ground-school course which assures that every student knows what makes an airplane fly before he is ever allowed to touch an airplane. The other is that after a student learns enough to fly a plane unaided to solo, the instructor must be in the plane with the student during one-half of the remaining instruction

flights to call his attention to mistakes when they occur and not later on the ground, where the student is with the best intention in the world unable to remember what he did wrong. Thus are prevented those bad flying habits which, all too often, lead to accidents.

The flight training is to be given by established, qualified operators, with the Authority's instructors' rating, on airports adjacent to the college communities. Ground-school training is to be given by members of the college faculty.

TRAINING 15,000 PILOTS

It was considered desirable to select students between the ages of 18 and 25, as the Authority has raised from 16 to 18 the youngest age at which a private pilot's certificate may be granted. While this throws the instruction into the college age group, at least 5 percent of the 15,000 students to be trained under this program will, under the law, not be enrolled in college but must come from outside, as other students come to take other vocational extension courses. It is considered, however, that a high-school education, or its equivalent, will be necessary for any candidate successfully to meet modern flying requirements.

The Authority's plan includes provision for continued training along advanced lines of the best qualified student pilots throughout their college careers, and on an alumni refresher-training basis thereafter, in order that they may be assured of a means to keep up their flying and maintain their value.

Heretofore private flying, in contrast with the safety record of the scheduled air lines, has been marred by a high percentage of accidents, fatal and otherwise. Analysis of that accident record revealed that one particular class of private flyers—those trained in the schools certificated by the Civil Aeronautics Authority and its predecessor, the Bureau of Air Commerce—were not responsible for the high accident rate. They were flying safely. Hence the curricula of those certificated schools, the requirements as to their instructors and equipment, and, above all, the requirement for adequate ground-school instruction and adequate check flying after the student attained the solo stage, were imposed upon the colleges which so successfully went through with the experimental courses this spring. They will be a necessary part of all instruction given in the larger program

From the increase in the general level of safety in private flying consequent on the production of 15,000 pilots, thus safely trained every year, will come a very large increase in the use of private flying. That increased use of private flying will, in turn, result in a very large increase in the productive capacity of airplane and engine plants, in employment, direct and indirect, in a reduction of the costs of airplanes, and in improvement in their performance and safety characteristics. This, in turn, should lead to still wider use of such safer, cheaper planes thus safely flown leading to a development of the entire civil-aviation establishment in the United States to the point where it may well become a vital factor as an important new industry in the reviving economic structure of the country as a whole.

WORLD WAR EXPERIENCE

As such, and only as such, can it serve adequately in the national defense. World War experience showed the perils of an improvised aviation in the high death rate among student pilots who were rushed through their training, in the difficulty of converting other industries to aviation production, and in the delay in bringing our forces to bear. With a civil-aviation industry sufficiently large to meet the peacetime demands indicated by the hundreds of youths who have applied for every available place in the pilot-training program, on the other hand, the United States would have in existence a potential weapon of such importance and of such immediate usability as to be unchallengeable.

No other nation or combination of nations can support such a civil-aviation establishment and no standing army of the air or aviation forced into high production for military uses could continue to meet in the air such resources as those of the United States.

But again and again, let me point out, the American people will only become the customers of aviation on the scheduled air lines or elsewhere, thus permitting it to grow to its true economic stature, if it is a sound product. Hence, again and again, in our student-pilot courses and elsewhere, we must continue to insist that the only way to fly is to know how to fly safely and to fly no other way.

It was with this purpose in view that the Authority chose the colleges which had given some kind of aeronautic instruction and were close to adequate flying facilities as the best places in which this kind of instruction could be given. It was hoped to find boys seriously interested in participating in such a national program rather than merely seeking the thrill of flight. It was hoped that in the colleges these boys would be found habituated to the idea of instruction. And, of course, it was only in the colleges that a group of 15,000 between the ages of 18 and 25 could be found with the time and opportunity to take such instruction.

There has been, however, at no time a disposition to debar from flying or from these courses those whose economic position deprived them of college attendance. Under the law, at least 5 percent of those chosen for the college courses must come from outside the regular enrollment of the colleges. And, of course, all the other ways of learning to fly are open to other than college students. And there can be no discrimination against the noncollege student in the tests which the Authority gives for certification as a private pilot or for certification for any other pilot rating. With the increasing necessity for the use of instruments rather than instinct for successful and safe flying, however, the Authority's examinations for all grades of pilots' certificates have necessarily been increased in scope to include qualifications which very largely depend upon a sound mathematical and general education.

The only cost to a student taking any of these courses provided through the Authority is a fee of not to exceed \$40. The first purpose of this is to assure the serious intent of the student. The money is used to defray laboratory and insurance costs.

THE DEMOCRATIC WAY, THE AMERICAN WAY

This, too, I like to think is approaching this problem in the sound, American way. Other countries are creating air power after their own fashion. It but illuminates their fashion to say that it is well-nigh impossible to make any distinction in other countries between civil and military aviation. In many foreign countries manufacturers are ordered to build airplanes, and they are sometimes paid in paper ranging all the way in value from the pure product of the printing press up to promises to pay, for what they are worth, out of future tax receipts. That is nothing but the simple confiscation of capital. Men are assigned under military rules and discipline to work in the airplane factories. That may not be our way but it probably will be our way in time of another world war.

Other nations are devoting to air armament and its supply so large a proportion of fiscal resources as to constitute a heavy tax burden by American standards. Indeed, the development of military aviation abroad has been accomplished largely by sacrificing the crying needs of civil aviation in those countries. England, for instance, has deliberately permitted the lion's share of air transportation between London and the continent to go to non-English lines rather than divert her military productive capacity to the building of modern civilian transports, except those needed for connection with her far-fiung colonies and dominions. Even there, England, in the stress of the emergency at home, has been

forced to yield the blue ribbon of all international air transportation, the North Atlantic, to the United States. Because she could not divert military production for the perfection this year of her own flying boats, our Boeings are today alone making the transit between Canada and the mother country, carrying regular loads of passengers, mail, and goods.

The United States, thank God, faces no such dilemma. Its procedure in the development of air power, both civil and military, can be justified by experience dating from our earliest days down to our last unhappy involvement in combat.

A STANDING ARMY OF THE AIR

The development of aviation in every other country in the world can be characterized only as the creation and maintenance of a standing army of the air. Standing armies, in the air or on the ground, are not in the American tradition. From the days of the minutemen at Lexington we have counted upon a citizenry ready to spring to arms rather than upon standing armies. And our citizenry has never failed us.

But it never failed us because it had the arms to spring to. Go back to those men at Lexington. The flintlock was as much a part of their household equipment as the skillet or the plow. They used it to supplement their meager diet by game shot in the woods. Firearms were as familiar to their hands as was the ax. Small wonder then that they were able to turn the flintlock's aim from the wild turkey in the tree to the breasts of the marching Red Coats. That was true as our civilization spread west. The buffalo gun and the Winchester helped feed our fathers on the plains. In hands thus skilled it defended them from hostile Indians and spread our empire to the Pacific. It enabled both sides gallantly and skillfully to fight the war that, for all its fratricide, settled the fate of the Union as one and indivisible.

But the firearm is no longer familiar to our hands. The firearm in hand, in fact, has lost all but its final importance in warfare. The enemy is no longer, in the first place, a foot soldier. The weapons we must have are, in the first place, airplanes. And today less than one-half of 1 percent of our population know how to use them. Had only one-half of 1 percent of the population of the Thirteen Colonies known how to use the flintlock, our Continental Army would have consisted of just 20 men and perhaps a half-dozen women. That is the proportion of men and women in our population today familiar with the handling of this modern weapon, the airplane.

I firmly believe that in the heart of every true American burns faith in the democratic way in which we are approaching this problem. There still burns bright the belief that freemen are their own best masters, that the accumulation of well-being by free choice within the law is more conducive to national welfare than tasks done under the whip of even the most benevolent despotism.

MASS PRODUCTION-FOR PEACE OR WAR

The current growth of civil aviation emboldens me to say that this new weapon, if weapon one day it must be, is now taking a place in our economic life as important as the fiint-lock and the buffalo gun ever held. These scores of thousands of young men and women who are trained to be pilots in the new way, the safe way, the useful way, are not potential targets for enemy planes and antiaircraft cannon. They will be useful, integrated, profitable units in the every-day business of getting rapidly about from place to place in this vast united country which God gave us and our forefathers developed and defended, a country thus so plainly needing this means of rapid transportation through the air for purposes of its own economic, spiritual, and national existence as a unified nation.

We foresee no flow of airplanes from a production line by millions like Fords or Chevrolets or Plymouths. But we can, under these programs for development, definitely foresee the day—it is already upon us—when airplanes will roll from production lines by thousands. When automobiles roll from production lines by thousands, say, like the Packard, the Buick, or the Hudson, even then they come to benefit by all of the economies of mass production.

AVIATION AND NATIONAL DEFENSE

That brings me to this problem's relationship to national defense in the more modern way of which I spoke. Look back for a moment to 1914, 1915, and 1916. The United States then had upon its roads more automobiles than all the rest of the world combined. It had a productive capacity in automobiles that all of the world combined could not match. Now, suppose that the automobile of those days had wings; suppose those automobiles and the capacity to reproduce them had been recognized for weapons capable of spreading destruction far behind the enemy's lines as the airplane is recognized today, would any power, however desperate, have risked our entry into hostilities thus potentially armed, thus actually munitioned?

So I believe we can attain that same impregnability today by the rational development of civil aeronautics in accord with our demonstrated economic needs. Yes; we have imposed Government regulation along with Government encouragement upon that development. But that is nothing new. Economic regulation of industry goes back to the grazing rules for cows upon a New England common, to the sealing of weights and measures in the village store, to the adjudication of business disputes between neighbors by a justice of the peace who knew not only the neighbors but all of the business of each.

Economically we grew so fast that business merely outgrew that homely and effective touch of the law. The cattle on the common became the world-wide packing industry. The village blacksmith became United States Steel. The general store become General Foods. I might even add that the town dramshop became National Distillers. By their very names they boast of the national rather than the village scope of their affairs. Why, then, should they complain today when the place of the village constable and the justice of the peace must be assumed by the Federal inspector and the national tribunals, familiar with their affairs and with their business, which the Federal Government has set up to succeed in this regard the old-time justice of the peace.

AN EXAMPLE TO ALL INDUSTRY

Civil aviation reached that national stage after we had had long and sometimes bitter experience with its elder brothers in industry. But by the wisdom of the legislation Congress has enacted in this field and by the fashion in which this new industry has accepted such legislation and developed under it, it may well set an example for its elder brothers in industry to emulate.

The aviation industry regards the Civil Aeronautics Authority as no Government scold. It regards its actions and decisions as no hamstringing restriction. On the contrary, this industry recognizes the civil-air regulations as sign posts, as traffic guides, as credible signals to keep them from the mistakes others have made. The industry recognizes the economic decisions of the Authority as the friendly but well-informed and disinterested settlement of disputes among themselves which, left unsettled, would lead to all the waste of trade wars, which, in other industries, have cost so high. They have recognized this kind of regulation as the focusing upon their problems of all the information that can be anywhere gathered, its focusing through the only lens free of the distortion of self-interest, the lens of our common Government.

Hence the men in the aviation industry have set another fine example for their elder brothers in trade. They are not the kind of businessmen who sit down and wail that they cannot do business. Their industry has grown continuously these last 10 years when other industries have trembled, weakened, and died, with all the human misery consequent upon a lack of economic intelligence and courage.

Under the wise encouragement and guidance of the Federal Government the aviation industry has manufactured an ever more useful commodity, the great commodity of safe flight. Under the same wise encouragement and guidance it is now going out to sell that commodity to the great American people, and the American people are buying it. Here indeed is an inspiring example for those pale and selfish souls who still say that the only way for American business to progress is along those lines of reckless disregard for the future and for all but their own selfish interests, a policy which helped to bring us to the brink of ruin in 1929.

A STRONG MAN ARMED

And here is more. Here is this new industry, under these conditions of today, growing so fast that it well may one day soon lead even these doubting and trembling citizens out of the depression of their own minds as other new industries, the railroads after the Civil War, the automobile in the first decades of this century, led us out of other depressions.

And more still. Here stands already a civil aviation industry so firmly fixed in the very bone and sinew and veins and communicating nerves of our economic life that it may well make of these United States "a strong man armed who keepeth the peace."

Well may this Senate, well may this Congress, well may this Government, in service to the Nation as a whole through the encouragement and development of civil aviation, guard and guide us to that happy state.

Alfred Lord Tennyson once wrote:

For I dipped into the future, far as human eye could see, Saw the vision of the world, and all the wonders that would be, Saw the heavens fill with commerce, argosles of magic sails, Pilots of the purple twilight, dropping down with costly bales, Heard the heavens fill with shouting, and there rained a ghastly dew.

From the nations' airy navies grappling in the central blue.

Mr. President, at this point in my remarks, I wish to insert in the Record statistics showing the progress of civil aviation, from the information and statistical division of the Civil Aeronautics Authority concerning passenger-miles flown, passenger fatalities, the pilots and the personnel, and so forth, the figures as to exports and the total value of the exports, very interesting information, I may say, very up-to-date information, because these statistics were furnished just last Saturday and I have endeavored to secure information as up-to-date as possible so that we might have full and complete information.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

The progress of civil aviation
[Information and statistical division, Civil Aeronautics Authority]

[Information and statistical division, Civil Aeronautics Authority]										THE SHA
ACOUST OF THE SECOND	1929	1930	1931	1932	1933	1934	1935-	1936	1937	1938
SCHEDULED AIR-LINE OPERATIONS Airplanes: In service and reserve: Domestic. Foreign	442 83	497 103	490 100	456 108	408 96	417 101	356 103	272 108	282 104	253 92
Airways: Total mileage: Domestic. Foreign extensions	24, 874 11, 456	29, 887 19, 662	30, 451 19, 949	28, 550 19, 980	27, 812 19, 875	28, 084 22, 717	28, 267 32, 184	28, 874 32, 658	31, 084 32, 572	35, 492 35, 707
Total miles flown	36, 330 25, 141, 499	49, 549 36, 945, 203	50, 400 47, 646, 407	48, 530 51, 171, 887	47, 687 54, 878, 014	50, 801 49, 064, 773	60, 451 63, 867, 698	61, 532 73, 611, 770	63, 656 77, 403, 365	71, 199 81, 058, 127
Passenger-miles flown: Domestic	Section Section Section	84, 014, 572 19, 732, 677 103, 747, 249	106, 442, 375 14, 680, 402 121, 122, 777	127, 038, 798 21, 147, 539 148, 186, 337	173, 492, 119 26, 283, 915 199, 776, 034	187, 858, 629 38, 792, 228 226, 650, 857	313, 005, 508 48, 465, 412 362, 370, 920	435, 740, 253 58, 453, 618 494, 283, 871	476, 603, 165 76, 045, 424 552, 648, 589	557, 719, 268 77, 836, 816 635, 556, 184
Passengers carried: Domestic	-	374, 935 42, 570	469, 981 61, 681	474, 279 73, 281	493, 141 83, 471	461, 743 110, 522	746, 946 127, 170	1, 020, 931 145, 112	1, 102, 707 187, 028	1, 343, 427 192, 684
		417, 505	531, 662	547, 560	576, 612	572, 265 2, 461, 411	874, 116 1, 089, 802 4, 132, 708	1, 166, 043 1, 860, 809 5, 741, 436	1, 289, 735 2, 156, 070 6, 698, 230	1, 536, 111 2, 173, 706 7, 422, 860
Total. Express ton-miles (domestic) Ton-miles of mail (domestic) Total income to contractors (domestic and foreign). Number of passenger fatalities (domestic). Passenger-miles flown per passenger fatality (domestic).	\$17, 042, 521 4	\$20, 015, 969 0	\$26, 884, 043 1 14, 680, 402	\$26, 234, 321 6 3, 524, 590	\$23, 413, 691 0	\$15, 722, 229 4 9, 698, 057	\$17, 265, 894 0	\$19, 724, 489 2 29, 271, 809	\$21, 294, 215 11 6, 913, 220	\$23, 641, 967 0 11, 119, 559
Miles flown per fatal accident (do- mestic and foreign). Passenger-miles flown per passenger fatality (domestic and foreign)	1, 047, 562	4, 105, 022 4, 322, 802	3, 403, 315 4, 658, 568	3, 010, 111 5, 927, 453	6, 097, 557 24, 972, 004	4, 906, 477 10, 792, 898	7, 983, 462 24, 158, 061	7, 361, 177 10, 745, 302	12, 900, 561 10, 836, 246	10, 132, 266 19, 861, 131
Personnel employed (domestic and foreign): Mechanics and ground crew	1, 182 } 562	1, 800 675	2, 061 694	2, 076 570 147	2, 327 547 210	2, 208 507 252	2, 618 656 339 212	2, 874 694 547 390	3, 290 755 602 420	3, 415 820 605 451
Other hangar and field person- nel	601	1,000	1, 555 1, 357	1, 512 1, 305	1,839 1,372	1, 851 1, 659	1,518 3,008	1, 767 3, 723	2, 356 4, 179	2, 635 5, 383
Total	2, 345	3, 475	5, 667	5, 610	6, 295	6, 477	8, 351	9, 995	11, 519	13, 309
MISCELLANEOUS FLYING OPERATIONS (ALL DOMESTIC)			and the second	100						
Airplanes in operation (certificated and uncertificated) Miles flown. Total passengers carried for hire	9, 315 110, 000, 000	9, 218 108, 269, 760	10, 090 94, 343, 115	9, 760 78, 178, 700	8, 780 71, 222, 845	7, 752 75, 602, 152	8, 613 84, 755, 630	8, 849 93, 320, 375	10, 446 102, 996, 355	10, 718 129, 359, 095
Total passengers carried for hire and pleasure. Miles flown per fatal accident. Total airports in operation	2, 189, 431 383, 275 1, 550	2, 298, 341 359, 700 1, 782	1, 867, 517 372, 898 2, 093	1, 255, 809 375, 859 2, 117	1, 246, 134 391, 334 2, 188	1, 397, 288 406, 463 2, 297	1, 287, 375 516, 803 2, 368	1, 466, 058 586, 921 2, 342	1, 580, 412 556, 737 2, 299	1, 575, 151 752, 088 2, 374

The progress of civil aviation-Continued

The progress of civil available—Continued										
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
FEDERAL AIRWAYS SYSTEM AND AIDS TO AIR NAVIGATION	TO THE									
Communication: Radio broadcast stations Radio range beacon stations Radio marker beacons	34 9	45 33 6	56 47 46	61 68 74	68 94 77	71 112 84	74 137 57	80 146 57	83 167 55	91 225 48
Weather reporting airway and airport stations—Weather Bureau and Civil Aeronaut- ics Authority operated, long-		143	234	234	205	206	203	213	271	346
line teletypewriter equipped. Miles of teletypewriter service. Weather Bureau—first-order stations (does not include	2, 415	8,400	13, 186	13, 500	12,064	11,631	13, 260	13, 120	20, 588	23, 771
airport stations)	207	209	218	216	194	185	191	182	198	182
Airway lighting: Total beacons Intermediate landing fields lighted by Civil Aeronautics	1, 425	1,792	2, 024	2, 216	2, 065	1, 830	2, 198	2, 328	2, 435	2, 497
Authority	285	347	385	337	246	250	282	284	278	271
Mileage lighted by Civil Aero- nautics Authority	12, 448	15, 258	17, 512	19, 500	18, 655	19, 081	22, 012	22, 245	22, 319	23, 723
Miles under construction by Civil Aeronautics Authority	1, 352	3, 221	1,988	0	2, 638	3, 048	338	0	945	1,849
PRODUCTION AND EXPORTS OF AIRCRAFT								1111		
Exports: Airplanes Value	\$5, 484, 600 321	\$4, 819, 669 377	\$1, 812, 827 318	280 \$4, 358, 967 2, 356	\$5, 391, 493 2, 901	\$8, 258, 484 1, 007	\$6, 638, 515 568	\$11, 386, 896 945	\$21, 027, 361 1, 047	\$37, 977, 324 1, 307
EnginesValue	\$1, 375, 697	\$1, 635, 076	\$1, 474, 785	\$1,517,682	\$1, 430, 787	\$4, 383, 101	\$2, 459, 317	\$5, 397, 469	\$5, 944, 004	\$7,899,144
Parts and accessories, aircraft,	\$2, 252, 203	\$2, 351, 651	\$1, 521, 828	\$1, 756, 421 \$313, 463	\$2, 247, 834 \$87, 522	\$4, 808, 130 \$98, 466	\$5, 069, 810 \$163, 201	\$6, 060, 483 \$298, 358	\$12, 157, 337 \$267, 771	\$21, 930, 343 \$400, 939
Parachutes and parts, value Total value exports Production: Total value (all air-	\$9, 112, 500	\$8, 806, 396	\$4, 809, 440	\$7, 946, 533	\$9, 156, 636	\$17, 548, 181	\$14, 330, 843	\$23, 143, 206	\$39, 396, 473	\$68, 307, 750
craft engines, parts and equip- ment)	\$91, 051, 044	\$60, 846, 177	\$48, 539, 715	\$34, 861, 185	\$33, 357, 122	\$43, 891, 925	\$42, 506, 204	\$78, 148, 891	\$104, 094, 621	

Mr. LUNDEEN. Page 369, Congressional Record, of April 5, 1917, volume 55, part 1, begins at "Aircraft in the World War," and ending with the words "previous to the World War" contains my statement on aviation in the World War debate, the statistics of that day do not make much of a showing compared to our armadas of today.

AIRCRAFT IN THE WORLD WAR

Heard the heavens fill with shouting, and there rained ghastly dew, From the nations' airy navies grappling in the central blue.

—Tennyson: Locksley Hall.

	Augu	st 1914	April 1913 1		
Country	Military dirigi- bles ²	Military air- planes 3	Military dirigi- bles	Military air- planes	
France Germany Russia Great Britain Austria-Hungary United States	31 35 16 15 10	1, 400 1, 000 800 400 2 350 23	13 17 9 3 5	450 152 250 141 46 25	

U. S. Navy Department, October 1915.
 Estimate of Henry Woodhouse, editor, Flying.
 From U. S. Advisory Board for Aeronautics, Feb. 2, 1915.
 I dirigible, practically useless, on hand.

Statistics as to the present size of the belligerents' aerial Betaustics as to the present size of the belligerents' aerial fleets are not available, having been suppressed by official censors. Waldemar Kaempffert, in the Review of Reviews, March 1916, states that "there are certainly no fewer than 5,000 airplanes in actual use, and such is the wastage of battle that their flying life is not longer than a fortnight." He estimates that it is necessary to build 50,000 machines a year to repair the ravages of

The United States had 125 airplanes and 3 war balloons on hand January 1, 1917, according to the World Almanac. dirigible was under construction.

That was 1917. In 1915 at San Francisco, Calif., I had my first flight over that great bay and the Golden Gate, nearly 25 years ago. That was in the very infancy of aviation. In 1919 I introduced a draft of the air service bill. which measure gained the early support of that eminent air authority, Brig. Gen. William Mitchell. I hope to continue my interest as long as I live.

I thank the Senate for its attention. I would not have imposed upon the patience of Senators for such a length of time if I did not believe that there is no subject more vital to American defense, American safety, and American commerce, and to the welfare and happiness of the American people, than the subject and science of aviation, which I have endeavored to discuss today.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3409) to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes"; and

H.R. 6479. An act amending section 2857 of the Distilled Spirits Act.

TOLL BRIDGE ACROSS ST. LOUIS RIVER, DULUTH, MINN.

Mr. BAILEY. Mr. President, from the Committee on Commerce I report back favorably House bill 6475, to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River between the States of Minnesota and Wisconsin, and for other purposes, and I submit a report (No. 1054) thereon. There was some controversy over the bill, but certain amendments to it were finally proposed by the committee.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6475) to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across

the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes, which was reported from the Committee on Commerce with amendments in section 1, on page 2, line 13, after the name "Minnesota" to strike out "a point in"; in section 1, line 14, after the name "Wisconsin" to strike out "as approved, within a reasonable time, by the City Council of the City of Superior, Wis., and"; in section 4, page 5, line 11, after the word "owned", to insert "by the city of Duluth, and shall be"; on page 5, line 12, after "Duluth", to insert "and the city of Superior"; and on page 5, line 20, to insert a new section 5, as follows:

SEC. 5. The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon the city of Duluth by the provisions of this act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior as expressed by resolution of the City Council of the City of Superior.

So as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Duluth, in the State of Minnesota, to acquire and thereafter operate and maintain either or both of the existing vehicular-toll bridges across the St. Louis River, between St. Louis County in the State of Minnesota and Douglas County in the State of Wisconsin, and should said city be unable, after negotiation, to agree with the owners of the respective bridges upon a mutually satisfactory purchase price, then said city is hereby authorized to require the transfer of such bridge or bridges to said city upon payment of the price or prices computed according to the provisions for public acquisition of the bridges by the respective acts of Congress which authorized the original construction of such bridges.

Sec. 2. In order to facilitate interstate commerce, improve the

SEC. 2. In order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, said city of Duluth is authorized to construct, maintain, and operate postal service, and provide for military and other purposes, said city of Duluth is authorized to construct, maintain, and operate an additional vehicular-toll bridge and approaches across the St. Louis River, at a point suitable to the interests of navigation from St. Louis County in the State of Minnesota to Douglas County in the State of Wisconsin, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act. There is hereby conferred upon said city all rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use such real estate and other property as may be needed for the location, construction, operation, and maintenance of such bridge or bridges and approaches thereto as are possessed by railroad corporations for railroad purposes, or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor to be ascertained and paid according to the laws of the State in which such property may be located, and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

Sec. 3. Said city of Duluth is hereby authorized to fix and charge tolls for transit over any bridge or bridges acquired or constructed under the provisions of this act, and the rates of toll so fixed shall be such as will pay costs of operation and maintenance and amortize the cost, within the period provided herein, of such bridge or bridges as evidenced by an issue or issues of bonds to pay the cost of such bridge or bridges, which bonds may be so issued subject to and in accordance with the pertinent laws of the State of Minnesota. All such bonds shall be in a form

bonds to pay the cost of such bridge or bridges, which bonds may be so issued subject to and in accordance with the pertinent laws of the State of Minnesota. All such bonds shall be in a form not inconsistent with this act, and shall mature at such time or times as the city may determine, not exceeding 20 years from the date of approval of this act. The city, when it deems it to be in the best interests of the city, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: Provided, That the refunding bonds shall mature at such time or times not exceeding 30 years from the date of approval of this act, as the city may determine. An accurate record of the cost of any bridge or bridges and their approaches acquired or constucted, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

shall be available for the information of all persons interested.

SEC. 4. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the city shall deliver deeds or other suitable instruments of conveyance of the interest of the other suitable instruments of conveyance of the interest of the city in and to the bridge or bridges extending between the State of Minnesota and the State of Wisconsin, that part of said bridge or bridges within Minnesota to the State of Minnesota or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Minnesota interests"), and that part of said bridge or bridges within Wisconsin, to the State of Wisconsin, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Wisconsin interests"), under the condition that the bridge or bridges shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Minnesota interests and the Wisconsin interests as may be agreed upon; but if the Minnesota interests and the Wisconsin interests fail to accept or are not authorized to accept, their respective portion of said bridge or bridges, then the city may deliver deeds, or other suitable instruments of conveyance of said portions, to any other interest which may accept and may be authorized to accept the same, under the condition that the bridge or bridges shall thereafter be free of toll and be properly maintained, operated and repaired by said interest to properly maintained, operated and repaired by said interest to whom said conveyances are delivered; but if either the Minnesota interests, or the Wisconsin interests, or any other interest hereinabove mentioned shall not be authorized to accept or shall not accept the same under such conditions, then the bridge or bridges accept the same under such conditions, then the bridge or bridges shall continue to be owned, maintained, operated, and repaired by the city of Duluth and the city of Superior as a free bridge. The rate or rates of toll for any bridge now or hereafter constructed across the St. Louis River, between St. Louis County in Minnesota and Douglas County in Wisconsin, shall not be reduced below the rate or rates now in effect so long as any bonds of said city of Duluth issued for account of any bridge or

reduced below the rate or rates now in effect so long as any bonds of said city of Duluth issued for account of any bridge or bridges acquired or constructed under the provisions of this act may be outstanding, subject, however, to the provisions regulating toll contained in the act of March 23, 1906.

Sec. 5. The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of all questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon the city of Duluth by the provisions of this act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior, as expressed by resolution of the city council of said city of Superior.

Sec. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. AUSTIN. Mr. President, does this bill carry any burden of costs to be borne by the Federal Government?

Mr. LA FOLLETTE. It does not.

Mr. BAILEY. I ask that the clerk be directed to renumber the sections.

The PRESIDENT pro tempore. Without objection, it is so

The question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LA FOLLETTE. Mr. President, I should like to make a brief statement. There has been some controversy between the citizens of Superior and Duluth over this bill, and certain citizens of Superior came to Washington to see if some compromise could not be worked out. I ask unanimous consent to incorporate in the RECORD a telegram which I received under date of July 21, 1939; also two telegrams from Mayor Bryn Ostby, of Superior, Wis.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HARRISBURG, PA., July 28, 1939.

Senator Robert M. LA FOLLETTE,

Senato Robert M. La Follette,

Senate Office Building, Washington, D. C.:

As we were leaving Washington we were advised that Duluth agreed to amendment of bridge bill. The following is the proposed amendment: "Section 5 (new section). The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of all questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon said city of Duluth by the provisions of the act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior, as expressed by resolution of the city council of said city of Superior."

Also to strike in section 2 amendment providing for designation of location to be approved by Superior, since above amendment gives Superior that power.

gives Superior that power.

Also after Duluth, line 11, page 5, insert "and city of Superior."

H. R. 6475, providing for operation and maintenance of bridge.

We agree to above amendments and consent to passage of bill as so amended.

A. WALTER DAHL. JOHN G. GREEN. CARL H. DALEY. STANLEY NADOLSKI. JAMES D. LAVELLE.

SUPERIOR, WIS., July 31, 1939.

Senator Robert M. La Follette, Jr.:

Please do not construe any message from me to infer that I oppose constructions of a Superior-Duluth bridge. My only concern is that Superior rights be protected.

BRYN OSTBY, Mayor.

SUPERIOR, WIS., August 1, 1939.

Senator Robert M. La Follette, Jr.: I believe Superior's rights are amply protected in the Superior-I believe Superior's rights are amply process.

Duluth bridge bill. No objections to its passage.

BRYN OSTEY, Mayor.

Mr. LA FOLLETTE. Mr. President, it seems to me a very workable compromise has been suggested. As I view it, the rights of the city of Superior are completely protected under the bill; and if there are any controversies existing in the city of Superior over this matter I cannot believe that any better organization could have been chosen to iron out those controversies than the duly constituted city council of that city.

MAJOR GENERAL WILLIAM JENKINS WORTH MEMORIAL COMMISSION

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably three measures and ask for their present consideration. The first is House Joint Resolution 283.

The PRESIDING OFFICER. Is there objection to the

request of the Senator from Kentucky?

There being no objection the joint resolution (H. J. Res. 283) to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth, was considered, ordered to a third reading, read the third time, and passed.

PRESENTATION OF MEDAL TO HOWARD HUGHES

Mr. BARKLEY. Mr. President, I ask unanimous consent for the immediate consideration of House bill 7089 which I also report favorably from the Committee on the Library.

There being no objection, the bill (H. R. 7089) to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation, was considered, ordered to a third reading, read the third time, and passed.

VIRGINIA (MERRIMAC) - MONITOR COMMISSION

Mr. BARKLEY. Mr. President, I also report favorably from the Committee on the Library House Concurrent Resolution 32, establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission, and I ask for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

PREVENTION OF TRANSPORTATION OF CONTRABAND

Mr. KING. Mr. President, I invite attention to House bill 6556, which passed the House and came to the Senate and was referred to the Committee on Finance. An amendment was tendered and reported back, and yesterday the bill was called up for action during the consideration of the calendar, and the Senator from Delaware [Mr. Townsend] made objection, as there was some slight amendment he desired to offer. I have conferred with the committee and accept the amendment which the Senator has suggested. The Treasury Department is also in harmony with the amendment. I ask that the amendment be agreed to and the bill passed.

Mr. TOWNSEND. Mr. President, the amendment is per-

fectly satisfactory to me.

Mr. LA FOLLETTE. Mr. President, let the bill be reported by title.

The PRESIDING OFFICER. The bill will be reported by

The LEGISLATIVE CLERK. A bill (H. R. 6556) to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Delaware [Mr. TOWNSEND 1.

The LEGISLATIVE CLERK. On page 3, line 2, after the word "that", to insert "(1) in the case of a railway car or engine, the owner, or (2) in the case of any other such vessel, vehicle, or aircraft." so as to make the bill read:

Be it enacted, etc., That (a) it shall be unlawful (1) to transport, carry, or convey any contraband article in, upon, or by means of any vessel, vehicle, or aircraft; (2) to conceal or possess any contraband article in or upon any vessel, vehicle, or aircraft, or upon the person of anyone in or upon any vessel, vehicle, or aircraft; or (3) to use any vessel, vehicle, or aircraft; or (3) to use any vessel, vehicle, or aircraft; or (3) to use any vessel, vehicle, or aircraft to facilitate the transportation, carriage, conveyance, concealment, receipt, possession, purchase, sale, barter, exchange, or giving away of any contraband article.

(b) As used in this section the term "contraband article" means—

means

(1) Any narcotic drug which has been or is possessed with intent to sell or offer for sale in violation of any laws or regulations of the United States dealing therewith, or which is sold or offered for

the United States dealing therewith, or which is sold or offered for sale in violation thereof, or which does not bear appropriate taxpaid internal-revenue stamps as required by law or regulations;

(2) Any firearm, with respect to which there has been committed any violation of any provision of the National Firearms Act, as now or hereafter amended, or any regulation issued pursuant thereto; or (3) Any faisely made, forged, altered, or counterfeit coin or obligation or other security of the United States or of any foreign government; or any material or apparatus, or paraphernalia fitted or intended to be used, or which shall have been used, in the making of any such falsely made, forged, altered, or counterfeit coin or obligation or other security.

SEC, 2. Any vessel, vehicle, or aircraft which has been or is being

of any such faisely made, lorged, altered, or counterfeit coin or obligation or other security.

SEC. 2. Any vessel, vehicle, or aircraft which has been or is being used in violation of any provision of section 1, or in, upon, or by means of which any violation of section 1 has taken or is taking place, shall be seized and forfeited: Provided, That no vessel, vehicle, or aircraft used by any person as a common carrier in the transaction of business as such common carrier shall be forfeited under the provisions of this act unless (1) in the case of a railway car or engine, the owner, or (2) in the case of any other such vessel, vehicle, or aircraft, it shall appear that the owner or the master of such vessel or the owner or conductor, driver, pilot, or other person in charge of such vehicle or aircraft was at the time of the alleged illegal act a consenting party or privy thereto: Provided further, That no vessel, vehicle, or aircraft shall be forfeited under the provisions of this act by reason of any act or omission established by the owner thereof to have been committed or omitted by any person other than such owner while such vessel, vehicle, or aircraft was unlawfully in the possession of a person who acquired possession thereof in violation of the criminal laws of the United States, or of any State.

SEC. 3. The Secretary of the Treasury is empowered to authorize,

States, or of any State.

SEC. 3. The Secretary of the Treasury is empowered to authorize, or designate, officers, agents, or other persons to carry out the provisions of this act. It shall be the duty of any officer, agent, or other person so authorized or designated, or authorized by law, whenever he shall discover any vessel, vehicle, or aircraft which has been or is being used in violation of any of the provisions of this act, or in, upon, or by means of which any violation of this act has taken or is taking place, to seize such vessel, vehicle, or aircraft and to place it in the custody of such person as may be authorized or designated for that purpose by the Secretary of the Treasury, to await disposition pursuant to the provisions of this act and any regulations issued hereunder.

Sec. 4. All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of vessels and vehicles for

judicial forfeiture, and condemnation of vessels and vehicles for violation of the customs laws; the disposition of such vessels and vehicles or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been have the under the provisions of this set inverfer established. to have been incurred, under the provisions of this act, insofar as applicable and not inconsistent with the provisions hereof: Proapplicable and not inconsistent with the provisions hereof: Provided, That such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels and vehicles under the customs laws shall be performed with respect to seizures and forfeitures of vessels, vehicles, and aircraft under this act by such officers, agents, or other persons as may be authorized or designated for that purpose by the Secretary of the Treasury.

SEC. 5. Any appropriation which has been or shall hereafter be made for the enforcement of the customs, narcotics, counterfeiting, or internal-revenue laws, and the provisions of the National Firearms Act shall be available for the defraying of expenses of carrying

out the provisions of this act.

SEC. 6. The provisions of this act shall be construed to be sup-SEC. 6. The provisions of this act shall be construed to be supplemental to, and not to impair in any way, existing provisions of law imposing fines, penalties, or forfeitures; or providing for the seizure, condemnation, or disposition of forfeited property or the proceeds thereof; or authorizing the remission or mitigation of fines, penalties, or forfeitures.

SEC. 7. When used in this act—

(a) The term "vessel" includes every description of watercraft or other contrivance used, or capable of being used, as means of transportation in water, but does not include aircraft:

transportation in water, but does not include aircraft;
(b) The term "vehicle" includes every description of carriage or other contrivance used, or capable of being used, as means of transportation on, below, or above the land, but does not include aircraft;

(c) The term "aircraft" includes every description of craft or carriage or other contrivance used, or capable of being used, as

means of transportation through the air;

(d) The term "narcotic drug" means any narcotic drug, as now or hereafter defined by the Narcotic Drugs Import and Export Act, the internal-revenue laws or any amendments thereof, or the regulations issued thereunder; or marihuana as now or hereafter defined by the Marihuana Tax Act of 1937 or the regulations regulations.

after defined by the Marihuana Tax Act of 1937 or the regulations issued thereunder;

(e) The term "firearm" means any firearm, as now or hereafter defined by the National Firearms Act, or any amendments thereof, or the regulations issued thereunder; and

(f) The words "obligation or other security of the United States" are used as now or hereafter defined in section 147 of the Criminal Code, as amended (U. S. C., title 18, sec. 261).

SEC. 8. The Secretary of the Treasury shall prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

SAFEGUARDS ON STEAMSHIPS

Mr. BAILEY. Mr. President, yesterday the Senate passed two bills to which I wish to call attention. The House has passed similar bills and they are now on the desk. I ask unanimous consent that the House bills be taken up and passed at this time. They are the same as the Senate bills which were passed yesterday, to which I have referred. I ask that the Committee on Commerce be discharged from the consideration of House bill 7090, and that the Senate proceed to consider it.

The PRESIDING OFFICER. The clerk will state the bill

by title.

The LEGISLATIVE CLERK. The bill (H. R. 7090) to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481).

The PRESIDING OFFICER. Without objection, the Committee on Commerce is discharged from the further con-

sideration of House bill 7090.

Is there objection to the present consideration of the bill? Mr. AUSTIN. Mr. President, I have examined the bill and conferred with the Senator from North Carolina, and I am satisfied that I should not make objection.

There being no objection, the bill was considered, ordered

to a third reading, read the third time, and passed.

Mr. BAILEY. I move that the vote by which Senate bill 2755 was passed be reconsidered and that the bill be indefinitely postponed.

The motion was agreed to.

SAFETY ON STEAMERS

Mr. BAILEY. Mr. President, I now ask that the Committee on Commerce be discharged from the further consideration of House bill 7091 and that the Senate proceed to its consideration. It provides for safety on steamers carrying as many as 50 passengers. It is merely a safety measure, amendatory of the statute, similar to a bill which passed the Senate yesterday. I ask for the present consideration of the bill.

The PRESIDING OFFICER. The clerk will state the bill by its title.

The LEGISLATIVE CLERK. The bill (H. R. 7091) to amend section 4471 of the Revised Statutes of the United States, as amended (U.S.C., 1934 ed., title 46, sec. 464).

The PRESIDING OFFICER. Without objection, the Committee on Commerce is discharged from the further consideration of House bill 7091.

Is there objection to the present consideration of the bill? Mr. AUSTIN. Mr. President, I have examined the bill and conferred with the Senator from North Carolina and I have no objection.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BAILEY. I ask unanimous consent that the vote by which Senate bill 2754 was passed be reconsidered, and that the bill be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MUNICIPAL BANKRUPTCY

Mr. PEPPER. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 928, House bill 6505, the bill contemplating municipal bankruptcy. I do not think there will be any objection.

The PRESIDING OFFICER. Is there objection?

Mr. BYRNES. Mr. President, I desire to have it understood that this will not displace the pending unfinished business.

Mr. PEPPER. Mr. President, I ask unanimous consent for the present consideration of the bill to which I have referred without the pending bill being displaced as the business before the Senate, except temporarily.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. Mr. President, I feel obliged to object to the consideration of the bill at this time. I think that if the Senator will bring it up in the morning, when there is a larger attendance of Senators, after a roll call, he may get his bill considered by unanimous consent.

The PRESIDING OFFICER. The Chair hears objection.

BARGES "PRARI" AND "PALPA"

Mr. ELLENDER. Mr. President, I ask unanimous consent for the immediate consideration of House bill 6664, which is now on the desk.

Mr. LA FOLLETTE. Let the bill be reported by title.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. The bill (H. R. 6664) to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade.

Mr. BYRNES. Mr. President, I do not desire to object, but I again state that I will have no objection to the request if the pending business is not to be displaced.

Mr. ELLENDER. Of course, Mr. President, I intended to couple such a condition with my original request.

The PRESIDING OFFICER. If the unanimous consent is granted it will not displace the bill in charge of the Senator from South Carolina.

The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 6664) was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That, notwithstanding the provisions of seced., Supp. IV, title 46, sec. 883), the barges Prari and Palpa, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coastwise trade and to transport merchandise between points in the United States, including districts, Territories, and possessions thereof embraced within the coastwise laws.

Mr. ELLENDER. Mr. President, I wish to say for the information of the Senate that a similar bill has just been reported by the Committee on Commerce of the Senate, and is at the desk.

The PRESIDING OFFICER. Is there objection to the consideration of House bill 6664?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER. I ask that the Senate bill identical with the bill just passed be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? Chair hears none, and the bill is indefinitely postponed.

FISHING COMPACTS

Mr. BAILEY. Mr. President, from the Committee on Commerce I report favorably Senate Joint Resolution 139, concerning fishing compacts between the States on the Atlantic coast, and I submit a report (No. 1074) thereon.

Mr. DANAHER. Mr. President, I ask that the joint resolution be considered, and I hope it will be agreed to.

Mr. BARKLEY. Mr. President, does the Senator from North Carolina want present consideration of the joint resolution which he has just reported?

Mr. BAILEY. Yes, Mr. President. The joint resolution has been acted on by the committee and is approved by the Department.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 139) to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes

The PRESIDING OFFICER. Is there objection to the

present consideration of the joint resolution?

Mr. BYRNES. Mr. President, I make the same request, that the Senator amend his request by the statement that he does not intend to displace the pending business.

Mr. BAILEY. Mr. President, I am happy to do so. It was my purpose to include that in my original request.

The PRESIDING OFFICER. Is there objection?

There being no objection, the joint resolution (S. J. Res. 139) to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the consent of Congress is hereby given to any two or more of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida to enter into compacts or agreements not in conflict with any law of the United States, for cooperative effort and mutual assistance for the uniform, common, or mutual regulation of fishing or of any species of fish, mollusks, or crustacea in the territorial waters and bays and inlets of the Atlantic Ocean on which such States horder or to which their juris. lantic Ocean on which such States border or to which their juris-diction otherwise extends and of anadromous fish spawning in the inland waters of those States.

SEC. 2. The consent of Congress is hereby granted to States other than those specified but which have jurisdiction over inland waters frequented by anadromous fish of the sea to enter into compacts or agreements authorized by this act.

SEC. 3. The consent of Congress is hereby given to any of the aforementioned States to establish such agencies or authorities, icent or otherwise as they may deem desirable for making effective.

joint or otherwise, as they may deem desirable for making effective compacts or agreements herein authorized.

Any compact or agreement herein authorized shall become binding or obligatory only upon those signatory States whose legislatures shall have approved such compact or agree-

SEC. 5. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMATHERS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

NOTIFICATION TO PRESIDENT-CONFIRMATION OF NOMINATION OF HAROLD MAURICE KENNEDY

Mr. WAGNER. Mr. President, yesterday in executive session the nomination of Harold Maurice Kennedy to be United States district attorney for the Eastern District of New York was confirmed. I ask unanimous consent that the President be notified at once of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified.

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

Bert Fish, of Florida, now Envoy Extraordinary and Minister Plenipotentiary to Egypt, to be also Envoy Extraordinary and Minister Plenipotentiary to Saudi Arabia; and

James J. Murphy, Jr., of Pennsylvania, to be a Foreign Service officer of class 3, a consul, and a secretary in the Diplomatic Service.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Edward Gearing Kemp,

of Michigan, to be the Assistant to the Attorney General to fill an existing vacancy.

Mr. KING, from the Committee on the Judiciary, reported favorably the following nominations:

Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court of the District of Columbia; and

Nathan Cayton, of the District of Columbia, to be judge of the municipal court of the District of Columbia.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

STATUS OF NOMINATIONS DURING ADJOURNMENT OF SENATE

Mr. BARKLEY. Mr. President, I send to the desk a resolution, which I ask to have stated and adopted.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The clerk will read the resolution.

The legislative clerk read as follows:

That paragraph 6 of the rule XXXVIII be suspended, and that all nominations now on the Executive Calendar of the Senate, or pending before any of the standing committees of the Senate, shall remain in statu quo until the convening of the next regular session of the Congress on January 3, 1940, and that the said nominations shall not be affected by the adjournment of the present session of

Mr. BARKLEY. I desire to modify that resolution by having it provide that all such nominations shall remain in statu quo until the next session of Congress.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. There are quite a number of nominations of postmasters that have already been approved by Senators from several States, and it seems to me when that has been done there is no reason why-

Mr. BARKLEY. This resolution does not interfere with such nominations. It simply means that when Congress adjourns any nomination not acted upon either in committee or on the calendar shall remain in statu quo.

Mr. McKELLAR. I did not understand that.

Mr. GEORGE. Mr. President, I ask that the clerk again read the resolution. Let me see if I understand it.

Mr. BARKLEY. Mr. President, I will say that is the usual resolution adopted at the end of the session, so that when for any reason nominations are not confirmed they do not lose their place but remain in statu quo until the next session.

Mr. AUSTIN. Mr. President, reserving the right to object, I ask the Senator if that part of the rule to which his resolution is addressed is this which I read:

Nominations neither confirmed nor rejected during the session at which they are made shall not be acted upon at any succeeding which they are made shall not be acted upon at any succeeding session without being again made to the Senate by the President; and if the Senate shall adjourn or take a recess for more than 30 days, all nominations pending and not finally acted upon at the time of taking such adjournment or recess shall be returned by the Secretary to the President, and shall not again be considered unless they shall again be made to the Senate by the President.

Is that the provision?

Mr. BARKLEY. That is the rule to which the resolution applies.

Mr. GEORGE. Mr. President, I do not want to be captious about the matter. But let us suppose that at the very end of this session the President should send in a nomination to fill a vacancy which was existing before the present Congress met. The Senate could not act upon it, and under the proposed unanimous-consent agreement, as I understand, that nomination would remain on the calendar for action at the next session of the Congress.

Mr. BARKLEY. It would remain on the calendar, or in the committee, if the committee had not acted.

Mr. GEORGE. Yes; but under the law, if a vacancy occurred prior to the opening of the present session of Congress, and the President did not see fit to fill it, or if he filled it and the nomination was neither acted upon favorably or unfavorably, he would be compelled to make a recess appointment, but I understand the action now proposed would obviate the necessity of a recess appointment.

Mr. BARKLEY. No; I do not think so.

Mr. GEORGE. If I am wrong about that-

Mr. BARKLEY. I do not think so. The President, of course, could proceed and make a recess appointment.

Mr. GEORGE. Yes; he can. Mr. BARKLEY. I say he could. Mr. GEORGE. Yes; he can.

Mr. BARKLEY. The resolution simply provides that nominations not acted upon before we adjourn shall remain in statu quo until we meet again. It would not prevent the President from making the recess appointment if he de-

Mr. GEORGE. That is true, but-

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. Would not the Senator consider it wise to have this particular matter go over until tomorrow?

Mr. BARKLEY. I have no desire to press it now. I will ask that it go over and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE. I will say that I have no objection if on the expiration of the present session nominations have not come in to fill vacancies that were in existence when Congress met. Under the Constitution if the President desires to fill such vacancies he may do so, but he can do so only in recess after we adjourn.

Mr. BARKLEY. I appreciate that. I do not think this resolution interferes at all with the President's power in that regard.

Mr. GEORGE. I want that very well understood.

Mr. AUSTIN. Mr. President, it will give us an opportunity to examine the resolution if it goes over until tomorrow.

Mr. BARKLEY. Yes. I have no desire to press it now. I will say that it is the resolution which is usually adopted at the end of the session.

Mr. SMITH. Mr. President, before this discussion is closed I will say that I had a personal experience which I think is in point. There was a vacancy. It was not filled. Congress adjourned. A recess appointment was made, and in the succeeding Congress no nomination was sent to the Senate, and the appointee held on regardless of any action of the Senate for 2 years.

Mr. BARKLEY. The resolution, of course, I will say, only applies to nominations that have been made and sent to the Senate and have not been acted on. It has no reference whatever to vacancies.

Mr. SMITH. I wish to suggest to the Senate that if nominations are to be confirmed by and with the consent of the Senate, the Senate should have a definite rule that when a recess appointment is made it must be acted upon at the succeeding session of Congress.

Mr. PITTMAN. Mr. President, I will say to the Senator that we have had that question under consideration in the Judiciary Committee with respect to a bill which I introduced.

Mr. SMITH. I am glad to hear it.

Mr. PITTMAN. And we have finally framed a bill which is intended to prevent the character of appointments to which the Senator has referred.

Mr. McKELLAR. Has the bill been reported?

Mr. PITTMAN. I have just reported it.

Mr. SMITH. I am glad to hear that, because I was once a victim of that very loose practice.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The legislative clerk read the nomination of Dr. Paul H. Nystrom, of New York, to be a member of the Federal Board for Vocational Education.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTER-NOMINATION REJECTED

The legislative clerk read the nomination of Arthur A. Weng to be postmaster at Daggett, Mich., the nomination

having been restored to the calendar, together with an adverse report thereon.

Mr. McKELLAR. I ask that the nomination be rejected. The nomination was rejected.

POSTMASTERS-NOMINATIONS CONFIRMED

Mr. McKELLAR. I ask that all the other nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar, with the exception noted, are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

Mr. BARKLEY. I ask that the nominations for promotion in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations for promotion in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the calendar of nominations.

JUDGES OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

Mr. KING. Mr. President, two nominations were made by the President 2 days ago and referred to a subcommittee of the Committee on the Judiciary, consisting of the Senator from Vermont [Mr. Austin] and myself. Those nominations are of Nathan Cayton to be judge of the municipal court of the District of Columbia and Ellen K. Raedy to be judge of the municipal court of the District of Columbia. The committee acted favorably on both nominations. The nominees are now acting in their respective capacities. There is no objection to them.

I now, from the Committee on the Judiciary, favorably report these nominations, and move that the nominations be confirmed.

The PRESIDING OFFICER. The clerk will state the nom-

The legislative clerk read the nomination of Nathan Clayton, of the District of Columbia, to be judge of the municipal court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

JUDICIARY, TERRITORY OF HAWAII

Mr. KING. Mr. President, the President has transmitted to the Senate the names of seven persons to fill judicial positions in the Territory of Hawaii. I should state that all but one of those named are now holding judicial positions. Mr. McLaughlin is the one who is not now serving in a judicial capacity. For a number of years he has been serving as an assistant district attorney. He is a man of ability and was recommended by the President. The committee to which the nomination was sent unanimously acted favorably upon his nomination, as well as on the other nominations.

From the Committee on the Judiciary I now report the nominations favorably and ask that they be confirmed.

The PRESIDING OFFICER. The nominations will be stated.

The legislative clerk read the nomination of Delbert E. Metzger, of Hilo, to be United States district judge for the District of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James L. Coke, of Honolulu, to be chief justice of the Supreme Court, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Emil C. Peters, of Honolulu, to be associate justice of the Supreme Court. Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nom-

ination is confirmed.

The legislative clerk read the nomination of Albert M. Cristy, to be circuit judge of the first circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the

nomination is confirmed.

The legislative clerk read the nomination of Francis M. Brooks, of Honolulu, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the

nomination is confirmed.

The legislative clerk read the nomination of Daniel H. Case, of Wailuku, to be judge of the second circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the

nomination is confirmed.

The legislative clerk read the nomination of J. Franklin McLaughlin, of Honolulu, to be judge of the fourth circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the

nomination is confirmed.

Mr. KING. Mr. President, in view of the fact that all but one of those named for judicial positions have been serving, some of them for several years, and it is important that action be taken as soon as possible upon these nominations, I move that the President be notified of the confirmation of the nominations.

Mr. AUSTIN. Mr. President, the scope of the order which was just considered involves all the judges named by the

Senator?

Mr. KING. Yes. That includes the two judges in the District of Columbia, Judge Caton and Judge Raedy, as well as the judges for the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the

President will be notified.

CONVENTION WITH SWEDEN-DOUBLE TAXATION

Mr. BARKLEY. Mr. President, yesterday the Senator from Nevada [Mr. PITTMAN] referred to a treaty on the calendar, and deferred it until the Senator from Mississippi [Mr. HARRISON] could be present. The Senator from Mississippi has advised me that he has no objection to the ratification of that treaty. If there is no objection to it, we might dispose of it now.

Mr. PITTMAN. If there be no objection, I shall ask that

the treaty be considered.

Mr. AUSTIN. Mr. President, will the Senator please ex-

plain the treaty?

Mr. PITTMAN. It is similar to treaties which exist between other countries. For illustration, Great Britain has an agreement with Sweden with respect to British companies which do business both in Great Britain and Sweden and earn incomes both in Great Britain and Sweden to the effect that the income earned in one country which is taxable in that country may be deducted from income in the other country. That is all.

Mr. AUSTIN. Is that a reciprocal arrangement?

Mr. PITTMAN. It is a reciprocal arrangement with regard to the manner in which each country shall treat companies doing business in both countries.

Mr. AUSTIN. And it is equal in its treatment on both

Mr. PITTMAN. It is equal in its treatment on both sides. Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield. Mr. CONNALLY. Has the Senator from Nevada considered the possibility that since this treaty deals with matters having to do with taxation, that it may have to be ratified by the House of Representatives in order to be valid?

Mr. PITTMAN. I do not think treaties of such a nature come within the jurisdiction of the House of Representatives

The PRESIDING OFFICER. Is there objection to the

present consideration of the convention?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the convention, Executive K (76th Cong., 1st sess.), a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939, which was read the second time, as follows:

The President of the United States of America and His Majesty the King of Sweden, being desirous of avoiding double taxation and of establishing rules of reciprocal administrative assistance in the case of income and other taxes, have decided to conclude a Convention and for that purpose have appointed as their respective Plenipotentiaries:

The President of the United States of America:
Sumner Welles, Acting Secretary of State of the United States
of America; and
His Majesty the King of Sweden;
W. Boström, Envoy Extraordinary and Minister Plenipotentiary

at Washington;

who, having communicated to one another their full powers found in good and due form, have agreed upon the following Articles:

ARTICLE I

The taxes referred to in this Convention are:

(a) In the case of the United States of America:

(1) The Federal income taxes, including surtaxes and excess-profits taxes.

(2) The Federal capital stock tax.

(b) In the case of Sweden:

(1) The National income and property tax, including

(2) The National special property tax.
(3) The communal income tax.

It is mutually agreed that the present Convention shall also apply to any other or additional taxes imposed by either contracting State, subsequent to the date of signature of this Convention, upon substantially the same bases as the taxes enumerated herein. ated herein.

The benefits of this Convention shall accrue only to citizens and residents of the United States of America, to citizens and residents of Sweden and to United States or Swedish corporations

and other entities.

ARTICLE II

An enterprise of one of the contracting States is not subject to taxation by the other contracting States is not subject to taxation by the other contracting State in respect of its indus-trial and commercial profits except in respect of such profits allocable to its permanent establishment in the latter State. The income thus taxed in the latter State shall be exempt from taxa-tion in the former State.

No account shall be taken, in determining the tax in one of the

the contracting States, of the mere purchase of merchandise effected therein by an enterprise of the other State.

The competent authorities of the two contracting States may lay down rules by agreement for the apportionment of industrial and commercial profits.

ARTICLE III

When an enterprise of one of the contracting States, by reason of its participation in the management or capital of an enterprise of the other contracting State, makes or imposes on the latter in their commercial or financial relations conditions different from those which would be made with an independent enterent from those which would be made with an independent enter-prise, any profits which should normally have appeared in the balance sheet of the latter enterprise but which have been in this manner diverted to the former enterprise may, subject to applicable measures of appeal, be incorporated in the taxable profits of the latter enterprise. In such case consequent recti-fications may be made in the accounts of the former enterprise.

ARTICLE IV

Income which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered in that State is taxable only in the State in which registered. Income derived by such an enterprise from the operation of ships or aircraft not so registered shall be subject to the provisions of Article II.

ARTICLE V

Income of whatever nature derived from real property, including gains derived from the sale of such property, but not including interest from mortgages or bonds secured by real property, shall be taxable only in the contracting State in which the real property is situated.

ARTICLE VI

Royalties from real property or in respect of the operation of mines, quarries, or other natural resources shall be taxable only

in the contracting State in which such property, mines, quarries,

or other natural resources are situated.

Other royalties and amounts derived from within one of the contracting States by a resident or by a corporation or other entity of the other contracting State as consideration for the right to use copyrights, patents, secret processes and formulas, trade-marks and other analogous rights, shall be exempt from taxation in the former State.

ARTICLE VII

1. Dividends shall be taxable only in the contracting State in which the shareholder is resident or, if the shareholder is a corporation or other entity, in the contracting State in which such corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source, but not in excess of 10 per centum of the amount of such dividends. For the purposes of this Article the National income and property tax imposed by Sweden shall be deemed to be a tax deducted at the source.

2. Notwithstanding the provisions of Article XXII of this Con-

2. Notwithstanding the provisions of Article XXII of this Convention, the provisions of this Article may be terminated by either of the contracting States at the end of two years from the date upon which this Convention enters into force or at any time thereafter, provided at least six months' prior notice of tar any time thereafter, provided at least six months' prior notice of termina-tion is given, such termination to become effective on the first day of January following the expiration of such six-month period. In the event the provisions of this Article are terminated, the

provisions of—
(1) Article XIII (2), in so far as they relate to the special property tax imposed by Sweden upon shares in a corporation;
(2) Article XIV (b) (2), relating to the allowance of an additional deduction from taxes on dividends; and

(3) Article XVI, in so far as they relate to exchange of information with respect to dividends,

will likewise terminate.

ARTICLE VIII

Interest on bonds, notes, or loans shall be taxable only in the contracting State in which the recipient of such interest is a contracting State in which the recipient of such interest is a resident or, in the case of a corporation or other entity, in the State in which the corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source.

ARTICLE IX

Gains derived in one of the contracting States from the sale or exchange of capital assets by a resident or a corporation or other entity of the other contracting State shall be exempt from taxa-tion in the former State, provided such resident or corporation or other entity has no permanent establishment in the former State.

ARTICLE X Wages, salaries and similar compensation and pensions paid by one of the contracting States or by the political subdivisions or territories or possessions thereof to individuals residing in the other State shall be exempt from taxation in the latter State.

Private pensions and life annuities derived from within one of the contracting States and paid to individuals residing in the other contracting State shall be exempt from taxation in the former State.

ARTICLE XI (a) Compensation for labor or personal services, including the practice of the liberal professions, shall be taxable only in the contracting State in which such services are rendered.
(b) The provisions of paragraph (a) are, however, subject to the following exceptions:

A resident of Sweden shall be exempt from United States tax upon compensation for labor or personal services performed within the United States of America if he falls within either of the

following classifications:

1. He is temporarily present within the United States of America for a period or periods not exceeding a total of one hundred eighty days during the taxable year and his compensation is received for labor or personal services performed as an employee of, or under contract with, a resident or corpora-

2. He is temporarily present in the United States of America for a period or periods not exceeding a total of ninety days during the taxable year and the compensation received for such services does not exceed \$3,000.00 in the aggregate.

In such cases Sweden reserves the right to the taxation of such

(c) The provisions of paragraph (b) of this Article shall apply, mutatis mutandis, to a resident of the United States of America deriving compensation for personal services performed within

(d) The provisions of paragraphs (b) and (c) of this Article shall have no application to the professional earnings of such individuals as actors, artists, musicians and professional athletes.

(e) The provisions of this Article shall have no application to the income to which Article X relates.

ARTICLE XII

Students or business apprentices from one contracting State residing in the other contracting State exclusively for purposes of study or for acquiring business experience shall not be taxable by

the latter State in respect of remittances received by them from within the former State for the purposes of their maintenance or

ARTICLE XIII

In the case of taxes on property or increment of property the following provisions shall be applicable:
(1) If the property consists of:
(a) Immovable property and accessories appertaining

thereto:

(b) Commercial or industrial enterprises, including mari-

time shipping and air transport undertakings; the tax may be levied only in that contracting State which is en-titled under the preceding Articles to tax the income from such

(2) In the case of all other forms of property, the tax may be levied only in that contracting State where the taxpayer has his residence or, in the case of a corporation or other entity, in the contracting State where the corporation or other entity has been created or organized.

The same principles shall apply to the United States capital stock tax with respect to corporations of Sweden having capital or other

property in the United States of America.

ARTICLE XIV

It is agreed that double taxation shall be avoided in the following

manner:

(a) Notwithstanding any other provision of this Convention, the United States of America in determining the income and excess-profits taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under the revenue laws of the United States of America as though this Convention had not come into effect. The United States of America shall, however, deduct the amount of the taxes specified in Article I (b) (1) and (3) of this Convention or other like taxes from the income tax thus computed but not in excess of that portion of the income tax liability which the taxpayer's net income taxable in Sweden bears to his which the taxpayer's net income taxable in Sweden bears to his entire net income.

entire net income.

(b) (1) Notwithstanding any other provision of this Convention, Sweden, in determining the graduated tax on income and property of its residents or corporations or other entities, may include in the basis upon which such tax is imposed all items of income and property subject to such tax under the taxation laws of Sweden. Sweden shall, however, deduct from the tax so calculated that portion of such tax liability which the taxpayer's income and property exempt from taxation in Sweden under the provisions of this Convention bears to his entire income and property

(2) There shall also be allowed by Sweden from its National income and property tax a deduction offsetting the tax deducted at the source in the United States of America, amounting to not less than 5 per centum of the dividends from within the United States of America and subject to such tax in Sweden. It is agreed that the United States of America shall allow a similar credit against the United States income tax liability of citizens of Sweden residing in the United States of America.

ARTICLE XV

With a view to the more effective imposition of the taxes to which the present Convention relates, each of the contracting States undertakes, subject to reciprocity, to furnish such information in the matter of taxation, which the authorities of the State concerned have at their disposal or are in a position to obtain under their own law, as may be of use to the authorities of the other State in the assessment of the taxes in question and to lend assistance in the service of documents in connection therewith. Such information and correspondence relating to the subject matter of this Article shall be exchanged between the subject matter of this Article shall be exchanged between the competent authorities of the contracting States in the ordinary course or on demand.

ARTICLE XVI

1. In accordance with the preceding Article, the competent authorities of the United States of America shall forward to the competent authorities of Sweden as soon as practicable after the close of each calendar year the following information relating to such calendar year:

(a) The names and addresses of all addressess within Sweden deriving from sources within the United States of America dividends, interest, royalties, pensions, annuities, or other fixed or determinable annual or periodical income, showing the amount of such income with respect to each

(b) Any particulars which the competent United States authorities may obtain from banks, savings banks or other similar institutions concerning assets belonging to individuals resident in Sweden or to Swedish corporations or other entitles;

(c) Any particulars which the competent United States authorities may obtain from inventories in the case of property passing on death concerning debts contracted with individuals resident in Sweden or Swedish corporations or other entities.

2. The competent authorities of Sweden shall forward to the 2. The competent authorities of Sweden shall forward to the competent authorities of the United States of America as soon as practicable after the close of each calendar year the following information relating to such calendar year:

(a) The particulars contained in the forms delivered to the Swedish authorities in connection with the payment to indi-

viduals or corporations or other entities whose addresses are within the United States of America of dividends on shares in a corporation or participation certificates in cooperative societies, and interest on bonds or other similar securities;

(b) The particulars contained in permits accorded to individuals resident in the United States of America or to United States corporations or other entities to enable them to acquire for business purposes immovable property situated in Sweden; (c) Any particulars which the central Swedish authorities may obtain from banks, savings banks or other similar institutions concerning assets belonging to individuals resident in the United States of America or to United States corporations or other entities:

or other entities;
(d) Any particulars which the central Swedish authorities may obtain from inventories in the case of property passing on death, concerning debts contracted with individuals resident in the United States of America, or United States corporations

in the United States of America, or United States corporations or other entities;

(e) A list of the names and addresses of all United States citizens resident in the United States of America who have made declarations to the Central Committee in Stockholm in charge of the taxation of taxpayers not resident in Sweden for purposes of the Swedish tax on income and property;

(f) Particulars concerning annuities and pensions, public or private, paid to individuals resident in the United States of America.

ARTICLE XVII

Each contracting State undertakes, in the case of citizens or corporations or other entities of the other contracting State, to lend assistance and support in the collection of the taxes to which

lend assistance and support in the collection of the taxes to which the present Convention relates, together with interest, costs, and additions to the taxes and fines not being of a penal character. The contracting State making such collection shall be responsible to the other contracting State for the sums thus collected.

In the case of applications for enforcement of taxes, revenue claims of each of the contracting States which have been finally determined shall be accepted for enforcement by the other contracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. tracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

The applications shall be accompanied by such documents as are required by the laws of the State making the application to establish that the taxes have been finally determined.

If the revenue claim has not been finally determined the State to which application is made may, at the request of the other contracting State, take such measures of conservancy as are authorized by the revenue laws of the former State.

ARTICLE XVIII

The competent authority of each of the contracting States shall be entitled to obtain, through diplomatic channels, from the competent authority of the other contracting State, particulars in concrete cases relative to the application to citizens or to corporations or other entities of the former State, of the taxes to which the present Convention relates. With respect to particulars in other cases, the competent authority of each of the contracting States will give consideration to requests from the competent authority of the other contracting States of the other contracting State.

ARTICLE XIX

In no case shall the provisions of Article XVII, relating to mutual assistance in the collection of taxes, or of Article XVIII, relating to particulars in concrete cases, be construed so as to impose upon either of the contracting States the obligation

(1) to carry out administrative measures at variance with the regulations and practice of either contracting State, or

regulations and practice of either contracting State, or

(2) to supply particulars which are not procurable under its own legislation or that of the State making application.

The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a business, industrial or trade secret or practice. In such case it shall inform, as soon as possible, the State making the application. the application.

ARTICLE XX

Where a taxpayer shows proof that the action of the revenue authorities of the contracting States has resulted in double taxation in his case in respect of any of the taxes to which the present Convention relates, he shall be entitled to lodge a claim with the State of which he is a citizen, or if he is not a citizen of either of the contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation or other entity, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State may come to an agreement with the competent authority of the other State to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in

ARTICLE XXI

The competent authorities of the two contracting States may prescribe regulations necessary to interpret and carry out the provisions of this Convention. With respect to the provisions of this Convention relating to exchange of information, service of documents and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection and related matters.

ARTICLE XXII

The present Convention shall be ratified, in the case of the United States of America, by the President, by and with the advice and consent of the Senate, and in the case of Sweden, by His Majesty the King, with the consent of the Riksdag. The ratifications shall be exchanged at Stockholm.

This Convention shall become effective on the first day of January

This Convention shall become effective on the first day of January following the exchange of the instruments of ratification and shall apply to income realized and property held on or after that date. The Convention shall remain in force for a period of five years and indefinitely thereafter but may be terminated by either contracting State at the end of the five-year period or at any time thereafter, provided at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

In witness whereof the respective Plenipotentiaries have signed this Convention and have affixed their seals hereto. Done in duplicate, in the English and Swedish languages, both authentic, at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

For the President of the United States of America:
Sumner Welles [SEAL]

For His Majesty the King of Sweden:

W. BOSTRÖM [SEAL]

PROTOCOL

At the moment of signing the Convention for the avoidance of double taxation, and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes, this day concluded between the United States of America and Sweden, the undersigned Plenipotentiaries have agreed that the following provisions shall form an integral part of the Convention:

1. As used in this Convention:

As used in this Convention:

(a) The term "permanent establishment" includes branches, mines and oil wells, plantations, factories, workshops, warehouses, offices, agencies, installations, and other fixed places of business of an enterprise but does not include the casual or temporary use of merely storage facilities. A permanent establishment of a subsidiary corporation shall not be deemed to be a permanent establishment of the parent corporation. When an enterprise of one of the contracting States carries on business in the other State through an employee or agent, established there, who has general authority to contract for his employer or principal, it shall be deemed to have a permanent establishment in the latter State. But the fact that an enterprise of one of the contracting States has business dealenterprise of one of the contracting States has business dealings in the other State through a bona fide commission agent, broker or custodian shall not be held to mean that such

enterprise has a permanent establishment in the latter State.

(b) The term "enterprise" includes every form of undertaking whether carried on by an individual, partnership, cor-

poration, or any other entity.

(c) The term "enterprise of one of the contracting States" means, as the case may be, "United States enterprise" or "Swedish enterprise."

"Swedish enterprise."

(d) The term "United States enterprise" means an enterprise carried on in the United States of America by a resident of the United States of America or by a United States corporation or other entity; the term "United States corporation or other entity" means a partnership, corporation or other entity created or organized in the United States of America or under the law of the United States of America or or of any State or Territory of the United States of America.

(e) The term "Swedish enterprise" is defined in the same manner, mutatis mutandis, as the term "United States enterprise."

prise."

2. The term "corporation" includes associations, joint-stock

companies, and insurance companies.

3. A citizen of one of the contracting States not residing in either shall be deemed, for the purpose of this Convention, to be a resident of the contracting State of which he is a citizen.

When doubt arises with respect to residence or with respect to the taxable status of corporations or other entities, the competent supporting of the two contracting States may settle the question.

authorities of the two contracting States may settle the question by mutual agreement.

4. The provisions of Swedish law concerning the taxation of the undivided estates of deceased persons shall not apply where the beneficiaries are directly liable to taxation in the United States of

5. The term "life annuities" referred to in Article X of this Convention means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in consideration of a gross

sum paid for such obligation.
6. The Swedish so-called "fees tax" (bevillningsavgift för vissa offentliga föreställningar) based on gross income in so far as it affects such individuals as actors, artists, musicians and professional athletes shall be deemed to be an income tax for the purposes of Article XIV (a).

The credit for taxes provided in Article XIV shall have no applica-tion to taxes deducted at the source from dividends and interest except to the extent provided in paragraph (b) (2) of that Article.

In the application of the provisions of this Convention the benefits of section 131 of the United States Revenue Act of 1938, relating to credits for foreign taxes, shall be accorded, but the credit provided for in Article XIV (a) shall not extend to United States excess-profits taxes nor to the surtax imposed on personal holding

7. Citizens of each of the contracting States residing within the other contracting State shall not be subjected in the latter State to other or higher taxes than are imposed upon the citizens of such latter State.

8. The provisions of this Convention shall not be construed to deny or affect in any manner the right of diplomatic and consular officers to other or additional exemptions now enjoyed or which may hereafter be granted to such officers, nor to deny to either of the contracting States the right to subject to taxation its own diplomatic and consular officers.

matic and consular officers.

9. The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

10. In the administration of the provisions of this Convention relating to exchange of information, service of documents, and mutual assistance in collection of taxes, fees and costs incurred in the ordinary course shall be borne by the State to which application is made but extraordinary costs incident to special forms of procedure shall be borne by the applying State.

11. Documents and other communications or information contained therein, transmitted under the provisions of this Conventions.

tained therein, transmitted under the provisions of this Convention by one of the contracting States to the other contracting State shall not be published, revealed or disclosed to any person except to the extent permitted under the laws of the latter State with respect to similar documents, communications, or information.

12. As used with respect to revenue claims in Article XVII of this Convention the term "finally determined" shall be deemed to

(a) In the case of Sweden, claims which have been finally established, even though still open to revision by exceptional procedure;

(b) In the case of the United States of America, claims which are no longer appealable, or which have been determined by decision of a competent tribunal, which decision has become final.

13. As used in this Convention the term "competent authority" or "competent authorities" means, in the case of the United States of America, the Secretary of the Treasury and in the case of Sweden, the Finance Ministry.

14. The term "United States of America" as used in this Convention in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

15. Should any difficulty or doubt arise as to the interpretation or application of the present Convention, or its relationship to Conventions between one of the contracting States and any other State, the competent authorities of the contracting States may settle the question by mutual agreement.

16. The present Convention and Protocol shall not be deemed to

affect the exchange of notes between the United States of America and Sweden providing relief from double income taxation on shipping profits, signed March 31, 1938.

Done at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

SUMNER WELLES W. BOSTRÖM SEAL

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive K, Seventy-sixth Congress, first session, a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 3, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 2, 1939 ASSISTANT SECRETARY OF STATE

Henry F. Grady, of California, to be an Assistant Secretary of State.

UNITED STATES DISTRICT JUDGES

Hon. Lloyd L. Black, of Washington, to be United States district judge for the western district of Washington, to fill a position created by the act of Congress of May 31, 1938.

Hon. Delbert E. Metzger, of Hilo, to be United States district judge for the district of Hawaii, vice Hon. Edward M. Watson, deceased.

SUPREME COURT OF THE TERRITORY OF HAWAII

James L. Coke, of Honolulu, to be chief justice of the supreme court, Territory of Hawaii. He is now serving in this office under an appointment which expired June 18,

Hon. Emil C. Peters, of Honolulu, to be associate justice of the supreme court, Territory of Hawaii. Judge Peters is now serving in this post under an appointment which expired July 26, 1939.

CIRCUIT COURTS, TERRITORY OF HAWAII

Hon. Albert M. Cristy, of Honolulu, to be second judge of the first circuit, circuit courts, Territory of Hawaii. He is now serving in this post under an appointment which expires August 8, 1939.

Hon. Francis M. Brooks, of Honolulu, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii. Judge Brooks is now serving in this post under an appointment which expired July 26, 1939.

Hon, Daniel H. Case, of Wailuku, to be judge of the second circuit, circuit courts, Territory of Hawaii. He is now serving in this post under an appointment which expires August 6. 1939.

J. Frank McLaughlin, of Honolulu, to be judge of the fourth circuit, circuit courts, Territory of Hawaii, vice Hon. Delbert E. Metzger, who has been named United States district judge.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Austin Garfield Frick, Coast Artillery Corps, from August 1, 1939.

Lt. Col. Sydney Smith Winslow, Quartermaster Corps, from August 1, 1939.

Lt. Col. Wilmot Alfred Danielson, Quartermaster Corps, from August 1, 1939.

Lt. Col. Boltos Elder Brewer, Infantry, from August 1, 1939.

Lt. Col. Edgar Bergman Colladay, Coast Artillery Corps, from August 1, 1939.

Lt. Col. James Allan Stevens, Infantry, from August 1, 1939.

Lt. Col. Frederick Ramon Garcin, Chemical Warfare Service, from August 1, 1939.

TO BE LIEUTENANT COLONELS

Maj. McFarland Cockrill, Cavalry, from August 1, 1939.

Maj. Otto Blaine Trigg, Cavalry, from August 1, 1939.

Maj. Edison Albert Lynn, Ordnance Department, from August 1, 1939.

Maj. Lawrence Cordell Frizzell, Cavalry, from August 1, 1939.

Maj. Guy Humphrey Drewry, Ordnance Department, from August 1, 1939.

Maj. Henry Davis Jay, Field Artillery, from August 1, 1939.

Maj. Clarence Maxwell Culp, Infantry, from August 1, 1939. Maj. Ray Lawrence Burnell, Field Artillery, from August 1, 1939.

Maj. Raphael Saul Chavin, Ordnance Department, from August 1, 1939.

TO BE MAJORS

Capt. Mortimer Francis Sullivan, Cavalry, from August 1,

Capt. Eggleston Westley Peach, Quartermaster Corps, from August 1, 1939.

Capt. Leslie Dillon Carter, Cavalry, from August 1, 1939.

Capt. Don Riley, Infantry, from August 1, 1939. Capt. Pembroke Augustine Brawner, Infantry, from August

Capt. Isaac Leonard Kitts, Field Artillery, from August 1, 1939.

Capt. Fred Charles Thomas, Quartermaster Corps, from August 1, 1939.

Capt. Merrill Deitz Mann, Air Corps (temporary major, Air Corps), from August 1, 1939.

Capt. James Bernard Patterson, Cavalry, from August 1,

Capt. Albert Carl Foulk, Air Corps (temporary major, Air Corps), from August 1, 1939.

Capt. Edward Vincent Harbeck, Jr., Air Corps (temporary major, Air Corps), from August 1, 1939.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY First Lt. Robin Bruce Epler, Air Corps, to Chemical Warfare Service, with rank from June 13, 1936.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Commander Howard D. Bode to be a captain in the Navy. to rank from the 1st day of July 1939.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1939: Elwood M. Tillson

Robert H. Harrell William E. A. Mullan Daniel F. Worth, Jr.

Alva J. Spriggs

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of July 1939: Raymond F. Tyler Michael J. Malanaphy

Thomas D. Guinn James R. Harrison Harold B. Herty Fred J. Barden Russell D. Bell William I. Leahy Brook S. Mansfield Robert H. Hargrove Charles C. Anderson Chester A. Swafford Henry G. Williams William F. Ramsey Eugene P. Sherman Paul E. Howard William G. Fewel Charles P. Woodson Harry L. Bixby William G. Forbes Fort H. Callahan Charles W. Roland

Charles J. Marshall Walter F. Weidner

John R. Hume

David B. Justice William B. Whaley, Jr. Frederick S. Hall Daniel B. Candler Louis F. Teuscher Philip S. Reynolds Charles D. Beaumont, Jr. Steele B. Smith Albin R. Sodergren Henry D. Batterton Thomas E. Kelly George A. T. Washburn Winston P. Folk Theodore J. Shultz Crutchfield Adair John H. Morrill Chester E. Carroll William A. Kanakanui William J. Marshall James M. Robinson Ernest M. Eller Richard G. Voge Robert E. Cronin

Roy R. Darron The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of July 1939.

Peter M. Gaviglio Theodore A. Torgerson Victor A. King Lowell W. Williams Charles F. Sell Charles C. Kirkpatrick Curtis E. Smith Reid P. Fiala Donald T. Wilber Alfred B. Metsger Charles L. Crommelin Anthony C. Roessler Lion T. Miles John F. Harper, Jr. Jay S. Anderson Karl R. Wheland Charles O. Cook, Jr. George B. Madden

Robert P. Beebe

John H. Brockway Sidney J. Lawrence Millard J. Klein Seymour D. Owens Nelson M. Head John N. Hughes Bernard F. McMahon Philip W. Mothersill Benjamin P. Field, Jr. Elliott E. Marshall Gerald L. Ketchum Samuel E. Nelson Robert S. Fahle William H. Johnsen Richard N. Antrim Vincent J. Meola Andrew L. Young, Jr. Clarence L. Gaasterland Harlan T. Johnson

Joseph T. Thornton, Jr. Charles L. Werts Lee S. Pancake John W. Gannon Alden H. Irons James I. Cone Henry Williams, Jr. Baxter M. McKay Wilmer E. Gallaher Robert E. C. Jones William W. Fitts Edward L. Foster Frederic S. Steinke Joseph W. Leverton, Jr. Jack Bercaw Williams Warren R. Thompson Charles M. Jett Marvin J. Jensen Carlton C. Lucas James C. Dempsey Ernest B. Ellsworth, Jr. Charles W. Aldrich Ward T. Shields Mann Hamm Albert H. Wilson, Jr. Prentis K. Will William C. Hughes, Jr. Warren G. Corliss John D. Huntley Walter J. Stewart Alfred B. Tucker, III Thomas H. Copeman James D. Grant Peyton L. Wirtz Henry R. Wier James B. Weiler

The following named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June

Allan F. Fleming Willard M. Hanger Robert J. Williams Joseph L. Evans Otis R. Cole, Jr.

Jack C. Moore Everett M. Link, Jr. Daniel McE. Entler, Jr. Richard A. Teel

Medical Inspector Ruskin M. Lhamon to be a medical director in the Navy, with the rank of captain, to rank from the 1st day of July 1939.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, to rank from the 23d day of June 1938:

Carlton B. Morse Frank V. Davis John L. McCarthy

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1939:

Edwin D. Foulk Louis D. Mitchell, Jr. Robert P. Irons

Walter P. Caruthers

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from the 1st day of July 1939:

Marshall H. Cox Ignatius N. Tripi John W. Crumpacker

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, to rank from the 30th day of June 1936:

Raymond V. Miller Theron A. Hartung Charles R. Johnson Herbert S. Bear

The following-named civil engineers to be civil engineers in the Navy with the rank of commander, to rank from the 23d day of June 1938:

Harold W. Johnson Edmund B. Keating

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, to rank from the 1st day of July 1939:

Clyde W. Coryell Edward D. Graffin William W. Schneider Henry E. Wilson

William O. Hiltabidle, Jr. Cushing Phillips James D. Wilson John C. Gebhard

Boatswain William E. White to be a chief boatswain in the Navy, to rank with but after ensign, from the 15th day of June 1939.

POSTMASTERS

ALABAMA

John D. Means to be postmaster at Boligee, Ala., in place of D. H. Byrd. Incumbent's commission expired January 22, 1939.

Frank A. Bryan to be postmaster at Columbia, Ala., in place of F. A. Bryan. Incumbent's commission expired May 2, 1939. John T. Cooper to be postmaster at Hartselle, Ala., in place of J. L. Day, deceased.

ALASKA

William H. Murray to be postmaster at Skagway, Alaska, in place of W. H. Murray. Incumbent's commission expired January 17, 1939.

ARKANSAS

Frank Welch to be postmaster at Carlisle, Ark., in place of Frank Welch. Incumbent's commission expired June 26, 1939. John L. Hyde to be postmaster at Tillar, Ark., in place of J. L. Hyde. Incumbent's commission expired July 1, 1939.

Leila B. Lynch to be postmaster at Weiner, Ark., in place of L. B. Lynch. Incumbent's commission expired July 1, 1939.

CALIFORNIA

Myrtle E. Vance to be postmaster at Portola, Calif., in place of M. E. Vance. Incumbent's commission expired February 9, 1939

Mat Alfred Schaeffer to be postmaster at Vernalis, Calif., in place of M. A. Schaeffer. Incumbent's commission expired July 24, 1939.

COLORADO

Joseph A. Pfost to be postmaster at Arapahoe, Colo., in place of J. A. Pfost. Incumbent's commission expires August 21, 1939.

Charles H. Rash to be postmaster at Dolores, Colo., in place of C. H. Rash. Incumbent's commission expired July 11, 1939.

John T. Adkins to be postmaster at Holly, Colo., in place of J. T. Adkins. Incumbent's commission expired June 18, 1939.

George H. Duke, Jr., to be postmaster at Hotchkiss, Colo., in place of G. H. Duke, Jr. Incumbent's commission expires August 27, 1939.

Cleatus G. Marshall to be postmaster at Pagosa Springs, Colo., in place of C. G. Marshall. Incumbent's commission expired July 22, 1939.

Mary E. Dermody to be postmaster at Strasburg, Colo., in place of M. E. Dermody. Incumbent's commission expired July 9, 1939.

CONNECTICUT

William J. Collamore to be postmaster at Essex, Conn., in place of E. S. Coulter, deceased.

Frank R. Stevens to be postmaster at Rowayton, Conn., in place of F. R. Stevens. Incumbent's commission expired May 13, 1939.

George H. Tetreault, Jr., to be postmaster at Versailles, Conn., in place of G. H. Tetreault, Jr. Incumbent's commission expired July 30, 1939.

Inez V. Lawson to be postmaster at Wilton, Conn., in place of I. V. Lawson. Incumbent's commission expired March 28, 1939.

DELAWARE

Charles J. Dougherty to be postmaster at New Castle, Del., in place of C. J. Dougherty. Incumbent's commission expired June 18, 1938.

FLORIDA

Frank W. Dole to be postmaster at Fellsmere, Fla., in place of F. W. Dole. Incumbent's commission expired July 1, 1939.

Rubye C. Farmer to be postmaster at Holly Hill, Fla., in place of R. C. Farmer. Incumbent's commission expires August 9, 1939.

Oliver K. Holmes to be postmaster at Lake City, Fla., in place of R. H. Chapman, resigned.

Lynn W. Bloom to be postmaster at Lakeland, Fla., in place of L. W. Bloom. Incumbent's commission expired March 27, 1939.

Charlie B. Goodman to be postmaster at Shamrock, Fla., in place of C. B. Goodman. Incumbent's commission expires August 9, 1939.

Montrose W. Neeley to be postmaster at Wabasso, Fla., in place of M. W. Neeley. Incumbent's commission expired July 26, 1939.

GEORGIA

Lessie F. Gray to be postmaster at Graymont, Ga., in place of L. F. Gray. Incumbent's commission expired July 12, 1939.

Edward A. Barnett to be postmaster at Leary, Ga., in place of E. A. Barnett. Incumbent's commission expired July 1, 1939.

George S. Thompson to be postmaster at Odum, Ga., in place of G. S. Thompson. Incumbent's commission expired July 1, 1939.

Watson K. Bargeron to be postmaster at Sardis, Ga., in place of W. K. Bargeron. Incumbent's commission expired July 19, 1939.

Daniel M. Proctor to be postmaster at Woodbine, Ga., in place of D. M. Proctor. Incumbent's commission expired January 22, 1939.

IDAHO

Alvin L. Funk to be postmaster at Aberdeen, Idaho, in place of Frank Dvorak, deceased.

Arvene J. Boyle to be postmaster at Blackfoot, Idaho, in place of A. J. Boyle. Incumbent's commission expired June 26, 1939.

Parley Rigby to be postmaster at Idaho Falls, Idaho, in place of Parley Rigby. Incumbent's commission expired March 13, 1939.

ILLINOIS

George A. Porter to be postmaster at Alexis, Ill., in place of G. A. Porter. Incumbent's commission expired June 6, 1938.

Leonora C. Rentschler to be postmaster at Chestnut, Ill., in place of L. C. Rentschler. Incumbent's commission expires August 22, 1939.

Ben Bramlett to be postmaster at Enfield, Ill., in place of Ben Bramlett. Incumbent's commission expires August 13, 1939.

Howard M. Feaster to be postmaster at Hillsdale, Ill., in place of H. M. Feaster. Incumbent's commission expired June 17, 1939.

Gertrude G. Schrader to be postmaster at Leland, Ill., in place of G. G. Schrader. Incumbent's commission expires August 26, 1939.

Jane M. Dorfler to be postmaster at Mundelein, Ill., in place of J. M. Dorfler. Incumbent's commission expired June 12, 1938.

Irwin Knudson to be postmaster at Newark, Ill., in place of Irwin Knudson. Incumbent's commission expired July 26, 1939.

Robert J. White to be postmaster at New Berlin, Ill., in place of R. J. White. Incumbent's commission expired June 17, 1939.

William K. Lyon to be postmaster at Niles Center, Ill., in place of W. K. Lyon. Incumbent's commission expired July 31, 1939.

Mary Bellert Corson to be postmaster at Northbrook, Ill., in place of M. B. Corson. Incumbent's commission expired March 23, 1939.

William H. Woodard to be postmaster at North Chicago, Ill., in place of W. H. Woodard. Incumbent's commission expired May 28, 1938.

Mansford W. Blackard to be postmaster at Omaha, Ill., in place of M. W. Blackard. Incumbent's commission expired July 1, 1939.

Lena Maude McBride to be postmaster at Pawpaw, Ill., in place of L. M. McBride. Incumbent's commission expired February 7, 1939.

Edna O. Trumbull to be postmaster at River Grove, Ill., in place of E. O. Trumbull. Incumbent's commission expired June 27, 1939.

Parke Burnham to be postmaster at Ullin, Ill., in place of Parke Burnham. Incumbent's commission expired May 29, 1939

Agnes Clifford to be postmaster at Venice, Ill., in place of Agnes Clifford. Incumbent's commission expires August 22, 1939.

Irma M. Clark to be postmaster at Victoria, Ill., in place of R. K. Collinson. Incumbent's commission expired January 16, 1939.

Herbert L. O'Connell to be postmaster at Wilmette, Ill., in place of H. L. O'Connell. Incumbent's commission expired June 27, 1939.

John R. King to be postmaster at Winchester, Ill., in place of J. R. King. Incumbent's commission expired June 17, 1939.

Grover Cleveland Thornton to be postmaster at Worden, Ill., in place of E. F. Picker, removed.

INDIANA

Joseph A. McCormick to be postmaster at Ambia, Ind., in place of J. A. McCormick. Incumbent's commission expired July 18, 1939.

Ira G. Davis to be postmaster at Anderson, Ind., in place of H. L. Brendel, deceased.

Samuel O. McCarty to be postmaster at Carthage, Ind., in place of S. O. McCarty. Incumbent's commission expired June 26, 1939.

Quitman J. Van Laningham to be postmaster at Fortville, Ind., in place of Q. J. Van Laningham. Incumbent's commission expired June 1, 1939.

Ada R. Wilson to be postmaster at Galveston, Ind., in place of A. R. Wilson. Incumbent's commission expired May 3, 1938.

Lee Fattic to be postmaster at Middletown, Ind., in place of Lee Fattic. Incumbent's commission expired May 15, 1939.

Henry T. Cain to be postmaster at Remington, Ind., in place of H. T. Cain. Incumbent's commission expires August 27, 1939.

Carl F. Bardonner to be postmaster at Reynolds, Ind., in place of C. F. Bardonner. Incumbent's commission expires August 26, 1939.

Cova H. Wetzel to be postmaster at Rockport, Ind., in place of C. H. Wetzel. Incumbent's commission expired June 18, 1939.

Thomas J. Conley to be postmaster at Rome City, Ind., in place of T. J. Conley. Incumbent's commission expired July 27, 1939.

Frank L. Hand to be postmaster at Royal Center, Ind., in place of F. L. Hand. Incumbent's commission expired May 3 1938.

Leo Bertram Whitehead to be postmaster at Syracuse, Ind., in place of L. B. Whitehead. Incumbent's commission expires August 27, 1939.

Orel R. Small to be postmaster at Walton, Ind., in place of O. R. Small. Incumbent's commission expired June 18, 1938.

IOWA

Willis C. Hussey to be postmaster at Albert City, Iowa, in place of W. C. Hussey. Incumbent's commission expired June 18, 1938.

Nels A. Christensen to be postmaster at Alta, Iowa, in place of N. A. Christensen. Incumbent's commission expired March 14, 1938.

Julia E. Dean to be postmaster at Blanchard, Iowa, in place of J. E. Dean. Incumbent's commission expired July 30, 1939.

Jens P. Jensen to be postmaster at Bode, Iowa, in place of

J. P. Jensen. Incumbent's commission expired May 17, 1939.
John H. Schulte to be postmaster at Breda, Iowa, in place of J. H. Schulte. Incumbent's commission expired June 25, 1939.

James S. Walton to be postmaster at Clearfield, Iowa, in place of J. S. Walton. Incumbent's commission expired February 28, 1938.

Robert H. Stoneking to be postmaster at Cushing, Iowa, in place of R. H. Stoneking. Incumbent's commission expired January 18, 1939.

Ralph Schroeder to be postmaster at Dysart, Iowa, in place of Ralph Schroeder. Incumbent's commission expired May

Walter R. Price to be postmaster at Earlham, Iowa, in place of W. R. Price. Incumbent's commission expired May 2, 1939.

Ralph A. Kelley to be postmaster at Early, Iowa, in place of R. A. Kelley. Incumbent's commission expired February 9, 1939.

Ida Belle Stokes to be postmaster at Emerson, Iowa, in place of I. B. Stokes. Incumbent's commission expired March 20, 1939.

John O. Bussard to be postmaster at Essex, Iowa, in place of J. O. Bussard. Incumbent's commission expired July 30, 1939.

Hans P. Hansen, Jr., to be postmaster at Exira, Iowa, in place of H. P. Hansen, Jr. Incumbent's commission expired January 18, 1939.

Jacob S. Forgrave to be postmaster at Farmington, Iowa, in place of J. S. Forgrave. Incumbent's commission expired January 18, 1939.

Eugene C. Dodds to be postmaster at Fontanelle, Iowa, in place of E. S. Dodds. Incumbent's commission expires August 26, 1939.

Mary G. Thompson to be postmaster at Grand Junction, Iowa, in place of M. G. Thompson. Incumbent's commission expired February 9, 1939.

Alice F. Fogarty to be postmaster at Irwin, Iowa, in place of A. F. Fogarty. Incumbent's commission expired July 30, 1939.

Wallace W. Farmer to be postmaster at Kellerton, Iowa, in place of W. W. Farmer. Incumbent's commission expires August 22, 1939.

John E. Leinen to be postmaster at Keota, Iowa, in place of J. E. Leinen. Incumbent's commission expired January 18, 1939.

Frank F. Konrad to be postmaster at Lacona, Iowa, in place of F. F. Konrad. Incumbent's commission expired June 18, 1938.

Arthur G. Buchanan to be postmaster at Lime Spring, Iowa, in place of A. G. Buchanan. Incumbent's commission expired March 13, 1939.

Avis Monnette Fox to be postmaster at Little Sioux, Iowa, in place of A. M. Fox. Incumbent's commission expired July 30, 1939.

William F. Gaddis to be postmaster at Lovilia, Iowa, in place of W. F. Gaddis. Incumbent's commission expired June 25, 1939.

John E. Amdor to be postmaster at Massena, Iowa, in place of J. E. Amdor. Incumbent's commission expired March 20, 1939.

Gay S. Morgan to be postmaster at Milton, Iowa, in place of G. S. Morgan. Incumbent's commission expired June 25, 1939.

Patrick H. English to be postmaster at Monona, Iowa, in place of P. H. English. Incumbent's commission expired February 9, 1939.

Darrel C. Laurenson to be postmaster at Moorhead, Iowa, in place of D. C. Laurenson. Incumbent's commission expired January 18, 1939.

Opal H. Wallace to be postmaster at New Market, Iowa, in place of O. H. Wallace. Incumbent's commission expired June 18, 1938.

Gladys M. Heiland to be postmaster at Panora, Iowa, in place of G. M. Heiland. Incumbent's commission expired February 9, 1939.

John R. Strickland to be postmaster at Parkersburg, Iowa, in place of J. R. Strickland. Incumbent's commission expires August 26, 1939.

Francis W. Aubry to be postmaster at Perry, Iowa, in place of F. W. Aubry. Incumbent's commission expired July 19, 1939.

Charles A. Alter to be postmaster at Persia, Iowa, in place of C. A. Alter. Incumbent's commission expired July 19, 1939.

Charles B. Chapman to be postmaster at Prescott, Iowa, in place of C. B. Chapman. Incumbent's commission expired July 19, 1939.

Nora E. Knapp to be postmaster at Quimby, Iowa, in place of N. E. Knapp. Incumbent's commission expired May 2, 1939.

Clarence J. Bunkers to be postmaster at Remsen, Iowa, in place of C. J. Bunkers. Incumbent's commission expired January 18, 1939.

George S. Peters to be postmaster at Renwick, Iowa, in place of G. S. Peters. Incumbent's commission expired May 17, 1939.

Harve E. Munson to be postmaster at Rippey, Iowa, in place of H. E. Munson. Incumbent's commission expired January 18, 1939.

Henry M. Michaelson to be postmaster at Sergeant Bluff, Iowa, in place of H. M. Michaelson. Incumbent's commission expired March 14, 1938.

Clara L. Chansky to be postmaster at Solon, Iowa, in place of C. L. Chansky. Incumbent's commission expired June 25, 1939.

Hazel O. Graves to be postmaster at Stanton, Iowa, in place of H. O. Graves. Incumbent's commission expired May 2, 1939.

Marie Eilers to be postmaster at Steamboat Rock, Iowa, in place of Marie Eilers. Incumbent's commission expired July 19, 1939.

Porter V. Hall to be postmaster at Union, Iowa, in place of P. V. Hall. Incumbent's commission expired January 29, 1939.

Mack C. DeLong to be postmaster at Washington, Iowa, in place of M. C. DeLong. Incumbent's commission expired July 19, 1939.

Olive A. Burrows to be postmaster at Wilton Junction, Iowa, in place of O. A. Burrows. Incumbent's commission expired June 18, 1939.

KANSAS

Arthur E. Biberstein to be postmaster at Attica, Kans., in place of A. E. Biberstein. Incumbent's commission expires August 21, 1939.

Elmer E. Howerton to be postmaster at Blue Mound, Kans., in place of E. E. Howerton. Incumbent's commission expired July 18, 1939.

Elsie J. Callahan to be postmaster at Burr Oak, Kans., in place of E. J. Callahan. Incumbent's commission expires August 27, 1939.

Lee A. Perry, Jr., to be postmaster at Caldwell, Kans., in place of E. F. Glover, removed.

Max H. Dyck to be postmaster at Fowler, Kans., in place of M. H. Dyck. Incumbent's commission expired June 18, 1939.

N. Pearl Helvern to be postmaster at Hiawatha, Kans., in place of N. P. Helvern. Incumbent's commission expires August 26, 1939.

Mary E. McCreery to be postmaster at Hugoton, Kans., in place of M. E. McCreery. Incumbent's commission expires August 21, 1939.

Erwin E. Lewerenz to be postmaster at Lincolnville, Kans., in place of E. E. Lewerenz. Incumbent's commission expired July 1, 1939.

Donald L. McGregor to be postmaster at Linn, Kans., in place of M. A. Raven, transferred.

Agnes L. O'Leary to be postmaster at Luray, Kans., in place of A. L. O'Leary. Incumbent's commission expires August 21, 1939.

Edward W. Shiney to be postmaster at McCracken, Kans., in place of E. W. Shiney. Incumbent's commission expired May 29, 1938.

Ernest W. McHenry to be postmaster at McLouth, Kans., in place of E. W. McHenry. Incumbent's commission expires August 26, 1939.

Moses P. Davis to be postmaster at Madison, Kans., in place of M. P. Davis. Incumbent's commission expired July 18, 1939.

Joseph S. Dooty to be postmaster at Melvern, Kans., in place of J. S. Dooty. Incumbent's commission expired July 9, 1939.

Walter B. Ford to be postmaster at Oskaloosa, Kans., in place of W. B. Ford. Incumbent's commission expires August 21, 1939.

Charles A. Mardick to be postmaster at Richmond, Kans., in place of C. A. Mardick. Incumbent's commission expired July 27, 1939.

George F. Popkess to be postmaster at Toronto, Kans., in place of G. F. Popkess. Incumbent's commission expired June 18, 1939.

John H. Pennebaker to be postmaster at Virgil, Kans., in place of J. H. Pennebaker. Incumbent's commission expired June 18, 1939.

Charles P. Gates to be postmaster at Wakefield, Kans., in place of C. P. Gates. Incumbent's commission expired July 9, 1939.

KENTUCKY

Ben P. Edrington to be postmaster at Bardwell, Ky., in place of B. P. Edrington. Incumbent's commission expires August 26, 1939.

George Baxter Ramsey to be postmaster at Dawson Springs, Ky., in place of G. B. Ramsey. Incumbent's commission expired February 18, 1939.

Maria T. Fish to be postmaster at Frankfort, Ky., in place of M. T. Fish. Incumbent's commission expired February 18, 1939.

John A. McCord to be postmaster at Pineville, Ky., in place of J. A. McCord. Incumbent's commission expired February 5, 1938.

Clinton F. Cleek to be postmaster at Walton, Ky., in place of O. W. Cleek, resigned.

LOUISIANA

Harry G. Simoneaux to be postmaster at Golden Meadow, La., in place of C. R. Moncrief, resigned.

MATNE

Ward F. Snow to be postmaster at Blue Hill, Maine, in place of W. F. Snow. Incumbent's commission expires August 13, 1939.

Hubert A. Nevers to be postmaster at Patten, Maine, in place of H. A. Nevers. Incumbent's commission expired May 17, 1939.

MARYLAND

Howard Raymond Hamilton to be postmaster at Cardiff, Md., in place of H. R. Hamilton. Incumbent's commission expired July 1, 1939.

MASSACHUSETTS

Harold A. Harrington to be postmaster at Graniteville, Mass., in place of H. A. Harrington. Incumbent's commission expires August 26, 1939.

Edmund C. Tyler to be postmaster at Great Barrington, Mass., in place of E. C. Tyler. Incumbent's commission expired July 18, 1939.

George L. Magner to be postmaster at Hingham, Mass., in place of G. L. Magner. Incumbent's commission expired July 18, 1939.

John F. Mack to be postmaster at Housatonic, Mass., in place of J. F. Mack. Incumbent's commission expired June 26, 1939.

Carl E. Brown to be postmaster at Lunenburg, Mass., in place of C. E. Brown. Incumbent's commission expired May 29, 1939.

Alice E. Roberts to be postmaster at Nantucket, Mass., in place of A. E. Roberts. Incumbent's commission expires August 27, 1939.

Peter Victor Casavant to be postmaster at Natick, Mass., in place of P. V. Casavant. Incumbent's commission expired July 18, 1939.

Annie E. Gallagher to be postmaster at North Wilmington, Mass., in place of A. E. Gallagher. Incumbent's commission expired July 10, 1939.

Dennis P. Sweeney to be postmaster at Pittsfield, Mass., in place of D. P. Sweeney. Incumbent's commission expired July 31, 1939.

Katharine F. Rafferty to be postmaster at Rowley, Mass., in place of K. F. Rafferty. Incumbent's commission expired June 17, 1939.

John F. Finn to be postmaster at Stoughton, Mass., in place of J. F. Finn. Incumbent's commission expires August 12, 1939.

Frank J. Lucey to be postmaster at Wenham, Mass., in place of F. J. Lucey. Incumbent's commission expired July 22, 1939.

James F. Healy to be postmaster at Worcester, Mass., in place of J. F. Healy. Incumbent's commission expired June 26, 1939.

MICHIGAN

Mabel A. Amspoker to be postmaster at Ashley, Mich., in place of M. A. Amspoker. Incumbent's commission expired July 3, 1939.

Francis W. Jewell to be postmaster at Elberta, Mich., in place of F. W. Jewell. Incumbent's commission expired July 26, 1939.

Natalie G. Marker to be postmaster at Elk Rapids, Mich., in place of N. G. Marker. Incumbent's commission expired June 17, 1934.

David G. Bernard to be postmaster at Hale, Mich., in place of D. G. Bernard. Incumbent's commission expired July 1, 1939.

Samuel B. Pizer to be postmaster at Harrisville, Mich., in place of S. B. Pizer. Incumbent's commission expires August 26, 1939.

Etta V. Schram to be postmaster at Lincoln, Mich., in place of E. V. Schram. Incumbent's commission expired July 1, 1939.

Edgar S. Allen to be postmaster at Mancelona, Mich., in place of E. S. Allen. Incumbent's commission expired March 28, 1939.

Thomas Edward Shine to be postmaster at Port Austin, Mich., in place of T. E. Shine. Incumbent's commission expires August 26, 1939.

Archie M. Stinchcomb to be postmaster at Sunfield, Mich., in place of A. M. Stinchcomb. Incumbent's commission expired April 26, 1939.

Edward N. Moroney to be postmaster at Trenton, Mich., in place of E. N. Moroney. Incumbent's commission expired June 17, 1939.

Michael A. Mahar to be postmaster at Vermontville, Mich., in place of M. A. Mahar. Incumbent's commission expired May 29, 1939.

MISSISSIPPI

Charlie J. Moore, Jr., to be postmaster at Bentonia, Miss., in place of C. J. Moore, Jr. Incumbent's commission expired July 26, 1939.

William O. Yeates to be postmaster at Moorhead, Miss., in place of J. W. Lucas. Incumbent's commission expired March 19, 1938.

MISSOUR

Bernice F. Degginger to be postmaster at Albany, Mo., in place of J. H. Degginger, deceased.

Thomas Wert Gwaltney to be postmaster at Charleston, Mo., in place of T. W. Gwaltney. Incumbent's commission expired June 26, 1939.

Charles Gentry to be postmaster at Houston, Mo., in place of Charles Gentry. Incumbent's commission expired May 4, 1939.

Leslie L. Travis to be postmaster at Joplin, Mo., in place of L. L. Travis. Incumbent's commission expired May 22, 1938.

Myrtie P. Chastain to be postmaster at Koshkonong, Mo., in place of M. P. Chastain. Incumbent's commission expired June 25, 1939.

Gerald R. Cooper to be postmaster at Laredo, Mo., in place of G. R. Cooper. Incumbent's commission expires August 27, 1939.

Sam G. Downing to be postmaster at Malden, Mo., in place of S. G. Downing. Incumbent's commission expired June 25, 1939.

Marion W. Stauffer to be postmaster at Maryville, Mo., in place of T. G. Robinson, deceased.

Edith E. Highfill to be postmaster at Thayer, Mo., in place of E. E. Highfill. Incumbent's commission expired June 25, 1939.

Summerfield Jones to be postmaster at West Plains, Mo., in place of Summerfield Jones. Incumbent's commission expires August 27, 1939.

MONTANA

Ira G. Nichols to be postmaster at Alberton, Mont., in place of Teddie Martin, resigned.

NEBRASKA

Ralph L. Ferris to be postmaster at Boelus, Nebr., in place of R. L. Ferris. Incumbent's commission expired July 24, 1939.

John L. Delong to be postmaster at Bushnell, Nebr., in place of J. L. Delong. Incumbent's commission expired August 1, 1939.

William E. McCaulley to be postmaster at Chappell, Nebr., in place of W. E. McCaulley. Incumbent's commission expired June 4, 1939.

Harold Hald to be postmaster at Dannebrog, Nebr., in place of Harold Hald. Incumbent's commission expired June 18. 1939.

Cecil Brundige to be postmaster at Litchfield, Nebr., in place of J. A. Dunlay. Incumbent's commission expires July 24, 1939.

James A. Dunlay to be postmaster at Orleans, Nebr., in place of J. A. Dunlay. Incumbent's commission expires August 27, 1939.

NEW HAMPSHIRE

Vincent P. Brine to be postmaster at Amherst, N. H., in place of H. B. Burtt. Incumbent's commission expired March 23, 1939.

NEW JERSEY

S. Russell Hunt to be postmaster at Delanco, N. J., in place of A. C. McCullough, removed.

Leroy Jeffries to be postmaster at Ocean City, N. J., in place of Leroy Jeffries. Incumbent's commission expired June 26, 1939.

Edward R. Smith to be postmaster at Pitman, N. J., in place of S. P. Clark. Incumbent's commission expired May 28, 1933.

Martin P. Gettings to be postmaster at Rahway, N. J., in place of M. F. Gettings. Incumbent's commission expires August 26, 1939.

Alexander W. McNeill to be postmaster at Ridgewood, N. J., in place of A. W. McNeill. Incumbent's commission expired July 26, 1939.

NEW MEXICO

Elzie L. Wells to be postmaster at Deming, N. Mex., in place of G. W. Dexter. Incumbent's commission expired February 12, 1939.

NEW YORK

Daniel Grant to be postmaster at Afton, N. Y., in place of Daniel Grant. Incumbent's commission expires August 21, 1939.

Joseph J. Wienand to be postmaster at Alden, N. Y., in place of J. J. Wienand. Incumbent's commission expired July 9, 1939.

Joseph T. Norton to be postmaster at Allegany, N. Y., in place of J. T. Norton. Incumbent's commission expired January 24, 1939.

Lewis H. Sears to be postmaster at Ballston Lake, N. Y., in place of L. H. Sears. Incumbent's commission expired April 17, 1939.

Ruth M. Marleau to be postmaster at Big Moose, N. Y., in place of R. M. Marleau. Incumbent's commission expired June 25, 1939.

Morgan Crapser to be postmaster at Central Bridge, N. Y., in place of Morgan Crapser. Incumbent's commission expires August 21, 1939.

Andrew R. Schmitt, Sr., to be postmaster at Cheektowaga, N. Y., in place of A. R. Schmitt, Sr. Incumbent's commission expired June 25, 1939.

Thomas J. McManus, Jr., to be postmaster at Corfu, N. Y., in place of T. J. McManus, Jr. Incumbent's commission expires August 21, 1939.

Lee M. Meldrim to be postmaster at Edwards, N. Y., in place of L. M. Meldrim. Incumbent's commission expired August 2, 1939.

Sam Rosenberg to be postmaster at Fallsburgh, N. Y., in place of Sam Rosenberg. Incumbent's commission expired August 2, 1939.

Harold F. Garrison to be postmaster at Fort Montgomery, N. Y., in place of H. F. Garrison. Incumbent's commission expired June 18, 1939.

James E. Robinson to be postmaster at Hermon, N. Y., in place of J. E. Robinson. Incumbent's commission expired July 9, 1939.

Edson S. Miller to be postmaster at Highland Mills, N. Y., in place of E. S. Miller. Incumbent's commission expired April 23, 1939.

Clarence M. Magee to be postmaster at Kinderhock, N. Y., in place of C. M. Magee. Incumbent's commission expired May 8, 1939.

John Joseph Fox to be postmaster at King Ferry, N. Y., in place of J. J. Fox. Incumbent's commission expired August 2, 1939.

William R. Kraft to be postmaster at Kingston, N. Y., in place of W. R. Kraft. Incumbent's commission expired July 18, 1939.

John G. Winans to be postmaster at Leeds, N. Y., in place of J. G. Winans. Incumbent's commission expires August 26, 1939.

Frances S. Murphy to be postmaster at Lisbon, N. Y., in place of F. S. Murphy. Incumbent's commission expires August 21, 1939.

Della M. Rexford to be postmaster at Loch Sheldrake, N. Y., in place of D. M. Rexford. Incumbent's commission expires August 21, 1939.

George S. Mackey to be postmaster at Locke, N. Y., in place of G. S. Mackey. Incumbent's commission expires August 26, 1939.

Henry F. McCall to be postmaster at Madrid, N. Y., in place of H. F. McCall. Incumbent's commission expires August 21, 1939.

Ella M. Hickey to be postmaster at Mechanicsville, N. Y., in place of E. M. Hickey. Incumbent's commission expired January 21, 1939.

Robert S. Pearson to be postmaster at Newfield, N. Y., in place of R. S. Pearson. Incumbent's commission expires August 21, 1939.

John S. VanKennen to be postmaster at Norfolk, N. Y., in place of J. S. VanKennen. Incumbent's commission expires August 21, 1939.

Harold E. Bollier to be postmaster at North Tonawanda, N. Y., in place of H. E. Bollier. Incumbent's commission expired July 24, 1939.

Thomas J. Conmy to be postmaster at Port Jervis, N. Y., in place of T. J. Conmy. Incumbent's commission expired August 2, 1939.

Eva W. Wheat to be postmaster at Rose Hill, N. Y., in place of E. W. Wheat. Incumbent's commission expires August 27, 1939.

Charles F. Pallister to be postmaster at Staten Island, N. Y., in place of C. F. Pallister. Incumbent's commission expired August 2, 1939.

Walter Frank Baltes to be postmaster at Tonawanda, N. Y., in place of W. F. Baltes. Incumbent's commission expires August 22, 1939.

Charlotte House Schoonmaker to be postmaster at Ulster Park, N. Y., in place of C. H. Schoonmaker. Incumbent's commission expired May 8, 1939.

Charles Merton Stanton to be postmaster at Wellsburg, N. Y., in place of C. M. Stanton. Incumbent's commission expired August 2, 1939.

NORTH CAROLINA

Willie S. Hogan to be postmaster at Chapel Hill, N. C., in place of R. A. Eubanks. Incumbent's commission expired January 16, 1939.

John W. Mosteller to be postmaster at Cherryville, N. C., in place of J. W. Mosteller. Incumbent's commission expired January 16, 1939.

Henry A. McNeely to be postmaster at China Grove, N. C., in place of H. A. McNeely. Incumbent's commission expired June 5, 1939.

Robert H. Edwards to be postmaster at Goldsboro, N. C., in place of R. H. Edwards. Incumbent's commission expired June 18, 1938.

Robert G. Creech to be postmaster at La Grange, N. C., in place of R. G. Creech. Incumbent's commission expired June 25, 1939.

Luther M. Carlton to be postmaster at Roxboro, N. C., in place of E. J. Tucker, deceased.

NORTH DAKOTA

Herman A. Borcherding to be postmaster at New England, N. Dak., in place of H. A. Borcherding. Incumbent's commission expired June 18, 1939.

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Florent G. Orr to be postmaster at Basil, Ohio, in place of F. G. Orr. Incumbent's commission expired February 12, 1939.

Clarence T. Zwickel to be postmaster at Bremen, Ohio, in place of C. T. Zwickel. Incumbent's commission expired January 28, 1939.

Worthy A. Circle to be postmaster at Springfield, Ohio, in place of W. A. Circle. Incumbent's commission expires August 27, 1939.

PENNSYLVANIA

Francis A. Meehan to be postmaster at Dravosburg, Pa., in place of E. H. Crummy, resigned.

Grover C. Albright to be postmaster at Lansdale, Pa., in place of R. B. Pool, resigned.

PUERTO RICO

Juan Aparicio Rivera to be postmaster at Adjuntas, P. R., in place of J. A. Rivera. Incumbent's commission expired January 17, 1939.

Alfredo F. Irizarry to be postmaster at Cabo Rojo, P. R., in place of A. F. Irizarry. Incumbent's commission expired February 13, 1939.

Francisco R. Fernandez to be postmaster at Guayama, P. R., in place of F. R. Fernandez. Incumbent's commission expired February 13, 1939.

Eduvigis de la Rosa to be postmaster at Isabela, P. R., in place of Eduvigis de la Rosa. Incumbent's commission expired February 13, 1939.

Ricardo Mendez, Jr., to be postmaster at Lares, P. R., in place of Ricardo Mendez, Jr. Incumbent's commission expired January 17, 1939.

Antonio Godinez to be postmaster at Rio Piedras, P. R., in place of Antonio Godinez. Incumbent's commission expired February 13, 1939.

TENNESSEE

Mary Amelia Slack Copenhaver to be postmaster at Bristol, Tenn., in place of M. A. S. Copenhaver. Incumbent's commission expires August 26, 1939.

Nell I. Griffith to be postmaster at Vonore, Tenn., in place of N. I. Griffith. Incumbent's commission expired January 16, 1939.

Charles M. Haygood to be postmaster at Waverly, Tenn., in place of J. C. Watson. Incumbent's commission expired April 29, 1936.

TEXAS

Richard T. Rieger to be postmaster at Decatur, Tex., in place of Lela Mann. Incumbent's commission expired February 9, 1939.

Earl D. Massey to be postmaster at Killeen, Tex., in place of C. L. Wood. Incumbent's commission expired January 25, 1939.

Mary A. Hogan to be postmaster at Pharr, Tex., in place of J. B. York, removed.

UTAH

Richard B. Porter, to be postmaster at Ogden, Utah, in place of R. B. Porter. Incumbent's commission expired February 7, 1939.

WASHINGTON

Oscar N. Handel to be postmaster at Electric City, Wash. Office became Presidential July 1, 1937.

WISCONSIN

Grant E. Denison to be postmaster at Carrollville, Wis., in place of G. E. Denison. Incumbent's commission expired March 19, 1939.

John T. Murphy to be postmaster at Delavan, Wis., in place of J. T. Murphy. Incumbent's commission expired May 29, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2, 1939

FEDERAL BOARD FOR VOCATIONAL EDUCATION

Dr. Paul H. Nystrom to be a member of the Federal Board for Vocational Education.

UNITED STATES DISTRICT JUDGE

Delbert E. Metzger to be United States district judge for the District of Hawaii.

SUPREME COURT, TERRITORY OF HAWAII

James L. Coke to be chief justice of the supreme court, Territory of Hawaii.

Emil C. Peters to be associate justice of the supreme court, Territory of Hawaii.

CIRCUIT COURTS, TERRITORY OF HAWAII

Albert M. Cristy to be second judge of the first circuit, circuit courts, Territory of Hawaii.

Francis N. Brooks to be fourth judge of the first circuit, circuit courts, Territory of Hawaii.

Daniel H. Case to be judge of the second circuit, circuit courts, Territory of Hawaii.

J. Frank McLaughlin to be judge of the fourth circuit, circuit courts, Territory of Hawaii.

JUDGES OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

Nathan Cayton to be judge of the municipal court of the District of Columbia.

Ellen K. Raedy to be judge of the municipal court of the District of Columbia.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

To be rear admiral

Arthur L. Bristol, Jr.

To be captains

Elliott B. Nixon
Sherwood Picking
Frederick L. Riefkohl
Oliver M. Read
Herman E. Fischer

Ellis M. Zacharias
DeWitt C. Ramsey
Roscoe E. Schuirman
Charles A. Lockwood, Jr.
Aaron S. Merrill

To be commanders

John H. Cassady
William W. Behrens
Walter C. Ansel
Dixie Kiefer
Spencer H. Warner
Roland G. Mayer
Stewart S. Reynolds
William W. Behrens
Roscoe F. Good
Benton W. Decker
George A. Seitz
James H. Chadwick
Lunsford Y. Mason, Jr.

To be lieutenant commanders

Murray J. Tichenor George C. Montgomery Charles W. Oexle Wallis F. Petersen Frank H. Ball Elery A. Zehner George B. Evans Alfred R. Boileau Arthur D. Murray John G. Cross William A. Lynch Joseph A. Ouellet Herbert H. Taylor Charles H. K. Miller Edward R. J. Griffin Albert L. Prosser Asel B. Kerr John P. Curtis

Stanley E. Martin Robert C. Warrack Melvin H. Bassett Raleigh B. Miller Bailey Connelly Orville G. Cope, Jr. Joseph H. Gowan George L. Richard Thomas O. McCarthy Daniel N. Logan Morgan C. Barrett Delamer L. Jones Herbert A. Tellman Edward I. McQuiston Walter S. Keller George F. Watson Edwin V. Raines James E. Baker

Kenneth O. Ekelund Harry R. Carson, Jr. Harry T. Chase Richard M. Oliver Charles H. Walker Francis L. Robbins Robert E. Cofer, Jr. Frederick A. L. Dartsch Thomas H. Dyer John R. Ruhsenberger Homer B. Wheeler Hubert M. Hayter Solomon F. Oden George W. Evans, Jr. Lawrence J. McPeake Neill Phillips Joseph F. Dahlgren

Dewey H. Collins
Elliott W. Shanklin
John M. Sweeney
Neville L. McDowell
James C. Landstreet
Henry Plander
Paul S. Crandall
Henry Crommelin
Thomas B. McMurtrey
Martin R. Peterson
Robert L. Adams
Austin W. Wheelock
George L. Purmort
John H. Long
James A. McNally
John R. van Nagell

Schermerhorn Van Mater

Raymond P. Hunter

Russell C. Williams Charles B. Brooks, Jr.

To be lieutenants

James O. Biglow
Elliott M. Brown
Henry A. Renken
James R. Z. Reynolds
Howard J. Abbott
Edward L. Robertson, Jr.
Claude V. Hawk
Albert D. Gray

Thomas R. Kurtz, Jr. Victor H. Soucek William J. Sisko

Bruce L. Carr

To be lieutenants (junior grade)

Alfred W. Brown, Jr. John M. Oseth Robert C. Sleight Jonathan L. W. Woodville, Gordon Fowler Forrest W. Simoneau John W. Hays John R. Millett

To be surgeons

Bruce E. Bradley
Irwin L. Norman
Robert S. Simpson
William E. Carskadon

Rupert H. Draeger
Dirk M. te Groen
Jesse G. Wright

To be passed assistant paymaster

Sidney A. Freeburg

To be chaplain

Stanton W. Salisbury

To be chief machinists

Neil M. Wilson Jack M. Sutton

To be chief pay clerk

Gerald C. Anderson

MARINE CORPS
To be captain

Theodore C. Turnage, Jr.

To be second lieutenants

Harland E. Draper James R. Anderson Royce W. Coln Robert O. Dirmeyer Harry F. Rice. Randall L. Stallings John I. Williamson, **Jr.**

POSTMASTERS

ALABAMA

Thomas A. Smith, Cullman.

CONNECTICUT

John W. Morris, Canaan. William J. Hernberg, Mansfield Depot. Frederick C. Flynn, Thomaston.

FLORIDA

Undine D. Watson, Cedar Keys. James M. Boen, Wildwood.

KANSAS

William E. Love, Bronson. Archie D. Spillman, Buffalo. James H. Sandifer, El Dorado. Walter C. Reeder, Kinsley.

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Joseph H. Schneider, Nortonville. Robert J. Pafford, Salina. Elton L. Pounds, Smith Center.

MAIN

Louis A. White, Eastport. David F. Kelley, Gardiner. Archie R. King, Saco.

MINNESOTA

Marie H. Sands, Alvarado. Ove H. Voigt, Dent. Edward A. Buckley, East Grand Forks. Herman J. Ricker, Freeport. Lester A. Helweg, Fulda. Bertha T. Bot, Ghent. Charles B. Seipp, Hanley Falls. Irene G. Almquist, Harris. Michael E. Tompkins, Hector. William V. Kane, International Falls. Jacob Ohlsen, Luverne. Byron B. Maddy, McGregor. James V. Sweeney, Mahnomen. Robert E. O'Donnell, Mound. Justin I. Brown, Nevis. Raymond A. Linnihan, Red Lake Falls. William H. Wilson, Rushmore. Edward M. Swanson, Russell. Herman E. Kent, Sanborn. Julia B. Anderson, Zumbrota.

MISSISSIPPI

Frederick J. Fugitt, Booneville. Minnie L. Beall, Lexington. James C. Edwards, Pontotoc.

NEW HAMPSHIRE

Gustave A. Lancix, Gonic. Raymond J. Carr, Lancaster. Elizabeth J. Varney, Littleton.

NEW JERSEY

Thomas C. Stewart, Atlantic City. Emma E. Hyland, Camden. John F. O'Toole, Cliffside Park. Edward J. Shea, Rochelle Park. Joseph M. Carson, Trenton.

NEW YORK

John L. Mack, Gasport.
David J. Fitzgerald, Jr., Glens Falls.
W. Armand Downes, Hilton.
Charles A. Denegar, Madalin.
Arthur J. Belgard, Ogdensburg.
Thomas F. Connolly, Port Chester.
James Arthur Egan, Sherrill.

NORTH DAKOTA

Julius C. Pfeifer, Richardton. John A. Corrigan, Stanley. Clifton G. Foye, Steele. Howard W. Miller, Werner. Bernhard Ottis, Wyndmere.

OKLAHOMA

Orly D. Moreland, Freedom.

PENNSYLVANIA

Mabel G. Collins, Austin.
George R. Meek, Bellefonte.
George Ramsey, Cheltenham.
Dorothy C. Feighner, Colver.
Ione B. Middaugh, Dingmans Ferry.
James H. Sinclair, Falls Creek.
George W. Smith, Mauch Chunk.
Kate H. Haydon, Midland.
Samuel B. Miller, Mifflinburg.
George E. Lay, Monaca.
Roy Peiffer, Mount Gretna.
Sylvester L. Rothenberger, Oley.
Perry A. Tschop, Red Lion.

Howard O. Boyer, Rural Valley.
John L. Considine, Sharon.
John A. Maurer, Tremont.
Maurice J. McGee, Troy.
David C. Chamberlin, Turbotville.
Lincoln G. Nyce, Vernfield.
John M. Braden, Washington.
Edward L. Middleswarth, Yeagertown.

SOUTH CAROLINA

Robert L. Plaxico, Clinton.

TENNESSEE

LaVerne Gearhiser, Big Sandy. Hallie L. Davidson, Daisy. Irene Miller, La Follette. George S. Wilson, McMinnville. Ferd B. Cowan, White Pine. Gaston H. Rhodes, Whiteville.

TEXAS

Richard P. Park, Aransas Pass, George R. Kocurek, Caldwell. Albert P. Hinton, Columbus. John H. Jones, Dickinson. Marvin B. Smith, Farmersville. Mildred H. Freeman, Freer. William C. Allen, Hearne. DeLouise M. Beall, Jacksonville. George H. Boynton, Hamilton. Percy L. Walker, Luling. William H. Wentland, Manor. Mary E. Pennington, Matagorda. Loyal N. Tyer, Mount Belvieu. Lemuel O. Robbins, Raymondville. Frank Clark, Rockwall. Alejo C. Garcia, San Diego. Albert G. Lee, Sweetwater. Pearson P. Pollard, Waskom.

VIRGINIA

Ruth K. Northington, Lacrosse. John P. Kelly, Pennington Gap. Pauline H. Duncan, Riverton.

REJECTION

Executive nomination rejected by the Senate August 2, 1939
POSTMASTER

MICHIGAN

Arthur A. Weng to be postmaster at Daggett, in the State of Michigan.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 2, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou Supreme Ruler of the Universe, by whose mercies we are spared and by whose power we are sustained, we thank Thee for this day which has come as a sacred gift from Thy hand, bringing with it tasks worthy of the investment and consecration of our noblest manhood and womanhood.

We pray that there may be nothing in this day's work of which we shall be ashamed when the sun has set or at the eventide of life, when Thou dost call us to Thyself.

Wilt Thou share Thine eternal wisdom with these Thy servants? In all difficult problems give unto them that faith which casts out fear, that hope which never despairs, and that love which lays hold of Him whose resources are inexhaustible.

May we strive to be coworkers with Thee in ushering in that glad and glorious day when humanity's needs shall be supplied and men everywhere shall seek to gather those blessings which none can ever find or enjoy alone.

In the name of the Christ, our Friend and Elder Brother, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 543. An act for the relief of Imogene Enley;

H.R. 1177. An act for the relief of Bessie Bear Robe;

H. R. 1436. An act for the relief of William H. Keesey;

H.R. 1881. An act for the relief of Anne Boice;

H. R. 2102. An act for the relief of Ada Fuller;

H.R. 2178. An act to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 2514. An act for the relief of G. E. Williams;

H. R. 2610. An act for the relief of G. W. Netterville;

H. R. 2642. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

H. R. 2738. An act providing for the disposition of certain

Klamath Indian tribal funds:

H. R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H.R. 2883. An act to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act;

the term "ammunition" as said term is defined in said act; H. R. 2971. An act for the relief of certain Indians of the

Winnebago Agency;

H. R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

H.R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15):

H. R. 3084. An act for the relief of Violet Dewey;

H.R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;

H. R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536);

H.R. 3337. An act for the relief of the estate of Arthur Weltner:

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3569. An act for the relief of J. Aristide Lefevre;

H. R. 3795. An act to provide a right-of-way through the Chilkoot Barracks Military Reservation, Alaska;

H.R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor;

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H.R. 4115. An act for the relief of W. C. and James Latane, and Willie Johnson;

H. R. 4261. An act for the relief of the estate of Frank M. Smith;

H. R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publications:

H. R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia:

H. R. 4609. An act for the relief of Charles Enslow;

H. R. 4638. An act authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm, and for other purposes;

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau:

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau:

H. R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes;

H.R. 4783. An act to provide a right-of-way;

H. R. 4784. An act to provide a right-of-way;

H. R. 4847. An act for the relief of Leland J. Belding;

H. R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H. R. 5056. An act for the relief of Nicholas Contopoulos; H. R. 5450. An act to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed;

H. R. 5516. An act for the relief of Charlotte E. Hunter; H. R. 5611. An act to amend section 9 of the act of July 3,

1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes"; H. R. 5684. An act amending the act of Congress of June

25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

H. R. 5743. An act for the relief of Walter C. Holmes;

H.R. 5764. An act to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill.;

H. R. 5775. An act for the relief of Michael M. Cohen;

H. R. 5912. An act authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing

penalties for the violation thereof;

H. R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H.R. 6114. An act to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and

for other purposes;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions;

H.R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules;

H.R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry;

H.R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H. R. 6528. An act to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes;

H.R. 6538. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6539. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6540. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6541. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws;

H. R. 6585. An act to provide for the disposition of certain records of the United States Government;

H.R. 6641. An act for the relief of the Arkansas State Penitentiary;

H. R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U. S. C., title 35, secs. 31, 32, 69, and 73);

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63);

H. R. 6875. An act to amend section 4903 of the Revised Statutes (U. S. C., title 35, sec. 51);

H. R. 6899. An act granting pensions to certain veterans of the Civil War:

H. R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps;

H.R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H.R. 7093. An act to provide for the rank and title of lieutenant general of the Regular Army;

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939;

H. R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes;

H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture;

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects;

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio;

H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals

against the Government of the Union of Soviet Socialist Republics; and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 777. An act for the relief of Banks Business College; H. R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934;

H.R. 1875. An act for the relief of the Women's Board of Domestic Missions;

H. R. 2001. An act for the equalization of letter carriers; H. R. 2452. An act for the relief of George Slade;

H. R. 2751. An act to repeal sections 3711, 3712, and 3713 of the Revised Statutes which relate to the purchase in the District of Columbia of coal and wood for public use, and for other purposes;

H. R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States;

H. R. 3104. An act for the relief of Kyle Blair;

H.R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.;

H. R. 3409. An act to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes;

H. R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 4260. An act for the relief of J. Milton Sweney;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 4540. An act authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes;

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes";

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling, and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes;

H. R. 5747. An act to authorize the addition of certain lands to the Wenatchee National Forest;

H.R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl;

H.R. 6479. An act amending section 2857 of the Distilled Spirits Act;

H. R. 6546. An act for the relief of Benno von Mayrhauser and Oskar von Mayrhauser;

H.R. 6614. An act to amend the Government Losses in Shipment Act;

H.R. 6634. An act amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes;

H. R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 ed., title 33, sec. 763), as amended, apply;

H. R. 6874. An act to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections

4885 and 4934 of the Revised Statutes (U.S.C., title 35, secs. 41 and 78):

H. R. 6878. An act to amend section 4894 of the Revised Statutes (U. S. C., title 35, sec. 37); and

H. R. 7270. An act to amend the Bonneville Project Act;

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 29. An act to authorize the use of certain facilities of national parks and national monuments for elementaryschool purposes:

S. 161. An act granting an increase of pension to Grizelda Hull Hobson:

S. 166. An act for the relief of Nathan Kaplan;

S. 310. An act to amend the Canal Zone Code;

S. 419. An act for the relief of Luke A. Westenberger;

S. 538. An act for the relief of certain purchasers of lots in Harding town site, Florida;

S. 628. An act to allow the Home Owners' Loan Corpora-

tion to extend the period of amortization of home loans from 15 to 25 years;

S. 773. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims which the Yakima Indian Tribes may have against the United States, and for other purposes;

S. 844. An act to simplify the accounts of the Treasurer of

the United States, and for other purposes;

S. 882. An act to authorize the Postmaster General to contract for certain power-boat service in Alaska, and for other purposes;

S. 1024. An act for the relief of Harriett Boswell, guardian of Betty Fisher:

S. 1214. An act to provide for a more permanent tenure for persons carrying the mail on star routes;

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938";

S. 1326. An act for the relief of Janet Hendel, nee Judith

S. 1510. An act for the relief of George Louis Artick;

S. 1617. An act for the relief of John Nicholas Chicouras; S. 1638. An act for the relief of Thermal Syndicate, Ltd.;

S. 1643. An act to provide pensions at wartime rates for

disability or death incurred in line of duty as a direct result of the conflict in the Far East; S. 1710. An act to provide for the cancelation of certain

notes acquired by the Farm Credit Administration as a result of the activities of the Federal Farm Board;

S. 1780. An act to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes;

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.;

S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States;

S. 1870. An act for the relief of Dionis Moldowan;

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds:

S. 2030. An act for the relief of Mira Friedberg (Mira Dworecka):

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems;

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes;

S. 2144. An act providing for the conveyance by the Secretary of the Navy of Lockwoods Basin, East Boston, Mass., to the Commonwealth of Massachusetts;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2209. An act for the relief of Earle Embrey;

S. 2210. An act for the relief of the Merchants Distilling Corporation;

S. 2212. An act to provide for the development of marketing and marketing services for farm commodities;

S. 2225. An act to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer;

S. 2261. An act for the relief of the Western or Old Set-

tler Cherokees, and for other purposes;

S. 2270. An act to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pure-blood brood stock for restocking within its native range, and for other purposes;

S. 2284. An act to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting

assistant surgeons for temporary service;

S. 2295. An act authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919;

S. 2299. An act for the relief of Hubert Richardson:

S. 2419. An act for the relief of Walter J. Hogan and W. R. Larkin, in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 2427. An act authorizing the naturalization of John Ullmann, Jr.;

S. 2433. An act for the relief of Frank Casey:

S. 2464. An act to amend the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496; sec. 14 of Public, No. 18, 76th Cong.), to adjust the limitations on the profits of certain contractors with the United States:

S. 2492. An act for the relief of Dane Goich;

S. 2493. An act to provide for the operation of the recreational facilities within the Chopawamsic recreational demonstration project, near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes:

S. 2496. An act for the relief of James E. Barry;

S. 2527. An act for the relief of Mary Nouhan;

S. 2529. An act for the relief of the Bell Grocery Co.;

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter;

S. 2560. An act for the relief of Marjorie Buchek;

S. 2561. An act for the relief of Ina Jones;

S. 2572. An act for the relief of Anna M. Shea:

S. 2578. An act to designate the lock and dam at Alton. Ill., as the Henry T. Rainey Dam;

S. 2598. An act for the relief of Kurt Wessely;

S. 2608. An act authorizing the President of the United States to appoint Sgt. Samuel Woodfill a captain in the United States Army and then place him on the retired list;

S. 2609. An act to reimpose the trust on certain lands alloted to Indians of the Crow Tribe, Montana;

S. 2617. An act to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma:

S. 2625. An act to authorize the Secretary of the Interior to sell or otherwise dispose of surplus animals inhabiting the national parks and national monuments, and for other purposes;

S. 2627. An act to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior, as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties:

S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of

preferred claims;

S. 2682. An act to amend the Fair Labor Standards Act of 1938 to provide a special procedure for fixing minimumwage rates for Puerto Rico and the Virgin Islands;

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright,"

approved March 4, 1909, and for other purposes;

S. 2709. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 2712. An act to amend section 2803 (c) of the Internal Revenue Code;

S. 2735. An act authorizing the issuance to Orville Wright

of honorary aircraft pilot's certificate No. 1;

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases;

S. 2756. An act relating to the funeral costs and trans-

portation of bodies of certain deceased veterans;

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924;

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27, 1929;

S. 2798. An act for the relief of Charles H. Parr;

S. 2843. An act granting easements on Indian lands of the Wind River or Shoshone Indian Reservation, Wyo., for dam site and reservoir purposes in connection with the Riverton reclamation project;

S. 2866. An act to provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treat-

S. 2867. An act to authorize the Administrator of Veterans' Affairs to transfer by quitclaim deed to the Pennsylvania Railroad Co., for right-of-way purposes, a small strip of land at Veterans' Administration facility, Coatesville, Pa.;

S. 2893. An act to provide for the local delivery rate on

certain first-class mail matter;

S. J. Res. 37. Joint resolution for the relief of Kam N.

S. J. Res. 58. Joint resolution providing for an investigation of the feasibility and desirability of fixing railroad rates on the basis of zones;

S. J. Res. 159. Joint resolution authorizing the appointment of Harley B. Ferguson as a major general, United States

Army; and

S. J. Res. 160. Joint resolution to provide for the maintenance for public use of certain highways in the Shenandoah National Park.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery,

S. 808. An act for the relief of Calliope Minaca Pilavakis; S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1954. An act for the relief of Joannes Josephus Citron; S. 2056. An act for the relief of N. F. Clower and Elijah

Williams: S. 2410. An act relating to the development of farm units

on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2562. An act to facilitate certain construction work for

the Army, and for other purposes; and

S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4998) entitled "An act to amend the Packers and Stockyards Act, 1921."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 875) entitled "An act for the relief of Okie May Fegley."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 796) entitled "An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilch," requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1269) entitled "An act for the relief of Emil Friedrich Dischleit." requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1538) entitled "An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas)," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. KING, Mr. MALONEY, and Mr. JOHNSON of California to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1654) entitled "An act for the relief of Mrs. Pacios Pijuan," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. King, Mr. MALONEY, and Mr. Johnson of California to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1911) entitled "An act for the relief of Daumit Tannaus Saleah (Dave Thomas)," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. King, Mr. Maloney, and Mr. Johnson of California to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2271) entitled "An act for the relief of Barnet Warren," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Schwartz, Mr. Brown, and Mr. Townsend to be the conferees on the part of the Senate.

TO MAKE PERMISSIVE THE ACQUISITION OF LEGISLATIVE JURISDIC-TION OVER LAND OR INTERESTS IN LAND ACQUIRED BY THE UNITED

Mr. BURCH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7293) to amend section 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States, with a committee amendment, and agree to the committee amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 355 of the Revised Statutes of the United States as amended (U. S. C., title 33, sec. 733; title 34, sec. 520; title 40, sec. 255; and title 50, sec. 175) be, and the same is hereby, amended by striking out the words: "nor until the consent of the legislature of the State in which the land or site may be, to such purchase, has been given," and by adding at the end of said section 355 the following new paragraph:
"Notwithstanding any other provision of law, the obtaining of exclusive jurisdiction in the United States over lands or interests

therein which have been or shall hereafter be acquired by it not be required; but the head or other authorized officer of any department or independent establishment or agency of the Government may, in such cases and at such times as he may deem desirable, accept or secure from the State in which any lands or interests therein under his immediate jurisdiction, custody, or control are situated, consent to or cession of such jurisdiction, exclusive or partial, not theretofore obtained, over any such lands or interests as he may deem desirable and indicate acceptance of such jurisdiction on behalf of the United States by filing a notice of such jurisdiction and the Company of such States or in such other manner. acceptance with the Governor of such State or in such other manner

as may be prescribed by the laws of the State where such lands are situated. Unless and until the United States has accepted jurisdiction over lands hereafter to be acquired as aforesaid, it shall be conclusively presumed that no such jurisdiction has been

With the following committee amendment:

Strike out all after the enacting clause and insert: "That sec-

Strike out all after the enacting clause and insert: "That section 355 of the Revised Statutes of the United States (U. S. C., title 33, sec. 733; title 34, sec. 520; title 40, sec. 255; and title 50, sec. 175) be, and the same is hereby, amended to read as follows: "'Sec. 355. No public money shall be expended upon any site or land purchased by the United States for the purposes of erecting thereon any armory, arsenal, fort, fortification, navy yard, custom-house, lighthouse, or other public building of any kind whatever, until the written opinion of the Attorney General shall be had in favor of the validity of the title. The district attorneys of the United States, upon the application of the Attorney General, shall furnish any assistance or information in their power in relation to the titles of the public property lying within their respective districts. And the secretaries of the departments, upon the application of the Attorney General, shall procure any additional evidence of title which he may deem necessary, and which may not be in the possession of the officers of the Government, and the expense of procuring it shall be paid out of the appropriations made for the contingencies of the departments, respectively: Provided, however, That in all cases of the acquisition of land or any interest therein by the United States for the purposes herein specified or for other purposes, wherein the written opinion of the Attorney General in favor of the validity of the title of such land is or may be required or authorized by law, the Attorney General may, in his discretion, base such opinion upon a certificate of title of a title company. Notwithstanding any other provision of law, the obtaining of exclusive jurisdiction in the United States over lands or interests therein which have been or shall hereafter be acquired by it shall not be required; but the head or other authorized officer or any department or independent establishment or agency of the Government may, in such cases and at such times as he may deem or any department or independent establishment or agency of the Government may, in such cases and at such times as he may deem desirable, accept or secure from the State in which any lands or interests therein under his immediate jurisdiction, custody, or control are situated, consent to or cession of such jurisdiction, control are situated, consent to or cession of such jurisdiction, exclusive or partial, not theretofore obtained, over any such lands or interests as he may deem desirable and indicate acceptance of such jurisdiction on behalf of the United States by filing a notice of such acceptance with the Governor of such State or in such other manner as may be prescribed by the laws of the State where such lands are situated. Unless and until the United States has accepted jurisdiction over lands hereafter to be acquired as aforesaid, it shall be conclusively presumed that no such jurisdiction has been accepted.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF RETIREMENT ACT OF APRIL 23, 1904

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (S. 839) to amend the Retirement Act of April 23, 1904, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 839) to amend the Retirement Act of April 23, 1904, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and greet the senate its disagreement to the amendment.

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following immediately preceding the period at the end of the first paragraph of the Senate bill: ": Provided, That the words 'or after forty years' service', contained in the Retirement Act of Congress, approved April 23, 1904, be changed to read: 'or after thirty years' service, including cadet service'; and be it further provided that the words 'otherwise than as a cadet' in the same Act, be changed to read 'including cadet service''; and the same Act be changed to read 'including cadet service'"; and the House agree to the same.

A. J. MAY.
R. E. THOMASON,
W. G. ANDREWS,
Managers on the part of the House. Morris Sheppard,
Lister Hill,
Rufus C. Holman,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 839) to amend the Retirement Act of April 23, 1904, submit the following statement in explanation of the effect of the action agreed upon by the conferees and

recommend in the accompanying conference report.

The Senate bill extended the Retirement Act of April 23, 1904, to officers not above the grade of colonel who served in the War to officers not above the grade of colonel who served in the War with Spain between April 21, 1898, and April 11, 1899. The House amendment limited the privileges of the Senate bill to officers not above the grade of colonel with not less than 30 years' service who served in the War with Spain between April 21, 1898, and April 11, 1899.

The conference report accomplishes the same result as the House amendment by specific amendment to the Retirement Act of April 23, 1904, except that provision is made for including cadet service in computing years of service.

A. J. MAY, W. G. ANDREWS, R. E. THOMASON Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on pending legislation.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. PFEIFER and Mr. MILLS of Arkansas asked and were given permission to extend their own remarks in the RECORD.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD and include a list of individuals and organizations endorsing the housing program.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEDICATION OF THE 4-COUNTY ELECTRIC POWER ASSOCIATION Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am compelled to leave for home this afternoon. On next Friday I am to deliver an address at the dedication of the 4-County Electric Power Association in my district and I ask unanimous consent that I may extend my remarks in the RECORD and include therein copies of those proceedings, including my address.

Mr. RICH. Mr. Speaker, reserving the right to object Mr. RANKIN. I want to say to the gentleman from Pennsylvania that I regret very much I have to leave. I understand he is going to break his long silence tomorrow and address the House for a minute and I am sorry I cannot be here to hear him. [Laughter and applause.]

Mr. RICH. Mr. Speaker, I would like to say to the gentleman from Mississippi that he made the statement some time ago that the only cost to the Government of inserting matters in the RECORD is the cost of the paper and the ink. I would like to insert in the RECORD a statement from the Public Printer showing that the statement the gentleman made some time ago referred to only a small part of the cost of printing these items. If the gentleman would like to have that put in at this point it would be enlightening.

Mr. RANKIN. I have no objection; I am always glad to be enlightened by the silent gentleman from Pennsylvania. [Here the gavel fell.]

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FARMERS AND THE ADMINISTRATION

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, when the present administration came into power an expansion of Federal land-bank loans was started and the land-bank commissioner loans were brought into being. This Government promised the farmers that it would save their farms for them. Thousands and thousands of farmers in every State refinanced their farms because of promises made by their Government. The farmers were told, in the newspapers and over the radio, to apply for their loans, and prevent foreclosures, and they were further told that if they could not get their loans through, to write to the President. At the same time farmers were promised and assured that farm prices would be raised, so that they might ultimately save their land.

Farm prices are now at an all-time low. The spread between that which the farmer must pay for the things he buys and what he receives for his products has increased. As farm prices continue to decline, the Federal land bank and the land-bank commissioner are foreclosing upon farm homes by the hundreds and thousands. In one of my counties 10 such foreclosures were filed within 1 week.

This Congress should not adjourn without enacting legislation which will ease the burden of the farmers in their payments on both principal and interest on these loans, which they obligated themselves for upon the representations made by the Government. Deficiency judgments should be abolished in Federal land-bank and commissioner cases. Our benevolent Uncle Sam has become a loan shark.

This Congress should not adjourn until an amendment to the wage and hour law has been enacted to relieve the small telephone companies, agricultural labor, and the processors of agricultural products from compliance with that law. I, for one, am willing to stay here until this, as well as other much-needed legislation, has been enacted. [Applause.]

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement from the American Good Government Society and three tables prepared by them.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the lumber industry and to include certain letters and excerpts from the Oregon Voter, and also a certain letter from Russell Scott, of Champoeg, Oreg.
The SPEAKER. Is there objection?

There was no objection.

THE MERCHANT MARINE

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

[Mr. O'Brien addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. TALLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short newspaper statement dealing with sugar production.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two small letters from my home town.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include

therein a speech delivered by Judge Arthur Overmyer, a former Democratic Member from the Thirteenth District of Ohio concerning the Battle of Fort Stevens.

The SPEAKER. Is there objection?

There was no objection.

THE MARINE BAND

Mr. JENKS of New Hampshire. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKS of New Hampshire. Mr. Speaker, on July 6 the House Committee on Naval Affairs unanimously reported to the House a bill, H. R. 6942, authorizing the United States Marine Band to proceed to Rye, N. H., to participate in a memorial concert for the benefit of the dependents of the victims of the submarine Squalus disaster, which occurred on May 23 last. On July 13 the House unanimously passed that bill, after which it was referred to the Senate Committee on Naval Affairs, where, insofar as I am able to ascertain, because of the unfriendliness of the chairman of that committee toward the proposal, it was permitted to languish and

It is difficult for the people of New Hampshire, whose sympathy and concern poured out to the bereaved dependents of the unfortunate victims of the Squalus disaster, to understand the failure of this bill to be enacted into law by a Congress that can so lavishly and extravagantly expend billions of dollars but could not see through to a successful conclusion a measure that involved the expenditure of only \$3,100 for a most worthy and deserving cause. The people of New Hampshire are indeed grateful to the chairman, Mr. Vinson, and the members of the House Committee on Naval Affairs and to the Members of this House for their sympathetic and unanimous support of this effort to alleviate the burdens of the dependents of the Squalus victims. That the wishes of the membership of this body were disregarded and this worthy effort thwarted is a matter of deep regret.

FARMERS AND THE ADMINISTRATION

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, the gentleman from Nebraska [Mr. Curtis] made a few remarks a moment ago in which he deplored the condition of the farmer and the failure of the administration to help the farmer. I have just consulted the RECORD and find that on a rule which was before the House yesterday to consider a bill about 80 percent of the benefits of the particular measure going to the farmer, the gentleman from Nebraska is recorded as voting against the consideration of the legislation.

Now let us see what the Record discloses. The appropriations made by this Congress since January show we have appropriated \$1,206,369,412 for the Department of Agriculture.

I know some say, Do not charge the appropriation for the Weather Bureau or for roads to the farmer. Of course, not all of it should be charged to agriculture, but the RECORD further discloses that we appropriated \$300,000,000 more for agriculture than was recommended by the Bureau of the Budget. Appropriations for agriculture, including roads and the Weather Bureau, today amount to more than it cost to run the entire Government when I first came to Washington.

What did the bill carry yesterday that not only the gentleman from Nebraska [Mr. Curtis], but all Republicans present, voted against considering? I list the items:

Public roads	\$500,000,000
Public Works Administration	350, 000, 000
Railroad equipment	250, 000, 000
Rural electrification	350, 000, 000
Department of Agriculture	400 000 000

The \$400,000,000 for the Department of Agriculture was to be used solely for rural-security projects, such as facilities for farm tenants, farm laborers, and sharecroppers, including rural rehabilitation loans, projects for the provision of additional water facilities, and farm-tenant loans, as provided in title I of the Bankhead-Jones Farm Tenant Act.

I realize the bill as reported was not perfect. There were provisions to which I objected, especially the administrative features, and if the measure had been considered I would have endeavored to amend it, but I was willing that the House at least have an opportunity to consider it.

We hear about Congress asserting itself; that Members voted their individual judgment yesterday. Strange the Republicans' judgment in this instance, each and every one voting on the rule, was in accord. Talk about "rubber stamp" Democrats, could it be there were some "rubber stamp" Republicans in evidence yesterday?

How many who voted against considering this bill had read the bill? When the residents of the rural section find out what was in the bill, political fences will suffer, and many of their Representatives will be busy during the vacation period making repairs, if that be possible.

I realize that a number of Democrats joined with the Republicans on this vote. The President did not suffer as a result of the action of the House yesterday, but it was the laboring man, the farmer, and, in fact, the businessman. It cannot be denied that the bill as it came from the committee and the companion bill that passed the Senate is supremely a bill to aid the people of the rural areas, to aid farmers in their fight to hold and stay on their farms, and to secure the benefits of rural electrification. It proposes to accomplish these worldly results in a sound, financial way. There was no appeal to give or grant the money necessary to accomplish these things, but to loan the money in a sound way.

The bill would not only have aided the farmers and the people of rural areas but it would have aided laboring men and business generally by promoting work and the spending of money for the necessities of life.

Do not be fooled, such votes are not destroying President Roosevelt. On the contrary, he gains friends. The masses of the people for whom he has done so much rally to his defense, and that includes the farmers.

Mr. Speaker, a militant minority is a valuable asset in any legislative body—Federal, State, or local—but when that militant minority has but one objective—that of destruction of legislation advanced by the majority, regardless of its provisions—it becomes a menace to good government.

When the first session of the Seventy-sixth Congress adjourns, analyze the record, find if you can where the Republican minority has advanced one constructive suggestion for legislation beneficial to recovery as a substitute for the bills the Democrats placed before the Congress.

When I return to my district I will report to my constituents that I have supported the President, as I promised I would do in the campaign of 1938.

CONSTRUCTION AND FINANCING OF SELF-LIQUIDATING PROJECTS

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATRICK. Mr. Speaker, now that we have slept over it and tried to think over the matter of yesterday, it is impossible to speak for the rest of you but I think it is a shame, a pity, that 47 members of the Democratic Party should unite with the Republicans to overthrow and defeat the mere bringing out of a Democratic rule to discuss and vote for a measure the whole purpose of which is to really help bring about recovery, so sadly needed; but we must congratulate the Republicans who stood in a firm phalanx and never a solitary one broke ranks. As to those Democrats, if they feel victorious this morning, I shall wait to see how they feel when we come back next January, having then met face to face the people who trusted them with their welfare.

I ask unanimous consent to extend my remarks in the

The SPEAKER. Is there objection? There was no objection.

EXTENSION OF REMARKS

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER. Without objection it is so ordered. There was no objection.

TO PREVENT PERNICIOUS POLITICAL ACTIVITIES—MESSAGE FROM THE PRESIDENT (S. DOC. NO. 105)

The SPEAKER laid before the House the following message from the President of the United States which was read by the Clerk and referred to the Committee on the Judiciary and ordered to be printed:

To the Congress of the United States:

Because there have been so many misrepresentations, some unpremeditated, some deliberate, in regard to the attitude of the executive branch of the Government in relation to Senate bill 1871, "An act to prevent pernicious political activities," and because a number of questions have been raised as to the meaning and application of some of its provisions, I deem it advisable at the time of Executive approval to make certain observations to the Congress of the United States.

The genesis of this legislation lies in the message of the President of January 5, 1939, respecting an additional appropriation for the Works Progress Administration. I said in that message: "It is my belief that improper political practices can be eliminated only by the imposition of rigid statutory regulations and penalties by the Congress, and that this should be done. Such penalties should be imposed not only upon persons within the administrative organization of the Works Progress Administration but also upon outsiders who have in fact in many instances been the principal offenders in this regard. My only reservation in this matter is that no legislation should be enacted which will in any way deprive workers on the Works Progress Administration program of the civil rights to which they are entitled in common with other citizens."

Furthermore, in applying to all employees of the Federal Government (with a few exceptions) the rules to which the civil-service employees have been subject for many years, this measure is in harmony with the policy that I have consistently advocated during all my public life, namely, the wider extension of civil service as opposed to its curtailment.

It is worth noting that nearly all exemptions from the civil service which have been made during the past six years and a half have originated in the Congress itself and not in the Executive.

Furthermore, it is well known that I have consistently advocated the objectives of the present bill. It has been currently suggested that partisan political reasons have entered largely into the passage of the bill, but with this I am not concerned, because it is my hope that if properly administered the measure can be made an effective instrument of good government.

As is usual with all bills passed by the Congress, this bill has been examined on its receipt at the Executive Office by the appropriate departments or agencies, in this case the Attorney General of the United States and the Civil Service Commission.

The Attorney General has advised me that it seems clear that the Federal Government has the power to prescribe as qualifications for its employees that they refrain from taking part in other endeavors which, in the light of common experience, may well consume time and attention required by their duties as public officials. He points out, however, that such qualifications cannot properly preclude Government employees from the exercise of the right of free speech or from their right to exercise the franchise.

The question of constitutionality being resolved in favor of the bill, our next inquiry relates to the exercise and preservation of these rights. It is obvious that the intent of the bill is to follow broadly the provisions of civil-service regulations that have existed for many years in regard to political activities of Federal employees.

It is because I have received and will continue to receive so many queries asking what a Government employee may or may not do that it seems appropriate at the outset to postulate the broad principle that if the bill is administered in accord with its spirit, and if it is in the future administered without abuse, oppression, or groundless fear, it will serve the purpose intended by the Congress.

For example, I have been asked by employees of the Government whether under this law they would lose their positions if they merely attend political meetings. The answer

is, of course, no.

I have been asked whether they would lose their positions if they contributed voluntarily to party or individual campaign funds without being solicited. The answer is, of course no.

I have been asked whether they would lose their positions if they should merely express their opinion or preference publicly—orally, by radio, or in writing—without doing so as part of an organized political campaign. The answer is no.

I have been asked if citizens who have received loans from the Home Owners' Loan Corporation, from the Farm Credit Administration or its subsidiaries, from the Farm Security Administration, from the Reconstruction Finance Corporation and other Government lending agencies, would be subject to the terms of this bill. The answer is no.

I have been asked whether farmers receiving farm benefits would be bound by the terms of the bill. Again the

answer is no.

I have been asked if Government employees who belong to Young Republican Clubs, Young Democratic Clubs, Civil Service Reform Associations, the League of Women Voters, the American Federation of Labor, the Congress of Industrial Organizations, and similar bodies are subject to the penalties of the measure because of mere membership in these organizations. The answer is no.

There will be hundreds of similar questions raised in the actual administration and enforcement of this bill. Such questions will be asked in most cases by individuals in good faith. And it is only fair that they should receive an answer. I am, therefore, asking the Attorney General to take the necessary steps through the new Civil Liberties unit of the Department of Justice in order that the civil rights of every Government employee may be duly protected, and that the element of fear may be removed.

I have been asked if the bill applies to veterans—Civil War, Indian wars, the War with Spain, the World War—retired officers and men of the Army, Navy, and Marine Corps who, though not Government employees, are receiving benefits or pensions of one kind or another. The answer is, of

course, no.

I have been asked if the act applies to those who get Government benefits under the Social Security Act in the form of old-age pensions or in the form of unemployment com-

pensation. The answer is no.

Finally, I have been asked various questions relating to the right of a Government employee publicly to answer unwarranted attacks made on him or on his work or on the work of his superiors or on the work of his subordinates, notwithstanding the fact that such attacks or misrepresentations were made for political purposes by newspapers or by individuals as a part of a political campaign.

This raises the interesting question as to whether all Government officials except the President and Vice President, persons in the office of the President, heads and assistant heads of executive departments, and policy-determining officers appointed by and with the advice and consent of the Senate must remain mute if and when they or the work with which they are concerned is attacked and misrepresented in a political campaign or preliminary thereto.

It will be noted that the language of the bill wholly excludes members or employees of the legislative branch of the

Government from its operation.

It can hardly be maintained that it is an American way of doing things to allow newspapers, magazines, radio broadcasters, Members and employees of the Senate and House of Representatives, and all kinds of candidates for public office and their friends to make any form of charge, misrepresentation, falsification, or vituperation against the acts of any individual or group of individuals employed in the executive branch of the Federal Government with complete immunity against reply except by a handful of high executive officials. That, I repeat, would be un-American because it would be unfair, and the great mass of Americans like fair play and insist on it. They do not stand for any gag act.

It is, therefore, my considered opinion, in which the Attorney General of the United States joins me, that all Federal employees, from the highest to the lowest, have the right publicly to answer any attack or misrepresentation, provided, of course, they do not make such reply as part of active

participation in political campaigns.

The same definition of fair and proper administration of the bill applies to the right of any Government employee, from the highest to the lowest, to give to the public factual information relating to the conduct of Government affairs. To rule otherwise would make it impossible for the people of the United States to learn from those who serve the Government vital, necessary, and interesting facts relating to the manifold activities of the Federal Government. To rule otherwise would give a monopoly, to originate and disseminate information to those who, primarily for political purposes, unfortunately have been given to the spreading of false information. That again is unfair and, therefore, un-American.

It is, I am confident, the purpose of the proponents of this legislation that the new law be thus administered so that the right of free speech will remain even to those who serve their Government; and that the Government itself shall have full right to place all facts in its possession before the public. If some future administration should undertake to administer this legislation to the detriment of these rights, such action would be contrary to the purpose of the act itself and might well infringe the constitutional rights of citizens. I trust that public vigilance will for all time prevent this.

The Attorney General calls my attention to a practical difficulty which should be corrected by additional legislation as soon as possible. For many years there has been an exception to the civil-service regulations whereby employees permanently residing in the District of Columbia or in municipalities adjacent thereto may become candidates for or hold municipal office in their municipalities. This and a few simi-

lar exceptions should, I believe, be maintained.

The other question relates to the fact that the bill does not in any way cover the multitude of State and local employees, who greatly outnumber Federal employees and who may continue to take part in elections in which there are candidates for Federal office on the same ballot with candidates for State and local office. It is held by many who have examined the constitutional question that because the Congress, under the Constitution, may maintain the integrity of Federal elections, it has the power to extend the objectives of this bill so as to cover State and local government employees who participate actively in Federal elections. This is at least worth the study of the Congress at its next session and therefore before the next Federal election.

It is because for so many years I have striven in public life and in private life for decency in political campaigns, both on the part of Government servants, of candidates, of newspapers, of corporations, and of individuals that I regard this new legislation as at least a step in the right direction.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 2, 1939.

THIRD DEFICIENCY APPROPRIATION BILL, FISCAL YEAR, 1939

Mr. TAYLOR of Colorado, from the Committee on Appropriations, reported the bill (H. R. 7462, Rept. No. 1439) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and

for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER reserved all points of order.

GOVERNMENT EXPENDITURES

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, in the course of his remarks yesterday the majority leader suggested, with reference to the gentleman from Pennsylvania [Mr. RICH], that the RECORD should show sometimes how the gentleman from Pennsylvania has voted. I have checked up that situation. I find that the gentleman from Pennsylvania [Mr. Rich] has voted against upward of \$15,000,000,000 of needless and useless appropriations which have been passed by the Congress, and that on yesterday he voted against the consideration of another measure to get this country into useless debt-\$1,950,000,000. [Applause.]

[Here the gavel fell.]

FARM RELIEF

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, may I state to the gentleman from Missouri [Mr. Cochran] that I cannot agree with him when he terms the pernicious spending bill rejected yesterday by the House as relief for agriculture. will prove to be of great benefit and of real relief to the farmers of this Nation, as well as to all other business and industry in general, to realize that sanity has returned to the Hall of Congress, as evidenced by the action of the House yesterday. As an actual farmer myself, I want to compliment the gentleman from the State of Nebraska [Mr. CURTIS], who knows correctly the attitude of the farmer of America, and that attitude, my friends, gathered from direct association with the farmer, and not through roaming the streets of the city of St. Louis. [Applause.]

[Here the gavel fell.]

LANDS FOR PUBLIC PARK IN THE STATE OF NEVADA

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2), authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey to the State of Nevada, upon the conditions and limitations hereinafter expressed, the following-described land of the United States in the State of Nevada, to be

described land of the United States in the State of Nevada, to be held and used by such State for the purposes of a State public park and recreational site and other public purposes:

Mount Diablo meridian: Commencing at the southwest corner of the northwest quarter of section 24, township 21 south, range 63 east, Mount Diablo meridian; thence east twenty-four thousand and twelve and twelve one-hundredths feet; thence north fifteen thousand eight hundred and forty feet; thence west eighteen thousand seven hundred and ninety-two and twelve one-hundredths feet to the intersection with the east line of section eighteen thousand seven hundred and ninety-two and twelve one-hundredths feet to the intersection with the east line of section 1, township 21 south, range 63 east; thence south along said east line of section 1, to the northeast corner of section 12, township 21 south, range 63 east; thence west along the north line of said section 12, five thousand two hundred and eighty feet to the northwest corner of said section 12; thence south along the west side line of section 12 and the west side line of section 13 to the southwest corner of the northwest quarter of the northwest quar-ter of section 13, township 21 south, range 63 east; thence east to the southeast corner of the northwest quarter of the northwest quarter of section 13; thence north to the northeast corner of the northwest quarter of the northwest quarter of said section 13; thence east along the north side line of said section 13 to the northwest corner of the northeast quarter of the northeast quar-ter of said section 13; thence south to the southwest corner of

the northeast quarter of the northeast quarter of said section 13; thence west to the northwest corner of the southwest quarter of the northeast quarter of said section 13; thence south to the southwest corner of the southwest quarter of the northwest quarter of said section 13; thence south along the west side line of section 13 and said section 24 to the southwest corner of the northwest quarter of section 24; the point of commencement.

In the event the State shall fail to devote such lands to the purposes of a State public park and recreational site within 5 years after the date of enactment of this act, or fail to maintain such land as a public park and recreational site for any period of 5 consecutive years subsequent to its devotion to such use, or devote such lands or any part thereof to other than public use, or shall fail within a reasonable time to authorize and put in effect and practice within said area any laws, rules, and regulations that are put in effect and practice by the Department of the Interior within the Boulder Canyon reclamation area relative to gambling, the sale of intoxicating liquors, water pollution, tive to gambling, the sale of intoxicating liquors, water pollution, or sanitation, such land and all improvements thereon shall revert to the United States; and in such event the Secretary of the Interior is hereby authorized and empowered to declare such a forfeiture of the grant, and to assume jurisdiction of such land for national-monument purposes under the act of June 8, 1906 (34 Stat. 225). Any patent issued hereunder shall contain a reservation to the United States of all mineral deposits in the land patented: Provided, That such minerals so reserved shall be prospected for mined and removed only in accordance with reserved. prospected for, mined, and removed only in accordance with regulations to be prescribed by the Secretary of the Interior: Provided further, That no prospecting or mining on any portion of said area shall be permitted without the consent of the State Park Commission of the State of Nevada.

With the following committee amendments:

Page 2, beginning in line 12, after the word "of", strike out the remainder of the line and through line 4, on page 3 and insert "sections 12, 13, and 24, but specifically excluding the land in the area which is under private ownership."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 24, after the word "for", insert "national recreational area or."

The committee amendment was agreed to.

Mr. SCRUGHAM. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. Scrucham: On page 5, after line 5, insert: "Or if there be a repeal, with no reenactment within 90 days, of the resolution of the Board of County Commissioners of Clark County, Nev., dated August 1, 1939, made in consideration of the passage of this bill, and which forbids gambling and the sale of liquor within the confines of the proposed State park or within a radius of 6 miles of the boundaries thereof."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENNESAW MOUNTAIN NATIONAL MEMORIAL MILITARY PARK

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4938) to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes," with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 8 and 9, strike out "such sums as the Congress may from time to time determine" and insert "not to exceed the sum of \$55,000."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

AMENDING SECTION 2857 OF THE INTERNAL REVENUE CODE

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6479) amending section 2857 of the Distilled Spirits Act, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act amending section 2857 of the Internal Revenue Code."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Reserving the right to

object, Mr. Speaker, what is this amendment?

Mr. BUCK. It merely corrects the title of the bill. When the bill passed the House as it was introduced it referred to the old Distilled Spirits Act. The Distilled Spirits Act has been incorporated in the Internal Revenue Act. This merely clarifies that.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

HOT SPRINGS NATIONAL PARK, ARK.

Mr. Derouen. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3409) authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Page 2, line 1, strike out "used" and insert "appropriated a sum." Page 2, line 2, strike out all after "\$8,000" down to and including "Park" in line 5.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Texas [Mr. Patman] may be permitted to extend his own remarks in the Record by including therein an article appearing in Collier's Weekly by ex-Attorney General Homer Cummings about Alcatraz.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THIRD DEFICIENCY BILL

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, and, pending that, I ask unanimous consent that general debate extend for 2 hours, the time to be equally divided between the gentleman from New York [Mr. Taber] and myself.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7462), the third deficiency bill of 1939, with Mr. Cooper in the chair.

The Clerk read the title of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is the third and last deficiency bill. The Budget estimates for the items sent to us for consideration amounted to \$215,891,168.40 of direct appropriations and to \$88,271,500 of contractual obligations. The committee reduced the estimates of appropriations from \$215,000,000 plus to \$53,190,056. That is a pretty drastic reduction, but it is a timely reduction.

The record as it stands today, exclusive of the present bill, is that we have appropriated something like \$300,000,000 in excess of Budget estimates. We might as well face the realities of such a situation. When Members of Congress go back to their districts they cannot point to or blame the present chaotic condition of our finances upon a spend-thrift executive branch of the Government. Practically all of this very large and unprecedented appropriation above Budget estimates is because of our appropriation of unbudgeted items for agriculture. It is a bad record so far as Congress is concerned. I do not chide anybody; I make no complaint about the action of anybody, but facts are facts, and I say to those who are inclined to brush aside lightly the periodic outbursts of demands for Budget balancing and Budget financing that this record ought to cause them to stop and think.

In framing this deficiency bill we have eliminated from it every item that did not fall within two categories: First, pure deficiency items, that is, items to supply legitimate deficits in the activities of the departments for 1939 or prior fiscal years; or, secondly, items in the nature of emergencies that it appeared should not be made to await the consideration of the particular subcommittees having jurisdiction. In following out this policy we have had to leave out of the bill a great many things that on their faces had merit. Many of them had Budget support; many of them had engaged the very active and enthusiastic interest of our colleagues individually and collectively. It is not an easy thing to have to deny a colleague an item in a bill for which the Budget has presented an estimate. It places us in a difficult position, but we believe that it is orderly procedure, and we believe that it is in the interest of orderly appropriating procedure to require such items to go to the subcommittees that have jurisdiction of them when that course appears reasonable and practicable.

If you will follow the report, I shall now advert to just a few matters in which there appears to be some considerable interest.

Mr. COCHRAN. Mr. Chairman, would it interrupt the gentleman to yield?

Mr. WOODRUM of Virginia. I yield.

Mr. COCHRAN. As a matter of fact, the increases over the Budget estimates to which the gentleman refers all originated in another body; they did not originate in this body. Is not that true?

Mr. WOODRUM of Virginia. That is true; but I say to my friend that I cannot take a great deal of consolation from that because those items came back to this body and this body deliberately accepted the judgment, good or bad, of another body.

Mr. COCHRAN. If they had not been added by the other body we could not have accepted them.

Mr. WOODRUM of Virginia. We are particeps criminis. We have shown in the last 24 hours that we are able to use our own independent judgment when we have a mind to [applause], and I regret that we did not stand on some of these other things as we have stood on certain things.

One of the items that the committee eliminated from this bill was an item dealing with personnel supervision and management in various Federal agencies. The Budget estimate came to us as a result of the Executive order of the President of June 24, 1938, setting up a Council of Personnel Administration and various procedures having the very laudable objective of trying to coordinate and organize personnel management in various Government departments.

The committee agreed with the laudable purposes, but regretted the fact that every department had to come and ask for more money and more personnel. We felt it would have been a fine evidence of a sincere purpose to economize through the coordination of personnel activities if these departments could have handled this personnel management problem without coming to the Congress and asking for additional personnel and additional funds.

Mr. RAMSPECK. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Georgia.

Mr. RAMSPECK. May I ask the gentleman whether the estimates which were eliminated had anything to do with the setting up of these personnel offices in the various departments?

Mr. WOODRUM of Virginia. That is what it was, I may say to the gentleman. The estimates were for that purpose.

Mr. RAMSPECK. They will not have the money to set up the personnel offices in the various departments?

Mr. WOODRUM of Virginia. They will not have it if they take the position that they have to come to the Congress every time there is some little change made. I may say to the gentleman that an institution like the Post Office Department, with 700,000 people on its pay roll, could not find 25 or 30 people to carry out its personnel management program without coming to the Congress and asking for additional funds. A great institution like the Department of Agriculture, with its millions of dollars that we have appropriated for personnel, had to come and ask for a few thousand dollars for additional jobs and additional personnel to set up personnel management. It was not an impressive picture, I may say to the gentleman.

Mr. RAMSPECK. I gather, then, it is the opinion of the committee they can carry on and set up these personnel

officers with the funds already available?

Mr. WOODRUM of Virginia. We think so and we think also that efficiency in government service that does not mean economy is not efficiency. There is not a governmental agency involved in here, and every Member of the House knows this is true, that could not find places where it could rearrange and coordinate its activities so that it could divert a little of its funds to personnel management, if it were necessary to do so. It is fair to say, however, that in order for them to do that on a permanent basis perhaps it will take legislation permitting them to withdraw personnel and use it for another purpose or to give approval to personnel reassigned. The latter, of course, can be done by the committee. The Committee on Appropriations felt that with the provision of some funds for the Council of Personnel Administration the program could be further studied and to some extent developed, and they can come back to the regular subcommittees at the next session and the proposition then can be worked out. We were sympathetic with the objective sought to be attained.

The only Budget estimate before the committee for civilian pilot training program was \$7,300,000. This was presented before the recently enacted legislation upon the subject, which authorizes an appropriation of \$5,675,000. Instead of \$5,675,000, we recommend \$3,000,000. This being a new program, we thought it could proceed a little slower and that perhaps they could do a better job if they did not have too much money to spend at one time.

About a week before we closed our hearings a Budget estimate came up calling for the appropriation of a million dollars for an extension for 2 additional years of the programs for the construction of public buildings outside of the District of Columbia, which involved the further appropriation, ultimately, of \$49,000,000. There are two reasons why this proposition is not included in the bill.

In the first place, it is not a deficiency, nor may it be said to be urgent. In the second place, it is not authorized by law.

Our committee, it is true, has reported building programs in the past, but always, when it has, its action has met with the specific approval of the Committee on Public Buildings and Grounds. This item came to us just a few days before we finished our hearings on the bill, about a week or 10 days ago, I should say. The distinguished gentleman from Texas, chairman of the Committee on Public Buildings and Grounds, is now in a foreign land on an official mission. There was no opportunity to get consideration by the legislative committee. In any event, if the item had been put in this bill, it would be subject to a point of order, and the committee felt the matter should go over to the regular session for the consideration of the proper committee.

The Department of Labor had a Budget estimate submitted for an additional \$2,000,000 for wage and hour personnel. The committee did not allow this. The appropriation for this activity for 1939 was \$1,250,000 and for 1940 we have heretofore provided \$2,546,200—more than double the previous appropriation. We felt that was a sufficient expansion of this activity for 1940 for the present, at least, and that certainly, if it were not sufficient, it would be time enough to consider the matter when we came back in January. Therefore, that item was not included.

Mrs. NORTON. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. The gentleman knows, of course, that cutting out this deficiency item is going to cripple the Wage and Hour Administration. Does the gentleman intend to do by indirection what the committee would not dare do by direct action?

Mr. WOODRUM of Virginia. Of course, I do not agree with the premise of the distinguished gentlewoman from New Jersey that it will cripple that Division. Congress has given it twice as much for 1940 as it had for 1939. We are now only I month in the new fiscal year and the committee felt that before we revised our appropriation for 1940 for the Wage and Hour Division, this agency should try to see how it can get along on its present appropriation, and, if necessary, come back and ask for a deficiency in January, next year, if it needs it.

Mrs. NORTON. Is it not a fact that the Administrator appeared before the gentleman's committee and said it would be utterly impossible to get along without this additional amount of money?

Mr. WOODRUM of Virginia. I may say to the distinguished gentlewoman from New Jersey that every appropriation which comes before our committee is backed up by the enthusiastic support of the department involved, which always says it is impossible to get along without more funds, and that it is the most important activity of the Government. That, of course, is the prelude to every request for an appropriation.

Mrs. NORTON. Is it not a very unusual thing to completely cut out an appropriation supported by the Budget and evidence as strong as was offered in this case?

and evidence as strong as was offered in this case?

Mr. WOODRUM of Virginia. This bill originally called for over \$200,000,000, and we have cut out \$150,000,000 from other parts of the bill.

Mrs. NORTON. Does not the gentleman know, and if he does not, I may say for his benefit and that of the Members of the House, that it will cripple the administration of the Wage and Hour Division?

Mr. WOODRUM of Virginia. I do not agree with the gentlewoman that it will completely cripple that Division. I ask the Members to look at the hearings and they will see that a very large and substantial increase was given to the Wage and Hour Division in the regular bill, which became effective on July 1 of this year.

effective on July 1 of this year.

There is no reason at all why the Wage and Hour Division cannot go ahead with its program, and if we have not provided enough money for 1940 we shall be here in January and they can come as every other department does and bring in a request for additional funds.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Is it not true that we gave the Wage and Hour Division \$800,000 in the first deficiency bill in January, and that all of the money now requested is for the appointment of new personnel; 150 inspectors a month they want to put on for the next 12 months. This action will not impair anything they have. They want to control the world.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?
Mr. WOODRUM of Virginia. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I may say to the gentleman that there have never been as many offenses committed against any other law as against this law. Because of that it was necessary to employ a great many more people than the Administrator anticipated would be necessary to protect the act and protect those who were living up to the provisions of the act. I believe that is what has changed the whole picture and made it necessary to ask for a larger appropriation. In fact, many persons opposed to the law have been advising that it is not necessary to pay any attention to this law. Later I shall have something to say about that.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman referred to House Document No. 419. Is that an authorization?

Mr. WOODRUM of Virginia. I may say to the gentleman I do not recall what House Document No. 419 is.

Mr. MARCANTONIO. The gentleman in interrogating Mr. Andrews on page 274 of the hearings stated:

We have before us several items in House Document No. 419.

Mr. WOODRUM of Virginia. Yes; that is the Budget document which contains the Budget submission of this item.

Mr. MARCANTONIO. The Budget document proposed this additional \$2,000,000 for the enforcement of the Wage and Hour Act?

Mr. WOODRUM of Virginia. Yes; there was a Budget estimate for the \$2,000,000.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Would the gentleman consider putting back in the bill a portion of that amount? Many of the workers have been getting in touch with me about this matter, and they are very much troubled about it. I am wondering if the gentleman would consider putting back in the bill a portion of that item.

Mr. WOODRUM of Virginia. I may say to the gentlewoman from Massachusetts that there is no evidence in this record to show that the Wage and Hour Division cannot go ahead with their program on what Congress has already appropriated for 1940. I think they should endeavor to do that, and come back, if necessary, if they find they are crippled. I do not believe we should make an appropriation for 1940 and before it even goes into effect come back and more than double it just on the say-so of the departmental heads. Nobody wishes to kill the wage and hour law by starving its administration—I certainly do not, and I do not believe the committee does—but we do not wish to get emotional about this and just dump money into their laps that they cannot use in an orderly and regular manner. If the gentlewoman will look at the hearings, she will see from the number of new appointments to be made and the number of new employees to be put out into the country-150 a month—that is a terrific undertaking that they are suggesting with this appropriation.

Mrs. ROGERS of Massachusetts. If I should bring the gentleman additional information, would the gentleman consider such action?

Mr. WOODRUM of Virginia. I would not advise changing the committee's action, I may say to the gentlewoman.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield? Mr. WOODRUM of Virginia. I yield to the gentleman from Kansas.

Mr. HOUSTON. On page 10 there is an item of appropriation for the location of a national aeronautical research laboratory. On May 18 I introduced a bill asking an appropriation of \$10,000,000 to have one of these laboratories located in Wichita, Kans. As the gentleman knows, I appeared before the committee on this matter. I should like to know just what disposition has been made of the question.

Mr. WOODRUM of Virginia. The committee allowed the funds and the authority for the additional research laboratory, but provided that the National Advisory Committee should have the right to reconsider the question of where it should be located.

Mr. HOUSTON. That is due to the fact that several Members have introduced a bill providing for other locations?

Mr. WOODRUM of Virginia. Several other locations were considered besides Sunnyvale. It simply opens up the question so that the National Advisory Committee can consider other locations.

Mr. HOUSTON. Then is it not necessary for the National Advisory Committee on Aeronautics to come in with an estimate of what it will cost actually to construct such a laboratory?

Mr. WOODRUM of Virginia. No; we have already made that. That item is covered.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Washington.

Mr. LEAVY. I should like to ask a question in regard to the item for the Central Statistical Board. It has just been brought to my attention that \$22,900 was the Budget estimate, but no allowance whatever has been made for that. What is the reason?

Mr. WOODRUM of Virginia. The reason is that when we passed the reorganization bill we were told that it was for efficiency and economy, and we are going to require these reorganized outfits to live within their appropriations and not come in for more money just because they have been reorganized.

Mr. LEAVY. It is my understanding, however, that due to the taking of the decennial census next year a new responsibility and a new duty has been thrown on this Board.

Mr. WOODRUM of Virginia. That is what they said, but it was not a very impressive hearing, I may say to the gentleman. We felt that we had given them enough money. [Applause.]

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, your Committee on Appropriations has held hearings on the matters referred to in the Budget estimates, and they were considered by the committee for the major portion of a month. The committee have brought in to you the items that were presented to them that they believe are required, as the general rule, to go ahead with the activities of the Government.

There are only two or three items that I, as a member of the minority, feel that I cannot go along with. The first one relates to the purchase of 180,000 reindeer at a cost of \$720,000. The promoters of this operation are saying that there should be a purchase of these reindeer by the Government so that the Indians may own all of them. They say that the reindeer are not being properly looked after by the natives and the officials of the Interior Department.

Let me say to you that there has been appropriated by this Congress \$75,000 to provide the help necessary to look after this operation. What they need to do if they want to protect these reindeer and provide reindeer that can get along and take care of the Eskimos is to fire all the incompetent help and hire employees who are competent to tell the Indians and Eskimos how to herd their reindeer.

There is absolutely no reason why \$75,000 would not be money enough in a single year to teach these people how to exterminate the wolves that they claim are preying upon them.

The second item relates to an item of \$100,000 to start a survey of the Nicaraguan Canal; not a canal to carry ships, but a barge canal of 10- or 12-feet depth. This \$100,000 is for the survey. This set-up has surveyed for a canal of one type or another off and on for 300 years. Such a survey as this to my mind is ridiculous. It will not be built, in my opinion, by the local government and the Government of the United States has no business going in there and building such a canal under any circumstances; and to start this survey on top of 25 or 30 other surveys that I have evidence of, in a magazine that I have at the desk and shall present when I present an amendment asking to strike this item out, seems to me absolutely ridiculous. We should not get into the spending of money for things that are not feasible or where it is not feasible to get the money and that would not be of any value to the United States, but would be a menace, in a small way, to our financial structure.

These are the only two items I care to discuss at this time. These things, I feel, should be eliminated from the bill. I hope when they are reached and discussed the House will vote to do that very thing. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. Lambertson].

Mr. LAMBERTSON. Mr. Chairman, the greatest danger to our democracy today is the unbalanced Budget, the spending of more each succeeding year nationally than we take in. There are three places where we must look for the solution of this problem—in the President of the United States, with his power to recommend through his Budget Director; in the House of Representatives, where appropriations are supposed to originate; and in another body which, at the present time, has equal jurisdiction in expenditures.

We will make no comment about the power and influence of the President on expenditures. That is too well known for any amplification. Our House of Congress, coming directly from the people every 2 years and bearing the responsibility of the initiation, has performed its task reasonably well. The situation for saving might be greatly advanced if another body would relinquish the part it has today, confining its activities to other things which they stress first, anyway—all questions of foreign affairs, the confirmation of important public officials.

I propose a constitutional amendment, which I am introducing today which would permit the other body to increase appropriations only when they would be approved by a subsequent vote of the House. I would hasten to say that this is not an attack on the individual members of another body, and in particular I want to extol the public record for economy of the two Senators from my own State. Both men have been Governors and have served the high office with distinction, and both were known for their economy administrations. Neither, however, are members of the appropriating committee of the other body.

This proposal is directly and distinctly in the interests of national economy. This is the problem this Nation has to attack in the near future. If some of my colleagues cannot go along with me in this proposal which may seem drastic, I plead with them to bear with me that at least some of these difficulties might be corrected. There follow a few of the distinct reasons I have to offer:

First. The other body almost invariably increases the appropriations as they leave the House. I am submitting a table here at this point showing what the supply bills of the

present session were when they passed the House and how all have been increased as they passed another body.

BIII	Total as passed House	Total as passed Senate
Agriculture and farm credit	\$816, 519, 113	\$1, 218, 666, 572
District of Columbia	46, 915, 207	49, 524, 985
Intenton Department	1, 651, 087, 340 159, 838, 815	1, 668, 218, 340 174, 975, 288
Legislative establishment	21, 641, 278	21, 985, 779
Navy Department	773, 420, 241	773, 049, 151
Labor Department	30, 535, 770	30, 747, 780
State, Justice, and Commerce Departments	121, 399, 120	122, 624, 410
Treasury and Post Office Departments Military bill, War Department	1, 700, 591, 354	1, 701, 189, 114
Civil functions, War Department.	499, 857, 936 305, 188, 514	513, 188, 882 305, 267, 984
Supplemental military, War Department.	222, 198, 047	223, 398, 047
First deficiency	9, 979, 000	22, 682, 041
Second deficiency	139, 871, 028	165, 662, 864
Urgent deficiency	2, 669, 377	3, 224, 377
Relief, 1940	1, 735, 600, 000	1, 808, 900, 000
Grand total	8, 237, 312, 110	8, 803, 305, 614

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman.

Mr. CASE of South Dakota. Is the detail of the total in each appropriation bill given?

Mr. LAMBERTSON. For each bill; yes.

Mr. CASE of South Dakota. I think the gentleman is doing a real service and I am pleased that the table is put in the RECORD.

Mr. LAMBERTSON. I thank the gentleman.

There is a total of over six hundred million between the regular supply bills as they left the one House and then another. A striking example might be found in the rivers and harbors bill, which left the House at \$80,000,000 and left another body at \$425,000,000. No supply bill was ever reduced after it left the House. This is direct proof that they are not economy-minded.

Second. It is the individual Member's request which dominates the situation there. Over a period of 6 years I have been in three different conferences each year on supply bills. Invariably the argument we meet in conference when we are pressing for the lower figure is that Mr. So-and-so will not stand for that. He will fight us on the floor, and words to that effect. It has been the constant rule that they have accepted our figures as a minimum and then added to it what each individual wanted to a large degree. The situation is intolerable if economy is to be effected and the Budget balanced.

Third. In the new proposal we do away with the abuses of the conference. I can think of some distinct violations of the instructions of the lower House by conferees. This would all be done away with by eliminating the conference.

Fourth. Why should not the House, which is charged under the Constitution with originating revenue, the ways and means of raising taxes, why should not they have more power and the final word on the expenditure of funds? It looks consistent that these should go together, and let me reiterate that another body has functions which are not ours, which they like to stress, and which they can stress more by relinquishing some of this power to appropriate money.

Fifth. To make this constitutional amendment effective and to be fair, we should not permit legislation on appropriation bills in any form in either, then we would not be taking from another body any constitutional provisions outside of spending.

Sixth. Items are sometimes never presented for hearings in a House committee, but are purposely delayed and presented to another body, knowing that they will get a better reception over there.

Seventh. This change would facilitate the business of the session and shorten sessions. It would not be necessary to have two sets of hearings and all the attendant expenses, and would in the sum total of everything be in the interest of economy. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Andrews].

Mr. ANDREWS. Mr. Chairman, I would like to take you for a moment, if I may, to the Niagara River, an international stream, which, I assume, most of you realize, flows from Lake Erie at Buffalo into Lake Ontario at Fort Niagara. Fort Niagara and the village of Youngstown are at the mouth of that river on the American side. For a number of years a vigorous and constructive program has been under way to remove pollution from that stream by sewage treatment. This followed recommendations by the International Boundary Commission, the State of New York, the county of Erie, of which Buffalo is a part, and the cities of Buffalo and Niagara Falls which have both been cooperating. The cities of Buffalo and Niagara Falls have their own modern sewage-disposal plants, which have been built at great expense; and the two last points at the mouth of the river. the village of Youngstown and Fort Niagara, desire the construction of a joint disposal plant at the present time.

Last year the village of Youngstown entered into a loanand-grant proposition with the P. W. A. for the construction of its own sewerage system, and when the Army realized this was under way, they very gladly entered into negotiations with the village of Youngstown with a view to the construction of a joint sewage-disposal plant on the military reservation, because the Army well realized that unless it cooperated with the village of Youngstown it would be necessary for the War Department to bear the entire expense of a separate disposal plant on the military reservation. Following conferences between representatives of the War Department and the authorities at Youngstown, an agreement was reached whereby the War Department will build a joint disposal plant on the reservation and, by way of exchange, offer sewage-disposal facilities to the adjoining village of Youngstown. Under the agreement which has been drawn up and is now pending, the War Department will receive \$600 per thousand inhabitants and 60 cents for each additional person over 1,000 as an annual charge for the use and maintenance of the joint disposal plant. In other words, if the War Department does not build this plant under the agreement, it will be obliged to build its own separate plant eventually and would realize no income or share of this expense from the village of Youngstown.

It was my understanding that an item covering this arrangement for the War Department would be in the deficiency bill. I believe it was in the original committee print, and possibly without the committee being fully aware of the situation, it was removed from the bill and is not in the print as it is before us today.

I ask unanimous consent to include in my remarks at this point a message to the Speaker of the House from the President of the United States, enclosing a recommendation from the Budget on this item, a part of which reads as follows:

The act approved June 20, 1939 (Public, No. 136, 76th Cong.), authorizes the Secretary of War to construct a sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., and authorizes an appropriation of \$60,000 therefor. The act further authorizes the Secretary of War to grant to the village of Youngstown, Niagara County, N. Y., for a term of 50 years, an easement for a right-of-way for a sewer line to be constructed in said village on the Fort Niagara Military Reservation from the village to the sewage-treatment plant to be constructed by the Secretary of War, and provides that the Secretary of War shall contract from time to time for the operating and maintenance of the plant by the village upon such terms and conditions as he may deem advisable.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to is as follows:

THE WHITE HOUSE Washington, June 23, 1939.

The Speaker of the House of Representatives.

Sir: I have the honor to transmit herewith a draft of a proposed provision affecting the appropriation of the War Department for "Pay of the Army, 1939."

The details of the proposed provision, the necessity therefor, and the reasons for its submission at this time are set forth in the

letter of the Director of the Bureau of the Budget transmitted herewih, with whose comments and observations I concur. Respectfully.

FRANKLIN D. ROOSEVELT.

BUREAU OF THE BUDGET, Washington, June 22, 1939.

The PRESIDENT

The White House. SIR: I have the honor to submit for your consideration a draft of a proposed provision pertaining to an existing appropriation of the War Department, as follows:

"FINANCE DEPARTMENT

"FINANCE DEPARTMENT

"Pay of the Army, 1939: Not to exceed \$60,000 of the unexpended balance of the appropriation under this head in the Military Appropriation Act, 1939, is hereby made available until June 30, 1940, for the construction and installation of a sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., as authorized by the act of June 20, 1939 (Public, No. 136, 76th Cong.), authorizes the Secretary of War to construct a sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., and authorizes an appropriation of \$60,000 therefor. The act further authorizes the Secretary of War to grant to the village of Youngstown, Niagara County, N. Y., for a term of 50 years, an easement for a right-of-way for a sewer line to be constructed by said village on the Fort Niagara Military Reservation, from the village to the sewage-treatment plant to be constructed by the Secretary of War, and provides that the Secretary of War shall contract from time to time for the operating and maintenance of the plant by the village upon such terms and conditions as he may deem advisable.

The Legislature of the State of New York has enacted legislation (N. Y. Laws, 1939, ch. 213) as required by section 2 of the act of June 20, 1939.

This project is in furtherance of a general health-improvement program which is being vigorously prosecuted along the entire Niagara frontier for the purpose of ending a serious pollution problem affecting local waterways.

The purpose of the foregoing proposed provision is to make available \$60,000 from the appropriation for "Pay of the Army, 1939," to provide the funds necessary for the construction by the War Department of the sewage-treatment plant in question, and this sum can readily be spared from this appropriation.

The submission of the proposed provision is to give effect to legislation enacted since the transmission of the Budget for the fiscal year 1940. I recommend that it be transmitted to Congress. Very respectfully,

HAROLD D. SMITH, Director of the Bureau of the Budget.

Mr. ANDREWS. Mr. Chairman, this would not be an appropriation, it would be simply allocating funds already appropriated for the War Department to this use, and as I have pointed out, it seems to me that it would be a matter of economy to adopt this amendment, for with its adoption the War Department will have the benefit of \$600 or more per annum for maintenance.

I quote now from the report of the Secretary of War accompanying the original act of authorization:

The State, county, and city governments in New York State, and the government of Ontario Province, Canada, are cooperating in a general program designed to eliminate the pollution of local water-ways along the Niagara frontier. Sanitary sewage disposal plants have already been installed, or are in process of construction, by the principal New York cities in this area. The village of Youngs-town, situated adjacent to the post of Fort Niagara, proposes the installation of a disposal plant for the joint use of the village and the post.

The proposal is considered advantageous to the War Department as well as the village of Youngstown. If the village should erect its own individual plant, the outfall would be upstream and only a few hundred yards distant from the Fort Niagara water supply intake. Furthermore, it would be only a question of time before demands would be made on the War Department to construct its own disposal plant to prevent contamination of the waters of Niagara River and Lake Ontario. The erection of a joint plant will preclude the necessity for the maintenance of a separate plant by the War Department.

I have discussed this amendment with the chairman of the committee, the gentleman from Virginia [Mr. Wood-RUM], and with the gentleman from New York [Mr. TABER], and am hopeful that the committee will see fit to accept the amendment when we reach page 53, line 8. The amendment, which was in the original print, would read as follows:

FINANCE DEPARTMENT

Pay of the Army, 1939: Not to exceed \$60,000 of the unexpended balance of the appropriation under this head in the Military Appropriation Act, 1939, is hereby made available until June 30, 1940, for the construction and installation of a sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., as authorized by the act of June 20, 1939 (Public, No. 136, 76th Cong.).

It was pointed out in the hearings on this matter by Colonel Gregory, of the War Department, in answer to questions asked by the gentleman from Pennsylvania [Mr. SNYDER! that this item would make available money from the appropriation "Pay of the Army" for this purpose and that the money has already been appropriated and is in an unexpended balance. I trust that the members of the committee, the gentleman from Virginia [Mr. WOODRUM] and the gentleman from New York [Mr. TABER], will see fit to accept this amendment at the proper time.

I yield back the remainder of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield now to

the gentleman from Pennsylvania [Mr. DITTER.].

Mr. DITTER. Mr. Chairman, in most respects the bill which now is before us should receive the support of the House. I believe it is in order for the minority to say a word of commendation to the distinguished gentleman from Virginia [Mr. Woodrum] who is the chairman of the Deficiency Committee that brought the bill to the House. During the course of the hearings one item developed that I think should receive our attention. I refer to the Commodity Credit Corporation. Those of you who have had an opportunity to read the hearings will agree with me, I believe, when I say that the Commodity Credit Corporation exemplifies better than anything else the fallacies that the New Deal has resorted to to try to convey the impression of prosperity to the country. The purpose of the Commodity Credit Corporation is to peg the prices of cotton, corn, and other commodities. The hearings disclose that at the present time the Commodity Credit Corporation is broke.

In other words, it has exhausted its original capital, and in addition thereto, as of March 31 of this year, is \$119,000,000 in the hole. The loss already sustained probably cannot be recovered, at least not in the immediate future or as long as the administration persists in creating artificial values. While the losses of the past, which now amount to millions, constituting, as they do, a severe drain on the taxpayers, cannot be reclaimed, we can do our part to prevent further capital impairment and curtail the wild and reckless administrative operations of this Credit Corporation. This loose lending can be halted. Throwing good money after bad can be stopped. Fake prosperity can be frustrated. That can be done by pulling up a checkrein and refusing this outfit more money of the taxpayers to play with.

The only purpose of the Commodity Credit Corporation is to give the farmer a sense of pretended prosperity by pegging the price of cotton, corn, and other commodities. I wonder whether we have not come to the place where common sense is in order, where a full disclosure of the facts should be made, where perfect candor and common honesty will indicate to the farmer and to all the people the artificial type of prosperity that has been sold to them. Pegging prices is only a

speculator's paradise.

A very large part of the loss that has been sustained has been the cotton loss. The cotton loss is the result of the agricultural program of the New Deal, just as the losses in every other field of private enterprise are the inevitable sequence of unsound philosophies.

Mr. PACE. Mr. Chairman, will the gentleman yield? Mr. DITTER. Yes. I feel I should. I have challenged the gentleman, and I feel I should yield.

Mr. PACE. Is it not true that the loss of which the gentleman speaks is at this time purely a paper or book loss, and its amount will be determined by the future price of cotton?

Mr. DITTER. I appreciate that contribution from the gentleman, for I had hoped somebody would say that. My reply to the gentleman is that if it were not for this pricepegging theory on the part of the administration, and if the loss would have been taken as of the 31st of March, instead of this loss being a potential and paper loss, it would have been a very real and a very actual loss.

If we continue in this program, if we continue to try to bring about a pretended prosperity, in due time the losses are not going to be paper losses. They are not going to be potential losses, but they are going to be very real and actual losses. We cannot continue to pour in from the taxpayers' pockets their money for the purpose of making good the depreciated capital of the Commodity Credit Corporation, or making good the losses that the Commodity Credit Corporation is bringing about. We should face the facts. It seems to me that we should stop. It seems to me that this is the danger signal. Instead of continuing on this policy that certainly has brought nothing but failure, why not resort to some new tactic that might have at least some measure of hope in it. If the gentleman will suggest that he feels the present prices of hogs and wheat and corn and all these other commodities are satisfactory to the farmer, if he feels that the administration program has brought about a real prosperity for the farmer instead of a pretended and masqueraded prosperity, then I yield further for such observation as the gentleman cares to make. But I warn him now that the administration certainly can boast of nothing but that we are paying a tremendous price for

Mr. PACE. I do want to call to the gentleman's attention the fact that there has been and continues to be a constant rise in the price of cotton. If we can maintain the present level, I do not believe there will be any paper, potential, or other losses on the loans made on cotton.

Mr. DITTER. Now, will the gentleman amplify that further by suggesting as to where the market is to be for this cotton that is already accumulated and that will continue to accumulate? I am sure the gentleman will agree with me that we cannot hope, unless we peg the price such as the gentleman urges, we cannot hope for real prosperity for the cotton farmer, unless we find some place to dispose of his product.

Mr. PACE. I think the market has already acted down on the surplus, and I think, as the surplus is being gradually disposed of, there will be, as is now indicated, a gradual increase in the market price, and I am very happy to announce to the gentleman that I do not believe it is going to be necessary to make any commodity loans on cotton this year.

Mr. DITTER. May I ask the gentleman whether he thinks there is as much substantiality to that hope which he presently holds out as there was substantiality to a great many of the other hopes and promises that we have been ballyhooed with during the last 6 years, not only in the cottonfield but in all of the other domestic and economic fields? The administration is paying the price today for those false hopes and prolific promises.

Mr. PACE. Well, I would not want to measure-

Mr. DITTER. It is only the gentleman's hope, in other words, and hope does spring eternal in the human breast.

Mr. PACE. There is no foundation for it at the present time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. AUGUST H. ANDRESEN. Let me point out to the gentleman in connection with this cotton discussion, that there is approximately 12,000,000 bales under Government loan: that within 90 days there will be a supply of from 20,000,000 to 24,000,00 bales of cotton in this country, at which time the loss, which is now so apparent and called a paper loss, will be a real loss, because we will sit here in this country with about 15,000,000 bales of cotton that we cannot get rid of.

Mr. DITTER. Now, I look upon my distinguished colleague who has offered this observation as a very learned member of the Committee of Agriculture. I can certainly depend upon the observation he has made, born of long experience, more than I possibly could upon that fond hope that my distinguished colleague on the other side presently entertains.

Mr. CRAWFORD, Mr. PACE, and Mr. KERR rose.

Mr. DITTER. I had no intention of opening a controversial subject here. I simply want to add this additional word. I do hope that we may bring to the country the thought that artificial things, masquerades, pretended prosperity, call them what you will, are foolish investments—that sooner or later we have to get down to bedrock and to real facts. We cannot continue with any hope whatever unless we face the facts as they are, and tell the American taxpayers that they are paying from their pockets for this pretended prosperity for the farmer.

My distinguished friend from Michigan has been very patient. I must yield to him.

Mr. CRAWFORD. I wish to ask the gentleman if the \$122,000,000 loss shown on cotton as given to us on page 324 of the committee hearings reflects the \$7.50 per bale under the subsidy announced by Secretary Wallace the other day; in other words, if we have, roughly, 12,000,000 bales of cotton on hand and if we are subsidizing exports at the rate of 1½ cents a pound, or \$7.50 a bale, I think it is reasonable to assume that subsidies should be considered as a loss, we will say, on the entire crop.

Mr. DITTER. So my friend would suggest that we should add to the loss already reflected by the balance sheet of the Commodity Credit Corporation such grants and subsidies as have been provided.

Mr. CRAWFORD. Approximately \$9,000,000.

Mr. DITTER. Making, in all, \$200,000,000 instead of \$119,000,000 loss. I think the gentleman's observation is sound. I would not, of course, say that that would be in line with the present administration's theory of accounting and bookkeeping.

Mr. CRAWFORD. No; I think it would not, because as I understand this March 31 proposal it is based on the price which prevails in this country.

Now, let us take up the thought expressed by the gentleman from Georgia [Mr. Pace]. It is true there has been somewhat of an upward reaction in the market in recent days, but if cotton is being subsidized for export at \$7.50 a bale I think our present stocks are 12,000,000 bales and the prospective crop is another twelve-million-odd—or we will say 11,000,000—and our consumption is about 6,000,000. Add to the 12,000,000 bales on hand the 11,000,000 that are to be produced, deduct the 6,000,000, and you can figure just what the exports should be; and the question I raise is: Are we to subsidize those total exports at \$7.50 per bale, or 1½ cents a pound?

Mr. DITTER. Unfortunately, the discussion has taken a turn that I had not intended. Cotton is not the only commodity that has caused losses. It was to be expected that the administration would offer help to the cotton planter.

I wish to bring my remarks to a close by reminding those who are interested in cotton, those who are interested in corn, those who are interested in these items should not feel that the losses are confined to their interests. After all, peanuts, pecans, and prunes are also within the range of the Commodity Credit Corporation program. It is the philosophy that is wrong, not the commodity. Price-pegging will not make wealth. We are only fooling the farmer. It is only a shot in the arm. We are only putting off the evil day. The New Deal's farm program has been a flat failure and the sooner every American realizes that fact the better off all of us will be. I am convinced that day is at hand, and that those of us who are interested in the real, rather than the artificial, prosperity of the American farmer will receive their commendation and support.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHARMAN The gentleman from Pennsylvania ha

The CHAIRMAN. The gentleman from Pennsylvania has consumed 15 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5

minutes to the gentleman from Massachusetts [Mr. Casey].
Mr. CASEY of Massachusetts. Mr. Chairman, in this deficiency bill we are now considering we are witnessing an

attempt to cripple the Wage and Hour Act. I think that not very many of us are aware that this deficiency bill has struck out the \$2,000,000 item requested by the President for enforcement of the wage and hour law. I appreciate full well that the majority of those Democrats who are Democrats because of a liberal philosophy are against this sabotage of the Wage and Hour Act. I also thoroughly appreciate that there is a minority Democratic bloc whose philosophy does not include decent wages and living conditions and upon whom, therefore, I can make no impression by this appeal; and so I want to talk to my colleagues on the Republican side, to those Republicans who believe in labor having certain rights, who believe in decent wages, and who believe in decent working conditions, and ask them when the proper time comes to vote to put back the appropriation for the wage and hour enforcement.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Massachusetts. I yield.

Mr. VOORHIS of California. Does the gentleman intend to offer an amendment to that effect?

Mr. CASEY of Massachusetts. I shall offer an amendment to that effect.

Mr. VOORHIS of California. I shall be pleased to support it.

Mr. CASEY of Massachusetts. I thank the gentleman. I know the gentleman from California has always supported such liberal and humane legislation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Massachusetts. Gladly.

Mr. TABER. I wonder if the gentleman realizes that of the funds appropriated for the 1940 operation of this outfit they have filled only about half the jobs and they have a great margin on which to operate?

Mr. CASEY of Massachusetts. My answer to the gentleman from New York who is in accord with the elimination of this item, is that the President recommended \$2,000,000, and the Director of the Budget approved it. The Administrator of the wage and hour law is so fearful of what further inroads the Appropriations Committee and the combination of Republicans and the minority bloc of Democrats might make, that they have got to withhold some of these funds in order to continue in existence.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman vield?

Mr. CASEY of Massachusetts. I yield.

Mr. MARCANTONIO. I wonder if my distinguished colleague from New York realizes that the testimony before his committee indicated that there will be 23,000 cases that will have to be enforced?

Does the gentleman from New York want those cases enforced or does he think those cases can be enforced by the deprivation of this \$2,000,000 from this agency?

Mr. CASEY of Massachusetts. Of course, I doubt if he wants the Wage and House Act enforced.

Mr. TABER. Will the gentleman yield?

Mr. CASEY of Massachusetts. I yield to the gentleman if he wants to answer that.

Mr. TABER. Yes; I do. I want to see that act honestly enforced, but I do not want them running around in private houses, as they intend to do, snooping around and annoying individuals who happen to be doing a little job themselves in their private homes.

Mr. CASEY of Massachusetts. Of course, the gentleman can reach way down in the bag for reasons to justify his actions, but the fact remains if you do not give the Wage and Hour Division this \$2,000,000, it cannot enforce this act. Voting for elimination means that you are against the act. It is better to have it repealed than to leave it without funds to enforce it, because a law that cannot be properly enforced is worse than no law at all.

Employers who believe in the objectives of the wage and hour law are going to try to abide by its rules and regulations, but when you cut off the \$2,000,000 and leave that agency without money to enforce its provisions, you are

openly inviting the chiseling type of employer to chisel. It is an open invitation to him to violate the provisions of the Wage and Hour Act without fear of detection or prosecution. This is a hardship on the honest employer.

I ask the Republicans on that side who believe that workingmen should have rights and privileges in keeping with the dignity of American citizens and should not be reduced to serfdom, to help us restore the wage and hour appropriation. We believe honest employers should have protection, and I appeal to you Republicans who also believe in that to join with us Democrats in voting for an amendment which will restore the \$2,000,000 appropriation asked for by the President and by the Director of the Budget.

Mr. Chairman, the action of the House Appropriations Committee in eliminating from this last deficiency bill the \$2,000,000 item for the enforcement of the wage and hour law is a last, underhanded attempt by the dime-an-hour bloc to scuttle the law.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Chairman, the Associated Press has given publicity to the request of the chairman of the Ways and Means Committee of the House for a resolution that would carry an appropriation of \$5,000 for the purpose of giving special study to the question of tax-revision legislation between now and the next session of Congress. The question involved is the method by which more taxes may be levied and collected, in order to take care of our mounting deficits.

This session of Congress is about to close. This is probably the last appropriation bill for the present session. I am informed it brings the total appropriations for the year to an all-time high of \$13,800,000,000. Of this amount, more than nine and one-half billion dollars is direct appropriation from the United States Treasury, no part of which will be reimbursed. Of the other \$4,000,000,000, there may be some reimbursement.

The Ways and Means Committee, being one of the most important committees of Congress, is charged with the responsibility of providing the ways and means by which funds are raised to pay the expenses for the running of our Government. The appropriations Committee, on the other hand, consisting of more than 40 members, brings to the floor the bills providing for the expenditure of Government funds, together with their recommendations. Both committees represent the leadership of Congress.

I have just told you that we have already spent or agreed to spend more than nine and one-half billion dollars. During the last fiscal year the entire amount of revenue raised with which to pay expenses is only five and one-half billion dollars. It occurs to me that the Ways and Means Committee could do a most profitable thing if it would go into a conference with the Appropriations Committee and find out what expenditures should, or should not, be made. There is something manifestly wrong with our financial program when we permit our Government to run a deficit of four and one-half billion dollars in 1 year, and provide no means of paying the deficit except through loans on the credit of our Government.

We become weary in listening to the discussion of figures, but the situation presented this afternoon at the closing days of the session is entitled to have the careful consideration and serious attention of the membership. This Congress is charged with the responsibility of raising and providing for the appropriation of the expenditures in the operation of government. Our national debt is more than \$40,000,000,000. I'am informed that by January 1, 1940, it will reach the alltime high of \$44,000,000,000. It is time for this Congress to stop, look, and listen. I am not here this afternoon to tell you that all appropriations should not be made, but it is my candid judgment that in view of the situation presented, these committees upon careful consideration, could materially reduce these appropriations. So while this Ways and Means Committee is giving consideration to the question of raising more money and charging it to the taxpayers of this country, it is, in my opinion, far more important that they consider the question of the reduction of expenses. Congress has become so accustomed to the expenditure of funds that belong to the taxpayers of this country that a few million dollars does not appear to make much difference. For example, in the bill before us, we will spend \$53,000,000 of our people's money that we are going to have to borrow, and we will do it in less than 2 hours.

I said a moment ago that the \$5,000 is to be expended in an effort to find out where additional funds might be procured. After this committee has made a study of the situation, it will come to the same old conclusion that these expenses and these deficits will be paid by the same individuals who have paid them throughout the years. You will not need the \$5,000 to find that out. The farmer, the laborer, the home owner, and, above all, the consumer, will continue to bear the increased burden of taxation. Let me suggest again that the Ways and Means Committee and the Appropriations Committee between now and the next session of Congress, should give this situation their most careful thought and study, with a view of giving every item of expense the most careful scrutiny, in an effort to cut expenses in every way and respect possible. The average citizen, the laborer, the farmer, and the consumer have just about as much of a load of taxation as they can possibly carry.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, some people have complained because the Wage and Hour Division has been deprived of \$2,000,000. May I say that we have sheets showing the employment of this outfit at the time they appeared before us and the sheets show that approximately 50 percent of the help is employed by that outfit out in the field, and now they claim there are vacancies to the extent of 50 percent of their operations in the field. Does that present a picture where more money ought to be appropriated? They claim 50 percent vacancies in the field at the present time and they want \$2,000,000 to build it up.

Mr. Chairman, we should have at least 10 percent common sense when we face this kind of a proposition. We should not run completely hay wire. We ought to use our brains and not be run off our feet by some general statement of one who comes to the deficiency committee and asks for an additional \$2,000,000 approximately 2 weeks after the bill for his regular activities has been approved and when he never mentioned the idea of wanting this additional \$2,000,000 to the regular committee.

Mr. HEALEY. Mr. Chairman, will the gentleman yield? Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Of course, this whole field is gigantic and involves a gigantic task. I believe the gentleman will agree with that statement.

Mr. TABER. It is a gigantic field, but if it is not operated intelligently and fairly, it will be a menace to the whole country.

Mr. HEALEY. The Administrator has been going along carefully. He gave the gentleman's committee a very careful survey and filled in all the statistics and figures necessary to bolster up his argument for the extra \$2,000,000 that is required. Of course, there are some vacancies now because they have not had an opportunity as yet actually to apply the act and make proper allocations.

Mr. TABER. They have had great opportunity to do it because they have had practically this same amount of funds per month available for 4 or 5 months up to the present time. There is no such thing as their not having had an opportunity to build up if they could possibly have built up so they could get to any such basis as has been suggested. It is just something on which the Congress ought to use its judgment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. One of the reasons for the

Mr. AUGUST H. ANDRESEN. One of the reasons for the request for this additional money for agents is the investigation the Wage and Hour Division wants to carry on among

the little newspapers of the country, which were exempted by a law passed by the Congress.

Mr. TABER. That is the case where the Administrator has made a regulation that is entirely in violation of the law.

Mr. AUGUST H. ANDRESEN. He has made a regulation that changes the law.

Mr. HEALEY. Mr. Chairman, will the gentleman yield? Mr. TABER. I yield to the gentleman from Massachu-

Mr. HEALEY. I hope the gentleman is not complaining because the men who work on the little newspapers will get 25 cents an hour.

Mr. AUGUST H. ANDRESEN. The Congress specifically exempted the small weekly newspapers having a circulation of less than 3.000.

Mr. HEALEY. Of course, the gentleman wants the men employed on such papers to get at least 25 cents an hour.

Mr. TABER. But those workers do get more than 25 cents an hour. The whole situation with regard to those who are trying to annoy business is that they want to force people out of business by improper, unusual, and undesirable restrictions.

Mr. AUGUST H. ANDRESEN. If the gentleman will yield further, I wish to say to the gentleman from New York and the gentleman from Massachusetts that the men working for the small weekly newspapers get more than the minimum wage, in the average case, but we do not want Government inspectors snooping around those plants when the law specifically exempts small weekly newspapers.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman vield?

Mr. TABER. I yield to the gentleman from New York.

Mr. MARCANTONIO. Can the gentleman find a single word in the hearings that indicates that Mr. Andrews or any other member of that Administration intends to do any such snooping? If the gentleman will read the hearings, he will find that this money is necessary to go after the real violators of this law.

Mr. AUGUST H. ANDRESEN. I believe they should do that.

Mr. TABER. They have not gone after the real violators of the law, and that is the trouble.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Bradley].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, the failure to include in this deficiency appropriation bill an appropriation for the Wage and Hour Division can only be construed in one way—as an attempt to sabotage the enforcement of this act. This is not a sectional proposal. A great many people say there is only one section of the country where this law needs to be enforced. That is not the case. I am going to cite to you a few instances in several States, and you will realize with me that violations of this law are going on throughout the whole country.

In the State of Georgia we have the case of the Camilla Hosiery Mill, which was cited for criminal violation of this act and falsification of its pay rolls. We have the case of the Tufted Bedspread Co., also in Georgia, which is paying as low as 5 and 6 cents an hour. That is the truth—5 and 6 cents an hour. In my city of Philadelphia we have the Crown Trouser Co., which is paying about \$7 a week for a 44-hour

week.

This is not an appropriation for snooping. The actual facts are that the Wage-Hour Division is 50 to 54 weeks behind in the investigation of actual complaints. They do not have the force to do any snooping. There are only three inspectors for 10 Western States. There are only four inspectors for the States of Pennsylvania, New Jersey, and Delaware. There are only two inspectors for the State of Florida, and two for the State of Alabama. In Brooklyn, N. Y., and in the city of New York there are violations by those who are operating cheese factories and those who are operating ice-cream factories. If you want to sabotage the act, pass this appropriation bill without any appropriation for the Wage and Hour Division. If there is any man in this

House who believes that 25 cents an hour is too much to pay an American citizen, I should like to see him stand up and say what amount he believes is sufficient for an American citizen to live on. If he believes 10 cents an hour or 15 cents an hour is sufficient, let him have sufficient courage to say on the floor of this House that an American citizen is not entitled to more than 10 or 15 cents an hour.

Mr. EBERHARTER. Mr. Chairman, will the gentleman

yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I wish to state that I agree with the gentleman. In the State of Pennsylvania there are enough violations of this act to require at least 10 inspectors in that State alone.

Mr. BRADLEY of Pennsylvania. Why, in the State of Pennsylvania alone there have been 1,300 complaints, and investigation shows that in 781 of those cases violations are indicated.

Mr. Chairman, I do not care what section of the country is considered, this chiseling is going on everywhere, and those who want to obey the law have pleaded with the Department of Labor to have a just enforcement of this act in order that they may be able to compete with those who are trying by every means in their power to evade the provisions of the wage and hour law.

There has been a great deal of discussion on the pending Barden bill. You do not need to vote upon the Barden bill if you want effectively to kill the wage and hour law; all you need to do is to vote for this deficiency appropriation without any provision for the Wage and Hour Division, because that is what it amounts to, in fact; but if you think that an American citizen is entitled to more than 10 or 15 cents an hour you will have to vote conscientiously for an amendment to include the necessary appropriations for the Wage and Hour Division.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Does not the gentleman think that if Mr. Andrews, instead of being so dictatorial and bothering so much about what this House would do, would spend his time in administering the law as laid down we would not have as much trouble about its enforcement?

Mr. BRADLEY of Pennsylvania. When I hear the views of some of these individuals, I think Mr. Andrews and a great many other people should concern themselves about what a good many people think here, and I think Mr. Andrews should be interested in every amendment that might be suggested to the wage and hour law. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. Mahon].

Mr. MAHON. Mr. Chairman, I expect to offer an amendment to this bill, which would provide for an additional authorization of \$50,000,000, and an appropriation of \$1,000,000 to continue the public-buildings program outside the District of Columbia in order that additional post-office buildings may be constructed in eligible districts. I realize that inasmuch as this amendment will be subejct to a point of order, it cannot be passed if a point of order is raised.

The next thing I want to mention to the House, Mr. Chairman, is this: The President sent down an estimate of \$119,000,000 for the Commodity Credit Corporation, to be used in carrying on the loan program sponsored by the Commodity Credit Corporation. The Appropriations Committee, of which I am a member, did not include this item in this particular bill. The failure of the committee to include this item was, in my judgment, a grave mistake. It was thought that it would be included. Not being on the subcommittee, I did not have an opportunity to learn all the facts in connection with this particular estimate of the Budget for \$119,000,000 for the loan program, but I have been advised within the last few hours that if we do not restore this \$119,000,000 budget estimate for the Commodity

Credit Corporation, the loan program on cotton this fall and the loan program on corn will not be possible.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I cannot yield for the moment.

Whether or not that statement is accurate I do not know, but my information from the Commodity Credit Corporation and indirectly from the Secretary of Agriculture is that we must appropriate about \$119,000,000 for the Commodity Credit Corporation if we are to carry out the loan

program on farm commodities.

There may be room for debate as to the merits of a loan program on agricultural commodities, but that is not the issue involved at this time. The 1938 Farm Act provided, for example, that if cotton fell below 52 percent of parity, a loan was mandatory, and whether that is a good law or a bad law is relatively immaterial at this point, because this loan has been promised the wheat farmer, the corn farmer, the cotton farmer, and others under the law, and if we are to keep faith and be decent about this thing and forestall a serious condition throughout the agricultural belt, it behooves us to appropriate a sufficient amount of money in this bill to take care of that situation, and I am hopeful before this debate is concluded and the bill is read, we will be able to supply the House with concrete, definite, and specific information regarding the gravity of this situation and the specific amount of money that will absolutely be required to carry on the program.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the

gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota. Mr. AUGUST H. ANDRESEN. The gentleman from Georgia [Mr. Pace] stated a few moments ago there would be no necessity for additional cotton loans this year on the new crop.

Mr. MAHON. I may say to the gentleman that neither the gentleman from Georgia nor any other gentleman can tell whether or not there will be a need for a loan on cotton this fall. All of us hope there will not be a need, but if we appropriate the money and provide the resources to carry on the loan, we will be doing our duty under the law.

Mr. JONES of Texas. Mr. Chairman, will the gentleman

yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. JONES of Texas. I would like to ask the gentleman a question. I notice from the hearings there is nothing later than March on this and I am a little in the dark as to how much has been used or committed in wheat loans and how much is needed. It seems to me to establish a program and then through a sniping method to destroy the program, is not very good sense.

Mr. MAHON. I think the gentleman is correct. As I understand it, as of March 31, \$157,000,000 would be available for the Commodity Credit Corporation, but since that time we have had a tremendous amount of wheat harvested

and much of it has gone into the loan.

Mr. JONES of Texas. In the meantime there has been a wheat harvest and I would like to know if the Committee has the latest data on the amount of additional funds needed because of such additional commitments. I would like to know what the facts are.

Mr. MAHON. Mr. Chairman, I think the gentleman's inquiry is timely, and I hope some member of the subcommittee will answer it.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, in looking over the deficiency appropriation bill this morning I was sorely disappointed to find that the deficiency appropriation requested by the Administrator of the Wage and Hour Act, and approved by the Budget, had been entirely eliminated from this bill. The request was for \$2,000,000 in addition to the amount given to that Agency by the 1940 appropriation bill. I feel sure that Members who have read the hearings on this item will agree that the Administrator has made out a very strong and reasonable showing of the necessity for this additional amount of money.

Perhaps some of the Members are not in full accord with the principles and underlying philosophy of the Wage and Hour Act. However, it became law after a protracted fight in the Congress waged by the proponents of the measure against a determined minority, which employed every possible parliamentary maneuver and procedural stratagem to obstruct and defeat it.

After many months of deliberation and consideration Congress adopted the policy of fixing a minimum wage of 25 cents an hour and a maximum workweek of 44 hours for persons engaged in pursuits that fall within the scope of the interstate-commerce clause of the Constitution.

A majority of the Members shared the conviction that Congress owed to the masses of the Nation's workers the duty of preserving decent social conditions, establishing and maintaining buying power, protecting the fair employer from the destructive effects of sweatshop competition, and outlawing child labor and sweatshop exploitation of labor. They passed the Wage and Hour Act because they were convinced that it provided the best and soundest method of accomplishing these objectives.

The act is now on the statute books, and we ought to give it a fair chance to prove itself by furnishing its Administrator with the means reasonably necessary for its enforcement. To deny any agency the funds necessary for the attainment of its objectives is the surest way of sabotaging the efficacy of the act whose provisions it was set up to administer. I know that the members of the Committee on Appropriations realize that unless adequate funds are appropriated for the proper enforcement of the act, it would be most unfair to the persons charged with the responsibility of bringing to fulfillment its terms. The Wage and Hour Administration is engaged in a gigantic task, a departure into a new and uncharted field, raising new problems that must be solved without the benefit of past experience. The Administrator has proceeded with caution, care, and discernment in working out a sound system of administration and building up a qualified organization adequate to properly administer the act. Thus far, he has given us every reason for confidence in his policies and has been eminently reasonable in his requests for funds. It is only fair that we should give him the amount he asks since, unless he is allowed sufficient funds to provide a competent and adequate staff, his hands will be tied and he will not have been afforded a just opportunity to properly and effectively ensure to thousands of workers, who are beneficially affected by the terms of the act, the protection it was designed to afford. Nor will he have been granted the facilities necessary to safeguard the decent law-abiding employer from the unethical competition of violators of the act.

I strongly urge the membership to pass the amendment which will be offered to this bill which provides for the appropriation of the additional funds requested by the Administrator of the Wage and Hour Act and approved by the Bureau of the Budget.

The CHAIRMAN. The time of the gentleman from

Massachusetts has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I believe we are dealing here with a question of law enforcement, and that we ought to deal with facts and figures and leave politics aside. We should also leave aside any biased opinions that any one of "the 10-cents-an-hour" Members may have in respect to the wage and hour law. First of all, the figures of the Old-Age Insurance Bureau of the Social Security Board show that there are 354,000 employers who come under this act. The testimony is uncontradicted to the effect that it requires 300,000 man-days for a complete inspection. That requires 1,200 inspectors for a complete inspection. The testimony is also uncontradicted to the effect that in order to reach a tentative goal of 75-percent performance approximately 900 inspectors are required. If your purpose is not

to sabotage enforcement then I ask the gentleman in charge of this appropriation bill to explain to this House why in the face of these figures has this appropriation been withheld?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 4 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am not going to speak on this bill, and I ask unanimous consent to proceed for 4 minutes out of order.

The CHAIRMAN. The gentleman from Montana asks unanimous consent to speak out of order. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Chairman, shortly our major political parties will be called upon to select their respective candidates for President. The Democratic Party will have served the Nation courageously, effectively, and humanely for a period of 8 years in March of 1941, during one of the most critical eras in our history. We have faced times that have put to test the greatest statesmen this country could bring forward under the progressive leadership of our great humanitarian President, Franklin D. Roosevelt. [Applause.] Under his able guidance this country has gone forward, step by step, from the brink of a civil war in the early months of 1933 to a point where today we are on the road to a squarer deal for the common man.

In the event circumstances might endanger the security and peace of our Nation, resulting in a call from the people for the continuation of the masterful leadership of President Roosevelt, he could not and would not do less than heed the call.

However, if recovery continues its swing upward and no new economic or other crisis develops, and if no dictum is forthcoming from the people calling for the continued leadership of our great President, then the Democratic Party will be faced with selecting its 1940 candidate for the Presidency.

We are confronted with the task of scanning the horizon in search of a man who possesses the courage, the ability, and the determination to continue the work so forcibly begun and so ably advanced by President Franklin D. Roosevelt.

Naturally my thoughts center on my home State of Montana, which has produced some of the greatest statesmen in the history of our Nation, notably among them the late, great, never-to-be-forgotten Walsh. Following closely in the footsteps, as a public servant, of that great man comes his lifelong friend, possessing like moral courage, independence, liberal views, and statesmanship, in the person of Hon. BURTON K. WHEELER, a distinguished scholar and a respected leader among men. [Applause.]

This thought has also occurred to many others, and I hold here in my hand a statement by an esteemed colleague, Senator Edwin C. Johnson, of Colorado, marking Senator WHEELER as the "man of the hour."

I ask unanimous consent to insert in the RECORD at this point Senator Johnson's statement. It is very brief.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

STATEMENT BY HON. EDWIN C. JOHNSON, UNITED STATES SENATOR FROM COLORADO

In another year President Roosevelt's most successful second term will have reached an end. In my opinion, the President at the proper time will firmly and irrevocably refuse to accept the office again, regardless of whatever pressure may be brought to bear upon him to accept the nomination for a third term.

him to accept the nomination for a third term.

The Democratic Party cannot win the election in 1940 with President Roosevelt or anyone else if the present serious internal disruption continues. The party is split wide open at the present time and no one can deny it. Jeffersonian Democrats will not support a candidate with liberal tendencies unless he is also soundly realistic and devoted beyond question to American institutions. Liberals in and out of the party will not support a Democrat who would take a single step backward. The candidate who is all things to all men will not please any faction of the party. The people will not take a pussyfooter or a political hybrid. He must be a man with wellestablished and well-known, deep-seated convictions, and he must have outstanding qualities of leadership.

Fortunately the Democrats have a courageous American to meet this crisis which the party is facing. Burron K. Wheeler is a real

liberal whose record for liberalism was made long before 1933 and who is so honest and trustworthy that he holds the respect and confidence of the most conservative Democrat in the land. Progressive, learned, experienced—Senator WHEELER has been a loyal supporter of President Roosevelt, except upon a very few occasions, and then it was a difference as to methods rather than objectives. His whole public career has been a tremendous record of public service. He has a keen, alert mind, coupled with a vigorous and determined aggressiveness, which is so necessary in the Presidency. Senator WHEELER, teamed with a Democrat from the Mississippi Valley or the East, running upon a forward-looking platform, can win the election in 1940 because he is the American who can unite the Democratic Party.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SCHAFER of Wisconsin. Senator Wheeler would not be satisfactory to John L. Lewis, who has a half-milliondollar mortgage on the Democratic Party, would he?

Mr. O'CONNOR. I cannot say anything about that.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Chairman and members of the Committee, I merely rise at this time to call the attention of the Committee to the fact that the Appropriations Committee has seen fit to write into this deficiency bill the reindeer appropriation item which this House has cut out on two previous occasions in regular appropriation bills. I assume that somebody connected with this felt perfectly justified in taking this action; but I am not going to have a great deal to say about it at this time. I just merely want to call your attention to the fact that it is in here again for the third time, in spite of the action that the House has taken on two previous occasions. When that point is reached in the bill, of course, an amendment will be offered to strike it, and I hope the House will be prepared to reassert itself on that question.

I yield back the remainder of my time, Mr. Chairman. Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I take the floor again for the purpose of trying to clear up, if I can, some of the smoke and dust that has been stirred up over this appropriation for the enforcement of the Fair Labor Standards Act. I think it is regrettable, when the Appropriations Committee undertakes to make an agency observe the ordinary principles of economy and efficiency and exercise care and precision in the conduct of its affairs that we should be accused of trying to sabotage the activity. That is ridiculous. I personally voted for the Fair Labor Standards Act. I have no doubt many other members of the committee voted for it. But just because it affects labor, or just because something affects the farmer or something else is no reason that I know of why they should not be made to conduct their business under the same rules and principles that we would make any other department of the Government do. [Applause.1

Now, the gentleman from Massachusetts, Mr. HEALEY, says the fact that this item is left out is self-evident that we are trying to repeal the Fair Labor Standards Act. Well, that is ridiculous. Mr. Andrews had \$1,250,000 for his activity in 1939, the fiscal year ended just a month ago. The committee gave him \$3,184,000 for the fiscal year 1940, which began just a month ago, which will enable him greatly to increase his staff. This two million supplementary appropriation comes almost before he gets started on his 1940 program. If anybody wishes to sabotage the Fair Labor Standards Act, certainly the Appropriations Committee, in the regular bill, would not have increased it to \$3,184,000 for 1940.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield. Mr. DONDERO. Does the gentleman mean that the \$2,000,000 is in addition to the \$3,000,000 already appro-

Mr. WOODRUM of Virginia. Oh, yes; yes.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. HEALEY. Of course, the appropriation last year was just in order to enable them to get started.

Mr. WOODRUM of Virginia. Well, that is a fair statement.

Mr. HEALEY. The gentleman will admit that that is fair?

Mr. WOODRUM of Virginia. Yes.

Mr. HEALEY. They were just getting started?

Mr. WOODRUM of Virginia. That is quite a fair statement; but I wish to say to my friend, any activity, no matter how justifiable it may be, can grow only so fast and have a healthy growth. Nothing is worse for a department or agency than to dump a lot of money in its lap which it can just dish out here and there. We found that in W. P. A .- without starting an argument about anything-but just giving that agency so much money.

Now, we wanted the wage and hour outfit to build their organization carefully, thoughtfully, and conservatively.

Mr. HEALEY. Will the gentleman yield right there? Mr. WOODRUM of Virginia. Just let me finish my statement, please.

It is shown in these hearings that there are a great many

complaints over the operations of this act.

It is true that a great many industries in the country, which are observing the law, which are paying the wages provided in the Fair Labor Standards Act, are very anxious that Mr. Andrews and his outfit have sufficient funds to enforce the act in order to prevent chiseling on them. We are cognizant of these facts. Our committee is for peace and harmony always. Nothing pleases us better than when we can make our colleagues happy and see them smile, and have peace and harmony. So I have consulted among my brethren, and at the proper time we have agreed with the proponents of this amendment that is to be offered, that we shall, for the committee, accept an amendment putting in half of this Budget estimate of \$2,000,000, but that if another body, which operates at the other end of the Capitol should tamper with that, our friends over here are going to help us to maintain the position of the House on an additional amount of \$1,000,000. It ought to be the attitude of every Member of this House, no matter how interested in an activity he is, to demand that they observe rules of economy and efficiency in their organization, and that is what the Appropriations Committee tried to do.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. HEALEY. Does not the gentleman feel that is the fact; is he not satisfied that this wage-hour administration

has been very careful and thoughtful?

Mr. WOODRUM of Virginia. I think Mr. Andrews has tried to do a good job, I may say, without entering into a controversy about the wage-hour bill. He says he wishes these inspectors to go out to find violators of the law in order to protect those people who are observing the law, and I say that is an impressive argument.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mrs. NORTON. Does not the gentleman know there have been many many more violations of the law than we believed there would be at the time the law was written? Is not that the reason this additional money is requested?

Mr. WOODRUM of Virginia. There may have been many violations of the law, but our committee feels we have dealt generously with the Wage and Hour Administration.

Mrs. NORTON. I thank the gentleman for his action although I had hoped we could amend the bill to make it two million. I realize we are confronted with a practical situation; and, speaking for myself and I think for the majority of those who are working with the Committee on Labor, I shall be glad to accept the compromise amendment. I had intended to offer an amendment for the amount recommended by the President and the Budget. I am disappointed but shall keep faith with the committee.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gen-

tleman vield?

Mr. WOODRUM of Virginia. I yield.

Mr. SCHAFER of Wisconsin. The gentleman has made good economy record. Does the gentleman favor this \$1,000,000 Alaska reindeer pork in this appropriation bill?

Mr. WOODRUM of Virginia. I want to say to my distinguished friend from Wisconsin that a little later I am going to let the distinguished chairman of my committee tell the gentleman about that item in what I believe will be a very convincing way. Our distinguished chairman is an expert on reindeer.

[Here the gavel fell.]

The Clerk read as follows:

CONTINGENT EXPENSES OF THE HOUSE

For expenses of special and select committees authorized by the House, fiscal year 1940, \$150,000.

Mr. COLE of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cole of Maryland: Page 3, line 9, after the figures "1940", strike out "\$150,000" and insert "\$165,000."

Mr. COLE of Maryland. Mr. Chairman, the Committee on Interstate and Foreign Commerce, in session this morning, authorized an investigation in response to a request from the President of the United States contained in a letter dated July 22, from the President to Chairman DEA. The date of this letter accounts for this request being presented this late in the session. The investigation is for the purpose of bringing up to date the petroleum investigation which the committee conducted in 1934 and which the President specifically asked be conducted before January next, if possible, so that pending legislation might be considered by the Congress during the next session. The committee recommended that \$25,000 be provided, but in talking with the gentleman from North Carolina and others this morning I feel that \$15,000 will be sufficient for the time being. This amendment is for the purpose of providing this sum as part of the House contingent fund.

Mr. WOODRUM of Virginia. Mr. Chairman, the committee has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was agreed to.

The Clerk read as follows:

For preparing and editing a new edition of the Code of the District of Columbia, as authorized and directed by law (1 U. S. C., ch. 3), fiscal year 1940, \$32,500.

Mr. KEOGH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. KEOGH: Page 3, line 12, after the word "fiscal", strike out "year" and insert "years", and after "1940" insert "and 1941."

Mr. WOODRUM of Virginia. Mr. Chairman, the committee has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

The Clerk read as follows:

GOVERNMENT PRINTING OFFICE

For payment to Preston L. George, William S. Houston, John G. Nalley, and William H. Wannall, messengers on night duty during the first session of the Seventy-sixth Congress, \$900 each; in all, \$3,600, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1940.

Mr. RICH. Mr. Chairman, I make a point of order against the paragraph, Government Printing Office, beginning in line 18 and ending in line 24, of page 3, on the ground that it is legislation on an appropriation bill, not authorized by

Mr. WOODRUM of Virginia. Will the gentleman reserve his point of order so that I might make a half-minute statement?

Mr. RICH. I reserve the point of order.

Mr. WOODRUM of Virginia. Mr. Chairman, this item is subject to a point of order, but it has been carried in the bill for a number of years as extra compensation for these

messengers who work on the Congressional Record at night. To strike this out of the bill just reduces their salary from what they have always received and, as I have stated, it has been carried in the bill for a number of years. It is subject to a point of order.

Mr. RICH. Mr. Chairman, these men are under civil service. They get 15 percent extra, over their regular compensation. This is divided among three men, while there are

seven or eight men doing the work.

Mr. WOODRUM of Virginia. But it is something the Congress has paid for years, I may say to the gentleman. It is

subject to a point of order, however.

Mr. RICH. It seems if it is proper legislation, we ought to pass the legislation in the right manner and have it brought in here properly, not bring it here under an appropriation bill.

Mr. Chairman, I make a point of order.

The CHAIRMAN (Mr. Cooper). The gentleman from Pennsylvania [Mr. Rich] makes a point of order, and the gentleman from Virginia [Mr. Woodrum] concedes the point of order. Therefore, the Chair sustains the point of order.

The Clerk read as follows:

The item "Procurement Division, Public Buildings Branch, Construction of Public Buildings outside the District of Columbia," in the Treasury Department Appropriation Act of 1940, is hereby amended to increase the limits of cost to the amounts indicated after each of the hereinafter-mentioned projects contained in House Document No. 177, Seventy-sixth Congress: Tempe, Ariz., post office, and so forth, \$160,000; Antioch, Calif., post office, \$98,000; Bellflower, Calif., post office, \$125,000; Chicago, Ill. (Jackson Park Postal Station), \$350,000; Ellicott City, Md., post office, and so forth, \$117,000; Hamilton, Mont., post office, and so forth, \$100,000; Hamlet, N. C., post office, and so forth, \$90,000.

Mr. MAHON. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Mahon: Page 9, at the end of line 16, add a new paragraph as follows:

"PUBLIC BUILDINGS ADMINISTRATION

"CONSTRUCTION OF PUBLIC BUILDINGS, ACT AUGUST 25, 1937

"Construction of public buildings outside the District of Columbia: The total amount authorized to be appropriated for the 3-year program for the acquisition of sites and construction of public buildings by the paragraph under the caption 'Emergency construction of public buildings outside the District of Columbia,' contained in the 'Third Deficiency Appropriation Act, fiscal year 1937,' approved August 25, 1937 (50 Stat. 772), and increased by the 'Federal Public Buildings Appropriation Act of 1938,' approved June 21, 1938, is hereby further increased from \$130,000,000 to \$180,000,000, and the period of said program is hereby extended to 5 years. All applicable provisions and authority contained in such authorizations shall be operative with respect to the enlarged authorization provided herein except that the Federal Works Administrator shall be substituted for the Secretary of the Treasury where mentioned therein, and that the list from which projects are to be selected by the Postmaster General and the Federal Works Administrator, acting jointly, shall be House Document No. 177, Seventy-sixth Congress, first session, dated February 20, 1939: Provided, That the Federal Works Administrator and the Postmaster General may also select for prosecution under this program such projects not included in such document as in their judgment are economically sound and advantageous to the public service. Toward such increased program there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000. The appropriations heretofore made under the authority of such acts, together with the appropriation contained herein, shall be consolidated into a single fund and be available toward the consummation of the entire authorized program (52 Stat. 818; 53 Stat. 672)."

Mr. WOODRUM of Virginia. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MAHON. Mr. Chairman, it has been the custom for a number of years for the Appropriations Committee to bring in an authorization, even though it is legislation, for the purpose of our public-building program outside the District of Columbia. My amendment simply endeavors to follow the same course we have formerly followed in offering an authorization for an additional post-office building program. I am sure that the members of the Committee on Public Buildings and Grounds, which might normally consider this matter, would be perfectly willing for the House to pass my amendment,

This amendment is supported by a Budget estimate sent down by the President. The public-buildings program is sound; it is being well administered. There is a great public demand for it. Nobody will have to apologize for a good post-office building. It is a convenience and source of pride to everybody in a community, and it serves the public for generations.

I hope the chairman of the Subcommittee on Appropriations will not insist upon his point of order. I realize the amendment is subject to a point of order; and if the gentleman feels that he should insist upon it, naturally I withdraw the proffered amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, I make a

point of order against the amendment.

The CHAIRMAN (Mr. COOPER). The gentleman from Virginia [Mr. WOODRUM] makes a point of order against the amendment. The gentleman from Texas [Mr. Mahon] concedes the point of order. Therefore the Chair sustains the point of order.

Mr. STARNES of Alabama. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I seek recognition at this time because of the fact that many Members have asked me in the past few days whether or not I propose to offer a Public Works Administration amendment to this bill. Should such an amendment be offered, of course, it is recognized that this is the proper time and place.

May I say to the Members of the House that I do not propose to offer an amendment to this bill providing for a continuation of the public-works program at this time simply and solely because of the fact that to date we have received no Budget estimate for any amount for public works under its present basis of operations, nor any request from the President to continue the operation of the public-works program under its present basis.

Being a member of the Appropriations Committee and charged with the responsibility in some small measure of helping to bring out appropriations to the House, I am going to observe the usual procedure. I shall certainly not ask my colleagues to vote for public works when I myself would not urge that course without a Budget estimate to support it and without a request from the President to carry on such a program at this time. I am a firm believer in a sound, constructive, long-range public-works program, based upon the need for such program, the amount to be limited by the condition and state of the Treasury. Undoubtedly there is much sentiment in the House and throughout the Nation for the continuation of our present public-works program, which has been honestly and efficiently administered without a breath or taint of a scandal in any shape, form, or fashion. Had all Federal agencies and all other Federal bureaus and commissions been administered as efficiently and as faithfully as has the Public Works Administration, we would have had a much better administration of governmental affairs than we have had.

Mr. EBERHARTER. Will the gentleman yield?

Mr. STARNES of Alabama. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Has the gentleman considered whether or not an amendment to this deficiency appropriation bill having to do with the P. W. A. would be germane and whether it would be subject to a point of order?

Mr. STARNES of Alabama. I think it would be germane to this section. At the same time, I do not think it has the chance of the proverbial snowball of being considered by the House at this time, in view of the action taken during the past week, and, frankly, I have no criticism of what the House did in that respect.

Mr. EBERHARTER. I want to call the gentleman's attention to the fact there is no authorization for a P. W. A. program at the present time, as I understand it. There is no statute permitting continuation of the P. W. A. beyond this fiscal year.

Mr. STARNES of Alabama. If I recall correctly, the P. W. A. expires on June 30, 1940, and funds made available

under this act could be used for the continuation of that program.

Mr. EBERHARTER. In that case an amendment would be germane.

Mr. STARNES of Alabama. I think so.

Mr. Chairman, I have taken this time of the Committee merely to explain the situation and to express the hope that prior to meeting here in January next the President will see fit to recommend to the Congress the continuation of the public-works program. [Applause.]

[Here the gavel fell.] The Clerk read as follows:

UNITED STATES CORONADO EXPOSITION COMMISSION

For all expenses necessary to carry out the provisions of the act entitled "An act authorizing Federal participation in the commemoration and observance of the four-hundredth anniversary of the explorations of Francisco Vasquez de Coronado." approved July 17, 1939, including personal services in the District of Columbia and elsewhere, and printing and binding, \$175,000, to remain available until expended.

Mr. DEMPSEY. Mr. Chairman, I offer an amendment: The Clerk read as follows:

Amendment offered by Mr. Dempsey: On page 11, line 21, after the word "elsewhere", insert "without reference to the Classification Act of 1923, as amended."

Mr. WOODRUM of Virginia. Mr. Chairman, the committee has no objection to the amendment.

The amendment was agreed to.

The Clerk read as follows:

CONSERVATION AND HEALTH

Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable, of reindeer, abattoirs, cold-storage plants, corrals and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), \$720,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, \$75,000; in all, fiscal year 1940, \$795,000: Provided, That under this appropriation not exceeding an average of \$4 per head shall be paid for reindeer purchased from nonnative owners: Provided further, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island.

Mr. COLMER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Colmer: On page 29, strike out all the paragraph on pages 29 and 30, beginning with line 24, on page 29, and extending through line 16, on page 30.

Mr. COLMER. Mr. Chairman, this is the amendment I referred to earlier in the day in general debate with reference to the reindeer industry in Alaska. This is an amendment to strike out of the bill the item for the purchase of the reindeer herds in Alaska. As I said then, this item has been incorporated in this deficiency bill in the closing hours of the session, and that notwithstanding the fact that on two previous occasions this House has voted out that provision and has said in no unmistakable terms that it did not think that this was the time for the Government to go into the reindeer business in Alaska.

I do not know that anything can be added to that. I know of nothing that has happened that should cause the House to reverse itself. Certainly this House has not shown any inclination in the last few weeks to become more liberal in the expenditure of public funds, as was particularly witnessed here on yesterday.

You recall from the time this item was under consideration before that it provides for the United States Government to set up another bureau within a department to put the Government in the reindeer business; and this is not the time of year for reindeer.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Is there some concern or some company or someone that owns a lot of reindeer and wants to sell them to the Federal Government? Mr. COLMER. Yes. I may say to the gentleman from Kansas that, as has already been brought out here innumerable times, some people went up to Alaska on a venture to raise reindeer in order to sell the reindeer meat in this country. They built a lot of abattoirs and a lot of other things. The venture proved to be unsuccessful and a financial failure.

Now this Government is asked, just as it is asked to do everything else, to take these slaughterhouses off the hands of these persons and buy the reindeer, setting the Govern-

ment up in the reindeer business.

If this item gets by this time or the next time—and it looks as if it will be with us forever hereafter—you can go down to the Department of the Interior and you will find some high-priced officials sitting down there in fine chairs and in a fine office building administering another bureau, a bureau for the care and propagation of reindeer in Alaska.

I pointed out on three different occasions that it was just as sensible for the Government to go to the South Sea Islands and get turtles, or to the Rocky Mountains and get goats, and to set up a turtle industry or a goat industry, as to go into the reindeer business. Of course, it is fine, it is Utopian; we would like to help, but where are we going to stop? I wish again to call your attention to the fact that this House has voted twice on this proposition and said that it was not ready to put the Government into the reindeer business, that it was not ready to make this initial outlay of \$795,000, which is the very first step in going into this business, one that will last as long as the Government lasts.

Mr. FADDIS. If the gentleman will yield, it is the last step, not the first step, and the gentleman knows it.

Mr. COLMER. No; I do not know that. As a matter of fact, the Department has estimated that it will cost a minimum of \$130,000 a year for personnel to operate this bureau. [Here the gavel fell.]

Mr. DIMOND. Mr. Chairman, I rise in opposition to the amendment.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DIMOND. Mr. Chairman, the welfare and almost the life of a good many of the 19,000 Eskimos in Alaska depend upon what happens to the amendment that is now before the Committee for its consideration.

The question has been asked why this matter is presented to you again in view of the action of the House on two former occasions. I can answer that. It is presented to you because this House and the Senate and the President of the United States several years ago joined in passing a bill directing that this very thing be done, and the question now is whether you meant what you were saying then when you said that the nonnative-owned reindeer of Alaska should be purchased by the Government and kept for the Eskimos. That bill was more than a mere authorization, it directed that the purchase be made. If you did not mean it, if that was only a jest, of course, you are going to vote for this amendment and kick the item out of the bill, but if you really thought you were doing right and if you still agree upon that course-and I submit that there has not been a word of testimony submitted here to change your mind-then the only thing you can do is to vote down the amendment and keep the item of appropriation in the bill.

This item, I assume, has been put in the bill partly by reason of a letter of the President to the chairman of the Appropriations Committee which appears on page 716 of the hearings on the bill in which the President said:

THE WHITE HOUSE, Washington, July 19, 1939.

Hon. EDWARD T. TAYLOR,

Chairman, Committee on Appropriations, House of Representatives.

My DEAR MR. TAYLOR: On September 1, 1937, there was enacted into law a measure reasonably calculated to insure to the Eskimos

and other natives of Alaska a food supply in perpetuity by eliminating all nonnative ownership of reindeer, by providing for the conservation of the range and the protection of the herds.

Basic to the humanitarian purposes of the act is its authorization of an appropriation of \$2,000,000 to purchase those herds now owned by nonnatives. No appropriation has, however, been made, although the passage of the measure was preceded by prolonged consideration, and although the provisions of the act have been supported by investigations subsequent to its passage made under the immediate direction of the chairmen of the House and Senate

Committees on Appropriations.

I am deeply interested in the efforts of these people in their struggle to preserve for the future the only controllable food supply for which the tundra areas of Alaska are suitable. In the press of other matters, I hope the commitments of the Reinder Act of 1937 may not be forgotten and that those who are dependent upon reindeer may be enabled by an adequate appropriation to regain full possession of the industry upon which their future depends, to protect their herds from the inroads of predators, to conserve the grazing areas, and otherwise to reap the full benefits of the rein-

deer industry.

It must be remembered that reindeer were imported to Alaska at the close of the last century to replace in some measure the indigenous food supply of the natives, which had been depleted by the expansion of American commerce and industry, and it seems only logical that we now should take the steps called for by the

Reindeer Act.

I trust this matter will receive the earnest consideration of your committee and of the Congress. Very sincerely yours,

FRANKLIN D. ROOSEVELT.

I want to make here a sort of an argument, as we used to say in school, an argumentum ad hominem. Those who are supporting this measure and are urging its enactment are those who know the most about it, and those who are opposing it, I say with the greatest respect for them, are not nearly so well informed. The President knows something about it and, as you have heard, he has taken time in the press of matters of vast national concern to ask for consideration of this particular subject which is of such vital importance to our Eskimo citizens. The chairman of the Appropriations Committee, as a result of a study of years, after being in the beginning opposed to it, is now wholeheartedly in favor of the legislation; the Committee on the Territories, with full knowledge of the subject, favors it; and your own special committee appointed by Congress to look into this very matter and report to you has reported that the appropriation should be made, because this is the only way to save the reindeer and thus to save and help the

During this past winter scarcely a week has passed that I have not received a letter or a telegram from Alaska, from someone else interested in the subject, saying that the destruction of the reindeer by the wolves has been simply devastating and that unless steps are taken soon to resume herding-and this can only be done by putting the Reindeer Act into effect—the time is near at hand when there will be few reindeer left in Alaska, and the Eskimos must become the objects of the bounty or the gifts of the Government for their food, like the Indians on reservations, or they must do as they did before the reindeer came. They must run the risk of starving.

One compelling reason this item is in the bill is because it is a matter of supreme emergency involving almost the life and death of some 19,000 citizens of the United States.

Mr. SEGER. Mr. Chairman, will the gentleman yield? Mr. DIMOND. I yield.

Mr. SEGER. I am sympathetic with the gentleman's idea, and the gentleman has made a very good presentation, but I was not here in the beginning of this discussion. How many reindeer are there, and are they roaming wild there now?

Mr. DIMOND. There were about 500,000 reindeer in Alaska altogether, according to the estimate that was made at the time when the special committee made its examination of the subject in 1938.

Mr. SEGER. Who feeds them now?

Mr. DIMOND. They roam over the hills. Nobody feeds them; they roam over the tundra areas. About 180,000 were estimated to be in private ownership; but, unfortunately, the deer owned by private owners occupy most of the best range, and the herds of the natives are thus excluded from that

range. The Eskimos need the range, and they need the additional deer.

Now, there is only one of two alternatives that can be followed: One is to let practically all the reindeer be destroyed. and let the natives as a consequence go on relief or face starvation; and the other is to carry out the Reindeer Act. an act which you passed and which the President has approved. There is no other alternative.

At the present time thousands of the Eskimos have no reindeer whatsoever. They need and can make excellent use of deer. The natives of several of the Aleutian Islands have asked me to aid in securing reindeer for them in order that they may have an assured supply of food. The same is true with a number of native settlements on the Alaska Peninsula. Several years ago I vainly tried to have deer supplied for the natives residing on Popof Island, but without success. Neither deer nor facilities for transporting them were available. Many of the Eskimos have only a few deer, not nearly sufficient to support themselves and their families. The making of the requested appropriation contemplates that reindeer will be supplied to all of the natives who need them and in sufficient numbers to be a real and dependable source of food. Even some of the native Indians of southeastern Alaska have asked to be supplied with reindeer and are confident that the deer will thrive in that part of Alaska.

This appropriation which is now asked is truly a conservation measure. The aim is to conserve and protect, and to make increasingly more useful, a certain supply of food for the natives of Alaska. It would be a tragedy indeed to sit idly or obstinately by and permit the really valuable resource which we have in the reindeer be virtually destroyed through lack of control, through failure to make the modest contribution necessary for its preservation. And the more important purpose is to help to make self-supporting and to keep selfsustaining a good many thousands of these native citizens of Alaska who in kindliness and generosity are not surpassed by any people of the world.

Mr. Chairman, the statement has been made here and reiterated, and every change has been rung upon the subject, that this is an appropriation to bail out somebody who is in private business—in the reindeer industry in Alaska. That is not the fact. It is true that some of the private owners may incidentally benefit from the appropriation, but it will be only an incident, and the vast benefit to be had by keeping in the bill the item now attacked will be enjoyed by the Eskimos of Alaska, who need the reindeer and need the range. If we want to help them, this is the time to do it by voting down the proposed amendment. [Applause.]

The CHAIRMAN. The time of the Delegate from Alaska has expired.

Mr. RICH. Mr. Chairman, the Delegate from Alaska [Mr. DIMOND] makes mention of the fact that we passed legislation 2 years ago to make this purchase of Alaskan reindeer. No one recollects that better than the Delegate from Alaska, and I think many other Members of Congress can recall; I never saw a piece of legislation that was so lobbied in order to have it put through the Congress as that particular piece of legislation. Something mysterious about the bill. The question of taking care of the people of Alaska, the Eskimo, by making a purchase of these 180,000 reindeer at \$4 apiece has been kept constantly before everyone here by a man who has been lobbying here every day since we have been talking about the Government buying reindeer. He has talked with most everybody in the House, and he will receive benefits if the bill is passed, as Mr. Loman is interested in reindeer, abattoirs, corrals, and so forth. I cannot hate the man for that, but the question is, Do we want to spend \$790,-000 now to buy reindeer when there are 500,000 reindeer in Alaska at the present time. More reindeer per capita of Eskimo than there are cattle per capita in the United States. The 300,000 or more of them are public reindeer on the public range owned by the United States of America. people will not starve if we do not come in and help this organization by buying these 180,000 reindeer at \$4 per head.

Why does the Federal Government want abattoirs and coldstorage plants, and such things? Just putting the Government in all kinds of business. Just because this corporation foundered and has gone bankrupt. I say to the Delegate from Alaska that I have listened to the hearings in the Appropriations Committee for the last 4 years. The Delegate from Alaska came before the committee several years ago, but he did not mention anything about the Government going in there and buying 180,000 reindeer until that bill was passed. There was no mention of it at all until after the bill was passed, and he then came before us time after time, and we gave him the money he said would be necessary to take care of the Eskimo, but he never mentioned the fact that we ought to go in there and spend \$790,000. What a change of heart he has had.

Mr. DIMOND. Mr. Chairman, will the gentleman yield? Mr. RICH. Yes. I yield to the distinguished gentleman, the Delegate from Alaska.

Mr. DIMOND. The gentleman understands that I was appearing before the Committee on Appropriations, and it would have been entirely futile for me to ask for an appropriation before there was an authorization, and I call the gentleman's attention to the fact that I introduced the reindeer bill myself and talked about it long before it was

Mr. RICH. Mr. Chairman, previous to that time nothing was ever mentioned before by the gentleman before the committee, before he introduced that reindeer bill.

Mr. DIMOND rose.

Mr. RICH. I cannot yield any more, because I have not the time. If I am in error I shall beg the gentleman's pardon, but I am pretty sure that I am correct. I say to the Members of Congress that I am going to insert in the RECORD at this point, if I may, a list of the appropriations for 1940 showing that the regular appropriation bills that have come in have appropriated \$9,607,278,377.28, and that does not include many appropriation bills that have been passed in the last week. We are going to receive an estimate of \$5,669,000,000, as stated by the President, so that we will have appropriated \$4,000,000,000 more than we will have received for 1940, a terrible situation. Instead of getting our gap between income and outgo closer together it is getting farther apart and it does not look as if we will ever have a balanced Budget unless we stop this ruthless spending.

The CHAIRMAN. The time of the gentleman from Penn-

sylvania has expired.

Mr. RICH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting the tables of appropriations to which I referred, at this point.

The CHAIRMAN. Is there objection?

There was no objection.

1940 appropriations

__ 5, 669, 000, 000, 00

Relief-W. P. A	\$725,000,000.00
Relief-W. P. A. additional	
First deficiency	
Independent offices	
Legislative establishments	
Treasury and Post Office	1, 700, 615, 054. 00
Military Establishments:	
War Department	508, 789, 824. 00
Supplemental War Department	223, 398. 047. 00
Nonmilitary	
Navy (on floor, estimate)	
Second deficiency	157, 619, 059. 00
Agriculture and Farm Credit Administration	1, 194, 498, 633.00
Interior Department	172, 679, 765. 00
District of Columbia	
Department of Labor (last year, \$132,044,795)	30, 536, 170. 00
Departments of State, Justice, and Commerce	
Relief-1940	
Urgent deficiency	
Third deficiency	53, 190, 056. 28
Total	9, 607, 278, 377. 28
Income, 1938	6, 241, 661, 226. 99
Theome 1090 (estimate)	5 520 000 000 00

Income, 1940 (estimate)_____ Mr. FADDIS. Mr. Chairman, of course if the gentleman from Mississippi [Mr. Colmer] and the gentleman from Pennsylvania [Mr. Rich] are in favor of extending the doubtful blessings of a system of paternalism, such as the W. P. A., to the Eskimo in Alaska, then the thing for them to do is to continue their opposition to this item in this appropriation bill. This item to purchase the reindeer now belonging to the white owners and giving them to the Eskimo is an honest attempt upon the part of the Department of the Interior to make the Eskimo self-supporting. It is the result of recommendations and findings of various committees and officials of this Government who have visited Alaska. Their recommendations along this line have been almost unanimous. The last committee which visited Alaska and investigated this matter spent some \$50,000 in reaching their conclusion, and recommended that the reindeer of the white owners be purchased and that all of the reindeer be made the property of the Eskimo in Alaska. In doing this we will furnish the Eskimo of Alaska with means which will enable them to largely provide for their own existence. We will add some 350,000 acres to the grazing territory in the United States, and we will put on its feet the only livestock industry which it is possible to operate in Alaska.

In view of the fact that the findings of the various committees and the recommendations of the various officials who have thoroughly investigated the matter, I hope the facts will be borne in mind this afternoon and that this item for the purchase of the reindeer will be retained in the appro-

priation bill.

In conclusion I want to say this, that when you think of \$4 a head for reindeer, that \$4 is purchasing a reindeer much more cheaply than you can purchase a medium-grade sheep.

Mr. TERRY. Mr. Chairman, will the gentleman yield? Mr. FADDIS. I yield.

Mr. TERRY. In that connection the bill says-

That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island.

Does the gentleman know how many reindeer are on that island?

Mr. FADDIS. I do not. Perhaps the gentleman from Alaska could tell the gentleman from Arkansas.

Mr. DIMOND. If the gentleman will yield, I understand there are about 15,000 reindeer on Nunivak Island. They were placed there some years ago and are under the supervision of the Biological Survey.

Mr. TERRY. How much do you expect to pay for the reindeer on that island? There is no limitation on the price.

Mr. DIMOND. I do not know. If the parties cannot agree on the price, the only thing that can be done is to bring an action in court and have the price fixed in court under the power of eminent domain.

Mr. MAAS. Will the gentleman yield?

Mr. FADDIS. I yield.

Mr. MAAS. Four dollars a head is certainly not excessive, in view of the fact that Canada paid \$65 a head for the same reindeer.

Mr. FADDIS. That is true. Four dollars a head is less than you can purchase a good sheep for.

[Here the gavel fell.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, on yesterday the House by an overwhelming vote took a position in favor of economy and retrenchment in the expenditures of our Federal Government. A great majority of the Members no doubt realize that our Federal Government is heading for bankruptcy. This New Deal spending spree must be curbed. If Uncle Sam continues to spend and spend and borrow and spend much longer, he will soon be bankrupt and the American people will meet inflation face to face. Inflation with its devastating resultssuffering, misery, despair, and distress-such as our people have never before witnessed.

Mr. Chairman, this amendment strikes from the bill an appropriation of \$720,000 from our almost bankrupt Federal Treasury. This \$720,000 appropriation is to put Uncle Sam in the reindeer business in Alaska. This proposition was

thoroughly considered by this Congress on two different occasions and rejected by an overwhelming vote.

I intend to practice economy today, as I did yesterday and will do in the future, even though the adoption of this pending amendment might prohibit "Honest Harold" Ickes, the New Deal Secretary of the Interior, from operating reindeer slaughterhouses, cold-storage plants, ranches, and other socialistic Government activities for Uncle Sam in Alaska.

Mr. Chairman, in the past our New Deal brethren talked much about two chickens in every pot and two cars in every garage. Should they raid the almost bankrupt Federal Treasury of \$720,000 to set Uncle Sam up in the reindeer business in Alaska, they can go into their campaign next fall with a slogan, "24 reindeer for every Eskimo man, woman, and child in Alaska," under the soviet conception of government in the slaughterhouse business, government in the cold-storageplant business, government in the ranch business, and so forth. Insofar as putting Uncle Sam in the reindeer business is concerned, this \$720,000 is just the beginning. This year Uncle will raise reindeer and slaughter them. year our New Deal "brain trusters" will ask for additional appropriations so that Uncle Sam can go into the reindeer milk, cheese, and butter business and compete with our American dairy interests as well as our American slaughterhouses, cold-storage plants, and ranches.

Mr. Chairman, a vote for this amendment is a vote for economy and a vote to keep Uncle Sam out of unfair, subsidized competition in fields of private business endeavor. [Applause.]

[Here the gavel fell.]

Mr. KEEFE rose.

The CHAIRMAN. For what purpose does the gentleman from Wisconsin rise?

Mr. KEEFE. I rise in opposition to the amendment.

The CHAIRMAN. The time has been allotted, I may say to the gentleman.

Mr. KEEFE. I was on my feet all during the time the Chairman was allotting that time.

The CHAIRMAN. The Chair is sorry, but the gentleman's name is not included.

Mr. KEEFE. It is rather unusual that a man of my size could not be seen when I was here all during that time. The CHAIRMAN. It is quite unusual, but the Chair regrets it is true.

The gentleman from Minnesota [Mr. August H. Andresen] is recognized for 3½ minutes.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to

proceed for 2 minutes.

The CHAIRMAN. The gentleman from Minnesota has

been recognized for 3½ minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in

opposition to the amendment.

I am not one of the Members of the House who ordinarily recommends or votes for increased appropriations, but this particular item has been made a political football around this House so long that I feel the time has come to properly dispose of it.

It seems to me it is about time we approve this authorization which will take care of 19,000 Eskimos in Alaska and see that they get a livelihood. The Congress passed the authorization bill turning these reindeer over to the Eskimos, and the interested parties have been waiting patiently for Congress to provide the appropriation so that this matter may be cleaned up.

I can readily see, with all of the money that is being spent by the Federal Government, that it is a good opportunity to have a little fund with the reindeer and with Santa Claus, but let us forget about it and let us vote this appropriation and get the matter off our records. Afer all, it is but a drop in the bucket when you consider the billions and billions of dollars that are being spent for every conceivable project under the sun, some worthy and a great many of them unworthy, at the expense of the American people.

This is a worthy item and should have your serious consideration and I hope that the committee will approve the item and vote down the amendment.

Mr. MAAS. Mr. Chairman, will the gentleman yield? Mr. AUGUST H. ANDRESEN. I yield.

Mr. MAAS. Does the gentleman know of any other method by which the Eskimos can be made self-supporting in Alaska?

Mr. AUGUST H. ANDRESEN. As far as I have been able to learn, this is the only means of livelihood they have up there in that barren north country.

Mr. MAAS. And this appropriation will be a lot less than what it would cost to support the Eskimos on the public dole, will it not?

Mr. AUGUST H. ANDRESEN. It would seem so to me; and, after all, they are American citizens and we in the rest of the United States owe a duty to them to help them provide for their own support. It is the duty of Congress to see that they are taken care of in a proper way. I hope you will vote down the amendment and approve the recommendation made by the Appropriations Committee with reference to this item.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Wisconsin [Mr. Keefe] asks unanimous consent to proceed for 2 minutes not to be taken out of the time heretofore allotted. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin for 2 minutes.

Mr. KEEFE. Mr. Chairman, I desire simply to record this observation in connection with the pending amendment. As a new Member of Congress who had heard nothing about this reindeer proposition, I listened attentively to the arguments that were made when this matter was before the Congress before. I voted against the reindeer appropriation. I propose to vote for this appropriation in this deficiency bill and against this amendment striking it out because in the interim I have had an opoprtunity to investigate this situation, and I think it would be too bad if we permitted a very worthy project to be laughed out of this Hall of Congress by a lot of ridicule and a lot of misinformation. [Applause.]

Those who know the facts in reference to this situation and those who know the conditions best—and I have taken the time to investigate—are solidly behind this proposal. It seems to me it comes with poor grace to talk about economy at this time, when this proposal simply asks that this Congress do the very thing that the Congress has heretofore committed itself to do, a proposal that will do something for those people in Alaska that they are entitled to. I regret that I voted against it before, but I did so under a misapprehension of the facts. Since that time my investigation and research have disclosed the true facts, and common sense and simple justice demand that the amendment be voted down. Thank you. [Applause.]

Mr. DEMPSEY rose.

The CHAIRMAN. For what purpose does the gentleman from New Mexico rise?

Mr. DEMPSEY. Mr. Chairman, I ask to be recognized on the amendment.

The CHAIRMAN. The Chair regrets to advise the gentleman that his name does not appear on the list of those seeking recognition.

Mr. DEMPSEY. Mr. Chairman, I was on my feet with the others.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 minutes, not to be taken out of the time already allotted.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The gentleman from New Mexico is recognized for 2 minutes.

Mr. DEMPSEY. Mr. Chairman, some time ago when this particular matter came before the Committee on the Territories I was not very favorably impressed with it. We sat in hearings for many days. I finally became convinced, as a result of testimony and further as a result of an investiga-

tion made by the senior Senator from Oklahoma and the senior Senator from South Dakota. After their investigation was completed this item was brought in, and the chairman of the Committee on Appropriations of the House, the gentleman from Colorado [Mr. Taylor], insisted that an additional committee be sent to Alaska to investigate further. As a result of that second committee's report, which was unanimous, that this program should be carried out, the item again came up.

We cannot talk about economy where \$700,000 or \$900,000 is concerned, and failure to appropriate that sum means that the Government will take over the keeping of about 19,000 Eskimos, for that is exactly what we are going to have

to do if we fail to keep this item in the bill.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. ENGEL. The record of the hearings say there are between 13,000 and 15,000 natives. Where does the gentleman get the figure 19,000 when the committee report says 13,000 to 15,000?

Mr. DEMPSEY. The information we have is that there

are between 15,000 and 20,000 natives concerned.

Permit me to say that I have a friend in New York who is engaged in the fur business and who advanced \$85,000 to help feed the Eskimos up there and give them supplies. They in return were to pay him back with furs. He has lost every dollar he has given them, because the furs were

Let me submit to you that the Eskimos, even though they are far away from your district and my district, are still a part of the United States of America, and I for one, although I have no greater interest in Alaska than any of you should have, am not going to stand here and vote to take this item out of this bill when it has been recommended by the Budget, the President of the United States, and by every commission that has ever investigated the matter. I say that the gentleman from Mississippi, who is one of my close friends, is misinformed upon this subject. I hope that his amendment is defeated.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Washington is recognized for 31/2 minutes.

Mr. LEAVY. Mr. Chairman, I have spoken upon this matter on several previous occasions. As a member of the Subcommittee on Appropriations having to do with the Interior Department, I have had opportunity to become more familiar with it possibly than the average Member of the House. When the legislation was passed in the first session of the Seventy-fifth Congress authorizing \$2,000,000 for this purpose of purchasing reindeer, if such sum were necessary, I was very much opposed to it. When the Budget submitted an item to our committee we had extended hearings and we refused to write the item into the bill in the Seventy-fifth Congress. It went to the Senate and there it was written in. In conference, as one of the conferees, I joined with the other House conferees and objected to its being included, because it did not seem to be a proper governmental expenditure, and it was stricken out.

As a result of all this controversy on the subject a committee of three men, selected by the House and Senate conferees, was sent to Alaska to look into this matter. They made a most complete and comprehensive report and if anyone will sit down and read that report with an open mind he will come to the conclusion that this is not only a wise expenditure but is an expenditure that this Government certainly should make on behalf of 15,000 to 20,000

poor, helpless natives in Alaska.

When the white man went in there, the native Eskimo had as his means of livelihood the caribou. It was through the white man's activities and ruthlessness that the Eskimo lost his caribou herds entirely. Then the Government brought reindeer in and at the same time individuals who thought they could make money out of the reindeer industry also went into that business. As a result there have been two sets of reindeer, native and nonnative and Government and non-Government reindeer. Neither have profited. Both are threatened now with complete extinction and the purchase of the herds at the figure here fixed will be a tremendous loss to the nonnative owners who purchased the reindeer. They will get but a small part of what they originally invested. This purchase of the reindeer will make it possible to consolidate the native-owned reindeer herds with the nonnative herds; then the Government can put the Eskimo, at least in part, back to where he was before we ravaged his land and drove from it his single means of subsistence, the caribou, because the reindeer takes the place of the caribou.

Mr. Chairman, I am glad to note that Members have come down into this Well and made the statement that as they have studied the facts, and as they have learned what they are, they have changed their minds. I am satisfied that if every Member of the House looked into the facts they would all support this expenditure as essential and humane.

[Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from New York [Mr.

TABER] is recognized for 31/2 minutes.

Mr. TABER. Mr. Chairman, I dislike opposing a matter in which the chairman of the Appropriations Committee is interested and I would not do so if it were not for the fact that I have been into this thing very thoroughly and I thoroughly understand it. I listened for over 2 hours to Mr. Lomen tell his story and I have not been able to see the justice of the claim.

It is true that the Interior Department has not treated Mr. Lomen very fairly, but it is also true that he went over there and established his own business. Here is another part of the picture to which I direct the attention of the Committee. There are approximately, according to the story we have been told, 360,000 reindeer belonging to the natives, or better than 20 for each Eskimo in Alaska. There are supposed to be 180,000 belonging to Lomen and other white owners that it is expected will be taken over. It is said by certain people that the wolves are destroying them and that the natives are not going to have anything to eat. The Interior Department itself on page 550 of the hearings

There have been increases as well as deaths and the increases will more than take care of the animals that have been killed by

Now they have more than 20 reindeer for each Eskimo. The trouble is we are spending \$75,000 a year to provide people to look after them through the Interior Department. What we ought to do is to fire that gang and hire competent help to do the job instead of keeping those people on the pay roll and permitting the Eskimos to lose what they already have. If we had 20 milk cows for every person in America or 20 cattle, we would come to the conclusion, I am sure, that we had plenty to take care of our people. have plenty there to take care of the situation and there is no excuse whatever for Uncle Sam going in there and paying \$720,000 to these white owners to bail them out of an unfortunate investment.

Mr. COLMER. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi. Mr. COLMER. Is it not a fact also that the Department estimates it will cost a minimum of \$130,000 a year to administer this?

Mr. TABER. Oh, yes, to keep these fellows in employment who are not doing their jobs properly now.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. Taylor].

Mr. TAYLOR of Colorado. Mr. Chairman, this is the first time I have come down into this Well to make a speech in the past 2 or 3 years. I should not be here now if this did not involve a question of humanity. It is a question of appealing to our human instincts; it is a question of whether or not we are going to permit the wolves to kill off the reindeer in Alaska and then be compelled either to support the Eskimo on a dole or permit them to starve to death.

I took the pains a few days ago to have the Department telegraph to Alaska and obtain a description of the reindeer situation at the present time. I shall read the telegram, which will give you the picture of the reindeer situation in Alaska right now. This message is addressed to the Commissioner of the Bureau of Indian Affairs, and comes from Mr. Rood, the chief ranger of Alaska. It reads as fol-

Wolves completely wiped out Noorvik herd. Past spring and winter have reduced Shunknak from 1,700 to 262. Buckland and Koyuk herds scattered by wolves and reduced from 15,000 to 6,000 and from 5,000 to 1,200, respectively, during past year. Wolves destroyed Shaktoolik Unalakleet herds. Selawik herd formerly 12,000 now 1,800, being ravaged by wolves which re-cently killed over 60 fawns one night. Barrow herd reduced 50 percent by wolves during past year. Natives helpless, too poor pay total herding costs, unless deer herd all will be lost. Starva-tion and lack of skins for winter clothing face natives who need reindeer more than ever, account low value and increased scarcity

The bands of gray wolves are rapidly destroying all the reindeer in Alaska and there is no way of protecting them. The reindeer have no means of protecting themselves. A dozen wolves can kill an entire herd of reindeer and there is now no way to protect them. The question is, What are you going to do about it? I have not the slightest interest in this matter any more than the rest of you. I have a letter from the President urging this appropriation, which I should like to insert at this point.

> THE WHITE HOUSE, Washington, July 19, 1939.

Hon. EDWARD T. TAYLOR,

Chairman, Committee on Appropriations, House of Representatives

My DEAR Mr. TAYLOR: On September 1, 1937, there was enacted

My Dear Mr. Taylor: On September 1, 1937, there was enacted into law a measure reasonably calculated to insure to the Eskimos and other natives of Alaska a food supply in perpetuity by eliminating all nonnative ownership of reindeer, by providing for the conservation of the range, and the protection of the herds.

Basic to the humanitarian purposes of the act is its authorization of an appropriation of \$2,000,000 to purchase those herds now owned by nonatives. No appropriation has, however, been made, although the passage of the measure was preceded by prolonged consideration, and although the provisions of the act have been supported by investigations subsequent to its passage made under the immediate direction of the chairmen of the House and Senate Committees on Appropriations.

Committees on Appropriations.

I am deeply interested in the efforts of these people in their struggle to preserve for the future the only controlable food supply for which the tundra areas of Alaska are suitable. In the press of other matters, I hope the commitments of the Reindeer Act of 1937 may not be forgotten and that those who are dependent upon reindeer may be enabled by an adequate appropriation to recain may not be forgetten and that those who are dependent upon reindeer may be enabled by an adequate appropriation to regain full possession of the industry upon which their future depends, to protect their herds from the inroads of predators, to conserve the grazing areas, and otherwise to reap the full benefits of the reindeer

It must be remembered that reindeer were imported to Alaska at the close of the last century to replace in some measure the indigenous food supply of the natives, which had been depleted by the expansion of American commerce and industry, and it seems only logical that we now should take the steps called for by the Paindeer Act Reindeer Act

I trust this matter will receive the earnest consideration of your committee and of the Congress.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

I have been to Alaska twice and have examined this and other conditions in Alaska for a month each time, and I think I know the situation. I feel confident in saying that there is no one who has ever been to Alaska and who knows anything about conditions there who could oppose this measure. It is a humane proposition with which we are confronted. I very earnestly, on behalf of the Eskimos, ask that you reject the pending amendment. The Eskimos are a simple, kind-hearted people. I know you do not want them to starve. You remember that an Eskimo ran 15 miles to let the world know that the plane in which Will Rogers and Wiley Post were flying had collapsed. Otherwise we might not have known of the accident for a year. The Eskimos are wards of our Government. Let us preserve them from extinction.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. Colmer].

The question was taken; and on a division (demanded by Mr. Colmer) there were-ayes 72, noes 97.

Mr. COLMER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having assumed the chair, Mr. Cooper. Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill H. R. 7462, had come to no resolution thereon

AMENDMENT OF THE FAIR LABOR STANDARDS ACT OF 1938

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered printed:

House Resolution 289

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Whole House on the state of the Union for the consideration of H. R. 5435, a bill to amend the Fair Labor Standards Act of 1938, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Labor, the bill shall be read, and after the reading of the first section of such bill it shall be in order to move to strike out all after the enacting clause and insert as a substitute the text of the bill H. R. 7349, and all points of order against such subout all after the enacting clause and insert as a substitute the text of the bill H. R. 7349, and all points of order against such substitute are hereby waived. It shall also be in order to consider without the intervention of any point of order the text of the bill H. R. 7133 as a substitute for the text of the substitute containing the language of the bill H. R. 7349. No amendments shall be in order to the two substitute amendments herein authorized except one amendment proposing to strike out the word "not" in line 20 on page 4 of the text of H. R. 7133. At the conclusion of the consideration of the bill H. R. 5435 the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions. without instructions.

THIRD DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1939

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7462, with Mr. Cooper in the

The Clerk read the title of the bill.

The Clerk read as follows:

Colorado: Consolidated Ute (Ute Mountain), \$38,000, including the purchase of land, the subjugation thereof, and the construc-tion of improvements thereon.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Robinson of Utah: On page 31, after

line 7, insert the following:

"Oregon: Klamath; not to exceed \$4,500 of the amount authorized in the Interior Department Appropriation Act, fiscal year 1940, for the support of the Klamath agency from tribal funds, shall be available for fees and expenses of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary of the Interior, in accordance with existing law."

Mr. WOODRUM of Virginia. Mr. Chairman, the committee has no objection to the amendment.

The amendment was agreed to.

The Clerk read as follows:

The Secretary of the Interior is hereby authorized and empowered, under such rules and regulations as he may prescribe, to establish rental rates for the lease of reserved lands of the United States

situate within the exterior boundaries of Boulder City, Nev., and, without prior advertising, to enter into leases therefor at not less than rates so established and for periods not exceeding 53 years from the date of such leases: *Provided*, That all revenues which may accrue to the United States under the provisions of such leases that he deposited in the Treatment of the Colesses that he deposited in the Treatment of the Colesses and the colesses are the collections. shall be deposited in the Treasury and credited to the Colorado River Dam fund established by section 2 of the Boulder Canyon Project Act approved December 21, 1928 (45 Stat. 1057).

Mr. TABER. Mr. Chairman, I make the point of order against this amendment that it is legislation on an appropriation bill. However, in order that the gentleman from Nevada may make a statement regarding the provision, I reserve the point of order.

Mr. SCRUGHAM. Mr. Chairman, I thank the gentleman

from New York for reserving the point of order.

The object of this provision is to permit the construction by private capital of a number of houses in Boulder City, Nev., where a serious housing shortage exists at this time. This provision involves no cost whatever to the Government. On the contrary, the money received from the leases permitted will be revenue to the Government. There is no other practical way of securing passage of legislation at this time which will permit this much-needed housing construction. I sincerely hope the gentleman from New York will not press his point of order. It is in the interest of building employment, and will certainly help in giving opportunity for safe investment of private capital.

Mr. TABER. If the gentleman will yield, I will say that the thing that bothers me about this proposition is that we have tried as far as possible to keep all legislation out of this bill. No hearings have been held by our committee or any other committee on this subject. I would much rather vote for a separate resolution than have such a provision as this in the bill. I feel that I must insist on the point of order.

Mr. Chairman.

The CHAIRMAN. Does the gentleman from Nevada concede the point of order?

Mr. SCRUGHAM. I concede the point of order, Mr. Chair-

The CHAIRMAN. The gentleman from New York makes the point of order against the paragraph, and the gentleman from Nevada concedes the point of order. The Chair, therefore sustains the point of order.

The Clerk read as follows:

BUREAU OF MINES

Expenses, mining experiment stations: For an additional amount for maintenance and operation of mining experiment stations, fiscal year 1940, \$15,000.

Mr. WALTER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 35, line 16, insert a new paragraph, as follows:
"For the coal economists, \$7,000."

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WALTER. Gladly.

Mr. WOODRUM of Virginia. As I understand, there was a Budget estimate for this item, and I further understand that the Interior Subcommittee, which formerly made an objection to it, has withdrawn its objection.

Mr. WALTER. They have withdrawn their objection because they were not properly informed at the time the matter was under consideration. Since that time they have agreed it should have been included in the Interior Department appropriation bill.

Mr. WOODRUM of Virginia. Mr. Chairman, the committee has no objection to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Investigation of domestic sources of mineral supply: For every penditure requisite for and incident to the work of the Bureau expenditure requisite for and incident to the work of the Bureau of Mines in performing the duties imposed upon it by section 7 of the act of June 7, 1939 (Public, No. 117, 76th Cong.); including the purchase of professional and scientific books; not to exceed \$1,000 for printing and binding; not to exceed \$15,000 for purchase, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work and in transporting employees between their homes and temporary locations

they may be employed; purchase of goggles, gloves, rubber boots, miners' hats, aprons, and such other articles of personal wearing apparel or equipment as may be required for the protection of employees while engaged in their work; the construction, maintenance, and repair of necessary camp buildings and mining structures and appurtenances thereto; and including not to exceed \$15,000 for personal services in the District of Columbia; fiscal year 1940, \$350,000: Provided, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered when the amount involved does not exceed the sum of \$500.

Mr. KEE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. KEE: On page 31, after line 13, insert

Amendment ollered by Mr. KEE: On page 31, after line 13, insere a new paragraph, as follows:

"War Minerals Relief Commission: The unexpended balance of the appropriation for payment of awards in accordance with the act approved May 18, 1936 (49 Stat. 1355), contained in the 'Second Deficiency Act, fiscal year 1937', is continued available for the same purpose until June 30, 1940."

Mr. KEE. Mr. Chairman, this amendment is simply for the purpose of making available an unexpended balance in an appropriation made for the payment of certain claims awarded and approved by the War Minerals Relief Commission

By an act approved May 18, 1936, Congress authorized the appropriation of \$1,250,000 for payment to war-mineral claimants for interest losses of such claims as might be approved by the War Minerals Relief Commission.

The First Deficiency Appropriation Act for the fiscal year 1936 appropriated \$500,000 in accordance with and under the authority of the authorization, all of which was expended in

the settlement of claims.

The Second Deficiency Appropriation Act for the fiscal year 1937 appropriated \$650,000 under the same authority. and also an additional \$100,000 for war-minerals relief under the act approved June 30, 1936—these two appropriations making a total of \$750,000 appropriated by the Deficiency Act of 1937 under the authorization theretofore made.

Out of this last appropriation of \$750,000 there is now an unexpended remainder of \$30,342.09, which should be available for application toward the adjustment and payment to claimants of awards already made to them, or which may currently be made by the War Minerals Relief Commission.

These approved awards, however, as well as those currently being made, cannot be paid out of this unexpended balance because of the fact that this balance is due to be covered back into the Treasury, as the original appropriation of which this balance is a part was to remain available only during the fiscal year of 1938—therefore, the necessity of this amendment in order to make this sum of \$30,342.09 available for application to the purpose for which it was originally appropriated.

This unexpended balance has not been used for the payment of these claims for the reason that on June 30, 1938. the War Minerals Relief Commission suspended all activities because funds were not appropriated for the administrative expenses of the Commission for the fiscal year of 1939. I understand that funds have now been provided for 1940 and the Commission is now at work adjusting claims. Making this unexpended balance available for the purpose of payment of these claims, as this amendment will do, will enable claimants to have their claims adjusted at a much earlier date.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the Committee knows nothing whatever about the matter set out in the amendment which the gentleman has offered. There has been no Budget estimate for it, no hearing, no request made to the committee, and it is a matter we are absolutely in the dark about except for the gentleman's statement. I would hate very much to see it go in the bill under these circumstances, and therefore I ask that the amendment be defeated. The question was taken and the amendment was rejected.

The Clerk read as follows:

Contingent expenses: For an additional amount for contingent and miscellaneous expenses of the offices and bureaus of the Department, including the same objects and under the same conditions specified in the Department of Labor Appropriation Act, 1940, \$3,000.

Mr. WOODRUM of Virginia. Mr. Chairman, there are three amendments with respect to the wage and hour matter which is now under consideration, and I ask unanimous consent that the three amendments which I now offer may be reported and considered together.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. Woodrum of Virginia: On page 38, line 10, strike out "\$3,000" and insert "\$15,500"; on page 38, line 19, strike out "\$2,000" and insert "\$227,000"; on page 39, after line 25, insert a new paragraph, as follows:

"WAGE AND HOUR DIVISION

"Salaries: For an additional amount for all personal services for the Wage and Hour Division in performing the duties imposed upon it by the Fair Labor Standards Act of 1938, fiscal year 1940, \$762,500: Provided, That the limitation contained in the Department of Labor Appropriation Act of 1940 on the amount which may be expended for personal services in the District of Columbia is hereby increased to \$1,260,600: Provided further, That the Secretary of Labor may allot or transfer, with the approval of the Director of the Bureau of the Budget, funds from this appropriation to any bureau or office of the Department of Labor to enable such agency to perform services for the Wage and Hour Division."

Mr. WOODRUM of Virginia. Mr. Chairman, the effect of this is to add \$1,000,000 to the appropriation for the Fair Labor Standards Act, broken down proportionately as the \$2,000,000 that was sent up by the Budget.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

The Clerk read as follows:

The appropriation for contingent expenses, contained in the Department of Labor Appropriation Act, 1940, shall be available for the purchase and exchange, at a cost not to exceed \$1,800, of one passenger-carrying automobile for the official use of the Secretary of Labor.

Mr. HOFFMAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Hoffman: Page 38, line 14, after the word "exceed", strike out "\$1,800."

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, the press advises us that the motor industry is tied up again with strikes, in which the C. I. O. insists that no one shall work in those plants until he has joined a particular organization. This paragraph calls for \$1,800 for an automobile for the Secretary of Labor to ride around in. Inasmuch as a large portion of her time, a great deal of her time, or the time of her assistants, is taken up by going around where these strikes occur, and is used in an effort to help John L. Lewis and force all workers to join his union and contribute to his treasury so that he can again contribute something to the administration to which the Secretary of Labor belongs, by way of a campaign fund, it does seem that in fairness she ought to ride part of the time in a C. I. O. automobile. In Detroit there are Walter and Victor Reuther, good Communists, if there are such things-Communists, anyway-raising hell up there most of the time with the motor industry, keeping the workingmen away from factories. Why cannot these men from the Labor Department, when they go up there to help the C. I. O., inasmuch as they are aiding the C. I. O. in obtaining contracts with employers, ride in C. I. O. automobiles, instead of having the taxpayers buy Miss Perkins a new one? Further. is there any reason why we should buy an automobile made in a factory—if there be such a factory—where a man cannot

work until he joins John's C. I. O.? If no one can work in the motor industry until he has joined that organization, it would seem as though the rest of us who cannot work in those factories, whose boys or friends cannot work there until they have paid tribute to John—it seems as though we might patronize some industry that does not yield to the demand that it employ only Lewis' men. Let John's men buy the automobiles made in a closed factory, and let John's men eat the products of the packing industry where only his men can work, and let John's men burn the coal they mine, and let the rest of us eat the meat that comes out of the open packing shop, buy the automobile that comes out of the open automobile shop, and burn oil to heat our homes and buildings instead of being forced to buy only the product of those who belong to John's organization. Why is it not a good thing to let the rule work both ways? If only John's men can work in an industry, let them buy the things they make, and let us patronize those industries, those miners, those mills that trade with all of us; that give employment to all who may apply as need for their services arises. Let us have a little of the good-neighbor policy in our domestic affairs.

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. HAWKS. I think you have got something there.

Mr. HOFFMAN. I think if it were tried out here, Lewis and the C. I. O. might discover that we had something, and I think that some of these manufacturers who are yielding to John's demand that only his boys can work in their plants or mines would discover to their amazement that the tail had been wagging the dog, that Lewis does not represent labor. They should begin to think it over pretty soon, and they should give us some good reason why we should trade with them if they refuse to give employment only to members of one union. If my boy cannot work in a motor factory, why should I buy an automobile made there?

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. SCHAFER of Wisconsin. In view of the fact that Lewis bought a mortgage on the Democratic Party for 500,000 pieces of silver, does not the gentleman think he ought to have a little payment back, because he will not have any after the 1940 election?

Mr. HOFFMAN. Lewis does not have a mortgage on the Democratic Party. If it be true that he has a mortgage on any political clique, it must be on the new dealers, and if that is true that is but another reason why Mme. Perkins should ride in John's automobile.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. BRADLEY of Pennsylvania. Would the gentleman want to carry his argument to a logical conclusion?

Mr. HOFFMAN. Oh, the new dealers do not carry anything to a logical conclusion, so far as that goes.

Mr. BRADLEY of Pennsylvania. I want to ask the gentleman a question about what he is advocating.

Mr. HOFFMAN. I am not advocating anything.

Mr. BRADLEY of Pennsylvania. Instead of riding to Washington in trains, it might be a good thing if he would walk, because that is done by union men, too.

Mr. HOFFMAN. Yes; anyone may walk. John has not asked us to pay for that privilege. Most of the workingmen who pay dues to Lewis do walk, but John rides in his big car. I am not advocating anything. I am just stating that I do not believe in a boycott, either of labor or merchandise, but if John want a boycott, if he insists upon a boycott of all who do not choose to do his will and says that my boy cannot work in a factory until he pays him, I ask you why, in all fairness, should I buy an automobile made in that factory, and I am asking the gentleman if in Pennsylvania they are going to give work to anyone other than John's men? If you will not employ us, why should we buy your coal and use your steel?

Mr. BRADLEY of Pennsylvania. Oh, the gentleman is always critical. Why does he not advocate something?

Mr. HOFFMAN. Oh, yes; I do. I advocate the worship of the good Lord; I advocate the practice of decency and honesty, the living of an exemplary domestic life, all those things I just mentioned and which Jack Garner stands

The CHAIRMAN. The time of the gentleman from Michigan has expired. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected. The Clerk read as follows:

For an additional amount for United States contributions to international commissions, congresses, and bureaus: For the contribution of the United States to the Inter-American Radio Office the Inter-American Radio Communications Convention concluded December 13, 1937, for the following fiscal years.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cannon of Missouri: On page 46,

Amendment offered by Mr. CANNON of Missouri: On page 46, after line 8, insert a new paragraph, as follows:

"Restoration, capital impairment, Commodity Credit Corporation: To enable the Secretary of the Treasury, on behalf of the United States, to restore the amount of the capital impairment of the Commodity Credit Corporation as of March 31, 1939, by contribution to the Corporation, as provided by the act approved March 8, 1938 (Public, No. 442, 75th Cong.), fiscal year 1940, \$119,599,918.05."

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, I wonder if we can agree on time for debate on this amendment? I would hope that 30 minutes would be sufficient.

I ask unanimous consent that all debate on this amendment and all amendments thereto be confined to 30 minutes.

Mr. DIRKSEN. Reserving the right to object.

Mr. WOODRUM of Virginia. Only five gentlemen have stood up, Mr. Chairman.

Mr. CANNON of Missouri. I would offer no objection to 40 minutes, provided no speaker be restricted to less than 5

The CHAIRMAN. Permit the Chair to state the following gentlemen have risen, indicating they desired recognition: Mr. Pace, Mr. Taber, Mr. Dirksen, Mr. O'Neal, Mr. Hobbs, Mr. Cannon of Missouri, Mr. Jones of Texas, and Mr. WOODRUM of Virginia.

Mr. WOODRUM of Virginia. Not I, Mr. Chairman.

Mr. TABER. Will the Chair please put Mr. DITTER's name instead of mine?

Mr. GILCHRIST. Mr. Chairman, I would like to have time on this.

The CHAIRMAN. The Chair now has eight names listed: Mr. Pace, Mr. Ditter, Mr. Dirksen, Mr. O'Neal, Mr. Hobbs, Mr. Cannon of Missouri, Mr. Jones of Texas, and Mr. Gil-CHRIST.

Mr. WOODRUM of Virginia. Mr. Chairman, it seems to me 30 minutes on this amendment, when seven of these gentlemen are on the same side, should be sufficient. I ask unanimous consent that debate be limited to 30 minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes. Is there objection?

Mr. CANNON of Missouri. Reserving the right to object, Mr. Chairman, I trust the gentleman will allow each of those who desire to speak at least 5 minutes.

Mr. WOODRUM of Virginia. Very well, Mr. Chairman. I will modify the request, that all time on this amendment and all amendments thereto be limited to 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia, as modified?

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. Can-NON] is recognized for 5 minutes in support of his amendment.

Mr. CANNON of Missouri. Mr. Chairman, it is impossible to emphasize too strongly the importance of this amendment. It is not merely a matter of keeping faith—not merely a matter of carrying out the solemn obligation the Government entered into with the farmer-but it is a matter of maintaining the already inadequate price of farm products, and through the maintenance of the farm income a continuance of the present upgrade in industry and employment.

The provision is one of the indispensable sections in the agricultural adjustment program. Farm prices have been largely stabilized by loans on dairy products, wheat, cotton, corn, fruits, and other farm staples. To realize the extent to which these loans have operated you have but to estimate the price at which they would be selling today without their support. What would dairy products be selling at today if the millions of dollars used in supporting the dairy market were not available? There are at this time 65,493,729 pounds of butter benefiting from commodity loans. Why deny the dairy industry further benefits from these loans? The price of corn is being maintained at 57 cents per bushel through loans on 257,000,000 bushels of corn. Can you imagine the price of corn if this supply had to be thrown on the open market and the new crop, now estimated at 2,500,000,000 bushels, marketed in the same month instead of being fed into the market in an orderly way as demand warranted? That is what will follow if this amendment is not agreed to and the Commodity Credit Corporation authorized to continue its operations as heretofore.

Even with the support of these loans farm prices have been falling steadily for the past year. Lard is today selling in Chicago at the lowest price in the history of the Chicago market. And as lard goes down cottonseed and butter go down with it. Unsealed corn is now being contracted as low as 32 cents, and the Department of Agriculture reports a carry-over in excess of 400,000,000 bushels, with a new crop prospect unequaled in size and quality. With this recordbreaking crop at hand there is no protection or support of any kind except these commodity loans. It is true we have provided for parity payments, but if loans are denied and prices collapse, even the parity payments will not equal present quotations and the entire amount appropriated for parity

payments will be practically lost.

But the greatest losses will come through the depreciation of the collateral for loans already in force. At present prices the Government if it desired to liquidate its loan on a crib of corn would lose the difference between the 57 cents per bushel it has loaned and the spot price of 32 cents to 35 cents. But if further loan support is withdrawn, the resulting drop of corn on the market will leave the Government holding collateral worth approximately 15 cents per bushel instead of 32 cents per bushel, a total loss on all loans in comparison with which the appropriation asked in this amendment would be infinitesimal. Every principle of common sense as well as good business requires that these loans be continued and farm prices maintained at present levels at least. With loans simultaneously withdrawn on dairy products, wheat, cotton, peanuts, tobacco, fruit, corn, cotton and cottonseed, turpentine and rosin, wool and mohair, hops, figs, prunes, and so forth, as this bill proposes to do unless amended, there will be such a debacle of farm prices as the country has seldom seen.

But the question before us is no longer a matter of inquiry into the merits or demerits of this particular method of handling the agricultural problem. It is now a matter of carrying out the terms of the contract entered into by the Government with the farmer when he was invited to cooperate in the agricultural adjustment plan and was assured that in return for crop adjustment, soil conservation, acreage reduction, and so forth, on the part of the farmer, the Government would, among other things, supply loans under specified conditions in order to permit orderly marketing and preclude market gluts at harvest. Farmers all over the Nation have accepted the Government's proffer and have complied with their part of the agreement. It now remains for the Government to discharge its part of the obligation and carry out its part of the contract made on its own motion. I quote a letter from Edward A. O'Neal, president of the American Farm Bureau Federation, bearing directly on this phase of the question:

AMERICAN FARM BUREAU FEDERATION,

My Dear Congressman: I am writing to urge that the House Appropriations Committee approve an appropriation of \$119,599,-918.05, approved by the Bureau of the Budget, for the purpose of restoring the estimated net impairment of the capital stock of the Commodity Credit Corporation, as determined by the appraisal of

its assets and liabilities on March 31, 1939.
Restoration of this capital impairment is of vital importance to millions of farmers cooperating under the Agricultural Adjustment program. Unless this action is taken by Congress before adjournment, the Commodity Credit Corporation will be unable, under the statutory limitations governing its operations, to carry out the loan provisions of the Agricultural Adjustment Act of 1938. Farmers have cooperated with the Government in adjusting their acreeses to reduce the exceptions of farm commodities and Farmers have cooperated with the Government in adjusting their acreages to reduce the excessive surpluses of farm commodities, so as to bring about a balance of supplies with demand. They have done their part toward bringing about this readjustment. They have acted in good faith, believing that the Government would carry out its part in making available the commodity loans, as specifically provided and promised in the A. A. A. of 1938. In fairness to the farmers who have done their part, the Government should do its part by fulfilling its pledges to the farmers.

Much of the current maladjustment in supplies of basic farm commodities has been due to the inadequate control of supplies during the 2-year period following the invalidation of the original A. A. A. by the United States Supreme Court. The A. A. A. of 1938 has already demonstrated its effectiveness in adjusting downward supplies of our basic crops until the accumulated surpluses can be liquidated and at the same time maintain adequate reserve supplies for emergencies. Obviously, it will require a reasonable length of time to liquidate these accumulated surpluses.

This estimated capital impairment is primarily a bookkeeping loss and not an actual loss to the Corporation. It merely represents the difference between estimated assets and liabilities on March 31, based upon the prevailing prices of these commodities on that date. The continued effective operation of the A. A. A. of 1938, bringing supplies into balance with demand, should result in such ultimate improvement in prices of these commodities as

of 1938, bringing supplies into balance with demand, should result in such ultimate improvement in prices of these commodities as to enable the Corporation to liquidate its holdings with comparatively little actual loss.

We respectfully urge your approval of this item. Failure to act at this time would be calamitous to millions of farmers.

Respectfully yours,

EDW. A. O'NEAL, President.

The farmers favor continuance of these loans; the farm organizations favor them; the Department of Agriculture favors them; the welfare of American agriculture, American industry, and American labor requires them. In fact, only one argument has been advanced against them, the suggestion that ample funds are already available to continue them until Congress is again in session in January. In support of this theory it is contended that the Corporation still has \$157,000,000 on which to draw in maintenance of its loan program. In order to secure an authoritative statement on this contention and a detailed account of the funds available for the use of the Corporation, I requested a report from the Department of Agriculture, and am just in receipt of the following letter:

COMMODITY CREDIT CORPORATION, Washington, August 2, 1939.

Hon. CLARENCE CANNON.

Chairman, Appropriations Committee,
House of Representatives, Washington, D. C.
Dear Mr. Chairman: Secretary Wallace's office has requested me to furnish you with a current statement as to the amount of uncommitted funds Commodity Credit Corporation would have available for additional loans on agricultural commodities.

available for additional loans on agricultural commodities.

Commodity Credit Corporation has available funds uncommitted totaling \$131,000,000. The 1939 wheat loan commitment is included at \$50,000,000, the amount approved for these loans, in arriving at these figures. Present indications are that the 1939 wheat loans will total \$150,000,000 so that it probably will be necessary to increase the commitment to that amount. In addition, the extension program for 1938 and 1938—39 corn loans and the delivery of cotton to England will further reduce the available funds. Estimating these amounts, the funds available would be as follows: as follows:

Total funds not committed_____ ___ \$131,000,000

Additional wheat commitment \$100,000,000 Funds for corn program 20,000,000 Delivery of cotton to England 2,000,000

122,000,000

Balance available_____ 9,000,000

If the \$119,000,000 necessary to restore the capital of the Corporation to \$100,000,000 is not appropriated by the Congress, funds will not be available for cotton or corn loans.

Since the average price of cotton on the 10 designated spot

Since the average price of cotton on the 10 designated spot markets is now somewhat in excess of the amount which would make a loan on cotton mandatory under the provisions of the Agricultural Adjustment Act of 1938 and such cotton prices have tended to strengthen within recent weeks, it is possible that no loans will be required upon the 1939 cotton production.

Commodity Credit Corporation has approximately 250,000,000 bushels of corn, principally of the 1938 production, which is sealed on the farm and pledged as security to loans made at the rate of 57 cents per bushel. A program was recently announced whereby farmers were encouraged to reseal this corn and carry it in its present position for another 12 months, the Corporation making an additional allowance of 7 cents per bushel for storage during such additional period.

making an additional allowance of 7 cents per bushel for storage during such additional period.

In view of the present level and trend in lard and livestock prices, together with a July estimate of the 1939 corn crop at approximately 2,600,000,000 bushels, we have concluded that it is of the utmost importance that the corn now under loan be held off the market, that corn acreage next year be reduced, and that corn prices this fall be protected by loans at the level required by the Agricultural Adjustment Act.

As indicated herein, we will not be in a position to meet the urgent need with respect to corn this fall unless the \$119,000,000 is appropriated to restore the Corporation's capital. Otherwise, it may be necessary to discontinue loans on other commodities, including wheat and wool and mohair produced in 1939. Indi-

including wheat and wool and mohair produced in 1939. Indications are that the original commitment of \$50,000,000 made for 1939 wheat will be reached at an early date.

Very truly yours,

JOHN D. GOODLOE,

It will be observed that there is actually remaining \$9,000,000 which means no loan program of any kind can be applied to the huge corn crop of 1939, money for which must be ready this fall, or to any other agricultural commodity, and that discontinuance of the loan program is inevitable unless this amendment is adopted. And, of course, that means that a panic in farm prices will follow and 1932 prices from which the farm program and commodity loans extricated agriculture will again bring bankruptcy to the farm and the Nation.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from South Carolina.

Mr. FULMER. I would like to state to the gentleman that we had this matter up with the Secretary the other day, and he said that unless they were permitted to continue the loans and make additional corn loans, that corn would go to at least 15 cents a bushel, hogs and lard would go right on down to 3 or 4 cents a pound.

Mr. CANNON of Missouri. I am glad to have the information direct from the Secretary of Agriculture. The most dependable estimates we have been able to secure agree that discontinuance of the loan program will mean 3-cent hogs, 7-cent cotton, 20-cent butter, 15-cent corn, 30-cent wheat and all other agricultural products in proportion. Let me ask my friends from the industrial centers-and I know they oppose breaking this contract with the farmer-let me ask them how much manufactured products they can expect to be bought from such incomes and what wages they estimate the farmer can afford to pay for the products of labor on such returns from their own toil.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that there is a Budget estimate for the amount proposed in the gentleman's amendment?

Mr. CANNON of Missouri. The gentleman is correct. The Bureau of the Budget submitted an estimate for the full amount to the President who transmitted it to the House among the first submitted for inclusion in the bill now under consideration. The estimate is in compliance with the law passed by the Congress after exhaustive study and consideration and is in conformity with the provisions of section 302 of the Agricultural Adjustment Act of 1938. It is endorsed by every farm agency, without exception, and on its faithful administration depends the prosperity of the farm, the factory, the labor union, and the country as a whole. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Georgia [Mr. Pace] is recognized for 5 minutes.

Mr. PACE. Mr. Chairman, we are dealing merely with a book entry. Two years ago we passed a law requiring that on the 31st day of March each year an appraisal should be made of the assets of the Commodity Credit Corporation, and if there was any deficiency of assets and liabilities at that time the Congress should appropriate sufficient funds to take care of any deficit and leave the Corporation's capital stock unimpaired. It is no more nor less than a book entry, but will mean, if this amendment is not adopted, there could not be if needed any cotton loans, or any corn loans this year. What would be the effect of that? Follow me just a minute.

By one means and another we have raised the price of cotton to 9.25 cents per pound. That means that we will not need any cotton loans, thank goodness, if you will hold the line for us. Cotton would have to break to practically 8 cents before a loan would be authorized. But listen! If this Congress adjourns, Mr. Chairman, without ample borrowing power in the hands of the Commodity Credit Corporation and the trade should think that there is no support under cotton, that it can break to any figure and the Commodity Credit Corporation cannot come to its assistance, what will be the natural effect on the trade? It will try to depress the price and buy cotton as cheap as possible, and this will not only cause the cotton farmers a loss of millions and millions of dollars in the sale of their cotton, but it would require the Commodity Credit Corporation to make loans on millions and millions of bales of cotton as soon as the funds can be secured. So here, by a simple book entry-and that is all it is-the producers will be saved millions and the United States Treasury will be saved millions, because it will not be necessary to make any cotton loans this year. I am proud of it. I take no pride in the fact that my people have had to call upon the Government for over \$500,000,000 in loans on their cotton, and I am just as anxious as any Member of the Congress to hold the price of cotton above the loan figure, so these loans will not be necessary. That is why I appeal to you now.

In addition to that, there are about 300,000,000 bushels of corn in the warehouses under loan today. There is a crop in the field of about 2,600,000,000 bushels—one of the greatest crops ever known in the history of the Nation. What is going to happen if they cannot get a loan? It not only means that corn will drop to 15 cents a bushel but it will mean that you will have an enormous hog crop next year to follow an enormous hog crop this year; and instead of lard dropping to 5 cents, as it is today, within a few months you will see lard at 2 and 3 cents per pound. And, of course, cottonseed oil will go down with it.

We are asking you by this amendment, by a simple book entry, to put support under cotton and corn and wheat. We are not asking you to spend one single dime. This appraisal was made on the 31st day of March, and I am sure that cotton has reacted sufficiently since then to wipe out most of the deficit shown by that appraisal, practically wipe it all out. We are simply here asking you, by an entry on the books of the Commodity Credit Corporation, to let the world know that if the farmers of this Nation need it, the Government is ready to step in and hold the market up; and I say to you it is my belief it may mean the difference between 9½-cent cotton and 7-cent cotton. If the price of cotton shall be forced down to 7 cents, it would mean that the Commodity Credit Corporation, in one way or another, would be forced to advance loans on another 5,000,000 or 6,000,000 bales or more.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. WOODRUM of Virginia. Always the gentleman speaks of it more or less as a routine book transaction, not calling for the exchange of any money. He would not, of course, undertake to leave the impression that this is not a direct appropriation of \$119,000,000 out of the Treasury, which makes \$400,000,000 and over when added to the \$300,000,000 unbudgeted agricultural items.

Mr. PACE. The gentleman must understand that the act provides that if there is on this appraisal each year any deficit it shall be appropriated immediately so as to keep the capital unimpaired. Then if on the next appraisal, by reason of better prices, it appears that the value of the commodities covered by the loans is in excess of the amount of the loans then the Commodity Credit Corporation shall pay every penny of the excess immediately to the United States Treasury. How would that be done? Merely by the Treasury giving the Corporation credit on its books for the amount of the excess, while the amendment says, in strict language, that it is an appropriation, it is in effect only an authorization for such book transfer by the Treasury to the Corporation.

Mr. DIRKSEN. Mr. Chairman, I hope every Member of the Committee will give diligent attention, because there is involved here \$119,000,000. If open confession is good for the soul, let me say that when this matter appeared in the Appropriations Committee this morning I voted against the proposal to reincorporate the \$119,000,000 in the bill. I did so on the representation which was made in the House, in good faith, that the Commodity Credit Corporation had \$157,000,000 available between now and the first of the year to carry on its activities. I learned, however, from Mr. Goodlow, vice president, shortly after lunch, that there was available \$131,000,000. Three and one-half million dollars have been committed for rye last week, \$100,000,000 more will have to be committed for wheat out of a total of \$150,-000,000, since wheat applications alone are coming in at the rate of 5,000,000 bushels per day. Two million dollars is committed to sending cotton to England, with the result there will not be \$157,000,000 available but only \$9,000,000. With that \$9,000,000 it is anticipated that if any lending program shall be had for cotton and corn it must be with that very meager amount.

Mr. Chairman, it cannot be done. We had 250,000,000 bushels of corn under loan in the 1938 crop. There is a magnificent crop of corn maturing in the Corn Belt at the present time. Lard is being quoted in the District of Columbia at 7 cents a pound, which is the lowest price since General Grant sat in the White House. Under these circumstances there is only one thing that can be done. We have got to make loans.

These loans must be made in order to keep this corn off the market. If they are not, the whole corn price structure will crash, and the gentleman from Missouri was not speaking by card when he said there will be 20-cent corn. You express that amount against a corn crop of 2,600,000,000 bushels and you will see utter devastation in the Corn Belt of the country. We have to keep this corn under seal. If we do not they will send the hogs into the market. We have the largest crop of pigs in 16 years, according to the Department of Agriculture. You permit those heavy hogs to go into the market as a result of the forced feeding of corn, and the price of lard, in my judgment, will go down to 3 cents a pound. Then there will be ruination and there will be foreclosure.

Mr. Chairman, my record in this matter, I think, is clear. I resisted every cash appropriation, parity, and everything else on the floor of this House. I fought the rule when it came back from the Senate. I fought it because there was no Budget message for it. Neither the President nor the Secretary of Agriculture indicated they wanted this. But if we are going to save the price structure in the Corn Belt we have to restore the \$119,000,000 to this bill. This being the case, I sincerely hope the House will be indulgent and put it back.

I am under no misapprehension about it. We are going to lose plenty of money next year. This \$119,000,000 of impaired capital will be lost. There will be \$19,000,000 of actual loss and \$119,000,000 of a potential loss. Do not kid yourselves about that. It is lost money. But balanced against that, there may be five or six hundred million dollars in losses unless we keep corn under seal, keep it from going to market in the form of fat pork and have the price of ham. bacon, shoulders, lard, and corn for industrial purposes go down to a level with which 1932 will not be comparable. I admonish all of you from the Corn Belt that there is tied up with this \$110,000,000, in my judgment, a portion of our salvation, and much as I hate to tax the Treasury, much as I hate to affront my own committee after having voted against this proposition earlier in the day, yet the representations that have been made since that time and the facts I have been able to obtain from the Commodity Credit Corporation indicate that the situation is different; that of \$157,000,000 only \$9,000,000 is available and we can make scarcely a dollar of corn loans and cotton loans between now and the first of the year, which must be done before we get back here in January.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. Hobbs].

Mr. HOBBS. Mr. Chairman, it is indeed a pleasure to speak more or less unselfishly in behalf of this amendment. Cotton is not asking any loans at the present time, although the market may be broken to the point where we will be entitled to loans under the law. We all hope and pray that cotton will never again need loans. Today we are pleading the cause of corn primarily. Without the rehabilitation of the capital structure of the Commodity Credit Corporation provided in this amendment, corn is doomed.

This great committee has done this thing unwittingly. We must repair the damage before it is too late. Corn is one of the most vital of all of the products in our agricultural program. If we allow corn to come on the market this fall with 2,600,000,000 bushels and no "cushion" of this kind, a price crash is inevitable. Forced feeding of this unsealed corn to hogs will increase the weight of those hogs by at least 20 pounds each. Twenty-five million heads of hogs, 20 pounds to the hog, will mean 500,000,000 pounds of surplus lard on a market already depressed by a surplus. With this tremendous surplus piled on surplus, the price will go not only to 3 cents per pound but to less, and will carry with it every other fat and oil on the American market. So that it will mean disaster not only to the corn people but the rest of us.

In 1936 cottonseed sold for \$60 a ton. That meant over and above the cost of picking and ginning \$34 a ton going into the channels of trade. With 10,000,000 tons, in round figures, this meant \$340,000,000 of free money going into the cash registers in the Cotton Belt. Then multiply that by circulation, augmented by the dammed-up demand, and we had \$3,400,000,000 added to that year's income of American business by reason of a fair price for cottonseed. The next year cottonseed sold for as little as \$10 a ton, less than half the cost of picking and ginning. As a result there was not a cash register ringing in the whole of the Cotton Belt. Our national income shrank by just about that total, \$3,400,000,000. So I maintain that that proves this one comparatively small commodity in our agricultural economy—cottonseed—was solely responsible for our recession in 1937.

And you are going to do it on a tremendously larger scale in this good fall if you allow that corn crop to come on the market instead of sealing it on the farm. When you let corn prices go to 20 cents or less, hog prices inevitably fall, and lard prices approach the minus sign. Lard prices are already on the toboggan, lard selling wholesale today for 5 cents a pound. Yet you damn it and push it farther down in spite of legislative commandment, ordering the corn loan program, and in spite of a budget estimate for this appropriation. In the last analysis it is not expenditure, it is nothing more than the wise loan made on a commodity of absolute necessity, more valuable than gold. You cannot

lose the whole amount, you can lose only the difference between the amount of the loan and the market price. To illustrate, today on the corn market 40 cents is the sale price and 57 cents the loan. But they would intimate, apparently, that the whole 57 cents is lost; when, in reality, were we to liquidate today, we would lose only 17 cents.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. My friend is invoking in support of his argument for this item the fact that there is a Budget estimate. May I call the attention of the gentleman to the fact that we have appropriated at this session of Congress nearly \$400,000,000 to agriculture for which there was no Budget estimate, and \$225,000,000 of which was against the specific wishes of the President of the United States.

Mr. HOBBS. The distinguished gentleman may be entirely correct, but that does not alter the correctness of my statement that you have a Budget estimate for this item which the committee has cut out of this bill. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Iowa [Mr. GIL-CHRIST] is recognized for 5 minutes.

Mr. GILCHRIST. Mr. Chairman, there never has been a time in the history of the corn loan so far that the Government has lost a dollar. At the present time, unless corn loans are again made and the market supported, the Government will undoubtedly lose some money. In some parts of Iowa there are 50 percent of tenants because of the conditions that have arisen in the last few years whereby farmers have lost their farms and been driven into tenancy. These people cannot hold their corn. When this fall comes they must bring the corn to the local elevators and sell it and get some money upon which to live. Two billion six hundred million bushels of corn is the estimate of production this year. There are already under seal today 258,000,000 bushels. Where is the market going to go this fall when these people bring in their corn? What are these poor devils going to do if the Government makes them no commodity loan? Will they starve or will they dump their corn into the market? Will they be allowed to hold it under a Government loan, or will the speculators get it at ruinous and starvation prices? I have said before that when I call them that word I do it as a term of affection. Where is the market going to go?

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Cali-

Mr. LELAND M. FORD. Why do they not stop the importation of corn from the Argentine and other countries? Mr. GILCHRIST. They have nothing to do with that. Corn does not come in from the Argentine when the price is low; corn comes in from the Argentine when the price is high and corn farmers are getting good prices. It does not affect the present market in the least. Corn farmers are not responsible for that importation. It is negligible anyway. It is easy to get up here and say, "Oh, try something else, do this or do that, or do something else." Denouncing a negligible amount of importation—which is now stopped altogether

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

anyway-will not help the situation.

Mr. GILCHRIST. I yield to the gentleman from Missouri. Mr. CANNON of Missouri. The gentleman is aware, I suppose, of the fact that the amount of corn imported is less than 1 percent of the amount consumed in the United States? It is imported for special purposes. It can have no possible effect on the price of corn in the United States.

Mr. GILCHRIST. However, that may be, the facts are as I state them. When this corn comes to market disaster will overtake that part of the country and it will overtake the rest of you throughout the whole country. It is an easy thing to predict where corn is going to go. What

price? Fifteen cents. And when it goes to that price, what is going to become of those farmers that have raised corn this year?

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Do I correctly understand that in the gentleman's district farmers are now selling corn at about 27½ cents per bushel?

Mr. GILCHRIST. I showed the gentleman the other day a statement from the local paper showing where corn is. It has risen a little since the time I showed that market to the gentleman. I believe No. 2 White is selling for 30 to 32 cents.

Mr. CRAWFORD. Will the gentleman tell me if it is last year's corn they are now selling?

Mr. GILCHRIST. It must be. It is corn not under seal. Mr. CRAWFORD. Why was that corn, if the gentleman can tell us, not put under seal or into loan at the time?

Mr. GILCHRIST. A great many farmers did not want to go into the program. There was no compulsion about it. A great many of the landlords there did not permit their tenants to put corn under seal. They did not go into the program. The facts are, however, that as sure as the sun is in the heavens, if they do not give the farmers a chance to make loans on corn out there in the corn country there will be disaster. You have not lost anything yet. As the last speaker said, you are not losing. You may lose a penny, you may lose something, but whatever you lose, you will not lose as much as you would if you do not provide for this loan on these commodities.

This appropriation not alone provides for loans on corn, it provides for loans on dairy products, corn, tobacco, wheat, and all that sort of thing. As a member of the Committee on Agriculture, and as a Member on the floor here, I am proud to say that I have never failed to support every constitutional measure that would help agriculture no matter from what part of the country it came. I have always been pleased to support any measure I could to help the farmer if it were lawful, constitutional, and reasonable. [Applause.]

[Here the gavel fell.] The CHAIRMAN. The gentleman from Texas [Mr.

Jones] is recognized for 5 minutes. Mr. JONES of Texas. Mr. Chairman, I cannot conceive of the Committee failing to adopt this amendment in the light of the facts that have been disclosed. The matter has been so thoroughly discussed and the facts brought to light in such a way that I am not going to repeat them.

It seems to me it would be an unthinkable thing to stop just at this point. The farmers were asked to come into a program under a promise that a loan would be made available. To stop in the middle of that program when the farmers have planted their crops in the light of that program and with that understanding and to say that we are going to welsh on that promise and that we are not going to carry it out, is something I do not believe my Government

will do. [Applause.] Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. JONES of Texas. I am sorry I do not have the time. I only have 5 minutes.

This would be like sending an army to the front and then saying that because it costs so much to get them ammunition we are not going to give them sufficient ammunition to carry on the battle.

There is more than this from the standpoint of the farmer and the Government's obligations. There is still another angle to this proposition. The Government has tied up in these loans on these various commodities a certain amount of money. It has about 250,000,000 bushels of corn that are under loan. If you take the props from under, violate the agreement with the farmers, and dump the new crop on the market all en masse, it is not only going to cause a tremendous loss to these corn farmers, it is going to cause a tremendous loss to the Government in the money they already have tied up, and from the standpoint of pure, unadulterated, selfish business, from the standpoint of the Government, it would be foolish not to make this money available. I do not know whether it will be necessary. It may not be

I am not criticizing the committee. I have looked over the hearings and they have been compelled to do a great many things. They have been very busy and they took the facts as disclosed in March when the wheat loan was just starting, or rather before it had started, when there was \$157,000,000 available, but as has been told you, there is only \$9,000,000 available to take care of any possible loans on corn, cotton, and other commodities. Happily, it does not seem there will be any necessity for a cotton loan this year if the conditions keep up and no one rocks the boat; but if the boat is rocked, there is no telling what will be necessary. However, it is hoped that a loan will not be necessary on cotton. Apparently, there will be on corn, and that is just as much a part of the program as cotton or any other commodity. There is only \$9,000,000 left uncommitted or not potentially committed in connection with this proposition, according to the Commodity Credit Corporation.

Now, Mr. Chairman, let us do the sensible thing. Let us not build a battleship and not put guns on it. Let us not do a job halfway and then not finish that job.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. JONES of Texas. I yield to the gentleman.

Mr. FULMER. The gentleman from Virginia referred to the amount appropriated which the Budget Director had not agreed upon. Is it not true that if you fail to appropriate this money, because of destructive prices that money which has already been appropriated will be almost a total loss because of such prices?

Mr. JONES of Texas. There is very grave danger the loss will be much more. If the trade knows and everyone else begins to realize that there is no way to cushion the market or that there is no way to prevent this loss, then the buyer will stay out and say, "It is all going to be dumped on the market, we will not buy now, we will wait until it goes to the bottom," and you may be burning corn like you did in 1932. I do not believe you are going to do that.

Mr. BOLLES. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I yield to my friend.

Mr. BOLLES. I would like to know about this \$119,000,000 which, as the gentleman has said, is for the dairy, and one other speaker said that it is for the dairy. I would like to know just what is in this for the dairy people.

Mr. JONES of Texas. On this particular proposition, there is \$119,000,000 available for every farm commodity in America, if it is needed. There is not any limit whatever, I

will say to the gentleman. [Applause.]

Mr. CRAWFORD. Mr. Chairman, what has been said by our dear friends from the Southern Cotton States, and from the Northern Corn States, is a perfectly natural statement to have made under the present circumstances, and in view of the fact that this is public business which we are now discussing, and that it involves the funds of the Treasury, of the taxpayers of this country, the few observations which I shall make I think are also perfectly normal.

To save my life I cannot comprehend what ever led the Congress of the United States into such a program in the first place, and, in the second place, why it continues the procedure. Let us look at some of the statements which have been made here for a moment. It is my understanding, and if this is not correct, I hope someone from the Corn States, or the distinguished chairman of the Committee on Agriculture will correct me, that loans will not be made available for the coming crop of corn until perhaps October or November. If that is true, what is the farmer going to feed to the hogs in the meantime, and I am referring now to the remarks made by the distinguished gentleman from Illinois [Mr. DIRKSEN]. What is the farmer going to feed to the hogs in the meantime except new corn, because considerable old corn crop is under seal.

Mr. GILCHRIST. Not all of it. Mr. CRAWFORD. They say not all of it is under seal. What percentage is not under seal?

Mr. CANNON of Missouri. Out of 400,000,000 bushels of carry-over old corn there are only 157,000,000 bushels under seal.

Mr. CRAWFORD. Only 157,000,000 bushels under seal. Can those farmers who did not comply in the previous crop year and who put the corn in the bins, not in the loan, get a loan now or at a later date on the old corn?

Mr. CANNON of Missouri. I wish to correct my figures. It should be 258,000,000 bushels.

Mr. HOPE. Mr. Chairman, the Commodity Credit Corporation makes loans only on the current crop for which the loans are made.

Mr. CRAWFORD. Then we have the difference between those two figures. The corn in the crib at the present time which cannot be put under loan is going to move to the stomachs of the hog crop now in the feeding pens. If that is not correct I hope someone will take the time to answer that, but if it is correct, it sets off the argument presented by the gentleman from Illinois [Mr. Dirksen].

Mr. GILCHRIST. Why, the farmers feed green corn and snap corn out of the present crop, and it is never intended that corn should go into a loan or a crib at all, and no one can estimate how much that will be. They can carry their pigs over until they get this crop ready for husking.

Mr. CRAWFORD. That brings us to the point I want to develop, because you can now see that we are not going to get into the facts in this case on account of the limited time. What I would like to do is see this situation analyzed for the specific purpose of getting fixed in our own mind at this point some of the developments that we are up against. Here is a situation where we say to the world that we are going to make loans on these commodities in excess of their market price. That is, we will take these commodities, put them on the shelf, and keep them out of the channels of consumption, and thereby build greater stocks to be financed in the future and bear down on the market prices, whatever they may be. Let me take this thought, for instance. Suppose the coming crop does not go into the loan-and I am now referring to cotton. Suppose it does not go into the loan by reason of the lack of funds? The farmer sells his cotton. The Government does not have to sell its cotton. The Government is strongly financed. The cotton owned by the Government is in strong hands. The Government is not a distressed seller. Therefore, if the Government does not liquidate its inventories on the low price, the Government suffers no actual dollar loss until that stock is liquidated through sale. So the argument which has been made in that respect you may as well set aside.

Let us take another point. You can apply the same situation with reference to corn. Even if you put these stocks of cotton or corn or whatever it may be on the shelf, let me inform you that the purchasing agents of this country are wise, and they are well informed with reference to reserve stocks. They keep their eyes on reserve stocks, and it is the reserve stocks which influence the psychology of the man who does the buying. He knows that some day a Congress, a fickle-minded Congress, or a conservative-minded Congress, is going to reverse the policy, and that these inventories are going to be put into the channels of trade. Therefore he buys from hand to mouth, afraid to acquire ownership. Therefore you keep your markets disturbed You keep people unfriendly to the commodity. constantly. You keep them afraid to buy. You keep them afraid to carry inventories, because you have such great stocks concentrated in the hands of one holder—the Government and that means in the hands of politics, and that is dangerous to the primary growers or producers now and all the rest of the time. [Applause.]

Mr. Chairman, while millions of people go hungry and half ragged, why do we place goods out of their reach? Why do we not proceed on a basis that will get produced foodstuffs and goods into consumption? That is what they are produced for. Why do we go about, using every device that can be conceived to place goods out of the reach of those who would buy? We all know that is unsound. We all know these accumulated stocks as they pile up from

season to season will further demoralize the markets. We all know that as the commodities are concentrated into the hands of government that the political temptation becomes stronger until there comes a collapse that ruins all who hold the goods. I pray that you will let the ownership be held by many people for that will add strength to the market, give confidence to the holders, and help all involved.

The Commodity Credit Corporation is not to be criticized for its actions. They have been authorized by the Congress. But the Congress is subject to criticism for some of its actions. For instance, the Commodity Credit Corporation could save probably as much as \$10,000,000 annually on the storage of cotton alone if Congress would permit it to negotiate for better storage rates. But what do we do? Look up the record and see how Congress has protected the warehousemen, instead of the taxpayers. We could at least correct this bad situation, and thereby give the Corporation another \$10,000,000 with which to operate.

The CHAIRMAN. The gentleman from Kentucky [Mr. O'Neal] is recognized.

Mr. O'NEAL. Mr. Chairman and members of the Committee, this is the third deficiency bill. All during the session the Appropriations Committee has struggled with the problems of appropriations. The Subcommittee on Agriculture has been working very strenuously on the important things in connection with agriculture. They did not report their bill until April 1 of this year. We then had the first deficiency bill. We had a second deficiency bill. We had an emergency deficiency bill, and here is the third deficiency bill; and until this day we have heard nothing in the way of dire prophecies as to what is going to happen if the Commodity Credit Corporation did not get this money.

It is always true that the proponents of an increased appropriation make conditions look just as terrible as possible, but is it not just a little strange that this thing about which they speak now suddenly appears so disastrous, and is the big issue in agriculture? It has become the outstanding feature, because the other appropriations have passed. Is it not remarkable that this has not been mentioned to us in the agricultural bill or in any of the emergency appropriations or deficiency appropriations bills this year? Why, gentlemen, you know that if this need could be as these gentlemen try to picture it today, we would have had all kinds of appeals made to us, and other bills would have included other huge sums.

Mr. MAHON. Mr. Chairman, will the gentleman yield? Mr. O'NEAL. I decline to yield until I finish my statement. Not only did these gentlemen not raise their voice before the committee, not only did they not come before us and ask for this before, but also the heads of the Department of Agriculture, who have some knowledge of what was going to happen to the farmer if this thing were not done, did not heretofore seek funds for this purpose. We did not have until this third deficiency a statement made about this proposition by the Department. Finally when they did appear before our committee and testified, there was not one word of dire prophecy as to what would happen to the farmer if they did not get it. We tried to get them to say just what would happen if the money were not put into this fund. The witnesses hesitated to make any statement. They showed no concern. They showed no fear. They showed no great interest in it. The result was that the committee could not get one word as to why this matter should not be deferred and taken up by the regular committee.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. O'NEAL. I decline to yield at present.

Now, ladies and gentlemen of the Committee, you will recall that we have had other agricultural appropriations here. I was led to believe that agriculture was to be assassinated by each of these other appropriations if they did not get them, according to the statements of the same gentlemen who have spoken today. I well recall the arguments on the parity payments and the arguments on the Farm Tenancy Act. Every one of them was the same type of speech and reflected the kind of argument exemplified by the famous speech that "grass would grow in the streets of Chicago." The fact re-

mains that we have appropriated this year \$1,206,000,000 plus for agriculture. I wish we had time to discuss this whole commodity-credit program. There are many things about it that this Committee should know. It is not a loan. It is almost a gift-I mean, a loan at a price higher than they could get on the market and without recourse.

The testimony before our committee was that in most cases if they would buy it outright the Government would

be better off than under this loan feature.

Now, the figures that have been given are not correct. According to my information, just received from the Department, there is a balance available for loans today of \$131,-000,000. It is true that there are commitments, but they run into the future. One hundred million dollars has been committed for wheat and \$20,000,000 for corn. That leaves a balance of \$9,000,000. What the committee says is that it is a matter that should be handled by a committee giving it study and going into it properly, and it can be done right after the first of the year. The committee believes that nobody will be hurt if we let the regular committee handle it in the regular way, and these frightening prophecies, I think, are a little exaggerated.

We hope you will support the committee. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired, all time has expired.

The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. O'NEAL) there were—ayes 95, noes 94.

Mr. WOODRUM of Virginia. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. WOODRUM of Virginia and Mr. Cannon of Missouri.

The Committee again divided, and the tellers reported that there were-ayes 110, noes 116.

So the amendment was rejected. The Clerk read as follows:

Strategic and critical materials: For all necessary expenses for the acquisition, transportation, maintenance, storage, and rotation of strategic and critical materials in accordance with sections 1 to 6, inclusive, of the act of June 7, 1939 (Public, No. 117, 76th Cong.), including personal services and rental and maintenance of storage space in the District of Columbia and elsewhere; payment of part-time or intermittent employment in the District of Columbia of part-time or intermittent employment in the District of Columbia, or elsewhere, of such scientists and technicists as may be contracted for by the Secretary of the Treasury, in his discretion, at a rate of pay not exceeding \$25 per diem for any person so employed; printing and binding; and traveling expenses; fiscal year 1940, to continue available until expended, \$10,000,000: Provided, That when, in order to prevent deterioration, materials purchased with funds from this appropriation are issued to other departments and agencies of the Government, or sold, reimbursement therefor or the proceeds of such sale shall be credited to this appropriation.

Mr. FADDIS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Faddis: On page 50, line 23, after the comma, strike out "\$10,000,000" and insert "\$25,000,000."

Mr. FADDIS. Mr. Chairman, this item is in this appropriation bill because of an authorization bill reported by the Committee on Military Affairs and passed by the House about 3 months ago. The authorization bill provided for \$100,-000,000 to be appropriated during the 4 years 1939 to 1943, inclusive, for the purchase of strategic materials. The reason this was not itemized year by year was because the officers of the Procurement Department of the Army and the Navy requested that the entire amount be made available during the 4 years because they thought situations might arise where it would be necessary to spend more than \$25,000,000 in any one year.

It seems to me that the Committee on Appropriations has fallen for the same line of propaganda and the same lobbying activities of the American Manganese Producers' Association which has been evidenced in the past 5 years while this matter has been before the Congress. On the strength of the argument that domestic supply can be developed to take care of these materials they have cut this appropriation from \$25,000,000 to \$10,000,000. I particularly direct the attention of the distinguished gentleman from Virginia [Mr. WOODRUM] to the fact that this appropriation has been cut down to \$10,000,000.

Among the strategic materials are four of first priority: Tin, manganese, chromium, and tungsten. At the hearings before the Committee on Military Affairs upon this legislation, which were very exhaustive and reached into 4 weeks, no one appeared who claimed that by any stretch of the imagination could the United States produce enough tungsten, tin, or chromium to become self-sufficient in these materials. The American Manganese Producers' Association appeared there and made claims as to how much manganese they could produce, but in analyzing their claims we find that under their most optimistic statements they would not in 8 years' time be able to make us self-sufficient on manganese.

I wish to direct the attention of the gentleman from Virginia, and also the attention of the members of the committee here this afternoon, to the fact that this item of \$10,-000,000 would purchase only one-seventh of the tin we annually consume. We consume about \$70,000,000 worth of tin. We use about \$22,000,000 worth of manganese. It would not, therefore, purchase half the manganese we consume in a year, to say nothing whatever about tungsten, chromium, and a great many other of these essential commodities which we

do not produce.

All of the testimony before the Committee on Military Affairs regarding these items by members of the Army and Navy Munitions Board, by the Bureau of Mines, by the State Department, or by anyone else who has been paying attention to this matter since the World War was to the effect that we could not possibly hope to be self-sufficient through our domestic production. Throughout the whole matter every effort was made by the domestic producers to prostitute this legislation to their own ends, although they have proven by their own efforts time and time again that they are unable to produce manganese enough to begin to satisfy our domestic requirements. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the Committee on Appropriations went into this matter very carefully, as will be disclosed in the hearings, and provided \$10,000,000 for the purchase of these critical minerals and materials for the next fiscal year.

It was brought to our attention by the Bureau of Mines that there were possibilities of domestic development of manganese and other materials. Manganese is the No. 1 item in importance. The committee felt from statements made by the distinguished chairman of the Committee on Military Affairs, and the distinguished gentleman from Nevada [Mr. Scrugham], himself a mining engineer, that there were possibilities of domestic development, and that if a smaller amount were used for purchase in the immediate future it would be a greater encouragement for domestic development.

We feel that we have provided enough money for the purchase of these materials for the coming year in order to give domestic producers a chance to supply the demand.

I hope the Committee will leave the item just as the committee reported it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. WOODRUM of Virginia. Mr. Chairman, earlier in the afternoon, on page 35, line 16, the gentleman from Pennsylvania [Mr. Walter] offered an amendment inserting \$7,000 in the bill which had been covered by a Budget estimate for an economic investigation into the coal industry for coal statistics. The gentleman's amendment was worded "For coal economists, \$7,000." The Clerk has secured the correct language from the Budget estimate, and I ask unanimous consent that the proceedings had earlier, whereby the amendment was agreed to, be vacated and the consideration of an amendment which I now send to the Clerk's desk.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment offered by Mr. Woodrum of Virginia: In lieu of the amendment of Mr. Walter, page 35, after line 16, insert a new paragraph as follows: "Economics of mineral industries: For an additional amount for inquiries and investigations, etc., including the same objects specified under this head in the Interior Department Appropriation Act, 1940, for the fiscal year 1940, \$7,000."

The amendment was agreed to.

Mr. WOODRUM of Virginia. Mr. Chairman, a few days ago the House passed an authorization providing \$40,000 for the United States Sesquicentennial Commission, winding up its proceedings. This authorization was for the purpose of printing the proceedings and the material which this Commission had collected for the purposes for which it was organized. The matter was not included in this bill because the authorization had not passed. The sum involved is \$40,000, which winds up the so-called Sesquicentennial Commission.

Mr. Chairman, I ask unanimous consent to return to page 11, after line 23, to insert this item.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. Woodrum]?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Woodrum of Virginia: On page 11, after line 23, insert a new paragraph as follows:

"UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

"For compiling and publishing a history of the formation, the signing, the ratification, and the establishment of the Constitution, including such historical facts and data as the Commission may deem pertinent relative to the commencement of the First Congress of the United States under the Constitution; the proceedings and ceremonies in connection with the inauguration of George Washington as the first President of the United States under the Constitution; the adoption and ratification of the Bill of Rights, and the first meeting of the Supreme Court of the United States; including therein also a final report of the activities of the Commission during the Nation-wide observance of the one hundred and fiftieth anniversary of the formation, ratification, and establishment of the Constitution, fiscal year 1940, \$40,000."

The amendment was agreed to.
The Clerk read as follows:

Military posts: For an additional amount for construction and installation of buildings, flying fields, and appurtenances thereto, including the same objects specified under this head in the Supplemental Military Appropriation Act, 1940, \$8,431,300, to remain available until expended, and, in addition, the Quartermaster General, when authorized by the Secretary of War, may enter into contracts prior to July 1, 1940, for the same purposes, to an amount not in excess of \$8,500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof.

Mr. WOODRUM of Virginia. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Woodrum of Virginia: Page 51, line 15, after the word "until", strike out the word "expended" and insert "June 30, 1941."

Mr. WOODRUM of Virginia. Mr. Chairman, the purpose of this amendment is to make these funds available until the end of the fiscal year 1941, instead of making the funds available until expended.

The amendment was agreed to.

Mr. KUNKEL. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Kunkel: Page 51, line 21, insert: "Military posts: For the construction, rehabilitation, and installation at Carlisle Barracks, Pa., of a medical field-service school and such utilities, equipment, and appurtenances thereto as may be

necessary, including all general administrative expenses in connection therewith, without reference to sections 1136 and 3734, Revised Statutes (10 U. S. C. 1339; 40 U. S. C., 267), fiscal year 1940, \$375,000, to remain available until expended."

Mr. KUNKEL. Mr. Chairman, the United States Government has a field-service school for the medical department at Carlisle, Pa. Recently one of the buildings at that school was condemned as unsafe. Since that time the Army post there has not been able to use the building. Recently an authorization bill was passed providing \$375,000 to be used for this purpose, which has been approved by the Bureau of the Budget.

As I understand it, the Appropriations Committee is not so much opposed to the appropriation as they are to the idea of including it in this deficiency appropriation bill. If the money is not provided at the present time, it will seriously handicap the Army station at Carlisle, because it will not have the use of its gymnasium next winter. The money eventually will be appropriated by this Congress, I am sure. If the amount is not carried in this bill, the post will be deprived of this building for a period of 7 months. The post will eventually get the building, and the construction will be made.

It seems to me the part of wisdom and economy to appropriate the money now, get the building started and therefore put the post in the position of being able to use the building next winter, at which time the gymnasium and the other facilities in the building will be very essential to the upkeep of the post. I dislike taking issue with the Committee on Appropriations, but it seems to me this should go into the pending bill.

Mr. PITTENGER. Will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Minnesota. Mr. PITTENGER. As I understand it, the gymnasium is now being used for medical purposes and cannot be used next winter?

Mr. KUNKEL. None of the building can be used because it has been condemned as unsafe. As I said before, this item has been approved by the Bureau of the Budget. The War Department is very strongly in favor of it and has helped get approval by the Bureau of the Budget. I hope the Committee will see fit to put this item in the bill.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. This building which the gentleman wants to replace is the remains of the old Indian school at Carlisle?

Mr. KUNKEL. The present Army post there is on the site of the old Indian school, which was very famous in the past for its football attainments.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I want to say just one word and then I will yield to the gentleman from Pennsylvania [Mr. SNYDER].

This item came up for consideration before the committee but after a thorough consideration of it it appeared to be an item that certainly should go to the subcommittee of the Appropriations Committee having to do with the War Department. It was not an emergency item or a deficiency item, but an item that the subcommittee handling the War Department appropriation bill should study. The distinguished gentleman from Pennsylvania, who was chairman of that committee, is a member of the Deficiency Committee and felt that way about it. I am very glad to yield to the gentleman from Pennsylvania to make such statement as he feels he should make.

Mr. SNYDER. Mr. Chairman, 2 years ago Senator Guffey put this same item in our War Department appropriation bill over in the Senate and in conference I had it cut out.

Two years have elapsed since then, during which time they could have brought this matter to the attention of my com-

mittee if they had elected so to do.

A second reason for my opposition to the amendment is that in fairness to all Army posts I believe we should not choose to allow this item. There are many Army posts which are up against it just the same as is this post. For us to select one Army post before the others is not fair. This post is in my State and I should like to see the item allowed, but as chairman of your subcommittee I do not choose to favor my State in preference to any other State or this Army post in preference to any other Army post. Therefore, I ask the Committee to vote down this amend-

Mr. KUNKEL. Mr. Chairman, will the gentleman yield? Mr. SNYDER. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Two years ago this building had not been condemned as unsafe.

Mr. SNYDER. That may be true. Mr. KUNKEL. So there is now an emergency, whereas then there was not.

Mr. SNYDER. I may say further that I was at Fort Bragg when they were propping up a building with posts. They went out and cut trees and propped up a school building to protect the children. I have been at 50 of our Army posts throughout the United States and I have seen some of the conditions they have to bear there. I believe it would be unjust to allow this item at this particular time.

Mr. KUNKEL. Does the gentleman like to see conditions

like that prevail?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KUNKEL].

The question was taken; and on a division (demanded by Mr. Kunkel) there were—ayes 57, noes 97.

So the amendment was rejected.

The Clerk read as follows:

Acquisition of land, Republic of Panama: So much of the appropriation for the acquisition of land in the Republic of Panama contained in the Supplemental Military Appropriation Act, 1940, and so much of the appropriation for Seacoast Defenses, Panama Canal, contained in the Second Deficiency Appropriation Act, fiscal Canal, contained in the Second Denciency Appropriation Act, iscal year 1939, as may be required therefor, are hereby made available, in addition to the acquisition of fee simple title to lands, for leasehold or other interests therein, the temporary use thereof, or right pertaining thereto, without reference to section 3648, Revised Statutes (31 U. S. C. 529): Provided, That the Secretary of War is authorized to accept donations of such land, temporary use thereof, or other interest therein, or right pertaining thereto.

Mr. ANDREWS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Andrews: On page 52, line 25, after the word "thereto" and the period, insert a new paragraph under the head "Finance Department," to read as follows:

"FINANCE DEPARTMENT

"Pay of the Army, 1939: Not to exceed \$60,000 of the unexpended balance of the appropriation under this head in the Military Appropriation Act, 1939, is hereby made available until June 30, 1940, for the construction and installation of a sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., as authorized by the act of June 20, 1939 (Public, No. 136, 76th Cong.)."

Mr. ANDREWS. Mr. Chairman, I outlined this amendment at considerable length during the general debate. This amendment does not provide for an appropriation but takes advantage of an unexpended balance. It permits the War Department to construct and install a sewage-treatment plant for the use of the War Department and the adjoining town of Niagara. It would also be to the advantage of the War Department in that it would make possible the consummation of an agreement whereby the village of Youngstown next to this post would pay an annual fee to the Government as a part of its contribution for the use and maintenance of this sewage disposal plant.

If this provision is not in this bill, as it was in the subcommittee report, if it is not adopted at the present time, it will be impossible to complete this agreement and the War Department will be obliged to build this sewage-disposal plant next year without any revenue being derived from the adjoining town of Youngstown.

I hope the chairman of the committee, the gentleman from Virginia [Mr. WOODRUM], who indicated to me that he would accept the amendment, and the gentleman from New York feel so disposed at the present time.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SNYDER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, again I have to ask the Committee to vote down an amendment. First, may I say I did not know anything about this amendment until it came before the subcommittee. The gentleman who offered the amendment never spoke to me about it. However, that would not be so bad, but what I said about the amendment just offered by the gentleman from Pennsylvania [Mr. Kunkel], with reference to the Carlisle Barracks, also applies to this case.

There are perhaps 10 to 15 Army posts, some of them outlying posts, that have poor water facilities and sewer facilities, and I believe it would be unjust and unfair to many of my colleagues whom we have turned down from time to time, because we did not have the money, to allow this item at this time. If we could provide all the Army posts with the proper kind of sewer systems, the proper kind of housing, the proper kind of hospitals, and the proper kind of gymnasiums, well and good; but inasmuch as if Congress had adjourned a month ago, when we perhaps should have adjourned, this would never have come up, so I am asking you to let the item go over until next year, when the committee can take it up and give it the consideration that should be given to this item along with other items of a similar nature.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield? Mr. SNYDER. I yield to the gentleman from New York.

Mr. ANDREWS. Does the gentleman realize that the President of the United States and the Secretary of War have strongly recommended this installation, inasmuch as it is a part of the Niagara River and the international boundary stream, concerning which agreements have been reached with Canada, all other large cities on the river having completed sewage-treatment plants? The War Department will be obligated to build its own plant next year unless it goes in on this agreement, and in addition will get no income from that plant.

Mr. SNYDER. I know that the President and Secretary of War and the rest of them perhaps are in favor of this item but, under the conditions, I ask the Committee to vote down the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Andrews].

The question was taken; and on a division (demanded by Mr. Andrews) there were-ayes 35, noes 73.

So the amendment was rejected.

The Clerk read as follows:

Investigation and survey of a canal and highway across the Republic of Nicaragua: For every expenditure requisite for and incident to an investigation and survey, with estimates of cost, for a barge canal and highway project across the Republic of Nicaragua, fiscal year 1940, to remain available until expended, \$100,000.

Mr. TABER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. TABER: On page 53, line 18, strike out the entire paragraph to and including line 23.

Mr. TABER. Mr. Chairman, this is an utterly useless expenditure of the people's money. It is only \$100,000, but it means a start on a program that will run into a lot of money. It provides for a survey of a barge canal 10 to 12 feet deep, not deep enough or large enough to carry ships, across Nicaragua. It seems to me that this is one of the

most foolish things we could embark upon at this time. It is entirely outside of our own country, in a place where we have no interests, and where we would be doing this as a favor entirely for the other country.

If we are going to do all the surveying for other countries and spend our money there, it seems to me we have come to the end of our rope. I hope this amendment will

be adopted.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman vield?

Mr. TABER. I yield.

Mr. VAN ZANDT. Did not this body yesterday afternoon authorize \$277,000,000 for the expansion of the Panama

Mr. TABER. Yes; but that is in territory that is under our control absolutely.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the Budget estimate for this item was \$200,000. The committee cut it in half. The situation is that the President, upon the occasion of the recent visit to America of the President of Nicaragua, made some commitments as a gesture of friendship and good will toward that country with respect to securing the assistance of the Army engineers in simply making this survey for Nicaragua. The State Department is very much interested in having it done. It is a very small item and does not commit the Government to anything beyond the survey which is to be made by the Army engineers.

I hope the amendment will not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. Woodrum of Virginia) there were-ayes 82, noes 96.

So, the amendment was rejected.

The Clerk read down to and including page 54, line 6.

Mr. WOODRUM of Virginia. Mr. Chairman, the balance of the bill is title II, made up entirely of judgments and authorized claims about which there is no controversy or amendments to be offered. I ask unanimous consent that the balance of the bill may be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Cooper, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 7462), the third deficiency appropriation bill, fiscal year 1939, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer the following motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill? Mr. TABER. I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to report the same back with an amendment striking out from line 18, page 53, to line 23, page 53.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recom-

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the

The question was taken, and the bill was passed; and a motion to reconsider laid on the table.

PACKERS AND STOCKYARDS ACT

Mr. DOXEY. Mr. Speaker, I call up the conference report upon the bill (H. R. 4998) to amend the Packers and Stockyards Act 1921, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Mississippi calls up a conference report and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman please explain this?

Mr. DOXEY. Mr. Speaker, we passed an amendment to the Packers and Stockyards Act, known as H. R. 4998. It included only uniform rate provisions. The bill went to the Senate and the Senate placed an amendment on the bill with reference to a certificate. A conference was asked. We have had the conference and the Senate has yielded and the amendment of the Senate has been eliminated. The conference report is exactly as the House passed the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. The Clerk will read the statement of the conferees

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4998) entitled "An act to amend the Packers and Stockyards Act, 1921" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

WALL DOXEY, R. M. KLEBERG CLIFFORD R. HOPE, Managers on the part of the House. G. M. GILLETTE, W. J. BULOW, ARTHUR CAPPER Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H. R. 4998 submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as it passed the House contained but one section, which would make it mandatory that marketing rates and charges pre-scribed by the Secretary of Agriculture as just and reasonable shall be observed as both the maximum and minimum to be charged

and collected from livestock producers.

The bill as it passed the Senate contained an additional section, providing that no person not now conducting the business of a stockyard owner, market agency, or dealer shall conduct such business at any stockyards at which he is not now conducting such business, unless and until he has obtained a certificate from the Secretary that public convenience and necessity requires the conduct of such business.

The action of the conferees is to retain in the bill the first section, as approved by the House, and to eliminate the second section, added by the Senate.

WALL DOXEY,
R. M. KLEBERG,
CLIFFORD R. HOPE,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

BONNEVILLE PROJECT

Mr. GAVAGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7270, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill H. R. 7270, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection?

The Chair appointed the following conferees: Mr. Mansfield, Mr. Gavagan, Mr. DeRouen, Mr. Seger, and Mr. Carter.

MATO CIBILIC ET AL.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 796, with House amendments thereto, insist on the House amendments, and agree to the conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill S. 796, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. Dick-STEIN, Mr. SCHULTE, and Mr. MASON.

EMIL FRIEDRICH DISCHLEIT

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1269) for the relief of Emil Friedrich Dischleit, with a House amendment, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Mr. Dickstein, Mr. Schulte, and Mr. Mason.

KONSTANTINOS DIONYSIOU ANTIOHOS (OR GUS PAPPAS)

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas), with a House amendment, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Mr. Dickstein, Mr. Schulte, and Mr. Mason.

MRS. PACIOS PIJUAN

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1654) for the relief of Mrs. Pacios Pijuan, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Mr. Dickstein, Mr. Schulte, and Mr. Mason.

DAUMIT TANNAUS SALEAH (DAVE THOMAS)

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1911) for the

relief of Daumit Tannaus Saleah (Dave Thomas), with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Mr. Dickstein, Mr. Schulte, and Mr. Mason.

BENNO VON MAYRHAUSER AND OSKAR VON MAYRHAUSER

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6546) for the relief of Benno von Mayrhauser and Oskar von Mayrhauser, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 7, strike out all after "effect", down to and including "States" in line 9.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

ARMISTICE DAY, HOLIDAY FOR CLERKS IN RAILWAY MAIL SERVICE

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4322) giving clerks in the Railway Mail Service the benefit of the holiday known as Armistice Day, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 8, insert: "That this act shall become effective as of October 1, 1939."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks on reciprocal-trade treaties.

The SPEAKER. Is there objection?

There was no objection.

REQUESTING THE PRESIDENT TO TRANSMIT INFORMATION TO THE HOUSE OF REPRESENTATIVES

Mr. BLOOM. Mr. Speaker, by direction of the Committee on Foreign Affairs, I submitted an adverse report on the resolution (H. Res. 232) requesting the President to transmit information to the House of Representatives, House Calendar No. 127, on July 5, 1939. On that date the gentleman from Massachusetts [Mr. Martin] asked that the matter go over on account of the absence of the gentlewoman from Massachusetts [Mrs. Rogers].

I now call up the resolution and ask that it be tabled.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I decline to yield. I am sorry.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 232

Resolved, That the President of the United States is hereby requested to transmit forthwith to the House of Representatives, if not incompatible with the public interest, such information as may be in his possession or in the files of the State Department which indicates that actual war is imminent between certain countries on the continent of Europe.

The SPEAKER. The gentleman from New York moves to table the resolution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield? We get so little information from the State Department.

Mr. BLOOM. I decline to yield, Mr. Speaker. I am sorry.

The SPEAKER. The motion is not debatable.

The question is on the motion to lay the resolution on the table.

The question was taken; and on a division (demanded by Mr. Schafer of Wisconsin) there were—ayes 76, noes 64.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I demand tellers.

Tellers were refused.

So the motion was agreed to.

The SPEAKER. The Chair promised to recognize the gentleman from South Dakota [Mr. Case] to make an annuarement.

THE LATE HON, ROYAL C. JOHNSON

Mr. CASE of South Dakota. Mr. Speaker, it is with deep sorrow that I rise at this time to announce the death today of the Honorable Royal C. Johnson, for 18 years one of the distinguished Members of this House of Representatives, the longest service any South Dakotan has had in either body of the National Congress.

Royal Johnson was elected to the Sixty-fourth Congress and served continuously through the Seventy-second Congress, after which he retired voluntarily. He resumed the practice of law, establishing himself here in Washington, where he has been a valued friend and counselor to those of us who have come after him.

In the Sixty-fifth Congress Royal Johnson voted against the declaration of war, yet, loyal American that he was, he offered to give up his seat in this body to join those whom Congress sent to the colors. He enlisted as a private; he rose to a first lieutenancy as a line officer. He was wounded in action in the Meuse-Argonne. He was awarded the Distinguished Service Cross and the Croix de Guerre with a star. He was really a great South Dakotan and a great American.

Royal Johnson was not an old man when he died, although he went through a world of physical suffering growing out of wounds and exposure. He covered all that with a smile and with a tireless activity. The world never knew; it only marveled at his ability to work and at his vision and at his interest in a wide range of affairs.

Last winter Royal was struck by a car and received injuries that confined him to a bed for weeks, but he never complained. To him disaster was only an impostor.

He was up here on the Hill a few weeks ago when his portrait was unveiled by the national commander of the American Legion and presented by friends to the rooms of the Veterans' Committee of which he was the first chairman. He was still on crutches from last winter's accident but he talked with characteristic courage of the things he was doing again and how soon he would "throw the sticks away." The Congressional Record of yesterday, the one that came this morning, by a strange coincidence, carries the account of those proceedings under the extension of remarks by the present committee chairman, the gentleman from Mississippi, the Honorable John E. Rankin, who is out of the city today.

Yesterday Royal was at his office downtown. Members here talked with him. This morning he suffered an unexpected heart attack and passed away. Burial will be in Arlington National Cemetery Friday, with services in the chapel at Fort Myer at 10 o'clock, conducted by the Reverend James Shera Montgomery, the Chaplain of the House.

He loved his country. He served his country in peace as well as in war. Those of us who knew him and knew his vigorous Americanism and the great service he gave as a statesman in time of peace, as a soldier in time of war, and as chairman of the House Committee on World War Veterans' Legislation will always honor his memory.

Members will be interested in a brief factual record of his life, which I will insert at this point:

Royal C. Johnson, Republican, of Aberdeen, was born in Cherokee, Iowa, October 3, 1882; removed to Highmore, S. Dak., March 19, 1883; attended public schools of Highmore and Pierre; Yankton Academy and College in 1901–1903; law degree from South Dakota University in 1906; deputy State's attorney of Hyde County, 1906–1908, and State's attorney, 1908–1909; attorney general of South Dakota in 1911–1914; removed to Aberdeen in May 1913; married Miss Florence Thode and has two sons, Everett Royal and Ensign

Harlan Thode, United States Navy; was elected to the Sixty-fourth Congress to succeed Hon. C. H. Burke, who was not a candidate for reelection; enlisted in the Regular Army, January 4, 1918; assigned to Company K, Three Hundred and Thirteenth Infantry; assigned third officers' training camp, Camp Meade; sergeant, Company K, Three Hundred and Thirteenth Infantry, April 23, 1918; second lieutenant, June 1, 1918; assigned to Company D, Three Hundred and Thirteenth Infantry; embarked for France with Seventy-ninth Division, American Expeditionary Forces, July 6, 1918; first lieutenant, September 3, 1918; assigned to Company D, Three Hundred and Thirteenth Infantry; awarded Distinguished Service Cross and Croix de Guerre; returned, December 17, 1918; reelected to the Sixty-fifth, Sixty-sixth, Sixty-seventh, Sixty-eight, Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congresses; was not a candidate for reelection.

The SPEAKER. The Chair recognizes the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, it is with unfeigned grief that I learned of the sudden death of a distinguished and honored predecessor, Hon, Royal C. Johnson, who served in this House for 18 years with great distinction. He passed to his reward in this city this morning. His service covered the period from the Sixty-fourth to the Seventy-second Congresses, inclusive (March 4, 1915, to March 3, 1933), when he retired voluntarily. During the Sixty-fifth Congress our country entered the World War. Mr. Johnson was one of 51 Members of the House who courageously voted against the war declaration. Nevertheless, with typical sincerity of purpose, he enlisted in the military service of this Republic and went to the front in France. He resigned from this body that he might better serve his country in the Army, but his resignation was not accepted. He was successively promoted from private to first lieutenant, and for conspicious bravery was awarded the Distinguished Service Cross and the Croix de Guerre. Lieutenant Johnson was severely wounded at the Meuse-Argonne and will carry many honorable scars to his grave.

Upon his return to this House he was received with acclaim. He became prominently identified with the American Legion and with other veterans' organizations. It was through his initiative and efforts that the Committee on World War Legislation was created, of which committee he was chairman until the end of the Seventy-first Congress. He originated much legislation beneficial to World War veterans and their dependents. His passing is a great loss to his comrades.

After 18 years of service he retired voluntarily from Congress to practice law in this city. Just a few weeks ago it was my pleasure, as it was also of many Members, to attend a ceremony in the rooms of the Committee on Veterans' Affairs, at which time the portrait of Royal Johnson was hung there as the first of a series of what will undoubtedly become a long line of prominent chairmen. I want to take just a moment to quote a few words spoken by Royal Johnson at that time, which seemed to have an almost prophetic tinge:

This is an occasion which can never happen twice in the life of any man, and the expressions of the commander and the chairman of the committee concerning the Committee on World War Veterans' Legislation, and my connection with that work between 1923 and 1931, savor much of the reading of one's own obituary. Perhaps it is much like a decoration awarded posthumously.

Mr. Speaker, it is by a most strange coincidence that these remarks of Royal C. Johnson appear in the Record which reached our desks this very day. I hope you will all read the entire proceedings of this unveiling ceremony, which appear as the extension of remarks of the Honorable John Rankin, present chairman of the Veterans' Affairs Committee, as they show clearly that those who knew Royal Johnson best did not wait until after his passing to laud his sterling qualities but were most sincere in their praise of this fine friend and splendid statesman while he was yet among us to receive this testimony.

Only 57 years old at the time of his death, Mr. Johnson has left his impress upon the records of Congress as a wise legislator, and upon his many friends as a lovable character. It may be truthfully said of him that as far as his widespread influence extended he left the world better than he

found it as a result of the many kindly and patriotic deeds of the 57 busy years of his distinguished career which today came to such an untimely close.

Mrs. ROGERS of Massachusetts. Mr. Speaker-

The SPEAKER. The Chair recognizes the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to say just a word as the ranking Republican member of the Committee on World War Veterans' Legislation. Had Mr. Johnson chosen to remain in Congress up until this morning he would have held the position I now hold on this committee. Under the Republican administration he served as chairman from January 18, 1924, Sixty-eighth Congress, until he retired from Congress.

Mr. Speaker, every Member of Congress who served with Royal C. Johnson in this House, and everybody who ever met or knew him is deeply shocked today by the news of his sudden passing. The veterans of the World War have lost a comrade who was a true friend and a stanch defender of their interests and rights. He was the first chairman of the Committee on World War Veterans' Legislation when that committee was formed in 1924. Prior to that time legislation pertaining to veterans' affairs was considered by the Committee on Interstate and Foreign Commerce. The World War veterans wanted a committee of their own because of the many other duties of the Interstate and Foreign Commerce Committee. The House leadership agreed to the formation of the committee with the understanding that Royal Johnson would become its head, because they knew of his courage, that he was a loyal fighter in the welfare of the veteran and that their interests would be in safe hands under his guidance. It was my great privilege to be appointed to the Committee on World War Veterans' Legislation when I came to Congress in 1925, and with the exception of the chairman of the committee, I am the only person who served under Royal Johnson's leadership still on the committee. I had been very active in veterans' matters during the war and the period after the Armistice. I had an opportunity to watch Royal Johnson's fine ability, his courage, and his understanding of the many and complex problems facing the veteran. Under his guidance many important pieces of legislation beneficial to the veterans were enacted into law-permanent total disability compensation was raised from \$80 to \$100 per month, the first big hospitalization program was started, in fact the very groundwork of our present-day veterans law was formulated under his direction.

After a group of World War veterans in Congress, headed by Hon. Royal C. Johnson, petitioned Congress to establish a committee to handle the affairs of World War veterans, and through his efforts the foundation for the present compensation system was established. This committee worked hand in hand with groups of service men on a nonpartisan basis and, through the efforts of the chairman, who, at all times had the veterans' interest at heart, was able to consolidate various veteran agencies under one head, which is now known as the Veterans' Administration.

During Mr. Johnson's chairmanship, the compensation laws were enacted, changing from the old pension system to the present system whereby World War veterans now suffering from service-connected disabilities receive compensation, based upon their pre-war occupational handicap. The far-sightedness in establishing a hospital program in 1925, which has endeavored to keep abreast of the ever-increasing load of veterans needing hospitalization, places this country in the lead so far as the treatment of veterans is concerned. Today, as a result of this far-sighted program, there are 84 hospitals throughout the United States with competent staffs who care for over 64,000 veterans annually.

Vocational-training laws were enacted during Mr. Johnson's chairmanship, disability-allowance laws, a portion of which have been repealed by the Economy Act, insurance laws benefiting veterans were liberalized, and a guardianship service was established, in order that those veterans mentally disabled could have adequate protection.

His active service during the war, in which he was wounded and for which he was decorated with the Distinguished Service Cross, gave him an understanding and sympathy for the problems of the men with whom he served. We shall miss him greatly, for his advice and counsel was invaluable. To his family goes the deep sympathy of all of his friends. A gallant soldier, a great fighter for every cause in which he believed, has gone to his rest.

Mrs. NORTON. May I say that I have been deeply shocked and grieved at the death of my good friend Royal Johnson. Having served with him on the Veterans' Committee when I first came to the Congress, I found him always to be a considerate, courageous, honorable gentleman, and he was largely responsible for many of the finest pieces of legislation to benefit the veterans that have ever been passed by the Congress of the United States.

I sympathize with his family, and I deplore his sudden death.

Mr. LEA. Mr. Speaker, as the only surviving member of the War Investigating Committee, I desire to join in the words of commendation that have been expressed here today for Mr. Royal Johnson. As I recall, Mr. Johnson was the eleventh man of the 15 members of that committee to pass away. I happen to be the only survivor in the House of the War Investigating Committee of 15. May I say that Mr. Johnson was a vigorous, upstanding, virile, 100-percent American citizen and he is worthy of everything that has been said of him today.

Mr. McCORMACK. Mr. Speaker, it is with regret that words cannot properly express that I have heard of the death of our beloved friend and former colleague Hon. Royal C. Johnson. I join in the remarks that have been previously made by the gentlewoman from Massachusetts [Mrs. Rogers], the gentlewoman from New Jersey [Mrs. Norton], and the gentleman from California [Mr. Lea].

Royal Johnson, or "Royal," as we called him, was one of the finest characters that I have ever met or will ever meet. It was a few days ago that I saw him, at which time he appeared to be enjoying excellent health. His death is a shock to his many friends.

One of the first Members that I met when I first became a Member of this body was our late distinguished and beloved friend. From the outset, although of different political faith, he took a deep and personal interest in me. Between us a strong friendship developed, a friendship which I appreciated and valued. A constructive legislator, always fighting the cause of the weak, the memory of his sincerity, his loyalty, and devotion to his country and his friends will always remain with us who had the honor and the pleasure of knowing this fine, sterling character. He exemplified everything that was high and noble in life. Our deepest sympathy is extended to his wife and his children in their great loss and sorrow.

Mr. LUCE. Mr. Speaker, 15 years ago, when the Committee on World War Veterans' Legislation was created, largely through the efforts of Royal C. Johnson, it was thought that there should be in its membership some men who had not served in the World War and would be likely to represent the point of view of the public at large. So Homer Snyder, of New York, and I were put on the committee. For the next 10 years I sat with Royal Johnson.

There were those who feared that however well intentioned he might be, his own service would bias him to the benefit of his comrades at the front and to the harm of the public welfare. That fear proved to have no basis whatever. He was preeminently fair. No suspicion of prejudice marred his record. He gave the veterans everything he believed to be their due. He opposed everything that seemed to him not called for by reasoned generosity. So he won the confidence of his committee associates and in turn that of the House.

He was not only a fair man. He was a wise man, a sincere man, a courageous man, a true patriot.

In the war itself and then several times afterward he learned the bitter lessons of pain. They did not harden

his nature. They left him more kindly in his contacts with his fellows. So their admiration turned into affection. They regret his untimely death, but they grieve at the loss of a friend.

TRANSFER OF CERTAIN LANDS FROM SIERRA NATIONAL FOREST TO THE YOSEMITE NATIONAL PARK, CALIF.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill (H. R. 4635) to transfer certain lands from the Sierra National Forest to the Yosemite National Park, in the State of California, and for other purposes, be recommitted to the Committee on the Public Lands.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, may I take this opportunity to ask the majority leader what the program will be for tomorrow, or the rest of the week and the following week?

Mr. RAYBURN. I may say to the gentleman that within the last few minutes it has been decided that tomorrow there will be a vote on the rule making in order the socalled housing bill, unless the plans are changed, and I do not think they will be.

Mr. MARTIN of Massachusetts. What will we take up after that?

Mr. RAYBURN. That is all I know of for tomorrow.

Mr. MARTIN of Massachusetts. After the rule is disposed of, there will be nothing further?

Mr. RAYBURN. There may be some conference reports and other matters.

Mr. MARTIN of Massachusetts. No other rule?

Mr. RAYBURN. No. The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until 12 o'clock tonight to file a report on the so-called barter bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

COMMITTEE ON LABOR

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have until midnight tonight to file a report on the bill (S. 1234) to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938."

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. Norton]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is that bill?

Mrs. NORTON. That is the telephone bill, so-called. It is a bill for the benefit of the rural telephones throughout the country.

Mr. MARTIN of Massachusetts. Is it the purpose of the lady to bring that up tomorrow?

Mrs. NORTON. I hope to.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is that the bill which exempts Puerto Rico from the provisions of the Fair Labor Standards Act?

Mrs. NORTON. No.

Mr. MARTIN of Massachusetts. Will the gentlewoman tell us about the rest of the wage-hour legislation?

Mrs. NORTON. We have no legislation other than the bill that was reported by the committee, to be brought up under suspension of the rules. That is the only bill.

Mr. MARTIN of Massachusetts, There are three bills around here.

Mrs. NORTON. I may say to the gentleman that the chairman of the committee has not asked for a rule on any

Mr. MARTIN of Massachusetts. The gentlewoman is not pressing for consideration of that rule?

Mrs. NORTON. Definitely not.
The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. Norton]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business on tomorrow I may be permitted to address the House for 5 minutes on the deplorable milk condition that exists in the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on two subjects, and in one to include an article by Raymond Clapper.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. Murray and Mr. Landis asked and were given permission to extend their own remarks in the RECORD.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain extracts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JEFFRIES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from U. G. Robinson.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ANNOUNCEMENT

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 60 seconds.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, on yesterday I was unavoidably prevented from being present when the rule on the lending bill was under consideration. I should like the RECORD to show that if I had been present I would have voted in favor of the rule.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 60 seconds.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish to speak with reference to House Resolution 232, which I introduced on June 23 and which has just been tabled. This resolution requested the President of the United States to transmit to the House of Representatives if not incompatible with the public interest such information as may be in the possession or in the files of the State Department which indicates that actual war is imminent between certain countries on the continent of Europe. We have been in session 7 months and the President and the State Department have not given us any real information regarding this subject. I have been in Washington since 1913 and in Congress since 1925. I was in a position before my election to Congress during the years spent in Washington, to learn a great deal regarding the action taken by the State Department and the Congress regarding our foreign affairs and for a number of years I have been a member of the great Foreign Affairs Committee. At no time has the Department of State given to members of the Foreign Affairs Committee so little of their valuable information regarding our foreign affairs. It shakes our confidence and it was of grave concern to me and I believe to all Members of the House when the President made veiled threats as to the imminence of war in foreign countries. And yet we have received from the administration no real details in their possession as to the imminence of any war between the countries on the continent of Europe. It is my belief that the Foreign Affairs Committee in particular should be kept in the confidence of the Department of State regarding matters that vitally affect all the people and the peace and the economic well-being of the United States.

Today the passing of Royal L. Johnson, the former chairman of the World War Veterans' Committee, a World War veteran, badly disabled by the war, gives us fresh cause to do our utmost to govern this country's international affairs wisely, to make every effort to keep this country out of entangling alliances, and to prevent our men from fighting

on foreign soil again.

If this country were engaged in a great World War, the Congress would be in continuous session. We should stay in continuous session to guard against a repetition of 1917. If war is imminent in Europe we should stay in continuous session, and I introduced a resolution on June 23 for this purpose. Also we have many measures which Congress should consider in an effort to put our people back to work and to bring prosperity to our country. Wise legislation and the repeal of certain laws would help greatly in securing additional opportunities for the farmers, the workers, and the investors. The country today looks to Congress for help.

My concurrent resolution states concerning the report that the President of the United States said at a press conference on June 20, 1939:

If Congress goes home without enacting new neutrality legislation, and if a war broke out in the meantime, it would be difficult to pass any sort of measure without leaving the United States open to charges that it was favoring one side or another.

It is also reported that the President said:

Therefore it would be to Congress' own advantage to insure itself against getting into any such dilemma.

If the President was correctly reported, such remarks clearly indicate that in his opinion based upon information in his possession, but of which Congress and the American people are not apprised, that war in foreign countries is imminent and liable soon to break out. My concurrent resolution provides first that it is the sense of the Congress of the United States that, regardless of the enactment of any pending so-called neutrality legislation, the Congress ought to remain in continuous session in order to be in readiness to meet any eventuality that may arise that would require the exercise of its authority as representatives of the people, and second, the Congress ought to remain in continuous session to solve the unemployment problem and put people back to work, thus ending the business depression. I want the passage of my resolution.

AMENDMENT OF THE GOVERNMENT LOSSES IN SHIPMENT ACT

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6614) to amend the Government Losses in Shipment Act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 6, line 21, strike out all after "Board," down to and including "part," in line 25, and lines 1 to 4, inclusive, on page 7, and insert "including instruments issued by any corporation or other entity owned or controlled by the United States, the funds of which are deposited and covered into the Treasury of the United States or deposited with the Treasurer of the United States, but does not include money, coins, or currency of the United States; as used in subsection (d) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendment was concurred in. A motion to reconsider was laid on the table.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record with reference to the Senate amendment just concurred in.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, upon the recommendation of the Comptroller General of the United States, the Senate amended H. R. 6614 as it passed the House so that duplicate checks of the Government corporations and other entities owned or controlled by the United States will be controlled and approved in the same manner as is the issuance of duplicate checks of the United States. Under existing law a duplicate check of the United States, with certain minor exceptions, is issued only after the owner or holder of the lost check has given the United States a bond of indemnity to protect the United States from any possible loss, but the corporations are not required to receive such a bond of indemnity as a condition precedent to the issuance of duplicate checks. Duplicate checks of corporations are issued pursuant to the rules and regulations adopted by the boards of directors of the corporations. Since the funds of the majority of the Government corporations are either deposited and covered into the United States Treasury or deposited with the Treasurer of the United States, there would appear no reason why any distinction should be made in the class of checks for which indemnity is provided so long as such checks are drawn on and are payable by the Treasurer of the United States.

The Treasury Department, which will have the duty of administering the issuance of duplicate checks if the amendment is adopted, has no objection to the amendment.

UN-AMERICAN ACTIVITIES IN THE UNITED STATES

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, the deplorable condition in the United States with respect to un-American activities apparently has not been corrected by the Dies committee and conditions have been going from bad to worse day after day.

Mr. Dickstein asked and was given permission to revise and extend his remarks in the Record.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that all those speaking in tribute of the late Royal C. Johnson today be permitted to extend and revise their remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. Burdick asked and was given permission to revise and extend his remarks in the Record.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a statement by Mr. Landry on the Philippine and Cuban sugar situation published in the Sugar Journal.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend the remarks I made today in Committee of the Whole and to include therein a letter written by the President to the chairman of the Appropriations Committee of the House.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. Brewster and Mr. Smith of Ohio asked and were given permission to extend their remarks in the Record.

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. Church] is recognized for 25 minutes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a resolution of one page which I have introduced today, and two letters I have written to the Chairman of the Federal Home Loan Bank Board.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, in connection with our consideration of the deficiency appropriation bill today, it is quite appropriate, I think, for me to call the attention of this House to the deficiencies and inefficiencies of one of the major agencies of the Government. Too much time is consumed in making additional money available to the departments, bureaus, and agencies and not enough time is given to determining how governmental losses in the operations of these agencies may be avoided.

I am today introducing a resolution to provide for an auditing of all accounts and an investigation of the operations of the Home Owners Loan Corporation, Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Bank Board.

I ask unanimous consent to have a copy of this resolution incorporated in my remarks at this point.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows:

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a select committee to be composed of five Members of the House of Representatives, one of whom he shall designate as chairman, for the purpose of conducting an investigation of the Federal Home Loan Bank Board, the Home Owners' Loan Corporation and the Federal Savings and Loan Insurance Corporation.

That said committee forthwith conduct an investigation into collected forth Endered Home Corporation.

That said committee forthwith conduct an investigation into all acts of said Federal Home Loan Bank Board, Home Owners' Loan Corporation, and Federal Savings and Loan Insurance Corporation, and all officials thereof, to determine and fix responsibility for any irregularities of administration and any acts of nonfeasance, misteasance, or malfeasance on the part of any official, employee, or agency thereof

That said committee shall cause to be made a complete audit of all accounts of the said Federal Home Loan Bank Board, Home Owners' Loan Corporation, and Federal Savings and Loan Insurance Corporation to determine the extent to which (1) losses have been sustained and are likely to be sustained and reasons therefor, (2) moneys have been unlawfully diverted and expended, and (3) "nonadministrative" funds have been used for "administrative" purposes.

That said committee, or any subcommittee thereof, is hereby authorized to sit and act throughout the continuance of the Seventy-sixth Congress, at such times and places within the United States, whether or not the House is in session, has recessed, or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses.

Mr. CHURCH. Mr. Speaker, it has been frequently indicated in the public press and stated on this floor that the officials of these Corporations and the Board have been guilty of dereliction of duties, irregularities, and misconduct. The time has long since arrived when we should make a complete investigation of all these charges and have some accounting of the vast expenditures made by the officials of these Corporations. All the information that has come to me forces me reluctantly to the conclusion that the taxpayers stand to lose hundreds of millions of dollars because of mismanagement and irregularities. I feel compelled to introduce a resolution for an investigation. It is the only means by which we can get all the facts. Until there is a thorough investigation, there will be alibis and alibiing propaganda to any criticism we make in Congress.

On June 19 I pointed out, from the records of the General Accounting Office, how officials of the Federal Savings and Loan Insurance Corporation were traveling around the country for purely pleasure and personal business purposes, charging the Government for the transportation. Mr. Fallon, one of these officials, will no doubt have an elaborate alibit to my statement and General Accounting Office records.

Friends of mine, officials of savings and loan associations, have advised me that whenever any kind of a meeting or convention is held there are more Federal officials and employees present than any others. As a matter of fact, John H. Fahey, Chairman of the Federal Home Loan Bank Board itself, probably spends more time away from Washington than at his office. At least, I have received any number of complaints from those having business with the Board Chairman to the effect that they rarely find him in Washington.

Incidentally, I know Mr. Fahey is an executor and trustee of the Edward A. Filene estate in Boston, and, presumably, his work in handling that estate of several million dollars accounts for the fact that he is invariably absent from Washington on Thursday, Friday, and Saturday, and sometimes Monday and Tuesday. I do not know to what extent the taxpayers and H. O. L. C. borrowers are paying for his transportation, but I do know they are not getting the benefit of his full service. If that is the situation, it is quite understandable why millions of dollars of the people's money will be lost because of faulty and irregular practices.

Mr. Fahey, the Chairman of the Board, is either overlooking or deliberately ignoring chapter 522, section 17, of the act of July 22, 1932, which provides specifically as follows:

Each member shall devote his entire time to the business of the Board. Before entering upon his duties each of the members shall take an oath faithfully to discharge the duties of his office.

(See U. S. C., title 12, sec. 1437.)

I am making no complaint against the purpose of the Home Owners' Loan Corporation. I recognize, as does every Member of Congress, that it has afforded relief to thousands of worthy citizens. At the same time, Mr. Speaker, I think the Congress and the people should know how politics entered into the administration of this law and the extent to which losses will be sustained because of mismanagement.

I am informed that untold amounts are now being spent to conceal the irregularities and mistakes, all in preparation for a possible investigation by Congress. It is thus imperative that we conduct this investigation without delay. The information I have is not mere rumor or hearsay. It comes from reliable sources, from those who are acquainted with every phase of the financial operations of the Federal Savings & Loan Insurance Corporation.

From time to time recommendations have been made within the H. O. L. C. organization to the Federal Home Loan Bank Board for improving the accounting methods to prevent any improper diversion of funds. Those recommendations have been entirely ignored. Failure to give consideration to them and the careless do-not-care, easygoing attitude of Chairman Fahey has permitted a continuance of the lax methods and the resultant squandering of millions of dollars.

The most outstanding example of mismanagement of the H. O. L. C. is to be found in what is known as the original New York region, comprising the States of New York, New Jersey, and Connecticut. In this region and the State of Massachusetts it has been estimated that the Government will lose approximately \$100,000,000. This loss will be suffered for no other reason than that politics entered into the selection of the personnel and politics entered into the making of loans and appraisals. This loss of \$100,000,000, unless perchance there should be a remarkable improvement in the real-estate market, is the direct result of excessive property appraisals by politicians.

I ask unanimous consent to insert in the RECORD at this point a copy of a letter which I addressed to Hon. John H. Fahey, Chairman of the Federal Home Loan Bank Board.

under date of July 26, 1939, and a copy of another letter to him under date of July 28, 1939.

The SPEAKER pro tempore. Is there objection?

There was no objection. The letters follow:

JULY 26, 1939.

Hon. John H. Fahey, Chairman, Federal Home Loan Bank Board,

Hon. John H. Fahey,

Chairman, Federal Home Loan Bank Board,

Washington, D. C.

Dear Mr. Fahey: Originating at sources which I believe to be reliable, certain assertions have been made to me indicating mismanagement of the H. O. L. C. under your administration which, unless successfully contradicted, deserve extensive investigation to verify and determine responsibility for such alleged irregularities.

(A) It is alleged that at the close of lending operations the national average of mortgage-refinancing loans was approximately \$3,000 for each loan, whereas the individual loan in the States comprising the original New York region average about twice such amount, and the disparity is accentuated by elimination of the said region in computing the national average above referred to. Please furnish me at once with a statement reflecting the number and aggregate dollar value of loans refinanced by the H. O. L. C. in all States, exclusive of States comprising the original New York region, and for comparison the number and aggregate dollar value of loans refinanced in each of the States in the said region. Extension should be made to reflect the average per loan. Further, in this connection, please furnish corresponding information regarding the number and aggregate dollar value of loans refinanced in the State of Massachusetts for comparison with the national average, exclusive of States comprising the original New York region, together with the State of Massachusetts.

(B) It is alleged that the number of properties repossessed from owners under foreclosure proceedings in the States comprising the original New York region and in the State of Massachusetts are excessive in relation to the number of refinancing loans in such States at the close of lending operations, when compared with corresponding repossession ratios in all other States, exclusive of the particular States referred to. Please furnish me at once with a statement reflecting the number of loans refinanced in each of the States in the original New York

number of loans refinanced and similar repossessions in all other

States as of corresponding date.
(C) It is alleged that projected repossessions under foreclosure (C) It is alleged that projected repossessions under foreclosure proceedings because of prevailing delinquencies in the States comprising the original New Yerk region and in the State of Massachusetts accentuate the disparity in the completed or in process of foreclosure ratio comparison above referred to. Please furnish me at once with a statement reflecting the number of loans delinquent in respect to principal and/or interest for more than 1 year in each of the States comprising the original New York region and in the State of Massachusetts compared with corresponding delin-quencies in all other States at the end of a recent month.

in the State of Massachusetts compared with corresponding delinquencies in all other States at the end of a recent month.

(D) It is alleged that losses from disposition of the acquired properties in the States comprising the original New York region and in the State of Massachusetts are excessive in relation to corresponding losses in all other States. Please furnish me at once with a statement reflecting the number and aggregate ledger values of acquired properties (showing break-down between fore-closures completed and in process) in each of the States comprising the original New York region and in the State of Massachusetts, cumulative to the end of a recent month, together with the number of dispositions of such acquired properties and aggregate proceeds of sales prices (disregarding terms thereof) indicating aggregate and average losses sustained, cumulative to the end of corresponding recent month. In this connection, please advise me the basis of computing ledger values and indicate if losses sustained include all sales commissions to brokers.

(E) It is alleged that the number of personnel employed in the original New York regional office and in each of the State offices (comprising that region) from the inception of lending operations all through November 30, 1936, was disproportionately large in comparison with corresponding personnel in other regional and State offices after taking into consideration incidents of work load differentials. Please furnish me at once with a statement reflecting the number of personnel employed in the State offices comprising the original New York region together with the recommendation.

load differentials. Please furnish me at once with a statement reflecting the number of personnel employed in the State offices comprising the original New York region, together with the regional office at the end of each month during the calendar year 1936, compared with the number of personnel employed in the Illinois and Michigan State offices and in the Chicago and Detroit regional offices for the corresponding periods. It is not necessary to show break-down by departments of these various offices. Further in this connection please show for comparison the number ther, in this connection, please show for comparison the number of personnel in each of the above offices as of March 31, 1937,

of personnel in each of the above offices as of mater of, 1801, following the election.

If my requests for these statements are subject to more than one interpretation, please prepare and submit at once statements giving effect to both interpretations. If exact figures are not available, statements reflecting approximations will fit my require-

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Should this communication be received at your office during your absence, I will appreciate the issuance of instructions for immediate compliance.

Sincerely yours,

RALPH E. CHURCH.

JULY 28, 1939.

Hon. John H. Fahey, Chairman, Federal Home Loan Bank Board,

Dear Mr. Fahey: Supplementing my letter of July 26, reference is made to paragraph "(D)" and it is noted that I omitted to request similar data relating to acquisition of properties and dispositions thereof in States other than the original New York

region and the State of Massachusetts, for comparison.

This supplemental request is being transmitted to your office by messenger and I will appreciate your immediate attention thereto coincident with my letter of July 26.

Sincerely yours,

RALPH E. CHURCH.

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield briefly to the gentleman from Tennessee.

Mr. BYRNS of Tennessee. The gentleman from Illinois made some very pertinent remarks on the floor of the House sometime ago, and I ask him if he knows that some of the so-called executives, if you please, or, to use the common vernacular, the "big shots" of the H. O. L. C. and the Federal Home Loan Bank Board, have said that there is nothing to fear from this, that there will be no investigation, and that this matter will blow over? They are in effect laughing at the Congress of the United States. Does the gentleman from Illinois understand that?

Mr. CHURCH. I think that is a fair statement.

Mr. BYRNS of Tennessee. Does the gentleman realize the significance of their statement, that is, that they have contempt for the gentleman from Illinois and every other Member of Congress, and that they will pursue their own game in their own way and that they do not care for interference?

Mr. CHURCH. That is the point that I am trying to

Mr. BYRNS of Tennessee. Has the gentleman from Illinois any idea as to the number of board meetings the chairman has attended?

Mr. CHURCH. I understand they are very few, but it is difficult to obtain that information. Only an investigation will bring those things out.

Mr. BYRNS of Tennessee. I would suggest to the gentleman who has shown such an interest in this, which is a good thing for American Government, to secure that information.

Mr. CHURCH. I will say that thorough investigation by

this Congress will get that information.

Mr. BYRNS of Tennessee. The gentleman believes that investigation is necessary?

Mr. CHURCH. I am positive. So are many Members of the House.

Mr. BYRNS of Tennessee. I agree with the gentleman.

Mr. CHURCH. The distinguished gentleman from Tennessee established a fine record of service over a period of 5 years as general counsel for the H. O. L. C. for his State of Tennessee and I thank him for his contribution. Let me say to the gentleman and to the Members of the House that this matter should be pursued at this session and during the vacation period. There should be no let up and if necessary at the next session of this Congress, when it meets in January, it should be followed up. The delay is costly. A thorough investigation must finally be had—the sooner the better. Again I say that there must be no let up.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Wisconsin. Mr. SCHAFER of Wisconsin. Has the gentleman any hope that we will have an investigation until after the 1940 election?

Mr. CHURCH. This resolution will enable an investigation of these matters now, and if they do not investigate, of course we will in 1940. There should be a nonpartisan, thorough investigation now.

Mr. SCHAFER of Wisconsin. After 1941 we will have to have a housing program to put additions to the peniten-

tiaries at Leavenworth and other places.

Mr. BYRNS of Tennessee. I would like to say for myself, as well as for certain other members of my party, that there are certain of us in this body who invite an investigation into the activities of this Board. So that the gentleman from Illinois speaks not only for his party, but for certain of us in our party, as to the necessity and advisability of an investigation into the activities of this Board. [Applause.]

Mr. CHURCH. I thank the gentleman for his contri-

bution. [Applause.]

At the moment I do not have a reply to these letters. Today is Wednesday, however, and I suppose Mr. Fahey has not yet returned from another week end in Boston. But even before I get the reply I can tell you what the figures will show. I have thoroughly reliable information on the subject, and it was on a basis of this information that the inquiry

to the Chairman of the Board was written.

The true picture can best be presented by comparing the loans, foreclosures, and losses per property in the New York region with that of other States. It has been estimated that the national average of loss per property by the H. O. L. C. will be \$800. But in the New York region alone the estimated loss per property is placed at \$2,000. If we take the New York region out of the national average, the average loss per property outside of New York goes down to \$500. That means, Mr. Speaker, that the average loss per property in the New York region will be four times what it will be outside of that area.

I understand that at the present time the H. O. L. C. in the New York region has something like 37,000 properties on hand to sell. If we take the acquired properties in that region, plus those so delinquent in payments that there is every reason to believe they will go to foreclosure, it will be found that 50 percent of all the loans made in the region will represent a loss. That aggregate loss will total around \$100,000,000.

Why this \$100,000,000 loss in the New York region? Why will the average loss per property be \$2,000 as compared with \$500 outside that area? The answer simply is that the appraisals were excessive; that politics and gross mismanagement played a large part in the appraisals and making of loans.

During the period from 1933 to 1936 a Mr. Vincent Dailey served as H. O. L. C. State manager for New York. Mr. Dailey was also vice chairman of the Democratic State organization. He is a close personal friend of Mr. Farley. And, as the manager in Massachusetts, incidentally, was none other than Dan Le Hand, brother of Marguerite A. Le Hand, personal secretary to the President of the United States, obviously these men, Vincent Dailey and Dan Le Hand, were selected for political reasons and not for their exceptional knowledge of the real-estate business and executive ability. They were the political bigwigs. Both Vincent Dailey and Dan Le Hand, politicians par excellence, allowed property to be appraised on a basis of the vote value rather than on a basis of real-estate values. Mr. Fahey, chairman of the Board, was their political inferior, and he no doubt took that fact in consideration whenever his attention was called to the H. O. L. C. loan situation in the New York region and the State of Massachusetts. The unfortunate part of it all is that the taxpayers will ultimately pay the losses.

In other words, Mr. Speaker, the original New York region of the H. O. L. C. and the State of Massachusetts constitute an outstanding example of politics in the H. O. L. C., waste and extravagance. It thus results that the Government is estimated to lose \$100,000,000 on the H. O. L. C. loans in that area, to lose \$2,000 per property as compared with an average loss of \$500 per property outside of New York.

We do not know how many millions of dollars have been squandered by the H. O. L. C.—money which should have gone to relieve the distressed but wasted by the officials. There has been no accounting. We do not know to what extent nonadministrative funds have been diverted into administrative so as to evade the limitation placed by Congress on administrative costs.

Mr. Speaker, I know something like \$100,000,000 will be lost in the New York region because of gross mismanagement. That in itself warrants an investigation. If this administration refuses to bring the facts to light, it will have to bear full responsibility for what will be revealed when the Republican Party makes an investigation in 1941.

Mr. LUCE. Mr. Speaker, I ask unanimous consent to insert in the Record at that point, with other remarks about Mr. Royal C. Johnson, some that I will make.

The SPEAKER pro tempore (Mr. Dickstein). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows: S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938"; to the Committee on Labor.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 543. An act for the relief of Imogene Enley;

H. R. 1177. An act for the relief of Bessie Bear Robe;

H.R. 1436. An act for the relief of William H. Keesey;

H. R. 1881. An act for the relief of Anne Boice; H. R. 2102. An act for the relief of Ada Fuller;

H. R. 2178. An act to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 2346. An act for the relief of Virgil Kuehl, a minor;

H.R. 2514. An act for the relief of G. E. Williams;

H. R. 2610. An act for the relief of G. W. Netterville; and H. R. 2642. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

H. R. 2738. An act providing for the disposition of certain

Klamath Indian tribal funds;

H. R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is

filed within 1 year thereafter;
H. R. 2883. An act to amend the Federal Firearms Act
(Public, No. 785, 75th Cong.) so as to more adequately define
the term "ammunition" as said term is defined in said act;

H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency;

H. R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15);

H. R. 3084. An act for the relief of Violet Dewey;

H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;

H.R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536);

H.R. 3337. An act for the relief of the estate of Arthur Weltner;

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3569. An act for the relief of J. Aristide Lefevre; H. R. 3795. An act to provide a right-of-way through the

Chilkoot Barracks Military Reservation, Alaska;

H.R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor;

H.R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H.R. 4115. An act for the relief of W. C. and James

Latane, and Willie Johnson;

H.R. 4261. An act for the relief of the estate of Frank M. Smith;

H.R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publications:

H.R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia;

H.R. 4609. An act for the relief of Charles Enslow;

H. R. 4638. An act authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm, and for other purposes;

H.R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes:

H. R. 4783. An act to provide a right-of-way;

H. R. 4784. An act to provide a right-of-way:

H. R. 4847. An act for the relief of Leland J. Belding;

H. R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H. R. 5056. An act for the relief of Nicholas Contopoulos; H. R. 5450. An act to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed;

H. R. 5516. An act for the relief of Charlotte E. Hunter;

H. R. 5611. An act to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes";

H. R. 5684. An act amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

H. R. 5743. An act for the relief of Walter C. Holmes;

H.R. 5764. An act to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill.;

H. R. 5775. An act for the relief of Michael M. Cohen;

H. R. 5912. An act authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H. R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H. R. 6114. An act to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and for other purposes;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H.R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions;

H.R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motorboat Act of June 9, 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules;

H. R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry;

H. R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H. R. 6528. An act to provide for the creation of the George Rogers Clark National Memorial in the State of Indiana, and for other purposes;

H. R. 6538. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6539. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6540. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6541. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws:

H. R. 6585. An act to provide for the disposition of certain records of the United States Government;

H. R. 6641. An act for the relief of the Arkansas State Penitentiary;

H. R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U. S. C., title 35, secs. 31, 32, 69, and 73):

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63);

H.R. 6875. An act to amend section 4903 of the Revised Statutes (U.S. C., title 35, sec. 51);

H.R. 6899. An act granting pensions to certain veterans of the Civil War;

H. R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps;

H.R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7093. An act to provide for the rank and title of lieutenant general of the Regular Army;

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939;

H. R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard, of certain officers and employees of the Lighthouse Service, and for other purposes;

H.R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. R. 7411. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture;

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects;

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio;

H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics; and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S.5. An act to grant certain lands to the Arizona State

Elks Association Hospital;
S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Compters.

S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.;

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.;

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;

S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire;

S. 808. An act for the relief of Calliope Minaca Pilavakis;

S. 1081. An act for the relief of John B. Jones;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S.1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor:

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky:

S. 1527. An act for the relief of Joseph Lopez Ramos;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1722. An act for the relief of Hannis Hoven:

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1823. An act for the relief of William E. Cowen;

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1882. An act for the relief of Thomas A. Ross:

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

S. 1954. An act for the relief of Joannes Josephus Citron; S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2061. An act for the relief of William Hillock;

S. 2067. An act for the relief of Leslie J. Frane and Charles Frane:

S. 2082. An act for the relief of Hugh A. Smith;

S. 2114. An act for the relief of Virginia Pearson;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department:

S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.;

S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign

countries;

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 2366. An act for the relief of Franklin C. Richardson; S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells);

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.;

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2410. An act relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration;

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.;

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decoration from the Norwegian Government;

S. 2562. An act to facilitate certain construction work for the Army, and for other purposes;

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River, at Levy, Iowa;

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

N. Y., favoring legislation which would stop the advertising bridge across the Chesapeake and Delaware Canal at St. Georges, Del.;

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the

Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of

the United States," approved June 22, 1936;

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended; and

S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

ADJOURNMENT

Mr. LEWIS of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Thursday, August 3, 1939, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1059. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 24, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Cadle Creek, Anne Arundel County, Md. (H. Doc. No. 465); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1060. A letter from the Administrator, Veterans' Administration, transmitting the draft of a bill to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 7462. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; without amendment (Rept. No. 1439). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H.R. 6424. A bill to provide for the transportation and distribution of mails on motor-vehicle routes; without amendment (Rept. No. 1440). Referred to the Committee

of the Whole House on the state of the Union.

Mr. ASHBROOK: Committee on the Post Office and Post Roads. H. R. 7256. A bill to provide for the local delivery rate on certain first-class mail matter; without amendment (Rept. No. 1441). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the Civil Service. S. 1610. An act to prevent discrimination against graduates of certain schools, and those acquiring their legal education in law offices, in the making of appointments to Government positions the qualifications for which include legal training or legal experience; with amendment (Rept. No. 1442). Referred to the House Calendar.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 1975. A bill to amend the Annual and Sick Leave Acts of March 14, 1936; without amendment (Rept. No. 1443). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 289. Resolution providing for the consideration of H. R. 5435. a bill to amend the Fair Labor Standards Act of 1938; without amendment (Rept. No. 1444). Referred to the House Calendar.

Mr. HILL: Committee on Irrigation and Reclamation. H. R. 6613. A bill authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States; without amendment (Rept. No. 1446). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes; with amendment (Rept. No. 1447). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. KRAMER: Committee on Immigration and Naturalization. H.R. 7246. A bill for the relief of Madeline Vera Bucholz: with amendment (Rept. No. 1445). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 7249) to correct the discharge of Kenneth A. Cranmer, and the same was referred to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 7463. A bill to amend the Merchant Marine Act, 1936, as amended, to provide for extending aid to producers of lumber and manufactured timber products; to the Committee on Merchant Marine and Fisheries.

By Mr. GEYER of California:

H. R. 7464. A bill to prohibit the transportation or receipt of gambling devices in interstate or foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7465. A bill to clarify the employment status of special-delivery messengers in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mr. RYAN:

H. R. 7466. A bill to amend part 1 of the Interstate Commerce Act, as amended, with respect to the use of refrigerator cars; to the Committee on Interstate and Foreign Commerce.

By Mr. ALEXANDER:

H. R. 7467. A bill providing for alternate structural designs; to the Committee on Public Buildings and Grounds.

By Mr. D'ALESANDRO:

H. R. 7468. A bill making the 12th day of each October in each year a legal holiday; to the Committee on the Judiciary.

By Mr. BOLAND:

H. R. 7469. A bill to provide for the subscription by Reconstruction Finance Corporation of the stock of a corporation which is hereby created to finance self-liquidating express highways which will create additional facilities for national defense, relieve highway-traffic congestion in intermetropolitan regions, aid air navigation, aid the States, municipalities, and other public authorities thereof, furnish employment for citizens now on relief, decrease unemployment, stimulate business recovery, and promote public safety, to define the powers and limitations of such corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. CASE of South Dakota:

H. J. Res. 378. Joint Resolution to amend the Independent Offices Appropriation Act of 1940; to the Committee on Appropriations.

By Mr. LAMBERTSON:

H. J. Res. 379. Joint resolution proposing an amendment to the Constitution relating to the consideration of bills making appropriations; to the Committee on the Judiciary.

By Mr. COLE of Maryland:

H. Res. 290. Resolution authorizing the Committee on Interstate and Foreign Commerce to conduct an investigation of the petroleum industry; to the Committee on Rules.

H. Res. 291. Resolution providing for the expenses incurred by House Resolution 290; to the Committee on Accounts.

By Mr. CHURCH:

H. Res. 292. Resolution authorizing the appointment of a select committee to investigate the Home Owners' Loan Corporation, the Federal Home Loan Bank Board, and the Federal Savings and Loan Insurance Corporation; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Florida:

H.R. 7470. A bill for the relief of Gaetano Tortora; to the Committee on Immigration and Naturalization.

By Mr. HOPE:

H. R. 7471. A bill for the relief of Martin N. Mayrath; to the Committee on Claims.

By Mr. JOHNSON of Illinois:

H. R. 7472. A bill for the relief of Helge A. Carlson; to the Committee on Claims.

By Mr. JOHNSON of West Virginia:

H. R. 7473. A bill granting a pension to John E. Shepherd; to the Committee on Invalid Pensions.

By Mr. MICHAEL J. KENNEDY:

H. R. 7474. A bill for the relief of Anna Lansinger; to the Committee on Immigration and Naturalization.

By Mr. KNUTSON:

H.R. 7475. A bill granting a pension to Maude Fielding; to the Committee on Invalid Pensions.

By Mr. PETERSON of Florida:

H.R. 7476. A bill for the relief of Hugh M. Whidden; to the Committee on Pensions.

By Mr. RODGERS of Pennsylvania:

H. R. 7477. A bill granting an increase of pension to Nila M. Knapp; to the Committee on Invalid Pensions.

By Mr. SACKS:

H.R. 7478. A bill for the relief of Antonio Grillo; to the Committee on Immigration and Naturalization.

By Mr. VOORHIS of California:

H. R. 7479. A bill for the relief of Clara L. Gardiner; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5189. By Mr. ANGELL: Petition of Marie Roost and sundry other citizens of Oregon, submitted by the Oregon Workers' Alliance, asking restoration of Works Progress Administration to its former status; to the Committee on Ways and Means.

5190. By Mr. FISH: Petition signed by Grace L. DuMond and 17 other citizens of Pleasant Valley, Dutchess County,

N. Y., favoring legislation which would stop the advertising of alcoholic beverages by press and ratio; to the Committee on Interstate and Foreign Commerce.

5191. Also, petition signed by Mrs. J. F. Carpenter and 89 other citizens of Middletown, Orange County, N. Y., favoring legislation which would prohibit the advertising of alcoholic beverages by press and radio; to the Committee on Interstate and Foreign Commerce.

5192. By Mr. MICHAEL J. KENNEDY: Petition of Henry Heller, president, United Optical Workers Union, urging that there be no changes in the Wages and Hours Act; to the Committee on Labor.

5193. Also, petition of Legionarios Del Trabajo, New York Lodge, No. 533, Inc., Brooklyn, N. Y., urging enactment of House bill 7239; to the Committee on Immigration and Naturalization.

5194. Also, petition of James A. Urich, executive director, American Federation of Housing Authorities, urging enactment of Senate bill 591, during this session of the Congress;

to the Committee on Banking and Currency.

5195. Also, petition of Social Service Employees' Union, representing 2,000 members, opposing the proposed amendment to the Social Security Act, which would exclude insurance agents on commission, thereby jeopardizing the status of 90,000 industrial agents now covered by the act; to the Committee on the Civil Service.

5196. Also, petition of the Machinery and Allied Products Institute, pertaining to the bill for lending money on self-liquidating projects; to the Committee on Banking and Currency.

5197. Also, petition of the International Federation of Architects, Engineers, Chemists, and Technicians, urging immediate enactment of House bill 2888, the amendment to the United States Housing Act for 1939, and also the national housing census bill; to the Committee on Banking and Currency.

5198. Also, petition of the International Association of Machinists, expressing opposition to the Barden amendments to House bill 7133, the Wages and Hours Act; to the Committee on Labor.

5199. Also, petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, opposing all pending amendments to weaken the Wages and Hours Act; to the Committee on Labor.

5200. Also, petition of the New York State Farm Bureau Federation, favoring enactment of House bill 7133, the Barden amendments to the Wages and Hours Act; to the Committee on Labor.

5201. Also, petition of the Amalgamated Utility Workers, of New York City, representing 40,000 utility employees of Greater New York, relative to amendments to the Social Security Act; to the Committee on Appropriations.

5202. By Mr. MERRITT: Resolution of the Philippines Post 1164, American Legion, Brooklyn, N. Y., requesting the enactment of House bill 7239, to authorize the naturalization of Filipinos who are permanent residents of the United States; to the Committee on Immigration and Naturalization.

5203. Also, resolution of the New York Lodge 533, Legionarios del Trabajo, respectfully appealing to the Congress to enact House bill 7239, to authorize the naturalization of Filipinos who are permanent residents of the United States; to the Committee on Immigration and Naturalization.

5204. By Mr. PFEIFER: Petition of the Student Council of Brooklyn High School for Homemaking, urging reinstatement of Works Progress Administration staff of workers; to the Committee on Appropriations.

5205. Also, petition of the Women's Peace Union, New York City, concerning the foreign policy of the United States and opposing any war; to the Committee on Foreign Affairs.

5206. Also, petition of Clark Perry, chairman, legislative committee, Plumbers Union 463, New York City, urging sup-

port of Wagner-Steagall housing bill; to the Committee on Banking and Currency.

5207. Also, petition of the Izaak Walton League of America, Inc., Chicago, Ill., concerning pollution; to the Committee on Rivers and Harbors.

5208. Also, petition of lawyers and clerks on workmen's compensation project No. 665-97-3-44, New York City, urging consideration of the Murray amendment; to the Committee on Appropriations.

SENATE

THURSDAY, AUGUST 3, 1939

(Legislative day of Wednesday, August 2, 1939)

The Senate met at 11 o'clock a. m., on the expiration of

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany. Washington, D. C., offered the following prayer:

O Thou who hast called us out of every kindred and tongue, and dost will that men should live at peace, grant us grace, we beseech Thee, to use the talents of our several races to the strengthening of this Nation, that we may be a united people, zealous for our common good, and free from jealousies and hatreds which divide and despoil us of our heritage. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 2, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lucas	Shipstead
Andrews	Ellender	Lundeen	Slattery
Ashurst	George	McCarran	Smathers
Austin	Gerry	McKellar	Smith
Bailey	Gibson	Maloney	Stewart
Bankhead	Guffey	Mead	Thomas, Okla.
Barkley	Gurney	Miller	Thomas, Utah
Borah	Hale	Minton	Tobey
Bridges	Harrison	Murray	Townsend
Brown	Hatch	Neely	Truman
Bulow	Hayden	Nye	Tydings
Burke	Herring	O'Mahoney	Vandenberg
Byrd	Holt	Pepper	Van Nuys
Byrnes	Hughes	Pittman	Wagner
Capper	Johnson, Calif.	Radcliffe	Walsh
Chavez	Johnson, Colo.	Reed	Wheeler
Clark, Idaho	King	Russell	White
Clark, Mo.	La Follette	Schwartz	
Connally	Lee	Schwellenbach	
Danaher	Lodge	Sheppard	

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. BONE], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], and the Senator from Alabama [Mr. HILL] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. REYNOLDS] are unavoidably detained.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT-APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On July 27, 1939:

S. 1725. An act relating to the acquisition of the site for the post-office building to be constructed in Poplarville,

S. 1878. An act to provide for the distribution of the judgment fund of the Shoshone Tribe of the Wind River Reservation in Wyoming, and for other purposes; and

S. 2170. An act to improve the efficiency of the Coast

Guard, and for other purposes. On July 28, 1939:

S. 2482. An act authorizing the President to present a Distinguished Service Medal to Rear Admiral Harry Ervin Yarnell, United States Navy.

On July 31, 1939:

S. 770. An act to authorize the addition to Glacier National Park, Mont., of certain property acquired for the establishment of a fish hatchery, and for other purposes; and

S. 1116. An act to amend section 1860 of the Revised Statutes, as amended (48 U.S. C. 1460), to permit retired officers and enlisted men of the Army, Navy, Marine Corps, and Coast Guard to hold civil office in any Territory of the United States.

On August 2, 1939 (11:50 a. m.):

S. 1871. An act to prevent pernicious political activities.

VIRGINIA (MERRIMAC)-MONITOR COMMISSION

The VICE PRESIDENT appointed the Senator from Virginia [Mr. Byrn], the Senator from Maryland [Mr. Rapcliffe], and the Senator from New Jersey [Mr. BARBOUR] as members, on the part of the Senate, of the Virginia (Merrimac)-Monitor Commission, established under the terms of House Concurrent Resolution 32.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 2) authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site, and other public purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7270) to amend the Bonneville Project Act; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mansfield, Mr. Gavagan, Mr. DEROUEN, Mr. SEGER, and Mr. CARTER were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its amendment to the bill (S. 1654) for the relief of Mrs. Pacios Pijuan, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Dickstein, Mr. SCHULTE, and Mr. Mason were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendment to the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas), disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DICKSTEIN, Mr. SCHULTE, and Mr. Mason were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its amendments to the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Dickstein, Mr. Schulte, and Mr. Mason were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the bill (S. 1269) for the relief of Emil Friedrich Dischleit, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DICKSTEIN, Mr. SCHULTE, and Mr. Mason were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its amendments to the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas), disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Dickstein, Mr. Schulte, and Mr. Mason were appointed managers on the part of the House.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4998) to amend the Packers and Stock-

yards Act, 1921.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 6546. An act for the relief of Benno von Mayrhauser and Oskar von Mayrhauser; and

H.R. 6614. An act to amend the Government Losses in Shipment Act.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7293. An act to amend section 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States; and

H.R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Montana:

S. 808. An act for the relief of Calliope Minaca Pilavakis;

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1954. An act for the relief of Joannes Josephus Citron;

S. 2410. An act relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2562. An act to facilitate certain construction work for the Army, and for other purposes;

H. R. 2178. An act to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 2346. An act for the relief of Virgil Kuehl, a minor; H. R. 2610. An act for the relief of G. W. Netterville;

H. R. 2642. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

H. R. 2738. An act providing for the disposition of certain

Klamath Indian tribal funds;

H. R. 2883. An act to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act;

H. R. 3569. An act for the relief of J. Aristide Lefevre;

H.R. 4115. An act for the relief of W.C. and James Latane, and Willie Johnson;

H.R. 4261. An act for the relief of the estate of Frank M. Smith:

H. R. 4638. An act authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm, and for other purposes;

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H. R. 5056. An act for the relief of Nicholas Contopoulos; H. R. 5611. An act to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes":

H. R. 5684. An act amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

H.R. 5764. An act to provide for the establishment of a cemetery within the Crab Orchard Creek Dam Project, Wil-

liamson County, Ill.;

H. R. 5775. An act for the relief of Michael M. Cohen:

H. R. 6528. An act to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes;

H.R. 6585. An act to provide for the disposition of cer-

tain records of the United States Government;

H.R. 6641. An act for the relief of the Arkansas State Penitentiary;

H.R. 7093. An act to provide for the rank and title of lieutenant general of the Regular Army;

H.R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard, of certain officers and employees of the Lighthouse Service, and for other purposes;

H. R. 7411. An act authorizing the construction, repair, and preservation of certain public works on rivers and har-

bors, and for other purposes;

S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner;

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain

in Washington, D. C.; and

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H.R. 7293. An act to amend section 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States; to the Committee on Public buildings and Grounds.

H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; to the Committee on Appropriations.

JUDGMENTS OF DISTRICT COURT (S. DOC. NO. 112)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the payment of judgments rendered against the Government by district court in special cases, in the amount of \$8,315.02, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

JUDGMENTS RENDERED BY COURT OF CLAIMS (S. DOC. NO. 113)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting pursuant to law, an estimate of appropriation covering certain judgments rendered by the Court of Claims, amounting to \$10,738.29, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 114)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a schedule of claims allowed by the General Accounting Office, amounting to \$410,297.84, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

ADMINISTRATION OF THE COURTS (S. DOC. NO. 115)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision pertaining to appropriations contained in the Department of Justice Appropriation Act, 1940, to provide funds for the administrative office of the United States courts, which, with the accompanying paper, was referred to the Committee on Appropriations, and ordered to be printed.

ANTARCTIC SERVICE (S. DOC. NO. 116)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision pertaining to appropriations for the Navy Department, fiscal year 1940, to make available funds for chartering and commissioning the S. S. Bear as a vessel of the United States Navy for the use of the Antarctic Service, which, with the accompanying paper, was referred to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF LABOR (S. DOC. NO. 117)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Labor, fiscal year 1940, amounting to \$2,290,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, FEDERAL SECURITIES AGENCY (S. DOC. NO. 118)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriation for the Federal Security Agency, fiscal year 1940, amounting to \$5,581,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, FEDERAL SECURITIES AGENCY (S. DOC. NO. 119)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the Legislative Establishment, fiscal year 1940, salaries of Senate pages, amounting to \$2,640, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CONSTRUCTION OF TRANS-ISTHMIAN HIGHWAY (S. DOC. NO. 120)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Panama Canal, fiscal year 1940, for the construction by the United States of a portion of the Trans-Isthmian Highway, in accordance with the provisions of a Convention with the Republic of Panama, amounting to \$265,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, SECURITIES AND EXCHANGE COMMISSION (S. DOC. NO. 121)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Securities and Exchange Commission, fiscal year 1940, amounting to \$69,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITION

Mr. WALSH presented a resolution of the Associated Community Recreation Planning Committees of Boston, Mass.,

favoring the prompt enactment of legislation to continue the W. P. A. adult recreation project, which was referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

Mr. BARKLEY, from the Committee on the Library, to which was referred the bill (H. R. 4872) to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States, reported it without amendment.

Mr. CLARK of Missouri, from the Committee on Commerce, to which was referred the bill (H. R. 6441) authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo., reported it without amendment and submitted a report (No. 1082) thereon.

He also, from the Committee on Commerce, to which was referred the bill (H. R. 7262) granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo., reported it without amendment and submitted a report (No. 1083) thereon.

He also, from the Committee on Interoceanic Canals, to which was referred the bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, reported it with an amendment and submitted a report (No. 1116) thereon.

Mr. ASHURST (for Mr. Burke), from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 181) giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States, reported it without amendment.

Mr. LEE, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 3122. A bill to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg. (Rept. No. 1084);

H. R. 5998. A bill to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935 (Rept. No. 1085);

H. R. 6271. A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River at or near Kettle Falls, Wash. (Rept. No. 1086);

H. R. 6662. A bill granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa. (Rept. No. 1087); and

H. R. 6907. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania (Rept. No. 1088).

Mr. TOBEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 2440. A bill for the relief of Thomas J. Smith (Rept. No. 1092);

H.R. 3156. A bill for the relief of Anna E. Hurley (Rept. No. 1093);

H.R. 3172. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren (Rept. No. 1094);

H. R. 4062. A bill for the relief of Clarendon Davis (Rept.

No. 1095);

H. R. 4275. A bill for the relief of Harry Vrountas and

Theodore Vrountas (Rept. No. 1096);

H. R. 4300. A bill for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz (Rept. No. 1097); H. R. 4554. A bill for the relief of Francis A. Leete and

Sarah Leete (Rept. No. 1098);

H.R. 4726. A bill for the relief of James W. Gilson (Rept.

No. 1099);

H. R. 5259. A bill for the relief of Mrs. Layer Taylor (Rept. No. 1100);

H.R. 5383. A bill for the relief of H. A. Dixon (Rept. No. 1101);

H.R. 5491. A bill to pay salary of Ruth Dornsife (Rept. No. 1102);

H.R. 5557. A bill for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey (Rept. No. 1103); and

H. R. 5923. A bill for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor (Rept. No. 1104).

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2363. A bill for the relief of the estate of Harvey T. Combs (Rept. No. 1105);

H. R. 3853. A bill for the relief of Floyd Elton (Rept. No. H. R. 4141. A bill for the relief of Celia Press and Bernard Press (Rept. No. 1107);

H.R. 4482. A bill for the relief of Byron MacDonald (Rept. No. 1108);

H.R. 4549. A bill for the relief of William H. Radcliffe (Rept. No. 1109);

H.R. 4601. A bill for the relief of Paul W. McCoy (Rept. No. 1110):

H.R. 4616. A bill for the relief of M. F. Gubrud (Rept. No. 1111);

H.R. 5115. A bill for the relief of Harry W. Lyle (Rept. No. 1112);

H.R. 5607. A bill for the relief of George A. Meffan, United States marshal, district of Idaho (Rept. No. 1113);

H.R. 5951. A bill for the relief of the heirs of Emma J. Hall (Rept. No. 1114);

H.R. 5953. A bill for the relief of Marie Heinen (Rept. No. 1115);

H.R. 6805. A bill for the relief of Sam E. Woods (Rept. No. 1089); and

H.R. 6963. A bill for the relief of Buford Lee Pratt (Rept. No. 1090).

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 4885. A bill for the relief of James M. Harwood (Rept. No. 1091); and

H.R. 5698. A bill for the relief of H. H. Rhyne, Jr. (Rept. No. 1117).

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 1428. A bill for the relief of First Lt. Samuel E. Williams (Rept. No. 1118);

H.R. 2049. A bill for the relief of Olin C. Risinger (Rept. No. 1119);

H.R. 2096. A bill for the relief of Lucile Snider and Cliff Snider, Jr. (Rept. No. 1120);

H.R. 2250. A bill for the relief of Frank Malles, Jr. (Rept. No. 1121);

H.R. 2344. A bill for the relief of James McConnachie (Rept. No. 1122);

H.R. 3676. A bill for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex. (Rept. No. 1123);

H.R. 3927. A bill for the relief of Marijo McMillan Williams (Rept. No. 1124);

H.R. 3933. A bill for the relief of Otho L. Curtner (Rept. No. 1125):

H.R. 4072. A bill for the relief of Emmitt Courtney (Rept. No. 1126):

H. R. 4606. A bill for the relief of the Toledo Terminal Railroad Co. of Toledo, Ohio (Rept. No. 1127);

H.R. 5266. A bill for the relief of Mina Keil (Rept. No. 1128):

H.R. 5348. A bill for the relief of certain postmasters (Rept. No. 1129);

H. R. 5857. A bill to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation" (Rept. No. 1130); and

H.R. 5931. A bill for the relief of Elizabeth Hessman (Rept. No. 1131).

Mr. SCHWARTZ, also from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H.R. 5515. A bill for the relief of Mrs. Virgie B. Weaver (Rept. No. 1132); and

H.R. 6259. A bill for the relief of Jack D. Collins (Rept. No. 1133).

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 3794) to establish the Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes, reported it without amendment and submitted a report (No. 1134) thereon.

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (H. R. 6832) to provide for the protection of witnesses appearing before any department, independent establishment, or other agency of the United States, or the Congress of the United States, reported it without amendment and submitted a report (No. 1135) thereon.

Mr. BYRD, from the Committee on Civil Service, to which was referred the bill (S. 2876) to amend the Annual and Sick Leave Acts of March 14, 1936, reported it without amendment and submitted a report (No. 1136) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 5919) to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes, reported it with amendments and submitted a report (No. 1137) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the concurrent resolution (S. Con. Res. 18) providing for an investigation of economic and industrial conditions in Puerto Rico (submitted by Mr. King on June 1, 1939), reported it without amendment.

He also, from the same committee, to which were referred the following resolutions, reported them severally without amendment:

S. Res. 81. Resolution increasing the limit of expenditures by the special committee to make a general survey of the conditions of Indians in the United States (submitted by Mr. Thomas of Oklahoma on February 16, 1939);

S. Res. 170. Resolution authorizing an inspection of Rainy Lake watershed by a subcommittee of the Committee on Foreign Relations (submitted by Mr. Shipstead on July 24, 1939);

S. Res. 172. Resolution continuing the Special Committee on the Taxation of Governmental Securities and Salaries (submitted by Mr. Brown on July 27, 1939);

S. Res. 147. Resolution authorizing an investigation of the matter of the proposed enlargement of Rocky Mountain National Park (submitted by Mr. Ashurst on June 20, 1939); and

S. Res. 157. Resolution to pay certain funeral expenses of the late Secretary of the Navy and former Senator Claude A. Swanson (submitted by Mr. Glass on July 11, 1939). Mr. BYRNES also, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which were referred the following resolutions, reported them severally with an amendment:

S. Res. 126. Resolution increasing the limit of expenditures for the investigation of violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively (submitted by Mr. Schwellenbach and Mr. Downey on April 19, 1939);

S. Res. 125. Resolution providing for a study and determination of a national monetary and banking policy (submitted by Mr. WAGNER on April 7, 1939); and

S. Res. 168. Resolution providing for an investigation of the immigration of aliens into the United States (submitted by Mr. Holman on July 21, 1939).

SELECTION OF STATE EMPLOYEES IN CONNECTION WITH GOVERNMENT PROGRAMS

Mr. NEELY. Mr. President, from the Committee on Civil Service, I report the bill (S. 282) to provide that State employees employed in connection with programs carried on with the assistance of the Federal Government be selected in accordance with a nonpolitical civil-service plan—with various amendments and the recommendation that, as amended, the bill be passed.

Mr. President, this measure, in effect, proposes a "Hatch law" for State employees. It contains teeth capable of masticating almost every species of pernicious political activity of which statehouse machines have been notoriously guilty in the past and, in the absence of Federal restraint, will undoubtedly continue to be guilty in the future.

The VICE PRESIDENT. The report will be received and placed on the calendar.

ENROLLED BILLS PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On July 31, 1939:

S. 188. An act to provide for the administration of the United States courts, and for other purposes.

On August 2, 1939:

S. 281. An act to amend further the Civil Service Retirement Act approved May 29, 1930; and

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

On August 3, 1939:

S. 5. An act to grant certain lands to the Arizona State Elks Association Hospital;

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.;

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;

S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire; S. 1081. An act for the relief of John B. Jones:

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;

S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior;

S.1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky:

S. 1527. An act for the relief of Joseph Lopez Ramos;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1722. An act for the relief of Hannis Hoven;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1823. An act for the relief of William E. Cowen;

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1882. An act for the relief of Thomas A. Ross;

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2061. An act for the relief of William Hillock;

S. 2067. An act for the relief of Leslie J. Frane and Charles Frane;

S. 2082. An act for the relief of Hugh A. Smith;

S. 2114. An act for the relief of Virginia Pearson;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.;

S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries:

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onowa, Iowa;

S. 2366. An act for the relief of Franklin C. Richardson; S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells);

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.;

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration;

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.;

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decora-

tion from the Norwegian Government;

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa;

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St.

Georges, Del.:

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison

County, Ind .:

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes:

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of

the Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of

the United States," approved June 22, 1936; and

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL:

S. 2950. A bill to amend section 5200 of the Revised Statutes, as amended, to permit national banking associations to invest their funds in obligations insured under title II of the National Housing Act without limitation with respect to the amounts of such obligations; to the Committee on Banking and Currency

By Mr. BROWN:

S. 2951. A bill for the relief of Joseph Henry Hudon; to the Committee on Immigration.

By Mr. THOMAS of Oklahoma:

S. 2952. A bill authorizing the Court of Claims to adjudicate and render judgment on certain claims of the Cherokee Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

S. 2953. A bill creating the American Lighter-Than-Air Ship Corporation; and

S. 2954. A bill for Federal cooperation in the construction and operation of commercial lighter-than-air craft; to the Committee on Commerce.

By Mr. LA FOLLETTE:

S. 2955. A bill to authorize the Secretary of War to furnish certain markers for certain graves; to the Committee on Mili-

Mr. TRUMAN. I ask consent to introduce a bill which has to do with railroad finance, and ask that it be referred to the Committee on Interstate Commerce. Ordinarily such a bill would be referred to the Committee on Banking and Currency, but I desire to have the Committee on Interstate Commerce consider it first.

The VICE PRESIDENT. Without objection, it is so ordered.

By Mr. TRUMAN:

S. 2956 (by request). A bill to amend the Reconstruction Finance Corporation Act; to the Committee on Interstate Commerce.

REFUND OR CREDIT OF INTERNAL-REVENUE TAX PAID ON CERTAIN SPIRITS-AMENDMENT

Mr. VANDENBERG submitted an amendment intended to be proposed by him to the bill, H. R. 1648, an act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations, which was ordered to lie on the table and to be printed.

AMENDMENTS TO THIRD DEFICIENCY APPROPRIATION BILL

Mr. LA FOLLETTE submitted amendments intended to be proposed by him to House bill 7462, the third deficiency appropriation bill, 1939, which were ordered to lie on the table and to be printed, as follows:

At the proper place under the heading "Department of Labor", insert the following:

"Grants to States for maternal and child-health services, Children's Bureau: For an additional amount for the fiscal year ending June 30, 1940, for grants to States for the purpose of enabling each State to extend and improve services for promoting the health of mothers and children, as authorized in title V, part 1, of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$2,020,000: Provided, That any allotment to a State pursuant to section 502 (b) shall not b included in computing for the purposes of subsections (a) and (b) of section 504 an amount expended or estimated to be expended by the State: Provided further, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are enacted into law.

"Grants to States for services for crippled children, Children's Bureau: For an additional amount for the fiscal year ending June 30, 1940, for the purpose of enabling each State to extend and improve services for crippled children, as authorized in title V, part 2, of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$1,020,000: Provided, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 expected into love the local Security Act amendments of 1939 expected into love the local Security Act amendments of 1939 expected into love the local Security Act amendments of 1939 expected into love the local Security Act amendments of 1939 expected into love the local security act amendments of 1939 expected into love the local security act amendment and local security act amendment and love the local

appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are enacted into law.

"Grants to States for child-welfare services, Children's Bureau: For an additional amount for the fiscal year ending June 30, 1940, for grants to States for the purpose of enabling the United States, through the Children's Bureau, to ocoperate with State public-welfare agencies, as authorized in title V, part 3, of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$10,000: Provided, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are enacted into law." At the proper place under the heading "Federal Security Agency,"

insert the following:

"OFFICE OF EDUCATION

"Cooperative vocational rehabilitation of persons disabled in industry: For an additional amount for the fiscal year ending June 30, 1940, for carrying out the provisions and purposes of the act entitled 'An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment,' approved June 2, 1920, as amended, as authorized in section 531 (a) of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$1,562,000: Provided, That the apportionment to the States shall be computed on the basis of not to exceed \$3,500,000: Provided further, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are expected into law. Security Act amendments of 1939 are enacted into law.

Security Act amendments of 1939 are enacted into law.

"Administrative expenses, vocational rehabilitation: For an additional amount for the fiscal year ending June 30, 1940, for the administration of such act of June 2, 1920, as authorized by section 531 (b) of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$48,000: Provided, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are enacted into law."

At the proper place, under the heading "Federal Security Agency" and the subheading "Public Health Service", insert the following: "Grants to States for public-health work: For an additional amount for the fiscal year ending June 30, 1940, for the purpose of assisting States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate public-health services, including the training of personnel for State and local health work, as authorized in sections 601 and 602 of the Social Security Act, as amended by the Social Security Act amendments of 1939, \$3,000,000: Provided, That this appropriation shall not be effective unless and until the Social Security Act amendments of 1939 are enacted into law."

NOTICES OF MOTIONS TO SUSPEND THE RULE-AMENDMENTS

Mr. McCARRAN submitted the following notices in writing:

Pursuant to the provisions of rule XL of the standing rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation

of proposing to House bill 7462, the third deficiency appropriation bill, fiscal year 1939, the following amendment, viz: At the proper place in the bill insert the following new section:

"Notwithstanding the provisions of any other law the rates of pay for persons engaged upon any projects financed in whole or in part by moneys of the United States of America shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Government agency having charge of or which has advanced moneys for such project." Pursuant to the provisions of rule XL of the standing rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation bill, fiscal year 1939, the following amendment, viz: At the proper

bill, fiscal year 1939, the following amendment, viz: At the proper place in the bill insert the following new section:

"SEC. —. Section 15 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is amended to read as follows:

"SEC. 15. (a) The Federal Works Administrator (hereinafter referred to as the "Administrator") shall fix a monthly earning schedule for persons engaged upon work projects finenced in ferred to as the "Administrator") shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less-urbanized areas, and (3) shall increase the monthly security wage in region 3 to conform (3) shall increase the monthly security wage in region 3 to conform to the monthly security wage rate in region 2. "'(b) The rates of pay for persons engaged upon the projects

financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938."

Mr. McCARRAN. Mr. President, I am sending to the desk a motion to suspend paragraph 4 of rule XVI so that I may present to the Senate an amendment which may involve legislation to the third deficiency appropriation bill which has to do with Boulder City and the rights of Boulder City to have certain privileges extended to it, Boulder City being a Federal reserve at the verge of Boulder Dam. I send the notice in writing to the desk and ask that it be printed in the usual form and printed in the RECORD as notice of my intention to offer the amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

The notice in writing presented by Mr. McCarran is as

Pursuant to the provisions of rule XL of the Standing Rules of

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation bill, fiscal year 1939, the following amendment, viz: At the proper place in the bill insert the following new section:

"The Secretary of the Interior is hereby authorized and empowered, under such rules and regulations as he may prescribe, to establish rental rates for the lease of reserved lands of the United States situate within the exterior boundaries of Boulder City, Nev., and, without prior advertising, to enter into leases therefor at not less than rates so established and for periods not exceeding 53 years from the date of such leases: Provided, That all revenues which may accrue to the United States under the provisions of such leases shall be deposited in the Treasury and credited to the Colorado River Dam fund established by section 2 of the Boulder Canyon Project Act approved December 21, 1923 (45 Stat. 1057)."

Mr. McCARRAN submitted amendments intended to be

Mr. McCARRAN submitted amendments intended to be proposed by him to House bill 7462, the third deficiency appropriation bill for 1939, which were referred to the Committee on Appropriations and ordered to be printed.

(For text of amendments referred to, see the foregoing

Mr. BYRNES. On behalf of the Senator from Nevada [Mr. McCarranl and myself, I give notice in writing of a motion to suspend the rule.

The PRESIDING OFFICER. The notice of the Senator from South Carolina will be received and printed in the RECORD.

The notice is as follows:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation bill, 1939, the following amendment, viz: At the proper place insert the following:

"Section 15 (a) of Public Resolution 24, of the Seventy-sixth Congress, is amended by striking from said section the words 'which shall not substantially affect the current national average labor cost per person of the Work Projects Administration', and inserting in lieu thereof the words: 'Provided, That nothing herein contained shall be construed to require the Commissioner to reduce the monthly earning schedule in effect in any State prior to June 30, 1939.'"

Mr. BYRNES (for himself and Mr. McCarran) submitted an amendment intended to be proposed by them to House bill 7462, the third deficiency appropriation bill for 1939, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. TRUMAN submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to H. R. 7462, the Third Deficiency Appropriation Act, fiscal year 1939, the following amendment, viz: At the proper place insert the following: That section 16 (b) of the Emergency Relief Appropriation Act of 1939 be, and it is hereby, amended by inserting after the words "excepting veterans", the following words: "the wives of unemployed veterans and the widows of veterans."

Mr. TRIIMAN submitted an amendment intended to be

Mr. TRUMAN submitted an amendment intended to be proposed by him to House bill 7462, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. HAYDEN (for himself and Mr. George) submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to H. R. 7462, the Third Deficiency Appropriation Act, fiscal year 1939, the following amendment for the Senator from Georgia [Mr. George] and myself, viz:

Amendment intended to be proposed by Mr. Hayden (for himself and Mr. George) to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, viz: On page 8, after line 10, insert a new paragraph, as follows:

"ADMINISTRATIVE GRANTS FOR INTENDICT COMPENSATION."

"ADMINISTRATIVE GRANTS FOR UNEMPLOYMENT COMPENSATION

"If the Social Security Board finds with respect to any State that the first regular session of such State's legislature which began after June 25, 1938, and adjourned prior to 30 days after the enactment of this act (1) had not made provision to authorize and direct the Secretary of the Treasury, prior to 30 days after the close of such session or July 1, 1939, whichever date is later, to transfer from its account in the unemployment trust fund to the railroad unemployment incurses account in the unemployment trust fund to ployment insurance account in the unemployment trust fund an amount equal to such State's "preliminary amount", or to authorize and direct the Secretary of the Treasury, prior to 30 days after the close of such session or January 1, 1940, whichever date is later, to transfer from its account in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund an amount equal to such State's "liquidating amount", or both; and (2) had not made provision for financing the adminis or both; and (2) had not made provision for financing the administration of its unemployment-compensation law during the period with respect to which grants therefor under section 302 of the Social Security Act are required under section 13 of the Railroad Unemployment Insurance Act to be withheld by the Social Security Board, notwithstanding the provisions of section 13 (d) of the Railroad Unemployment Insurance Act the Social Security Board shall not begin to withhold from certification to the Secretary of the Treasury for payment to such State the amounts determined by it nurbegin to withhold from certification to the Secretary of the Treasury for payment to such State the amounts determined by it pursuant to section 302 of the Social Security Act and to certify to the Secretary of the Treasury for payment into the railroad unemployment-insurance account the amount so withheld from such State, as provided in section 13 of the Railroad Unemployment Insurance Act, until after the thirtieth day after the close of such State's first regular or special session of its legislature which begins after the date of enactment of this act and after the Social Security Board finds that such State had not, by the thirtieth day after the close of such legislature session authorized and directed after the close of such legislative session, authorized and directed the Secretary of the Treasury to transfer from such State's account in the unemployment trust fund to the railroad unemployment-insurance account in the unemployment trust fund such State's "preliminary amount" plus interest thereon at 2½ percent per

annum from the date the amount thereof is determined by the Social Security Board, and such State's "liquidating amount" plus interest thereon at 2½ percent per annum from the date the amount thereof is determined by the Social Security Board. Notwithstanding the provisions of section 13 (e) of the Railroad Unemployment Insurance Act, any withdrawal by such State from its account in the unemployment trust fund for purposes other than the payment of compensation of the whole or any part of amounts. the payment of compensation of the whole or any part of amounts so withheld from certification with respect to such State pursuant so withheat from certification with respect to such state pursuant to this act shall be deemed to constitute a breach of the conditions set forth in sections 303 (a) (5) of the Social Security Act and 1603 (a) (4) of the Internal Revenue Code. The terms "preliminary amount" and "liquidating amount", as used herein, shall have the meanings defined in section 13 of the Railroad Unemployment Insurance Act.

Mr. PEPPER. Mr. President, I submit the following notice:

Pursuant to the provisions of rule XL of the Standing Rules of Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, the following amendment, viz:

Section 25 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is hereby amended by striking out subdivision (a) thereof, as follows:

"(a) After June 30, 1939, for the operation of any theater project, except that any person employed on any such project on

project, except that any person employed on any such project on June 30, 1939, may continue to be carried on the pay roll, with or without assignment of duty incidental to the closing down of such project, and paid his salary or wage (1) for the month of July 1939, if such person is an administrative, supervisory, or other noncertified worker, or (2) for a period ending not later than September 30, 1939, if such person is a certified relief worker;

Strike out "(b)."

CONTINUATION OF SPECIAL COMMITTEE TO STUDY PROBLEMS OF UNEMPLOYMENT AND RELIEF

Mr. BYRNES submitted the following resolution (S. Res. 180), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 36, agreed to June 10, 1937, authorizing a special committee to study, survey, and investigate problems of unemployment and relief hereby is extended in full force and effect during the Seventy-sixth Congress, and the said committee hereby is authorized to expend from the contingent fund of the Senate the sum of \$10,000 in addition to the amount heretofore authorized for such purposes. heretofore authorized for such purpose.

SHOULD ACTORS FAVOR BLOCK BOOKING-EDITORIAL FROM FILM BULLETIN

[Mr. NEELY asked and obtained leave to have printed in the Record an editorial from Film Bulletin of April 8, 1939, by David James Hanna, entitled "Should Actors Favor Block Booking?" which appears in the Appendix.]

UNLAWFUL USE OF THE BADGE, MEDAL, ETC., OF VETERANS' **ORGANIZATIONS**

Mr. McCARRAN. Mr. President, on the last call of the calendar when Senate bill 2365 for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, was before the Senate it was, without objection, passed. I happen to be the author of the bill, which was amended in the Committee on the Judiciary. About the time that bill was passed there was received from the House of Representatives House bill 5982, which is comparable in all respects except for the amendments which were reported to the Senate bill by the Judiciary Committee. Senate bill 2365 was passed unanimously. House bill 5982 was, as I understand, returned by mistake to the House. I have been trying to straighten out the record on the bill, so that it may be passed. The suggestion is made-and I am following the suggestion of the Parliamentarian—that the Senate ask for the return of House bill 5982 from the House, so that the record of the bill may be straightened out.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the House will be requested to return the

ANNA H. ROSA

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1448) for the relief of Anna H. Rosa, which was, on page 1, line 9, to strike out all after the word "Provided", down to and including "\$1,000", in line 9, page 2, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. BARKLEY. On behalf of the Senator from Rhode Island [Mr. GREEN] I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MINIMUM AGE (SEA) CONVENTION (REVISED)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Commerce:

To the Congress of the United States of America:

To fulfill the obligations of this Government under the Minimum Age (Sea) Convention (Revised), 1936, I transmit herewith for the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft bill to implement the convention.

This bill was prepared by an interdepartmental committee after careful consideration of the questions involved. The purpose of the proposed bill is to establish minimum standards for the employment of minors on American vessels comparable to the standards heretofore adopted by the Congress for the purpose of eliminating interstate traffic in the products of child labor. These standards consist in a basic minimum age of 16 years for employment on small vessels and a minimum age of 18 years for employment on large vessels and in certain other maritime employments considered to be particularly hazardous or detrimental to the health and well-being of minors of such ages.

I heartily recommend enactment of this proposed legislation for it will extend still further our frontiers of social progress by erecting additional safeguards against the employment of the youth of our Nation at immature ages.

Inasmuch as the convention heretofore ratified by the Government of the United States will become effective for the United States on October 29, 1939, it is a matter of great importance that legislation be enacted at this session of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 3, 1939.

MUNICIPAL BANKRUPTCY

The VICE PRESIDENT. The Senator from Illinois [Mr. Lucasl yesterday gave notice that he hoped to obtain the floor this morning for the purpose of making some remarks. The Chair observes that statement in the RECORD, so the Chair recognizes the Senator from Illinois.

Mr. PEPPER. Mr. President-

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Florida?

Mr. LUCAS. I do.

Mr. PEPPER. I ask unanimous consent that without the Senator from Illinois being taken off his feet, and without displacing the pending business, the Senate may now proceed to the consideration of House bill 6505, Calendar No. 928, a bill relating to the amendment of the existing municipal bankruptcy law. I will say that I think it will not take more than a few minutes to dispose of the bill, and I have assured the Senator from Illinois that if it does I shall be glad to withdraw the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KING. Are there any amendments to the bill?

Mr. PEPPER. There are no amendments except the ones which were passeed upon by the Senate committee.

Mr. KING. There are no changes in the measure as considered by the Judiciary Committee—the subcommittee as well as the full committee?

Mr. PEPPER. Those are all the changes.

Mr. REED. Mr. President-

The VICE PRESIDENT. Let the Chair state the parliamentary situation. The Chair presumes the Senator from Illinois has yielded for this purpose without yielding the

The Senator from Florida asked unanimous consent that the Senate at this time proceed to the consideration of House bill 6505, the title of which will be stated by the clerk.

The CHIEF CLERK. A bill (H. R. 6505) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The VICE PRESIDENT. The Senator from Florida asks unanimous consent for the present consideration of the bill without taking the Senator from Illinois [Mr. Lucas] off the floor, and without displacing the business before the Senate in charge of the Senator from South Carolina [Mr. BYRNES]. Is there objection?

There being no objection, the Senate proceeded to consider the bill H. R. 6505, which had been reported from the Committee on the Judiciary, with amendments.

The first amendment was, in section 2, page 2, line 19, after the words "provisions of", to strike out "this act" and insert "the foregoing section", so as to make the section read:

SEC. 2. The provisions of the foregoing section shall be deemed to be additional and cumulative and not in diminution of any of the powers conferred by the act hereby amended.

The amendment was agreed to.

The next amendment was, at the end of the bill, to insert a new section, as follows:

SEC. 3. (a) Section 81 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States approved July 1, 1898, as amended and supplemented, is amended by striking out so much of such section as reads as follows: "(6) any city, town, village, borough, township, or other municipality" and inserting in lieu thereof the following: "(6) any county or parish or any city, town, village, borough, township, or other municipality."

(b) Section 84 of such act, as amended and supplemented, is amended to read as follows:

amended to read as follows:

"SEC. 84. Jurisdiction conferred on any court by section 81 shall not be exercised by such court after June 30, 1942, except in respect of any proceeding initiated by filing a petition under section 83 (a) on or prior to June 30, 1942."

(c) Subsection (j) of section 83 of such act, as amended and supplemented, is amended by inserting at the end thereof before the period a colon and the following: "Provided, That proof of the delivery of such securities for evidences of indebtedness covered by the plan shall be deemed to constitute such written consent." by the plan shall be deemed to constitute such written consent."

(d) Subsection (j) of section 83 of such act, as amended and supplemented, is further amended by adding at the end thereof the following new sentence: "The confirmation of any such plan of composition shall not be denied on the ground that the plan submitted for confirmation is at variance with the original plan, which is partially completed or executed, if the terms of the plan submitted for confirmation are not less favorable to the creditors submitted for commation are not less favorable to the creditors than the terms of such original plan, nor on the ground that partial completion of such original plan has made it possible for the petitioner to meet its debts as they mature: *Provided*, That such inability to meet its debts existed prior to the time such original plan was partially completed."

Mr. AUSTIN. Mr. President, before this amendment is acted upon I should like to inquire about a certain part of it. so that the Record may show what the Senator from Florida claims for it.

In subsection (d), beginning on page 3, the following phrase is used:

Has made it possible for the petitioner to meet its debts as they

I ask the Senator from Florida to explain the meaning of that phrase in this subsection. Does it mean, among other things, that the plan may contemplate payment in full instead of payment of a dividend?

Mr. PEPPER. Mr. President, I appreciate the interest of the Senator from Vermont, and I am glad to attempt to answer the question.

What is attempted by this language is to fix the time with respect to which the ability of the political subdivision to pay its debts shall be established not after a great many of the creditors had received refunding bonds and agreed to a plan of composition which reduced the amount of the outstanding debt, the effect of which would be to leave some of the original creditors in such a position that they could claim 100 percent, while the more generous and more fair-minded creditors had agreed to receive a lesser percentage. In order to avoid the injustice which would be suffered by creditors who had agreed to the plan of composition as it had partially been put into effect, which would have been the case if the time of filing the application in the Federal court under this bill were the time with respect to which the date of payment were determined, the time was fixed as of the time when the original plan of composition was agreed upon and put into effect.

Do I make the matter plain?

Mr. AUSTIN. I do not quite follow the Senator. This is what is troubling me about that part of the amendment: Under this clause of the amendment, will it be possible to prefer certain creditors over other creditors with respect to the amount of money to be paid to them?

Mr. PEPPER. Oh, no; on the contrary, Mr. President, let

me state the matter in this way:

Let us suppose that at a given time a certain political subdivision owes a million dollars, evidenced by outstanding bonds. Let us suppose that that subdivision, determining that it cannot pay the whole million dollars, arrives at a refunding bond plan, we will say, which contemplates the payment of 75 cents on the dollar of the then outstanding indebtedness. Let us suppose that 75 percent of the outstanding bondholders agree to the plan of refunding or the plan of composition and accept a refunding bond upon that basis. That leaves 25 percent, we may say, of the original bondholders, holding the original bonds. Under the Municipal Bankruptcy Act no political subdivision can get the benefit of the proposed law unless they are unable to meet their obligations, unless the Federal court acts, after full consideration of the case, and after 51 percent of the creditors have applied to the court for a settlement of the outstanding indebtedness by composition, and after two-thirds of all the bondholders have agreed to a particular plan of composition.

With respect to what time must a court find a political subdivision unable to meet its debts? If we take the time when the petition is filed in court, after three-fourths of the creditors have already taken a reduction in their debts. they might be able to pay. It is ability to pay, however, gained at the expense of three-fourths of the creditors who were willing to accept the plan of composition. So, in order to be fair to all the creditors, and so that all of them may be treated alike, it is provided that the time with respect to which the political subdivision must have been found unable to meet its debts was in the original situation, and not after some of the creditors had been generous and tried to be helpful.

Mr. AUSTIN. Mr. President, I thank the Senator for his explanation.

Mr. KING. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KING. Does the bill apply solely and exclusively to the situation in Florida?

Mr. PEPPER. Oh, no, indeed; it applies to a great many of the States. It is Nation-wide in its application, and a great many States have already availed themselves of the benefits of the act.

Mr. KING. Is it an act which is to continue indefinitely? Mr. PEPPER. On the contrary, it extends the municipal bankruptcy law only an additional emergency period of 2 years.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee proposing to insert a new section at the end of the bill.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

EFFECT OF RECIPROCAL-TRADE AGREEMENTS ON AGRICULTURE

Mr. LUCAS. Mr. President, in June of 1934 the trade agreements program was launched under the direction and leadership of the Honorable Cordell Hull, Secretary of State, with the fundamental purpose of restoring our foreign trade. This program as conceived and executed by the administration is genuinely in the interest of agriculture, of industry, of labor, and, consequently, of the entire Nation.

This program was designed to stimulate and increase the sale of American agricultural and industrial surpluses, as well as to safeguard American exports from discrimination abroad. That was the crucial problem that this administration faced when it came into power in 1933. And these conditions were found to exist primarily because of a measure passed under a previous Republican administration known as the Smoot-Hawley Tariff Act, of which I shall speak at some length in the course of these remarks.

TRADE AGREEMENTS PROGRAM FUNDAMENTALLY SOUND

The Senator from Illinois is convinced that the principles underlying the trade agreements program and the methods involved in its administration are fundamentally sound. The act directs the President of the United States to continue the traditional policy of the United States to treat all nations alike on a basis of equality and nondiscrimination, in other words, the policy of the most-favored-nation treatment, and I submit that this is most important.

Francis Sayre, in his new book, entitled "The Way Forward," says that the four underlying objectives of the act which must guide the President in seeking to increase American exports through reciprocal-trade agreements are: First, to restore the American standard of living to predepression levels; second, to increase domestic employment; third, to increase American purchasing power; and, fourth, to maintain a sound relationship between various groups of American producers.

Before the agreements are finally negotiated every interested party is given full opportunity to present evidence in support of his views, and all of this evidence is carefully considered by the trade-agreements organization before a decision is reached on any given item. All of the available resources of the Government in the way of factual information and expert analysis are employed in checking and rechecking every phase of the problem.

CONTRAST WITH LOGROLLING TARIFFS

Can anyone honestly doubt that these objectives and methods represent a great advance over the old logrolling methods of tariff making with which we are so familiar? If there is a Senator in the Chamber who has any misgivings as to what happened in those good old logrolling tariff days, I respectfully urge him to ponder well what our esteemed colleague, Senator Capper, said on the subject on the floor of the Senate in 1934, during the debate on the adoption of the Trade Agreement Act:

As a matter of fact, if the job is only to revise the tariff schedules, if bargaining with other nations is left out of the picture, our experience in writing tariff legislation, particularly in the post-war era, has been discouraging. Trading between groups and sections is inevitable. Logrolling is inevitable, and in its most pernicious form. We do not write a national tariff law. We jam together, through various unholy alliances and combinations, a potpourri or hodgepodge of sectional and local tariff rates, which often add to our troubles and increase world misery. For myself, I see no reason to believe that another attempt would result in a more happy ending.

This is from the Congressional Record, Seventy-third Congress, second session, page 10379.

Mr. President, in my endorsement of the fundamental principle of our present tariff policy I should like to have it distinctly understood that I do not necessarily agree with every detailed decision on every individual item in the trade agreements thus far negotiated. There may well be some individual cases where my judgment would differ from that of the persons who were responsible for the particular action

taken. And when such is the case, I shall have no hesitancy in challenging the efficacy of the agreement affecting such commodity.

NO QUARREL WITH HONEST DIFFERENCE OF OPINION

I also appreciate that there are learned and sincere men in and out of Congress who oppose the present tariff policy. It should be understood that I do not cavil at any honestly held difference of opinion, however strongly I may be convinced that it may be mistaken. I am happy to believe that this group of men is genuinely interested in a successful foreign trade policy, irrespective of what party may be in power. That group will agree with me that the trade policy with foreign nations does not in the slightest hinge upon partisan politics. There can be no disagreement upon the plain, unvarnished truth that our economic life is inextricably bound up with that of the rest of the world. That is especially true if we hope to maintain our high standard of living which leads that of every other nation of the world.

THE SAME OLD SHELL GAME; STIRRING OF FALSE ALARMS ABOUT FARM IMPORTS

Mr. President, what I shall complain about in the discussion of these trade treaties and our foreign policy is the questionable methods employed by a small but vociferous group of people in this country in their efforts to stir up public opposition against the trade-agreements program without giving to the people all of the facts. Seldom a day goes by that one cannot see the Congressional Record well garnished, if not laden, with speeches and exhibits that fail to present all of the facts from which an honest opinion of our foreign economic policy could be formed. It is not a violent presumption to say that such speeches and exhibits, when devoid of important facts, are intended to spread false alarm among the farm people that all is not well with our foreign trade. Is it a fair presumption to say that those who use tactics of filling the RECORD with bobtailed, half-baked statistical tables about imports of farm products are doing that for political reasons rather than trying to inform the American farmer honestly? A casual investigation reveals that most of these critics are the heirs of the old embargo tariff crowd which did so much to bring agriculture to the sorry mess it was in when the present administration came into office in March 1933.

EMBARGO TARIFFS TO THE RESCUE—SHADES OF SMOOT-HAWLEYISM

Many are now wondering, just who are these individuals who criticize this trade policy for apparent political reasons? Bear with me for a brief review of our trade policy following the war, which, through lack of vision and economic world-wide understanding, brought this Nation to an economic collapse. It is generally understood that following the war infant industries in competition with American industries were established in nearly every country and there was a vast expansion in the production of many agricultural commodities in competition with American producers. While this process was going on American statesmanship stood idly by and followed a policy of drift. There was apparently little thought given to the fact that overnight we had changed from a debtor to a creditor nation, which should have instantly notified wide-awake governmental officials interested in our foreign trade that important trade readjustments with other nations were indispensable. Instead of facing the facts, we tried to maintain exports above imports by loaning to foreign governments money with which to buy our goods. That policy proved costly in the end, as everyone knows. From 1925 to 1929 this country loaned over a billion dollars a year in foreign lands, and yet at the same time we were championing a policy of continuous and progressive tariffs until the crash of 1929 came and chased all nations, with America in the lead, to economic nationalism.

The campaign promises of the Republican Party of 1928 bore fruit in the Smoot-Hawley Tariff Act. Against the advice of a thousand economists the party in power raised the tariff to unprecedented heights. Nations finding it impossible to sell anything in America over the tariff wall retaliated with similar barriers, and thus was precipitated price deflation and fluctuation of currencies. Economic security was a thing of the past. Confidence was destroyed, and in the wake followed the twin goblins of fear and disaster, all of which brought on a world-wide economic collapse which hurled us into the most severe depression which the world has ever experienced.

This, my colleagues, is a portrayal of world conditions in 1932 when this administration came into power and to which these embargo-tariff advocates would apparently have us return. I seriously ask the people of the Nation if they want to follow a leadership which yearns to return to the good old tariff days. What does the record of these tariff-barrier advocates show?

FARM INCOME IN 1938-39 AS COMPARED WITH 1932

It shows that in 1932, the last year in which they were in control of the Nation's tariff policy, gross farm income in this country amounted to \$5,600,000,000. By 1937 it was up to practically \$10,000,000,000, not including benefit payments, and, although it declined in 1938, it was still nearly \$9,000,000,000. In other words, gross farm income in 1937 and 1938 was some 60 to 80 percent higher than in 1932. Department of Agriculture figures show that, after deducting certain business expenditures, farmers had an income available for living amounting to \$5,200,000,000 in 1938, as compared with \$1,800,000,000 in 1932—nearly three times as much in 1938 as in 1932. In 1932, agricultural income constituted only 6.6 percent of our grossly depleted national income. By 1938, our national income having meanwhile greatly increased, agricultural income had increased to about 9.5 percent of the national income. In 1936 and 1937 it was about 10 percent.

During the first 4 months of 1939 there was some decline in farm income as compared with a year ago. This was due chiefly to a smaller amount of cotton being sold or placed under loan at a price level about the same as last year. Nevertheless farm cash income for the 4 months of 1939 was \$1,960,000,000 as compared with \$2,060,000,000 a year ago.

Including benefit payments it was actually higher than for the same period last year—\$2,240,000,000 as against \$2,230,000,000. Compare these figures with 1932, when, for the same months, farm cash income was \$1,530,000,000. Excluding Government payments, farm cash income for the first 4 months of this year was 28 percent higher than in 1932.

For the crop year 1932–33 farmers in this country got an average of 38 cents a bushel for their wheat. In 1938 they got 55 cents. In 1932 they got 31.9 cents a bushel for corn, as against 50 cents in 1938; for oats, 15.7 cents in 1932 and 22 cents in 1938. In 1932 they received \$3.44 a hundred pounds for hogs, as against \$7.74 a hundred in 1938; and \$4.07 a hundred for cattle in 1932 as against \$6.53 a hundred in 1938. In 1932 the cotton farmer got an average of 6.5 cents a pound for his cotton as against 8.6 cents in 1933. In 1932 butterfat prices averaged 17.9 cents per pound; in 1938, 26.3 cents. And let me add that these various prices for 1938 do not include the additional income received by some of these producer groups in the way of benefit payments.

In spite of a decline in many farm prices during the current year, I notice they still compare very favorably with prices in 1932. As of June 15, 1939, farmers in this country were getting on the average 62.5 cents a bushel for wheat as compared with 37.3 cents on the same date in 1932; for compared with 37.3 cents on the same date in 1932; for conts, 29.9 cents a bushel as against 28 cents in June 1932; for oats, 29.9 cents as against 19.8; for hogs, \$5.96 a hundred as against \$2.82; for beef cattle, \$6.81 a hundred as against \$3.81; for cotton, 8.7 cents a pound as against 4.6, and for butterfat, 22.2 cents a pound as against 14.6.

There you have a truthful and honest comparison of how the farm situation stood in 1938 and stands today as compared with the agricultural wreck that this administration had to begin salvaging when, by overwhelming demand of the voters, the devotees of embargo tariffs finally, by request, relinquished control of our national affairs back in 1932. Even the shortest of memories will be painfully jogged by these facts.

Now then, in calling attention to these figures, I do not imply that farm prices and farm income today are all that we want them to be. Not only can I read the market quotations in the daily papers, but I own farm lands myself and I live among farm people. We have a long way to go. But I think every farmer will do well to ask himself sincerely and honestly if, in view of the advances which have been made under the present program, he would wish once more to entrust himself to the loving and tender care of the embargo tariff devotees whose record is one of total collapse in their final days of unstable and tottering power.

THEY WISH THEY HAD NEVER HEARD OF 1932

They, themselves, are a little embarrassed when the farmers of the Nation raise such questions, for I observe that they make a strenuous effort to divert our attention from 1932. Their comparisons, I note, are always with conditions of today as contrasted with the conditions in the twenties. In fact, tables of this general type are, from time to time, inserted in the Congressional Record; comparisons of farm prices are made, not with 1932, but with the twenties, or with average prices computed during the long and difficult upward pull since 1932.

In their tender solicitude for the farmers they ask that we simply blot from our memory the dire happenings which occurred between 1929 and 1932. This, of course, is an insult to American intelligence. It is too transparent. We are asked to ignore experience.

SEDUCING THE FARMER WITH PLAUSIBLE NONSENSE

And yet, in the face of that experience, there is no end to the meaningless babble about farm imports. Unceasing is their cry of "the American market for the American farmer." Who disagrees with them? And what American farmer do they mean? The cotton farmer? The wheat farmer? The corn farmer? The tobacco farmer? The fruit grower?

What nonsense.

Is there anyone in this country with a modicum of farm intelligence who does not know that in ordinary years these great branches of agriculture already command all of the American market. Certainly everyone knows that here and there will be found some particular type or grade of product which must be imported. Obviously, it cannot be a question of getting or keeping the American market for the American farmers listed above, for they already have it. What they need is foreign markets for the surpluses they cannot sell at home.

Take the case of corn hogs, in which my own State is particularly interested. There was a great deal of talk in the campaign last fall out in my country, following the droughts of 1934 and 1936, about imports of corn. In the year beginning July 1, 1934, with a billion-bushel shortage in the corn crop of 1934, imports of corn increased to a little over 20,000,000 bushels. In 1935–36, 31,000,000 bushels came in. And in 1936–37, with another billion-bushel shortage in the 1936 crop, 78,000,000 bushels were imported. Compare these import figures with a normal domestic crop of around two and a quarter billion bushels. Do such figures indicate that the corn farmer can be made prosperous by shutting out imports? Would the blocking of every single crack and crevice in an attempt to preserve the American market for the corn farmer do the trick? Of course not. The figures speak for themselves.

The increased imports during this period made up in only a small degree for the severe and unusual domestic shortage, and the imports were badly needed in our country. They came in over the full tariff rate, because rising domestic prices drew them in over the tariff. In 1937-38 they fell to 34,000,000 bushels, and, for the 11 months ending May 30,

1939, they amounted to only about 300,000 bushels, an amount which could be produced in any one of the many corn counties in Illinois. Even at their peak, these imports were equivalent to only about 3 percent of the average production of corn in the United States.

When comparisons are made by these political opportunists to corn imports, then, and only then, do they find it expedient to recall that there was such a year as 1932. That is the only time Senators will ever hear them discuss the agricultural problems of that year. Of course, there were extremely small imports of corn in 1932, because out in my section of Illinois the domestic price was never as much as the tariff rate of 25 cents a bushel. Can any reasonable human being imagine any person in the Argentine, or in any other corn-producing country, being so foolish as to ship corn to this country in 1932, paying 25 cents for tariff and then disposing of their produce on the American market at a price substantially lower than 25 cents a bushel?

The simple fact is that under normal weather conditions the corn industry, or, better still, the corn-hog industry, is on a net-export basis by a distinct margin. Before the world depression we were exporting about 40 percent of our total lard production. Under normal conditions of production we still are exporting between a fourth and a third of our total production of lard. We also export substantial quantities of pork and other hog products. Imports of these products are insignificant. Net exports of corn are likewise substantial. Last year, under the impetus of the trade agreements, this country exported more than 100,000,000 bushels of corn, which is, I believe, the second largest annual export on record.

The real problem of the corn-hog farmer is how to get rid of the surpluses which cannot be profitably absorbed in the domestic market. That cannot be done through piling on high tariffs and inviting retaliatory high tariffs by customer nations. It means, on the contrary, that we must follow a tariff policy designed both to reopen foreign outlets and to make the domestic market more prosperous.

This corn-hog case is an apt illustration of what I meant a few minutes ago when I said that this talk about "the American market for the American farmer" is in reality a meaningless babble so far as concerns the farmer who exports. But what about those branches of agriculture which do not produce enough, even under high tariffs, to meet our domestic requirements? Why not reserve every small fraction of the domestic market for these deficit branches of our farming industry?

This can be done if we want to pay the price. But what is the price? It means that for every additional acre we put to work in such fashion we shall lose probably 4 acres now devoted to the production of export crops.

On this point I wish to quote from an address made by Secretary Wallace at Lincoln, Nebr., on May 4, 1936:

By all means let us make the most of the home market. But I want you to think seriously about the fact that farmers have more to lose through nationalistic policies than any other group. In the present year—1936—farmers are cultivating probably thirty-five to forty-five million acres that are going to produce things which will be sold abroad. The most additional land they could use by cutting out imports would be perhaps 10,000,000 acres. It just wouldn't be good sense to risk having to leave 35,000,000 acres. It don't think farmers are foolish enough to trade dollars for quarters, no matter how strong the pressure may be by those who are busy grinding their own axes.

There we have the nub of the whole situation. The fact is that the whole idea of solving our farm-surplus problem by simply putting embargo tariffs on everything that has the same agricultural name as something produced in this country is a snare and a delusion. In my humble opinion, instead of solving the surplus problem such an extreme tariff policy can only aggravate it. What results is a vicious circle of embargo protectionism all around and greatly reduced foreign market outlets for our exportable surpluses of farm and other products. In this vicious circle of trade annihilation the

home market also will shrink. In consequence the very industries that think they are benefiting when they squeeze out the last pound of imports that are assumed to be competitive will find, in most cases, that they have succeeded only in making themselves the exclusive possessors of a poorer market.

The truth is that this embargo tariff game is an extremely costly one, no matter how we look at it. We cannot preserve the American market by that method. We can only destroy it. We found that out in 1930. Of all the phases of our national life it is costliest to agriculture because of agriculture's great dependence upon export outlets.

Does this encounter with bald facts discourage the disciples of embargo tariffs? Indeed, it does not. On the contrary, they go on piling up propaganda by the ton about farm imports—propaganda that is wholly unsound in its premises, wholly misleading in its inferences, and basically opposed to the real interests both of the farmer and of the Nation. They have shown beyond question their willingness to play upon the prejudices of any among our farming population who can be influenced by the dissemination of statistical or other material veneered with pious fraud. True, there is no law against it if they can get away with it, but it would appear to be a mighty poor way to protect the interests of the American farmer and the American people.

Mr. President, I cite to the Senate as one classical example what occurred last year in my campaign for the United States Senate. My opponent was so bold and brazen in the quotation of incorrect figures upon this question that he attracted the attention of Robert Vanderpoel, financial editor of the Chicago Evening American, and one of the outstanding financial editors of the Nation. Vanderpoel, who ordinarily shuns politics, was so outraged with this type of propaganda that he stepped away from the field of finance long enough to advise his readers in the following words:

This candidate certainly must know that if international trade is to exist it must be two-way trade. He must know that the goods produced in this country and shipped abroad provided jobs. He probably did not know, it is true, that, as a whole, the industries successful in export markets pay higher wages than those industries which complain of foreign markets. This being true, it must be obvious to those with open minds that the American standard of living is higher than it would be if foreign goods were barred from this country and, as would necessarily have to be the case—the United States ceased shipping its goods abroad.

The amazing part of it is that this candidate, of whom the impartial financial expert said, "the intellectual standard of his talk could not have been lower if he had been running for the smallest ward office," is now running up and down the State as an announced candidate for high office in 1940, mouthing the same vicious, incorrect, and unwarranted propaganda to which he gave utterance in 1938. Surely intelligent farmers and those interested in the trade agreements will not be deceived by such demagogic tactics.

THE FARM IMPORT BOGEY-STATISTICAL HOCUS-POCUS DELUXE

To be sure, the method of stirring up fictitious alarm about farm imports follows the same pattern wherever it appears. It all is based upon a line of statistical hocuspocus embedded in the false premise, already mentioned, that all imports of agricultural products other than perhaps a few things like rubber, coffee, tea, silk, cocoa, perhaps, and bananas, are bad for the farmer, and the more of them the worse it is. So these so-called friends of the farmer, with their sophomoric statistics, busy themselves in fixing up tables showing imports of agricultural products in whatever way the figures can be assembled to make it appear that something terrible is happening to the farmer.

Let there be an increase from 500 to 5,000 pounds in imports of some item that bears an agricultural connotation, and an increase of 900 percent is played up in the

1939

RECORD and dangled before the farmer as if it were the final measure of catastrophe visited upon him by a perverse and unsympathetic Government. Sometimes the tables give actual percentages. At other times this is left to the unsuspecting victim of such propaganda to compute for himself.

That the domestic production and consumption of some article which bears the same name runs into millions of pounds, perhaps even billions of pounds, is never mentioned. To what extent the imports are competitive, if at all, is never mentioned. Never a word is there, either, as to whether the imports increased because of domestic crop failure or some other temporary or special condition; nor is any word mentioned about agricultural prices or income, if, meanwhile, these have also been rising. Only a loud silence is bestowed upon such pertinent factors by the devotees of embargo tariffs.

HOW 1937 FARM IMPORT FIGURES WERE USED FOR POLITICAL DECEPTION

Such shameful misuse of trade figures reached the most extravagant heights in dealing with statistics of 1937 and 1938, following the drought of 1936. Due in large part to effects of the drought, and also to a marked economic recovery in 1937 which resulted in greatly increased imports of agricultural raw materials, there was in 1937, as we all know, a large increase in the import of agricultural produce. At the same time there was a decided falling off of exports in some important types of farm products affected by the drought. In some cases there was even a temporary domestic shortage, and a reversal of the normal flow of trade.

This was too tempting a situation for the proponents of embargo tariffs to resist. Because imports of agricultural products had increased from around \$1,070,000,000 in 1935 to \$1,240,000,000 in 1936 and then to \$1,580,000,000 in 1937, it was easy to get up gruesome tables about such imports for the delusion of the unsuspecting. Since exports of many farm products fell off sharply or disappeared during the crop year 1936–37, it also was easy to pretend that little was being accomplished through trade agreements toward restoring foreign-market outlets for our farm surpluses. So the country was flooded with figures intended to stir up fear and alarm about increased imports, or figures which belittled the progress which most certainly had been made in reopening export channels.

WHAT THE 1937 AGRICULTURAL IMPORTS CONSISTED OF, AND WHY THEY
INCREASED

This whole performance was a colossal hoax. The fact of the matter was that of the \$1,580,000,000 worth of agricultural products we imported in 1937, well up toward half-\$711,000,000, or 45 percent—consisted of major types of agricultural products of a kind not even produced in the United States, such as coffee, tea, rubber, carpet wool, and so forth. Another \$161,000,000 worth, or 10.2 percent, consisted of products imported chiefly because of the drought, such as corn, wheat and wheat flour, meat products, barley malt, tallow, and butter. A further \$166,000,000 worth, or 10.5 percent, consisted of sugar, a product on which we not only had a high tariff but also highly restrictive quantitative limitations on imports under our sugar quota legislation. A further \$447,000,000 worth, or 28.3 percent, consisted of major types of products which we normally do not produce in large enough quantities for our own needs, even though we levy high tariff duties on most of them, such as dutiable types of wool, flaxseed and certain other oilseeds, sausage casings, olives, and so forth. There was a residual item of some \$95,000,000-6 percent-consisting of minor items similar in nature to the items included in these various categories of major items and properly falling within one or the other category.

A CONSPIRACY OF SILENCE CONCERNING THE RISE OF FARM INCOME IN 1937

These attacks contained no hint that, excluding sugar (imports of which were under quota control), only about 4 percent of all of our agricultural imports in the crop year 1936–37, following the 1936 drought, consisted of trade-agreement items.

Obviously, therefore, trade agreements could have had little bearing on the increase in imports. They failed to state that duty reductions made on farm products in the various trade agreements were a negligible factor in the whole situation. They failed to state that in 1929 our agricultural imports amounted to \$2,220,000,000, as against the subsequent peak figure of \$1,580,000,000 in 1937. They failed to state that in the very year 1937, which is generally used as the basis for a great deal of hullabaloo, farm cash income went up to \$8,600,000,000, as compared with \$8,000,000,000 in 1936 and \$4,600,000,000 in 1932.

And yet in 1932 farm imports had descended to a rockbottom level of \$668,000,000. Concerning these things there has been only a loud and significant silence from the deceptive propagandists.

Now, every reasonable and informed person should know that the cumulative effects of the droughts of 1934 and 1936 were a highly abnormal element in the trade picture, resulting in greatly increased imports and greatly reduced exports of drought-affected items. It was likewise obvious that rapidly improving economic conditions during the latter part of 1936 and throughout most of 1937 had resulted in large increases in imports of various agricultural raw materials; and I do not think anybody had any reason to complain about that. It was pointed out repeatedly by responsible officials of the Government and by many others that, once the effects of the drought wore off, imports would recede and exports of grain and livestock products and of other items affected by the drought would recover. With the harvesting of the new crops in 1937, that is exactly what happened.

THE LARGE INCREASE OF AGRICULTURAL EXPORTS IN 1938

In 1938 our exports of agricultural products reached the highest point since 1930, namely, \$828,000,000. This level was attained, moreover, in spite of a 38-percent decline in exports of raw cotton, from \$369,000,000 in 1937 to \$229,000,-000 in 1938-a decline which was due partly to shrinking foreign industrial activity, partly to increased foreign competition in cotton production, but more especially to the fact that our cotton was pegged above world levels for cotton. Our exports of farm products other than cotton increased by \$171,000,000, or 40 percent, as compared with 1937. The biggest increase was in grains and grain preparations-distinctly drought-affected items—namely, from \$94,000,000 in 1937 to \$223,000,000 in 1938. There was some increase in pork and lard exports-from \$29,000,000 to \$36,000,000-but the lagging effects of the drought still were felt in connection with this item. Exports of unmanufactured tobacco increased from \$135,000,000 to \$156,000,000; exports of fruits and fruit preparations from \$80,000,000 to \$96,000,000.

AGRICULTURAL EXPORTS DURING THE PRESENT YEAR, 1938-39

The figures I have just quoted relate to the calendar year 1938. Recently figures have been given out by the Department of Agriculture for the first 10 months of the fiscal year 1938–39, including the last 6 months of 1938 and the first 4 months of 1939. These figures show a decline in the value of our agricultural exports during this 10-month period as compared with the corresponding months of 1937–38, a decline from \$777,000,000 to \$613,000,000, or 21 percent.

In connection with a program of this kind I do not mind giving the honest facts as they exist. One of the reasons why I am giving the particular decline of agricultural exports during the last 10 months of this year is that I want the American people to know the facts in connection with these reciprocal-trade agreements.

This decline was chiefly due to the continued low levels of cotton exports during 1939, but also partly due to other causes. As stated above, American cotton, normally our leading agricultural export commodity, was priced well above competitive levels in world markets and a large part of our better-grade cotton was tied up in loans. This situation, together with discouraging world conditions, caused our cotton exports to fall to about 57 percent of 1937–38 levels.

Shipments of American agricultural products into foreign markets in the last half of 1938 and early months of 1939 were hampered by adverse world economic conditions. World industrial activity was at a low ebb. Foreign markets were unsettled by international tension. Furthermore, foreign production of a number of commodities which compete with leading American farm exports increased greatly. In Argentina, for example, the 1938–39 wheat crop was almost twice that of last year, and the rye crop more than tripled.

As a matter of fact, considering the unfavorable world situation, exports of agricultural products other than cotton held up very well during the 10-month period between July 1938 through April 1939. In terms of quantity, as measured by an index, they actually increased about 8 percent over the high 1937-38 level. Lower prices, however, caused about an 8-percent decline in terms of value. Shipments of American tobacco, fruits, grains and grain products, meat, and lard to foreign markets were all greater in terms of quantity than for the same period last year. Improved access to foreign markets obtained through trade agreements unquestionably helped to sustain exports of these products.

Even in value terms, and even when cotton is included, our agricultural exports this year are much larger than in 1932–33. The value of our exports of all agricultural commodities in the 10-month period from July 1932 to April 1933 was estimated at about \$503,000,000. For the same months in 1938–39 such exports were valued at \$613,000,000, an increase of about 22 percent. Inclusion of cotton, however, greatly distorts the comparison, and minimizes the gains registered on other products. When cotton is excluded, the value of our agricultural exports increased by more than 91 percent as compared with 1932–33.

THE SHARP DECLINE IN AGRICULTURAL IMPORTS IN 1938 AND 1939

Turning now to the import side of the picture, the figures show, as had been forecast, that agricultural imports declined very sharply during the calendar year 1938 and early 1939. From \$1,580,000,000 in 1937 they dropped to nine hundred and fifty-six millions in 1938, a decline of six hundred and twentyfour millions, or nearly 40 percent. Again the two factors already mentioned-general business conditions and the 1936 drought-were, in their reverse aspects, the chief influences governing the trend of our agricultural trade. Primarily because of the business and industrial recession there was a sharp decline-from \$711,000,000 to \$479,000,000-in the imports of agricultural products of a kind not produced in the United States, such as rubber, silk, carpet wool, coffee, tea, spices, and various fibers-nearly half the decline being accounted for by rubber alone. But the business recession was also an important contributing cause of the sharp decline in imports of other items, such as hides and skins, clothing wool, and vegetable oils. The passing of the effects of the drought contributed to the reduction in imports of vegetable oils and flaxseed, and was the chief cause of the sharp decline in imports of corn, wheat, fodder, and feeds.

For the most part, the 1938 trends have continued into 1939. The decline was sharper in imports of agricultural commodities more or less similar to kinds produced in the United States than it was in those types not produced at all in commercial quantities in this country. The value of imports of agricultural products into the United States during the first 10 months of the current fiscal year—July 1938—April 1939—was 19 percent lower than during the corresponding months of last year. Actual quantities imported also fell. Particularly great declines took place in quantities of imports of corn, 99 percent; barley malt, 49 percent; barley grain, 99.9 percent; hogs, 99 percent; butter, 60 percent; and dried eggs, 80 percent.

WHAT OUR AGRICULTURAL IMPORTS CONSISTED OF IN 1938

By 1938 the drought factor was practically eliminated as a disturbing element in the trade picture, except as regards livestock products, as to which there was still some lagging effect. Let us look more closely at the 1938 import figures,

therefore, and see just what it is, of an agricultural character, that we normally import into this country.

Of our total agricultural imports of \$956,000,000 in 1938, it appears that \$479,000,000-50 percent-were of a type not even produced in the United States. A total of \$9,600,000-1 percent-consisted of items such as grains, feedstuffs, and so forth, that we do not import in quantity except in years of great domestic shortage. The recession of the drought influence is revealed in the decline of this item from \$116,700,000 in 1937, when it accounted for 7.4 percent of our total agricultural imports. Of the remaining \$467,000,000, \$402,000,000 consisted of products regularly required to maintain American standards of consumption. For the most part, these were imported over high tariffs. Of this \$402,000,000, \$130,000,000 consisted of sugar, of which imports are rigidly controlled under our sugar quota legislation. Other items in this category included hides and skins, clothing wool, certain varieties of tobacco, certain vegetable oils and oil seeds, certain special types of raw cotton, dates, olives, various nuts, and so forth. There remains, out of the \$467,000,000 mentioned above, a residual item of \$66,000,000, composed of a large number of small items falling into one or another of the foregoing

There, in a nutshell, is an indication of the kinds of agricultural products we normally import. As I said a moment ago, we could entirely shut out some or all of these classes of imports if we wanted to do so. In fact, if I thought such a course would solve, or help to solve, the Nation's farm problem, I should be the first to urge its adoption. But every thinking man knows that the only possible outcome would be just the reverse.

TRADE AGREEMENTS AS A FACTOR IN THE TRADE PICTURE

In the whole foreign-trade situation as it pertains to agricultural products the part played by the trade-agreements program has been fundamentally constructive. Opponents of the program, as I have said, have made every effort to make matters appear otherwise, but in support of their claims they have offered little more than a noisy repetition of statements that are entirely without foundation.

Claims to the effect that trade agreements are responsible for large and damaging increases in imports of farm products of one sort and another are the chief reliance of these critics. The temptation to advance such claims was especially great in 1937, when agricultural imports, for reasons already noted, were increasing. Actually, however, trade agreements had very little to do with these increased imports, and they are still distinctly a minor element in the agricultural import situation. Most of the increases in imports which took place in 1937-increases which were heralded throughout the country by the embargo tariff crowd as being attributable in large measure to the trade agreements-were really on products that had never been touched in any trade agreement. The truth is that, while tariff reductions have been made on a number of agricultural items, these reductions have thus far been very moderate and, where necessary. have been carefully safeguarded by quota limitations on the amounts that may be imported at the reduced rates.

EXAGGERATED AND FALSE CLAIMS OF INJURY FROM DUTY REDUCTIONS ON FARM PRODUCTS

It is, of course, impossible at this time to take up each and every agricultural item in this connection and to go into detail concerning the results of duty reductions wherever any have been made; but I will say that in every case which has come to my attention in which charges have been made that this or that branch of agriculture was "sold down the river" a little investigating of the actual facts soon disclosed that the charge was—to put it mildly—greatly exaggerated.

When, for example, the first trade agreement was signed with Canada there were statements galore about how the domestic market was going to be swamped with Canadian cattle, dairy products, and so forth. It never happened. Increases did occur in the imports of some of these items. That

was to be expected; but any unbiased analysis of the facts will promptly disclose to any reasonable person that the increased importations of farm products resulting from duty reductions have been far too small in relation to our domestic production and supply to have any appreciable effect upon domestic prices. I challenge any person who takes exception to this statement to submit the issue to any properly qualified group of economic and market analysts. What he will surely be told, because it is the truth, is that the facts do not support such irresponsible and exaggerated claims.

SOME SEE ONLY A PART OF THE TARIFF PICTURE

If such an inquiry as I have suggested is broadened out, as it should be, to include the effects of the trade-agreements program as a whole, it will be found that the program actually operates in the fundamental interest of the dairyman, the cattleman, and of the others who, according to the claims of the embargo tariff crowd, have been hurt. Some of these producers may think they are better off when their industry has absolutely 100 percent of the home market than they are when it shares a small percentage of the home market with the foreigner, but in jumping at any such conclusion they are overlooking an extremely vital point.

If, in order to get every small fraction of the home market, cattlemen, dairymen, and others in similar status enter into political trading with every other industry that is demanding the same air-tight monopoly of the home market-and that is what inevitably happens when the tariff-logrolling process gets under way—then the only possible outcome is an embargo tariff policy all around. That, I insist, is a sure-fire way to ruin the home market for the cattleman, the dairyman, and everybody else. When our great exporting industries, both in agriculture and in manufacture, are flat on their backs because they cannot sell their surpluses at a profit, it is useless for the cattleman or the dairyman to think that tariffs are going to save him, because under such conditions his home market is going to be a poor one. This, as I said earlier, was proved without a question of a doubt under the operation of the Smoot-Hawley Tariff Act.

The farmer or the stockman who fastens his gaze exclusively upon the relatively trifling imports of some product which is alleged to be in competition with his own, but who fails to see that in demanding an embargo tariff he may be spoiling his own market, is not doing himself or anybody else any good. Together with the rest of the American public which follows such a theory, he is the victim of his own short-sightedness.

We shall never have a stable basis for domestic prosperity until trade channels throughout the world are unclogged and international trade gets back to a more normal and healthier basis. That is the objective of the trade-agreements program; and, insofar as present disturbed conditions in the world will permit, that objective is being achieved.

CORNED BEEF

Well-meaning and ordinarily sensible people can often be goaded by self-seeking interests into taking an extreme and unreasonable attitude toward something that really is trivial. Sometimes, in an excess of zeal, they can even be stampeded into positions definitely contrary to their own welfare. Each of us knows this. If an illustration were required, what could better demonstrate the truth of this assertion than the recent "tempest in a teapot" over the proposal of the Navy Department to purchase 48,000 pounds of canned corned beef from Argentina? There is not a Senator in this body who is more anxious than I am to see the American cattleman prosper. Nor is there any who will state more emphatically that American beef cattle cannot be surpassed in quality by those of any nation on the globe. Nevertheless, I honestly believe that the rumpus which was stirred up over this matter was not well advised from the standpoint either of the cattleman or of the national interest.

Trying to keep out of this country 48,900 pounds of imported corned beef in order to increase domestic cattle prices

is about like trying to change the level of the ocean with an eyedropper. When we broaden the issue to include all future Government purchases of canned corned beef it is merely a case of substituting a garden hose for the eyedropper.

It was an unusual position for the Congress of the United States to take when they denied the sailors of our Navy who man our ships in peace and in war the right to eat corned beef made in South America, when on that very day the Senators were enjoying choice morsels of corned beef produced in South America and served on the menu of the Senate restaurant.

But all that is a minor phase of the corned-beef story. The significant part concerns our trade relations with one of our leading neighbors to the South. This whole episode was a new source of irritation to a country with which our highly profitable trade relations had already begun to suffer badly—irritation engendered at a time, moreover, when we were striving to strengthen our good-neighbor policy. The lucrative business that we have heretofore enjoyed with Argentina has meant jobs for thousands of American workingmen, and hence a better demand in our cities for beef and other products consumed by workers. Even if we ignore the broader advantages of the good-neighbor policy, what profit accrues to the American cattleman by failing to recognize these facts?

A MODERATE TARIFF POLICY IS IN THE GENUINE INTEREST OF ALL GROUPS

Get the buying power of the American people up to where it ought to be and can be—I think the Senator from California [Mr. Downey] will agree to that statement—and neither the cattle industry, the dairy industry, nor any other industry need worry over a slight sharing of the home market with the foreigner. I insist that if we are going to get buying power up and keep it there, one of the things we must do is to reopen the channels of foreign trade. We must be sane and reasonable about the tariff. We cannot shut ourselves up like hermits and expect to have adequate market outlets for the great surplus-producing capacity to which both agriculture and industry in this country now are geared. If we are going to utilize this capacity, we must preserve and extend our export outlets. And we cannot possibly do this unless we increase our imports.

We can increase imports without seriously injuring any efficient domestic industry, and that is exactly what we are doing under the trade-agreements program. There is a wide range of products which we import, or could import, which are not directly in competition with domestic production, if competitive at all—such things as specialities, seasonal products, and so forth. These are imports which can be brought in with little or no damage to any domestic interest. Under the authority of the Trade Agreements Act we are admitting more and more of these products, as we should, and we are getting well paid in the bargain, because, at the same time, we are getting thousands of tariff concessions from other countries giving us better access to their markets.

DIRECT BENEFITS TO THE FARMER—BETTER ACCESS TO FOREIGN MARKETS

In the trade agreements thus far negotiated, hundreds of concessions have been obtained for the purpose of securing guaranteed or improved access to foreign markets for American farm products. I will not burden my colleagues with a detailed description of them. However, I will direct your attention to a detailed tabulation of the more important of these concessions in a table which appears on pages 139–150 (table 2) of the hearings before the Senate Committee on Finance, on proposed amendments to H. R. 3790 (taxes on fats and oils), on March 6 to 9, 1939.

This table, which includes also certain fish products, covers 11 highly condensed, fine-print pages. No one who takes the trouble to read it could fail to be impressed by the range, variety, and extent of the concessions obtained. It shows emphatically that agriculture has been anything but neglected in the course of these trade negotiations.

CONCESSIONS RECEIVED ON FARM PRODUCTS HIGHLY VALUABLE IN SAFE-GUARDING AND INCREASING FARM EXPORTS

Let me emphasize in passing that the impression which seems to prevail in some quarters that the bindings of free entry or of otherwise favorable trade treatment are valueless is a very mistaken impression. Many of these commitments have a value even greater than appears. During a period of rising trade barriers and discriminations throughout the world, it is absolutely necessary to obtain such guaranties on many products in order to make sure that satisfactory trade treatment will continue. Through the bindings obtained on free and other items, and through the guaranties obtained under the most-favored-nation clause against trade discrimination, as well as through actual reductions in tariffs and other barriers, the trade-agreements program has safeguarded an enormous volume of agricultural and other export trade that would otherwise have been wiped out by rapidly increasing barriers and discriminations against our commerce.

ATTEMPTS TO CONFUSE THE CASE AND MINIMIZE THE BENEFITS

These hundreds of concessions on farm products are, taken as a whole, highly beneficial to our farmers, and do not let anybody tell you anything different. Such a truth should be obvious to anyone who bothers to make even a superficial examination of the facts. Yet there are today persons in positions of public responsibility who not only deny this truth but even go so far as to distort it for their own selfish or partisan ends.

The way in which these people attempt to support their campaign against the trade agreements is an affront to ordinary intelligence. If in a particular year there is a decline in exports of certain agricultural products or agricultural produce as a whole, they hasten to tell us that the concessions we have obtained have done us no good. Some critics, ascending to the dizziest heights of emotionalism, even go so far as to intimate that the concessions were the cause of the decline. On the other hand, if exports increase, then we are told that the increase was due wholly to other causes. Factors other than trade-agreement concessions are said to be terribly important when the trade picture looks good, but are conveniently ignored when the picture is less favorable.

Now, the simple truth of this matter is that there are a great many factors that influence the course of foreign trade from year to year. This applies both to our total trade and our trade with particular nations. Shifting political and economic conditions in particular countries or regions of the world, internal social disorders, weather conditions in various parts of the world, insect or other pest blights, man-made barriers to commerce—these are illustrations of but a few of the many things which govern or influence international commerce. With all of these influences and others affecting the flow of trade, it obviously is impossible to separate out one single fact, such as reduced trade barriers, and to say exactly how much of the trade which actually did take place was due to that one factor.

The essential and fundamental fact remains, however, that, as a result of the hundreds of concessions obtained on farm products, there exist today vastly improved export opportunities for our farm surpluses which otherwise we would not have had. If, because of other causes, exports do not fully respond in all cases to the opportunities thus presented, this is scarcely chargeable to the trade agreements.

PERCENT INCREASE OF FARM EXPORTS GREATER TO TRADE-TREATY COUNTRIES THAN TO OTHERS

As a matter of fact, the available figures strongly support the logical presumption that the concessions received have greatly assisted in the export of our farm surpluses. For example, a study made of the results of the first 16 trade agreements shows that our exports of farm produce to these 16 countries increased by \$102,000,000, or 55 percent, between the fiscal year 1935–36—when few trade agreements were in effect—and the fiscal year 1937–38. On the other hand, our exports of farm products to nonagreement countries in-

creased by only \$20,000,000, or 3 percent, during the same period. Excluding cotton, the increase was 108 percent to the trade-agreement countries and 38 percent to the non-agreement countries.

The percentage increases in farm exports to the trade agreement countries were generally greater on concession items than on those receiving no concessions. Even when a trade-agreement country imported less of a given concession item from the United States, our share of the total imports of that item into such country usually increased.

Despite such evidence of benefit, I note that attempts are made from time to time to draw grossly unfair inferences from our current agricultural export figures, whenever they lend themselves to such misrepresentation. This has been happening in connection with the decline of agricultural exports during the present year, and I want, therefore, to deal with it at this point.

RECENT DECLINE IN AGRICULTURAL EXPORTS DUE CHIEFLY TO COTTON

As I pointed out earlier, in terms of value, our total exports of agricultural products, during the first 10 months of the present crop year, July 1938 to April 1939, inclusive, fell off. The decline was particularly marked when cotton was included, but, disregarding cotton, there still was a decline. Would this mean that the trade-agreement concessions obtained on our farm products are doing us no good? My answer is emphatically in the negative.

All in the world such figures indicate is that a number of factors such as I have already described have, in combination, more than offset the good effects of the trade concessions. Those who wish to sabotage the program tell us not a thing as to what the situation would have been without the concessions. And they utterly fail to mention the important fact that, as long as the trade agreements remain intact, the improved access to foreign markets which they provide opens the way for further expansion of our export shipments if, as, and when other conditions permit.

DECLINE IN COTTON EXPORTS DUE CHIEFLY TO CAUSES BEYOND THE REACH OF TRADE AGREEMENTS

There has been a great deal of talk in recent months about the heavy decline in our cotton exports, and I have observed, in certain quarters, an inclination to seize upon this fact as an indication that trade agreements are not helpful to the cotton farmer. I have even noticed a statement in the Congressional Record to the effect that the trade-agreement program was the cause of the decline in cotton exports. I insist that that is carrying a good thing too far.

How can any sensible person believe such rubbish? Cotton exports have, indeed, diminished greatly. Certainly. But why? If someone will tell me how the trade-agreement program is going to enable us to sell our cotton abroad at a pegged price level of 8 or 9 cents a pound while foreign cotton sells on a world basis, I shall be greatly obliged to him. Even if the general political and economic situation abroad were more favorable, it still would be well-nigh impossible to get over a hurdle like that.

This amazing performance of heaping coals of fire upon the trade-agreements program for something it has nothing in the world to do with is the height of asininity. It may fool some people, but it is not fooling the cotton farmers. Cotton farmers are practically unanimous for the trade-agreements program, as well they should be.

TRADE-AGREEMENTS PROGRAM BASICALLY HELPFUL TO THE COTTON GROWER

In the first place, the program, insofar as its influence can extend under the difficult conditions now prevailing in the world, is definitely a constructive force in the direction of economic disarmament and the restoration of stable world prosperity. This is an extremely important matter for all of us, and among those to whom it is most important are the cotton farmers. For studies are available which show definitely that the world demand for cotton is greatly affected by prosperity or the lack of prosperity throughout the world.

Again, while there are not many tariff duties on cotton in foreign countries, there are, in some parts of the world, other obstacles to cotton trade which would be greatly lessened by a general relaxation of trade barriers. Policies of national economic self-sufficiency and the measures associated with it would still greatly obstruct our cotton exports to some countries even if cotton were offered on a world-price basis.

Trade agreements help to increase our imports of things we can profitably import into this Nation, and when we increase such imports, naturally we enhance foreign buying power for our cotton and for our other surpluses.

INDIRECT BENEFITS OF TRADE PACTS TO THE FARMER—A BETTER HOME MARKET

Then, too, the trade agreements, by reopening channels of foreign trade, make for greater prosperity and employment in the United States than would otherwise prevail. Thus there is a close relationship between the general prosperity of our Nation and the domestic demand for cotton as governed by cotton-mill activity.

Finally, the cotton grower is benefited, as a consumer, by the reduction of excessive tariffs on things he buys, or things he would buy if his income, in terms of purchasing power, were increased. No group in this Nation has been more specifically the victim of our late and little-lamented embargo tariff policy than the cotton farmers.

Consequently, those who seek to blame trade agreements for the present plight of cotton had best look elsewhere. True, trade agreements cannot be a controlling factor in the cotton situation in view of the other factors which are operative. Nevertheless, to attack them for not solving the cotton problem or as an actual hindrance to its solution is unfair in the extreme.

A moment ago, in discussing the cotton situation, I pointed out that all the benefits of the trade-agreements program are not direct. The increased demand for farm products in the home markets, by reason of greater production and employment provided in our nonagricultural export industries, is equally applicable to all agricultural commodities as well as to cotton.

A very large portion of the manufacturing industry of this Nation depends upon export outlets for the sale of substantial portions of its production. Run the gamut of our great manufacturing industries and you will be surprised to observe how numerous and important are the branches which are engaged in export trade. Greater employment and wage income in our cities for workers in these industries mean a greater demand for most farm products, and particularly for things like meat, dairy products, fruit, and vegetables.

The Honorable Francis Sayre, in his book, The Way Forward, presents an illuminating commentary upon this situation. After publishing a table showing the value of some of our more important agricultural and industrial commodity exports and the ratios of exports to production, Mr. Sayre says:

Figures such as these reveal how specious is the argument that our export trade is unimportant because it comprises not more than 10 percent of our total production. This general ratio, reached by comparing our total exports of all commodities with our total production, is misleading. In many of our most important industries and occupations the surpluses which we must sell abroad greatly exceed 10 percent. Even in industries exporting only 10 percent of their output, loss of exports does not mean that the remaining 90 percent of the business remains in a prosperous condition. The 10-percent margin of exports even in such cases may make all the difference between profit and loss for the entire industry.

entire industry.

Of far more vital consequence is the effect of unsalable surpluses on domestic prices. Unsold surpluses, by glutting home markets, demoralize the prices received for that part of the output or crop sold at home, and thereby spread havoc and cause economic dislocation throughout the industry or occupation. The resulting repercussions are Nation-wide and affect producers who themselves do not sell abroad.

The beneficial effect of trade agreements on our exports as a whole is indicated by numerous studies that have been made. One shows, for example, that, in the 2-year period, 1937–38, our total exports to trade-agreement countries

were 61 percent greater than in the 2 preagreement years, 1934–35; whereas our total exports to nonagreement countries increased by only 38 percent. This indirect benefit of the program to the American farmer can be appreciated still further when it is observed, for example, that our exports to Canada alone, chiefly nonagricultural, fell from \$948,000,000 in 1929 to less than \$250,000,000 in 1932. In the first 3 years of the agreement with Canada, our exports to that country showed an annual average increase of \$141,000,000, or 45 percent, over the average exports during the 2 preagreement years, 1934 and 1935.

FURTHER INDIRECT BENEFITS: THE FARMER AS A CONSUMER

Another type of benefit to agriculture from the tradeagreements program is the benefit which the farmer gets as a consumer. Generally speaking, farmers in this country buy in a protected market and sell in the world market. All farmers must benefit, as consumers, from the removal of excessive duties in our tariff-rate structure. Such tariff reductions not only increase foreign buying power for our farm and other surpluses, but they increase the buying power of the American farmer for the things he wants to consume.

WORLD POLITICAL AND ECONOMIC STABILITY PAYS THE FARMER

Finally, the trade-agreements program works in the direction of more orderly political and economic conditions throughout the world, and the American farmer—every American citizen, for that matter—has a big stake in that situation. I want, however, to inject here a few pertinent observations. No one could overlook the fact that the world situation has not been improving during the last year or so. To the contrary, it has grown steadily worse. That, however, does not subtract from the merits of the trade-agreements program. Rather, it serves to emphasize the need for a wider application of the broad policy envisaged by that program.

The pertinent and undeniable fact is that the trade-agreements program is absolutely sound and fundamental in the sphere in which it operates. A restoration of more orderly economic and general relations between nations, including the removal of excessive barriers to trade, is absolutely essential if the world ever is to get back to a condition of healthy prosperity. That is the direction in which the trade agreements take us, and that is the direction toward which the other nations of the world must move, too, if they ever expect to get out of the morass into which they now are rapidly sinking.

So, I repeat, my appeal transcends partisan politics for it is not my purpose to seek to fend off political attacks. As I said at the beginning of this address, an honest difference of opinion may reasonably exist as to the merits of the trade-agreements program, and such a difference of opinion, honorably held and boldly stated, will command respect no matter where it is uttered.

But there reposes in this program an inherent and potential lodestar of reason and logic which may lead modern civilization along a pathway of peace and common sense. Its principles reflect the true concepts of humanity, and, when its objectives are understood, the program will, I am hopeful, gain international adherence.

It is upon this premise that I base my appeal to the opposition for a moratorium, not upon criticism of the program, but upon innuendo and half truths and fabrication and misinformation, because there is too much at stake to jeopardize the economic well-being of many peoples for the sake of political gain.

Therefore, if attacks are to be made on the trade-agreements program, I implore the spokesmen of the opposition to make them on a basis of fairness and sincerity, not through stealthy sabotage. If these spokesmen would have this country return to the folly of embargo tariffs, where every nation erects an impenetrable and insurmountable wall against its neighbors, let them so state. And if the American people, in the light of their unfortunate experience with it in the past,

desire to return to that sort of a program, ours is a land where the will of the majority prevails.

Since the adoption of the trade-agreements program our exports have reached a new high level, our imports have receded.

No trade treaty has ever been negotiated without providing for ample and adequate hearings for any person or group of persons in America who might be affected by that treaty.

In the face of disturbed and chaotic international conditions, both political and economic, our total exports to tradeagreement nations have shown a sustained increase over our exports to nations with which we do not have trade treaties, indicating that the trade agreements were a constructive factor in our international relations.

Despite the strenuous efforts of propagandists to prove the trade agreements harmful to American agriculture, the agricultural income of our Nation has risen steadily since the adoption of the trade-agreement program.

It has been proved beyond a question of a doubt that imports increase only when our national prosperity and domestic prices are at such a level that it is profitable to foreign producers to ship commodities to the United States over the tariff walls which have been established.

The deliberate falsehood that the trade-agreements program "surrenders" our rich home market to foreign producers has been definitely and finally exploded by fact and statistics

In my opinion, the trade-agreements program has, and will continue to have, the support of a vast majority of the American people

Regardless of that fact, the stentorian voices of politicians soon will be ringing throughout the Nation, and prominent in that rising clamor will be the voices of the noisy nucleus of embargo-tariff devotees singing their siren song of special privilege. I do sincerely wish that these few pungent, pertinent, unchallengable facts which I just related could be foremost in the minds of those who desire to know the truth.

The trade-agreements program was designed by patriotic, sincere, and able men who, with the best interests of our Nation at heart, sought a way to restore our foreign trade so that American agriculture, labor, and industry might profit therefrom

Every iota of evidence points toward the fact that those charged with administering the program have ever had the interests of America and of Americans uppermost in their hearts

Mr. VANDENBERG. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield to the Senator from Michigan.

Mr. VANDENBERG. The Senator has made a very able presentation of his point of view in respect to the reciprocal-trade treaties, but he has rather left the inference that the only opposition to the treaties is a captious, insincere sort of opposition.

Mr. LUCAS. If the Senator feels that I left such an inference, I suggest that perhaps the Senator did not hear all of my speech. The Senator realizes that there are some fundamental differences of opinion, and I so stated in the early part of my speech, and I also stated that I respect the views of anyone who has honest, sincere differences with me on the question of trade treaties.

Mr. VANDENBERG. And it is upon that basis that I wish to ask the Senator one or two questions, if he will permit, simply for the purpose of further illuminating the subject. Does the Senator desert the principle that American labor and industry should be protected by a tariff which represents the difference between cost of production at home and abroad?

Mr. LUCAS. I do not desert that principle, and I do not think the trade-agreements program deserts that principle, although that factor is undoubtedly taken into consideration along with a great many other pertinent factors.

Mr. VANDENBERG. The Senator does not claim, does he, that the State Department fixes tariffs on the basis of

the difference between the cost of production at home and abroad?

Mr. LUCAS. I do not.

Mr. VANDENBERG. Would the Senator be willing to amend the Trade Agreements Act to require that in making concessions to foreigners the State Department at least shall not go below the difference in cost of production?

Mr. LUCAS. I would not make that kind of agreement at all. I believe in that principle; but I think that in connection with trade agreements, with all their ramifications, no definite policy of that kind could be laid down as a matter of law. In my opinion, that is a matter which will have to be left solely in the hands and the discretion of the Secretary of State, and I think that up to this time no specific charge can be laid against the President that he has failed to take into account the cost factors with all other pertinent factors in the negotiation of these trade agreements.

Mr. VANDENBERG. Let us see whether or not that is entirely true. Let us come down from the general to the specific. Does the Senator endorse the action of the State Department in reducing the tariff on sugar, and contemplating a further reduction in the tariff which protects domestic sugar, in the face of a report from the Tariff Commission which clearly indicates that the existing tariff protection is not sufficient in view of the difference between the cost of production at home and abroad?

Mr. LUCAS. I will say to the Senator that, as a member of the Committee on Agriculture and Forestry, I have given a tremendous amount of study to the sugar question. I have studied it both as a member of the House Committee on Agriculture and as a member of the Committee on Agriculture and Forestry of the Senate.

I wish to say that just so long as we are bound to protect Cuba and other sugar-producing areas which are tied up with us the way they are at the present time, the sugar question will always be filled with great difficulty. I sat in a meeting of the House committee and heard all the questions with respect to sugar discussed. I heard former Senator Wadsworth, who is now a Member of the House, make a very forceful speech against sugar quotas. Yet I will say to the Senator from Michigan that there was not a single producer of sugar, whether he was a beet grower, whether he was a cane grower, whether he represented the Hawaiian interests, the Cuban interests, or the Philippine interests, or other interests in places where sugar is grown, there was not a refiner, there was not a producer, there was not a single individual connected with sugar who appeared before that committee who did not insist that the committee place those quotas just as it did place them, for, as those representatives said, unless the committee did so the sugar industry would be ruined both from the standpoint of the sugar refiners and the growers.

That is the best answer I can give to the Senator from Michigan on the question of sugar.

Mr. VANDENBERG. Mr. President, the quota system is somewhat related to the general tariff protection based on the difference between cost of production at home and abroad.

Mr. LUCAS. Yes. I will say to the Senator it is all related.

Mr. VANDENBERG. They are tied together. But we cannot substitute the quota system for the system of adequate tariff protection of the industry. I say to the Senator that when the Tariff Commission itself demonstrates that the existing tariff, the purpose of which is to give protection to 16 beet-sugar- and 2 cane-producing States, is in adequate, for instance, to cover the difference between cost of production at home and abroad, then the exercise of the power in the State Department further to reduce that protection is not a sound use of power.

Mr. LUCAS. The Senator, of course, is entitled to his opinion. I respect his opinion, and I will further answer the Senator by saying to him that the sugar question is somewhat like the complicated and hair-line questions

which used to be presented in the law school that I attended. We had a very pious, very learned old professor-

Mr. VANDENBERG. I do not catch the analogy up to this point. [Laughter.]

Mr. LUCAS. The Senator will if he will follow me. This professor frequently, when in trouble with respect to a legal example which could be interpreted either way, would look to the ceiling and say, "You know, young gentlemen, there is much to be said on both sides of that question." there is much to be said on both sides of the sugar question, I will say to the Senator from Michigan. We could probably agree on some of the fundamental principles, but I have seen the sugar representatives themselves have the most difficult time trying to agree upon any program. And I have seen that same thing in a good many other American industries where legislation is made, the idea being that because honest, sincere, and learned men in the United States Senate and the House; because all the experts along the line of sugar or cotton or corn or wheat, or other products, cannot agree among themselves as to the best policy to follow—that demonstrates to my mind the real difficulty which exists in working out anything from the standpoint of legislation which will be beneficial for the greatest number, and that is what the Senator from Illinois is always vitally interested in and concerned with.

Mr. VANDENBERG. I think the Senator's observations are justified in respect to the unfortunateness of the disagreements among those who are interested in sugar in the United States, but I am citing this example solely as being illustrative of a fundamental principle.

Mr. LUCAS. I appreciate that.

Mr. VANDENBERG. What I am trying to suggest to the Senator is that since he asserts his continuing belief that tariffs should represent the difference in cost of production at home and abroad, I fail to understand how he can support a theory of government which permits the State Department to fix tariffs regardless of the difference in the cost of production at home and abroad, and I give him sugar as simply an illustration of the fact that the State Department officials are totally oblivious to the difference between cost of production at home and abroad, and that they have not the slightest intention of consulting the welfare of the domestic industry when they trade these

Mr. LUCAS. I will say to the Senator from Michigan that so long as the domestic industry holds such a difference of opinion as to what should be done, and if there cannot be a concentrated effort and a united front on the part of those who are interested in the great sugar question. I am not so sure that the Government officials are not justified in doing the best they can. I take it that the State Department officials are compelled to do the best they can under all the circumstances.

Mr. VANDENBERG. In order to keep the record straight I will say to the Senator that there is no difference of opinion among the domestic sugar producers that the Cuban tariffs should not be reduced as a result of State Department negotiations. I should say that there is unanimous agreement that that situation is an almost insufferable hazard to the beet industry in 16 States and the cane industry in 2 States.

Mr. LUCAS. May I ask the Senator a question?

Mr. VANDENBERG. Certainly.

Mr. LUCAS. The Senator has interrogated me along the line of the philosophy of the reciprocal-trade agreements. I should like to ask him a question. I take it the Senator is honestly and sincerely opposed to the reciprocal-trade agreements. I ask him if he would suggest that we return to the good old embargo-tariff days, such as we had under the Smoot-Hawley Act of 1932.

Mr. VANDENBERG. If I had my way about it, I would return to a basis which would emphasize the importance of the United States Tariff Commission, to the ultimate result that, as nearly as possible under our constitutional system, we should have tariffs which from time to time actually represent the difference between the cost of production at home and that abroad. I am not interested in any superlative tariffs, if that is a correct definition of them. I am interested in a continuation of protection against low foreign costs which crucify our labor, our industry, and our agriculture.

Mr. LUCAS. I do not agree that they crucify agriculture

or labor or industry.

Mr. VANDENBERG. By the time we shall have reached 1948 and shall have put a total of 9 percent new socialsecurity taxes upon American industry, thus increasing the cost of production in the United States arbitrarily and automatically 9 percent on everything, we shall confront an absolute necessity for increased protection rather than decreased protection. It is in the face of that contemplation, as well as in the face of the existing facts, that I renew my suggestion that if reciprocal-trade treaties are to be safe in any degree they must be written in the purview of the rule that our tariffs should represent the difference between the cost of production at home and abroad.

Mr. LUCAS. Mr. President, I do not want to have the RECORD show that I agree with the Senator that the reciprocal-trade agreements at the present time are literally destroying labor, agriculture, or any other industry in this country. The Senator did not hear all of my speech. I think the facts I have given, if he will analyze them in some of his spare moments, if he has any, will demonstrate beyond any question that the reciprocal-trade agreements have been successful, so far as American agriculture is concerned. I have delivered this address on the basis of how trade agreements affect the agricultural program of my section of the country, as well as all others.

Mr. VANDENBERG. I thank the Senator for his courtesy. Mr. BARKLEY. Mr. President, will the Senator yield? Mr. LUCAS. I yield to the Senator from Kentucky.

Mr. BARKLEY. I merely wish to congratulate the Senator from Illinois and thank him for the very able address he has delivered on this subject. It is a subject about which there is much confusion and misinformation. The Senator has made a real contribution to the situation which he has so ably discussed, and I am under obligation to him for it.

Mr. LUCAS. I thank the Senator.

CHARLES L. KEE

The PRESIDING OFFICER (Mr. Schwartz in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 821) for the relief of Charles L. Kee, which was, in line 11, after "demonstration", to insert "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000." Mr. BYRD. I move that the Senate concur in the House

amendment. The motion was agreed to.

SALE OF SURPLUS AGRICULTURAL COMMODITIES

The Senate resumed consideration of the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation.

Mr. BYRNES. Mr. President, I desire to make a statement with reference to the bill which is pending. Its consideration has been making such rapid progress thus far since vesterday morning that I am moved to make a statement with reference to it. I know that we are approaching the end of the session; and that the Senate can do nothing unless it is done practically by unanimous consent. I am advised that the Senator from Utah [Mr. KING], the Senator from South Carolina [Mr. SMITH], the Senator from Georgia [Mr. George], the Senator from North Carolina [Mr. Bailey], and several Senators on the other side of the aisle are opposed to the bill and desire to discuss it and express their views.

It is apparent to me that that being true, it would be exceedingly difficult to obtain a vote on the bill between now and the time of adjournment.

If the bill were passed by the Senate it would then have to go to the House; and inasmuch as it has not received consideration in the House, it would be referred to a committee. As a practical matter there does not seem to me to be any chance to secure favorable consideration at this time.

I do not believe in wasting my time or asking the Senate to waste its time in the consideration of something which cannot be done. Though I am greatly interested in the sale of the 175,000 bales of cotton, inasmuch as it is not possible to obtain consideration by the Senate in time for the bill to be considered in the House, there is no practical reason for insisting upon further consideration of the bill at this time, and I withdraw the request for consideration of the bill.

The PRESIDING OFFICER. The Senator from South Carolina withdraws his request for consideration of the bill. Is there objection? The Chair hears none, and the request is withdrawn.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

Mr. THOMAS of Oklahoma. Mr. President, yesterday a message was received from the House announcing an amendment of the House to Senate bill 2239, an Indian bill. The amendment was to add an apostrophe and an "s" to the word "boy", making the word "boy's." On yesterday I moved to disagree to the House amendment. The motion was agreed to. I now desire to move to reconsider the vote by which the Senate disagreed to the House amendment to Senate bill 2239.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma [Mr. Thomas] that the vote by which the Senate disagreed to the House amendment to Senate bill 2239 be reconsidered.

Mr. AUSTIN. Mr. President, what is the bill? I wish to identify it.

Mr. THOMAS of Oklahoma. It is Senate bill 2239, for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge. As I stated, the House amended the bill by adding an apostrophe and the letter "s" to the word "boy", making it read "boy's." Yesterday I moved that the Senate disagree to the House amendment, which motion was agreed to. I now move to reconsider the vote by which the Senate disagreed to the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to.

Mr. THOMAS of Oklahoma. I now ask the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 2239.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge, which was, in line 5, to strike out "Boy" and insert "Boy's."

Mr. THOMAS of Oklahoma. I move that the Senate concur in the House amendment.

The motion was agreed to.

REIMBURSEMENT OF COTTON COOPERATIVE ASSOCIATIONS FOR LOSSES UNDER FEDERAL FARM BOARD

Mr. THOMAS of Oklahoma. Mr. President, it was understood that the bill to follow the bill in which the Senator from South Carolina [Mr. Byrnes] was interested would be Senate bill 2585, Calendar 802, a bill introduced by the Senator from Alabama [Mr. Bankhead] to reimburse the cotton cooperatives associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

I desire to make a statement with respect to that bill similar to the statement made by the Senator from South Carolina [Mr. Byrnes] in respect to the bill in which he was interested.

The bill is controversial. It proposes to adjust a business transaction between the Federal Government and cotton cooperatives in some 12 cotton-producing States. The bill proposes to authorize an appropriation of \$1,200,000,000 to make such adjustment. I understand that if the bill is made a

special order the senior Senator from Tennessee [Mr. Mc-Kellar] desires to discuss the bill and the amendments. Personally, I should be very g'ad, indeed, to hear the Senator discuss any measure, and especially this one; but I think in the closing hours of this session it would be asking too much to try to make a bill of this kind the unfinished business, because it would occasion considerable discussion.

Mr. McKELLAR. Mr. President, I thank the Senator for making that statement. In addition to other matters, a number of errors would necessarily have to be corrected, which would require a long time. I hope the Senator will allow the matter to go over until the session next January, when we can discuss it and have the Senate pass the bill.

Mr. SMITH. Mr. President, may I inquire of the Senator from Oklahoma whether or not the bill to which he refers is the one to which he referred the other day? As I understand, there are two similar bills.

Mr. THOMAS of Oklahoma. The bill to which I refer is the one making an adjustment with the cotton cooperatives, paying them the amount of their losses in dealing with the Federal Farm Board under a previous administration.

Mr. SMITH. Does the bill have reference to the 16-cent loan?

Mr. THOMAS of Oklahoma. That is correct.

Mr. McKELLAR. The 16-cent loan, dating back to 1929 and 1930.

Mr. SMITH. Mr. President, I am glad that those who favor this measure have seen fit to postpone it until the Senate can be advised of all the facts. I wish to state that I am heartily in favor of the adjustment. I think the cooperatives are entitled to the adjustment; and when we shall meet in January, if I am fortunate enough to be then alive, I shall take such time as may be necessary to try to convince my colleagues that the object of the bill is a righteous one.

Mr. McKELLAR. Mr. President, I have an hour and a half set aside in which I am quite sure I can convince my good and splendid friend from South Carolina, who is always willing to hear facts, that he should not vote for the bill.

Mr. SMITH. I have 2 hours in which I am going to set my friends from Tennessee right.

Mr. BARKLEY. If I understand the colloquy, there will be convincing arguments on both sides.

Mr. SMITH. There will be a paramount convincing one coming from South Carolina.

Mr. McKELLAR. Then, as I understand, the bill goes over.

Mr. THOMAS of Oklahoma. Mr. President, let me ask the Senator from Kentucky if this bill is not to be taken up for consideration now; does the Senator from Kentucky see any reason why it could not be made the unfinished business for early in the session when the Congress shall reconvene in January?

Mr. BARKLEY. I do not, but I will say to the Senator that I do not think it is wise at this session to make any bill the unfinished business for the next session, because we cannot tell what the situation will be when the Congress reassembles. I should not like that to be done; but I can assure the Senator that I know of no reason why early in the next session the matter should not be taken up and discussed fully.

Mr. THOMAS of Oklahoma. As I think we all know, there is not much business to transact in the first few days of a new session, and, if it will be agreeable, I will not move to make this bill the unfinished business but will defer that motion until some time early in the next session of Congress.

EXCHANGE OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN RESERVE STOCKS OF STRATEGIC AND CRITICAL MATERIALS—CONFERENCE REPORT

Mr. BYRNES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced

abroad, having met, after full and free conference, have agreed to recommend, and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment

insert the following:

"The Commodity Credit Corporation is authorized and directed to transfer to warehouses in or near cotton manufacturing centers in New England not to exceed 300,000 bales of cotton, to which it now has title or many hereafter acquire title, having regard for the grades and staples customarily required by manufacturers in that area: *Provided*, That all necessary costs in connection with such transfer will not result in additional net cost to the Corporation.

"In determining specific cotton to be exchanged under this act, the determination shall be made by sampling and selection at the place where the cotton is stored on the date of ratification of a treaty providing for such exchange, and no cotton shall be exchanged under such treaty which, after such date, is transported to another place and there sampled and selected."

And the House agree to the same.

JAMES F. BYRNES, J. H. BANKHEAD, PRENTISS M. BROWN, JOHN G. TOWNSEND, Jr., Managers on the part of the Senate. HENRY B. STEAGALL, CLYDE WILLIAMS, BRENT SPENCE, JESSE P. WOLCOTT, CHARLES L. GIFFORD,

Managers on the part of the House.

Mr. VANDENBERG. Mr. President, what is the net result

of the conference?

Mr. BYRNES. There was only one amendment on the part of the House, which applied only to the question of where the cotton to be delivered under the treaty should be sampled first. The amendment which was agreed to in conference provided that the cotton to be delivered should be sampled at the place where it is now stored, according to the House provision.

There was also a provision that not to exceed 300,000 bales should be transported to warehouses in the New England area. The conference report provides for the transportation of 300,000 bales, with the net result that there is no increased expense to the Corporation. The conference report is a

complete agreement.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. BYRNES. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BARKLEY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky [Mr. BARKLEY] to lay on the table the motion of the Senator from South Carolina [Mr. Byrnes] to reconsider the vote by which the conference report was agreed to.

The motion was agreed to.

CONSIDERATION OF UNOBJECTED-TO HOUSE BILLS

Mr. BARKLEY. Mr. President, on the call of the calendar day before yesterday a number of House bills or, at any rate, some House bills were passed over, and since that call a number of House bills have been placed on the calendar. Some of them, in fact, most of them, are noncontroversial; they merely involve the construction of bridges and other routine matters. I ask unanimous consent that the Senate now proceed to the call of House bills on the calendar to the consideration of which there is no objection.

The PRESIDING OFFICER. Is there objection?

Mr. PEPPER. Mr. President, will the Senator from Kentucky indicate about how many of such bills there are on the calendar?

Mr. BARKLEY. I cannot give the number, but there are not very many.

I will say to the Senator from Florida and also to other Senators that during the next day or two we shall have coming over probably every few minutes from the House House bills to which the Senate probably will want to make no amendment. I have no desire, and other Senators, I am sure, have no desire, to delay those bills if they can be passed before adjournment; and it may be necessary from time to time during the next 2 or 3 days to call up such House bills. I do not desire to exclude Senate bills, but I think, from the looks of things, we are going to have sufficient time to consider most of the bills on the calendar by calling them. I do not think it will take long to dispose now of the House bills that have come over.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. McKELLAR. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I am not going to object to the request of the Senator from Kentucky to call the calendar for unobjected-to House bills, but I do wish to give notice at this time that at the very first opportunity—and the only reason I do not make the motion now is because I am tied up in the Appropriations Committee on a matter which is going to take more time-I shall move to take up Calendar No. 227, Senate bill 1681.

Mr. BARKLEY. That is the bill, as I understand, to which the Senator referred yesterday, which went over on the call of the calendar?

Mr. McKELLAR. Yes.

Mr. BARKLEY. So far as I am concerned, at any time the Senator is prepared to take that bill up it would be agreeable to me to do so.

Mr. AUSTIN. Mr. President, let me observe that that bill is still in committee, although it appears that the bill is on the calendar. The RECORD ought to show that it was understood that the bill should not be proceeded with until the Judiciary Committee heard new evidence and reported after having heard the new evidence. They have heard the testimony of the Senator from Tennessee and his colleague, but the committee have not completed their hearings. At the request of the Senator an adjournment of the committee was taken, but the hearings by that committee, I repeat, are not concluded. Therefore, I think there is no possibility of the Senate, unless it discharges the committee, considering this bill.

Mr. McKELLAR. Oh, no.

Mr. BARKLEY. Mr. President, may I ask the Senator from Vermont how a bill of this character or any other character could appear on the calendar unless the committee had reported it?

Mr. AUSTIN. The bill was placed on the calendar in due form. Promptly upon its being called when reached on the calendar. I rose and started to ask to have it recommitted to the committee for the consideration of further evidence. Thereupon, the Senator from Tennessee made the suggestion that the same purpose could be accomplished by allowing the bill to remain where it was on the calendar and hold hearings in the committee and take the new evidence. In order to accommodate the Senator, I assented to that method of procedure.

Mr. McKELLAR. Mr. President, I think the Senator is mistaken.

Mr. AUSTIN. The committee has proceeded up to a certain point but has not finished its work.

Mr. McKELLAR. Mr. President, my recollection is not like that of the Senator from Vermont. The Senator objected to the bill on the ground that certain Senators on the Judiciary Committee that have been appointed to investigate such bills as this wanted to investigate it further. I did not object to that at all, and I went before that committee, but the bill was never recommitted to the committee or rereferred to the subcommittee. It was reported by the subcommittee, as I recall, but there was no agreement that this bill was not to be called when it was reached, and the only reason it went over was because the Senator from Vermont objected to it the other day, as, of course, he had a right to do.

I did not agree at all that it might be referred to some other subcommittee of the Judiciary Committee. It is still on the calendar, and if members of the Judiciary Committee are opposed to it they have a right to fight it; that would be all right; but I want a hearing for the bill; I want the hearing at this session, and I am going to make every effort humanly possible to have the measure passed. The Senate has already passed a bill almost exactly similar to it, creating such a district as this bill proposes to create. At that time it was objected to by the Department but the Department has since withdrawn its objection.

Mr. AUSTIN. Oh, no.

Mr. McKELLAR. Yes, it has. I have a letter from the Department and the committee has a letter from the Department withdrawing its objection and favoring this bill.

Mr. AUSTIN. Mr. President, you will observe that there is a grave question of fact in issue. On this matter of veracity I will not be heard to say another word; I will not be put in that position by any Senator. All I have to say is that when an effort is made to make order of business No. 227, Senate bill 1681, the pending business, I shall oppose it.

Mr. McKELLAR. Yes, that would be entirely proper, and I would have no objection to that being done.

Mr. BARKLEY. I renew my request that the calendar be called for the consideration only of House bills to which there is no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. KING. Mr. President, before the request of the Senator from Kentucky is agreed to——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. BARKLEY. I yield.

Mr. KING. I desire to inquire whether or not when a bill is called objection could be interposed?

Mr. BARKLEY. I asked for the consideration of House bills to which there was no objection.

Mr. KING. I did not understand that portion of the

Mr. BARKLEY. Mr. President, I should like to have the request include a number of House bills which have been reported by committees and are now on the desk but have not been printed and placed on the calendar.

Mr. JOHNSON of California. Mr. President, may I ask the Senator from Kentucky when he contemplates adjournment?

Mr. BARKLEY. Does the Senator mean final adjournment?

Mr. JOHNSON of California. Yes.

Mr. BARKLEY. I cannot tell the Senator. Very much depends upon what the House may do and when it does it. So far as the Senate is concerned, except for the deficiency bill, I think we could adjourn tonight or at any other time; but the House still has some matters which it has to dispose of. The deficiency bill is now before the Appropriations Committee of the Senate, and I do not know when it will be reported, and its passage will depend upon the number and character of amendments that are put on the bill when it is before the Senate. I doubt very seriously, I will say to the Senator, whether we can adjourn before Saturday night, and I am not absolutely certain we may be able to do that.

Mr. JOHNSON of California. But we can put that as the reasonable limit.

Mr. BARKLEY. I think so.

I inquire, Mr. President, if my request has been acted on? The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky that unobjected-to House bills on the calendar be considered? The Chair hears none, and it is so ordered.

Mr. KING obtained the floor.

FEDERAL HOME LOAN BANK SYSTEM AND HOME OWNERS' LOAN CORPORATION

Mr. BARKLEY. Mr. President, will the Senator from Utah yield?

Mr. KING. I yield to the Senator from Kentucky.

Mr. BARKLEY. During the debate a few days ago on the so-called lending bill, the Senator from Virginia [Mr. Byrn]

made some observations with respect to various Government corporations, including the Home Loan Bank System. I have a letter from Mr. T. D. Webb, the vice chairman of the Home Loan Bank Board, calling attention to the Senator's observations and making some corrections in them. I ask unanimouse consent that the letter be printed in the Record.

Mr. BYRD. Mr. President, I shall make no objection to the request of the Senator from Kentucky, but will say that as soon as it can be prepared I shall present for inclusion in the Record some information which I think will show that the statement I made on the floor of the Senate was accurate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none.

The letter referred to is as follows:

JULY 28, 1939.

Hon. ALBEN W. BARKLEY,

United States Senate, Washington, D. C.

MY DEAR SENATOR: There has come to my attention that portion of the debate on the program for financing recoverable expenditures in which you reply to Senator Byrn's allegations of the losses which the Federal Government would sustain as a result of its capital investment in the Federal Home Loan Bank System and the Home Owners' Loan Corporation. For your convenience I herewith quote the statement made by Senator Byrn, which appears on page 10010 of the Congressional Record for Wednesday, July 26, 1939:

July 26, 1939:

"Mr. Byrd. For example, \$100,000,000 has been invested in the capital stock of the Commodities Credit Corporation, which, by the statement of the President, as directed to the Congress, is valueless. Twice have appropriations been made to make good the stock of the Commodities Credit Corporation. There are quite a number of other such stock purchases; for example, the Federal homeloan bank, and the Home Owners' Loan Corporation, with \$325,000,000, is included in the list of alleged assets, and anyone who is familiar with the Home Owners' Loan Corporation operations knows that the losses have greatly exceeded \$325,000,000. As a matter of fact, up to June 30, 1938, there were 152,262 foreclosures authorized, and, actually, something like 65,805 homes have been repossessed which are now rented and 9,322 which are not rented."

The form of this statement and its sequence of facts are very

repossessed which are now rented and 9,322 which are not rented."

The form of this statement and its sequence of facts are very misleading. The \$325,000,000 figure used represents the Government capital investment in both the Federal Home Loan Bank System and the Home Owners' Loan Corporation. This may be broken down to show that the Reconstruction Finance Corporation has invested for the Secretary of the Treasury in the regional Federal home-loan banks a sum amounting to \$124,741,000. The Secretary of the Treasury holds the entire \$200,000,000 of capital stock in the Home Owners' Loan Corporation. May I for your general information outline certain pertinent facts concerning the Government stake in each of these investments.

From October 15, 1932, to June 30, 1939, the 12 Federal Home

From October 15, 1932, to June 30, 1939, the 12 Federal Home Loan Banks have declared and paid dividends of \$9,849,146.10 on the Government's investment of \$124,741,000. The sound financial position of the Federal Home Loan Bank System is indicated by the fact that during this same period it has paid \$2,600,000 in dividends to members, has accumulated undivided profits and reserves for contingencies amounting to \$4,500,000, has provided for reserves required under section 16 of the Federal Home Loan Bank Act of \$4,300,000, and has advanced to its members a total of \$523,023,390.54, upon which no loss has been sustained.

\$523,023,390.54, upon which no loss has been sustained.

Senator Byrn has given the impression in the above-quoted statement that the Federal Home Loan Bank System belongs in the category of a temporary agency such as the Home Owners' Loan Corporation. This is, of course, not the case. During the almost 7 years of the System's operation, it has definitely established itself as a reserve system in the field of home-mortgage finance, comparable to that of the Federal Reserve System in the field of commercial banking. The Bank System at the end of the last fiscal year had total assets of almost \$300,000,000, and there is no question of its continued growth. I think you will agree that the record proves the Bank System to be a sound dividend-paying financial organization, and that the investment of the Government, far from being a risky one, is sound and profitable.

When, in the summer of 1933, Congress created the Home Owners' Loan Corporation as an emergency relief agency for the benefit of home owners, it provided \$200,000,000 of capital for the use of the Corporation. The purpose of the Corporation was essentially one of relief; it was not established as a profit-making institution. In fact, at the time of its creation heavy losses were forecast, and anticinated

forecast and anticipated.

The statement that, "the losses have greatly exceeded \$325,-000,000" is inaccurate. From the beginning of its operations until June 30, 1939, the Home Owners' Loan Corporation has set aside over \$146,000,000 as reserves for losses to be sustained in the liquidation of its loans. During that time about \$56,000,000 has been charged against this reserve for losses. The impairment of capital therefore at the close of the fiscal year was just under \$60,000,000 after providing for the above-mentioned reserves, which, as indicated, now stand at approximately \$90,000,000.

It must be remembered that the Corporation took over more than 1,000,000 distressed home mortgages to an amount in excess of \$3,000,000,000, which private agencies were either unable or unwilling to carry. As a matter of fact, from the standpoint of risk, the mortgage obligations financed by the Home Owners' Loan Corporation were considered as the poorest type of risk in the home financing field. That the losses on the risks assumed by the Corporation have been low is a tribute to the integrity of the American people and their determination to meet their obligations to the extent of their ability to do so.

I have volunteered this information in an effort to correct any

I have volunteered this information in an effort to correct any misunderstanding that may have grown out of Senator Byrn's statement about the losses of the Bank System and the Home

Owners' Loan Corporation. Sincerely yours,

T. D. WEBB, Vice Chairman.

AMENDMENT OF PHILIPPINE INDEPENDENCE ACT

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. TYDINGS. I think the request I am about to make of the Senator from Utah will take about half a minute.

Mr. KING. I yield, with the expression that the Senator may have a minute instead of half a minute.

Mr. TYDINGS. That is very kind.

I ask that the House bill dealing with the Philippine Islands be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the bill from the House of Representatives (H. R. 7096) to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," which was read twice by its title.

Mr. TYDINGS. Mr. President, some time ago the Senate passed a bill dealing with this subject. The House, however, did not act on the Senate bill, but passed its own bill, because it was thought that under our Constitution the revenue measures contained in the Senate bill would have to be initiated in the House of Representatives. However, there is very little fundamental difference between the House bill and the Senate bill. Senators who may be interested have seen the House bill, and, so far as I know, there is no objection to it.

I therefore ask that the House bill be put upon its third reading and final passage.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WHITE. Have the members of the Committee on Territories and Insular Affairs been consulted about this matter?

Mr. TYDINGS. All of those that I know have any interest in it have been consulted, as well as the Senators from sugar-producing States who have an interest in the bill, and almost all other Senators I can think of who might be interested in it.

Mr. WHITE. Has the Senator from Vermont [Mr. Austin], who is acting as minority leader, been conferred with about it?

Mr. TYDINGS. I think the Senator from Vermont would be satisfied with whatever the Senator from Michigan [Mr. Vandenberg] would be satisfied with on the measure. However, if there is any objection later on, I shall ask a reconsideration.

EFFECT ON DOMESTIC SUGAR

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. TYDINGS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Am I to understand that this bill as it was passed in the House is substantially the same, with respect to its provisions regarding sugar, as the bill which passed the Senate?

Mr. TYDINGS. To the best of my knowledge there is no substantial difference between the House bill and the Senate bill in regard to sugar.

Mr. O'MAHONEY. There is no change in the sugar quota?

Mr. TYDINGS. None at all.

Mr. O'MAHONEY. So that in permitting the passage of this bill at this time we shall not be changing the action of the Senate?

Mr. TYDINGS. Not a bit.

Mr. O'MAHONEY. Although it is a different bill that comes before us?

Mr. TYDINGS. That is correct, except that there is in it a revenue provision which ought to originate in the House of Representatives to come clearly within the purview of the Constitution.

Mr. O'MAHONEY. Mr. President, when the Senator from Maryland advised me yesterday that he was about to ask that this bill be acted upon, I was considerably concerned, not only because I wanted to be sure that the House bill did not modify any of the provisions of the Senate bill with respect to Philippine sugar, but also because reports were being published in the newspapers and circulated through certain financial letters that it was the purpose of the State Department to await the adjournment of Congress, and then to announce a reduction of 15 points in the tariff upon Cuban sugar. It seemed to me to be almost unbelievable that there could be any basis for that charge; but it was made openly in the columns of the press, and it had been circulated for several months.

For example, yesterday morning in the Journal of Commerce and Commercial of New York, Wednesday, August 2, there was a story on sugar prices which contained this paragraph:

Domestic sugar futures continued to mark time yesterday, apparently waiting for adjournment of Congress, since it is widely believed that action on the Cuban sugar duty will be taken immediately following that event.

Mr. President, at the beginning of this session I was one of those who offered a resolution, which went to the Committee on Finance, having to do with this proposed modification of the reciprocal-trade agreement with Cuba intended to make a further reduction of the tariff upon sugar. That matter was considered at an open, public hearing. It was and is a question of great importance to the sugar-producing States in the United States, and to all domestic sugar areas, whether or not it is proposed to grant additional concessions to Cuban sugar interests.

Much concern has been felt throughout the United States because of the apprehension that it might indeed be the intention of the State Department to announce a modification of the trade agreement immediately after the adjournment of Congress.

In the letter issued by Farr & Co., brokers in raw and refined sugar, on Wednesday, July 19, I found, for example, this statement:

Today the market for Cuban sugar is stimulated by a report that the Cuban Ambassador is leaving for Washington to speed negotiations for revision of the reciprocity treaty and that the Cuban Government has virtually accepted proposals made by our State Department paving the way for the ratification of this much-discussed proposition. Many of those best informed have been of the opinion that a final agreement on this question would be held back until the American Congress adjourned and as this is now expected within 2 weeks, the prospects for the 15-point tariff reduction to be made effective appear to be more favorable than at any previous time.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield.

Mr. KING. I have examined the bill, and it seems to me that it is not susceptible of any interpretation which might affect the sugar interests of the United States. Indeed, it does not deal with sugar; it deals with a few unimportant commodities with which there is no particular competition in the United States Certainly, as a member of the Committee on Territories and Insular Affairs, which considered this matter, I would not consent to the passage of any measure which would injuriously affect, or affect at all, our sugar interests.

Mr. O'MAHONEY. Mr. President, I am satisfied that the bill as it comes to the floor of the Senate now does not change the situation with respect to sugar, but I wanted to take advantage of this opportunity to emphasize my view with respect to the right of Congress to have the most complete information regarding the negotiation of reciprocaltrade agreements. I wanted, also, to eliminate if possible whatever basis there may have been for the allegation that

it was the purpose of the State Department, immediately Congress went into adjournment, to take action which the State Department knows would be opposed by a substantial number of Members of this body and of the House of Representatives. So I am very happy to send to the desk this morning a letter from the Honorable Francis B. Sayre, Assistant Secretary of State, which I shall ask that the clerk read.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KING. It seems to me that the Senator desires to warn the Secretary of State not to negotiate any treaty with Cuba-and I am in sympathy with that view-which will be injurious to the sugar interests of the United States. This is an admonition to the State Department to keep within legitimate bounds.

Mr. O'MAHONEY. I am not one to admonish anyone.

Mr. KING. I differ with the Senator.

ASSISTANT SECRETARY OF STATE DISAVOWS REPORT

Mr. O'MAHONEY. But I should like to have the letter read, and then I shall be very happy to have the Senator from Maryland make comment upon it.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

ASSISTANT SECRETARY OF STATE Washington, August 2, 1939.

The Honorable Joseph C. O'MAHONEY,

United States Senate, Washington, D. C.

MY DEAR SENATOR: With reference to our telephone conversation of this afternoon regarding the statement which you stated recently appeared in the press to the effect that the State Department is only awaiting the adjournment of Congress before cutting the tariff only awalting the adjournment of Congress before cutting the tariff duties on Cuban sugar, I should like positively to deny the statement. As a matter of fact, negotiations with the Cuban Government have been in progress ever since last November. These negotiations have had their ups and their downs. For a time it looked as though announcement would have to be made of the break-down of the negotiations. At the present moment it is impossible to say whether the negotiations will be successful and an agreement can be reached or not. Many grave obstacles stand in the way of agreement. It can be positively asserted that no immediate action is in prospect. is in prospect.
Sincerely yours,

FRANCIS B. SAYRE.

Mr. TYDINGS. Mr. President, the Senator from Louisiana [Mr. Ellender] I know is likewise concerned about sugar, and I should be glad to answer any question he might desire to ask.

Mr. ELLENDER. Mr. President, I do not desire to ask the Senator from Maryland a question, but a few minutes ago he made the statement that all Senators interested in sugar were consulted, and I wish to say that, although I represent a sugar-producing State, I was not consulted. I take the Senator's word to the effect that there is nothing in the bill which changes the tariff on sugar or, in fact, the present sugar set-up.

Mr. TYDINGS. No change was made in the sugar set-up: and because the Senators from Colorado and Wyoming, who are keenly interested in the subject, had examined the bill, I took the liberty, as no change was made, of making the broad statement I did make.

I ask that the bill be put on its passage.

Mr. O'MAHONEY. Mr. President, I ask the Senator whether he has any comment to make upon the letter just

Mr. TYDINGS. I learned from Mr. Sayre this morning that the report published in the press, to which the Senator adverted, was without foundation, and that it was neither the intention of Mr. Sayre nor of the State Department to promulgate the line of policy indicated in the newspaper comment to which the Senator referred.

Mr. O'MAHONEY. Mr. President, I understand how important it is to the executive branch of the Government to secure action upon this bill, and in view of the fact that there is now to be a change in the high commissionership, and Secretary Sayre is about to go to the Philippine Islands. I should not want to take advantage of the opportunity which is presented at this late day in the session to prevent

the passage of the bill, or even to offer an amendment with respect to the Cuban tariff, although I desire to call attention to the fact that the Senate of the United States months ago passed a bill amending the present sugar act, and sent it to the House of Representatives, where it has been pigeonholed in the Committee on Agriculture because the executive arm of the Government, including the State Department, has been unwilling to have it considered. I want the RECORD to show that I am not following, with respect to Philippine legislation, the example that was set to me with respect to sugar legislation.

Mr. TYDINGS. Mr. President, the Record will show what the Senator has just stated, and the letter, and I may say that the Record will likewise show that Wyoming has a wideawake Senator, who looks after its interests, in the person of the senior Senator from Wyoming [Mr. O'MAHONEY].

Mr. VANDENBERG. Mr. President, I should like to ask the Senator from Wyoming how he interprets the letter which he has had read at the desk.

Mr. O'MAHONEY. I will ask that the letter be handed back to me.

Mr. VANDENBERG. There is some consolation and comfort in the letter from the viewpoint of those who think American farmers are entitled to priority over Cuban farmers.

Mr. TYDINGS. Mr. President, if I may answer for the Senator, or supplement what he would say with something of which he did not have first-hand knowledge, this morning I talked with Mr. Sayre about this matter, and he told me that I could state emphatically on the floor that no action of the kind indicated in the newspaper article was contemplated, and that no action of that kind would be taken by the State Department.

Mr. VANDENBERG. Mr. President, may I interpret that to this extent, that there will be no action by the State Department in a further reduction of Cuban tariffs on sugar pending the reassembling of Congress next January?

Mr. TYDINGS. The Senator can interpret only what I have myself heard Mr. Sayre say; namely, that the State Department contemplated no action; secondly, that the State Department would take no action touching the matter indicated by the Senator from Wyoming. I cannot interpret any better than by making those two statements. However, from those two propositions I would assume that between now and January, if certainly not for a longer period, no action of the kind mentioned by the Senator from Wyoming will be undertaken by the State Department.

Mr. O'MAHONEY. Mr. President, if I may answer the Senator from Michigan, now that I have the letter back in my hand, I will say that I would not wish to interpret it as a broad assertion that the State Department is absolutely and completely foreclosing itself from the right to complete negotiations. I take this as a practical matter, however. The concluding sentences read as follows:

At the present moment it is impossible to say whether the negotiations will be successful and an agreement can be reached or not. Many grave obstacles stand in the way of agreement. It can be positively asserted that no immediate action is in prospect.

We all know that the language of diplomacy is traditionally involved and circuitous, but as a matter of practical interpretation, since this is the 3d of August, and Congress will be back in session in January, if no special session shall be called, I think that for all practical purposes we may rest assured that there will be no reduction of the tariff on Cuban sugar while Congress is not in session. I think that, in all the circumstances, since those of us who represent the sugargrowing States are waiving any objection we may have to this bill at this time, we may look forward to careful consideration by the State Department of the right of those of us who represent the sugar-producing States to be heard further upon the matter of any modification of the Cuban reciprocal-trade agreement before any negotiations are concluded.

Mr. KING. Mr. President, I wish to observe that the question about the relations between the United States and Cuba is not germane to the pending bill. The bill does not deal at all with sugar.

Mr. TYDINGS. Of course not.

Mr. KING. It has no relation whatever to the relations between the United States and Cuba.

Mr. O'MAHONEY. Mr. President, it does deal with sugar. I can read the language of the bill, if the Senator insists. It does deal with sugar.

Mr. KING. The Senator is in error; it does not deal with the question of sugar in the Philippine Islands. Its primary purpose is to deal with the importation into the United States of a few commodities which are not in competition with United States products.

Mr. VANDENBERG. Mr. President, I want to assert myself as in precisely the same attitude as that taken by the Senator from Wyoming. We who speak on this floor for the domestic sugar industry do have an opportunity at this moment to strike a blow for the adequate protection of this industry in connection with the pending bill, and when we forego that opportunity on the basis of the letter submitted by the able Senator from Wyoming, I hope that our attitude of generosity in connection with it will be emulated by the State Department and reciprocated when the proper time comes.

Merely to complete the Record so that it may show precisely what it is the letter the Senator from Wyoming refers to, I desire to put into the Record the statement from the New York Journal of Commerce of August 2 one sentence reading as follows:

Domestic sugar futures continued to mark time yesterday, apparently waiting for adjournment of Congress, since it is widely believed that action on the Cuban sugar duty will be taken immediately following that event.

And also a sentence from the Lamborn Sugar-Market Reports, which says:

Offsetting the disappointing A. A. A. delivery figures for June was a renewed rumor that the proposed reduction in the duty on Cuban sugar was again under consideration, with strong intimations of such reduction being made shortly after the adjournment of Congress.

Those two reports are specifically refuted by the State Department in the letter submitted by the able Senator from Wyoming [Mr. O'MAHONEY], and I hope our reliance upon the State Department's reply may be as complete as is indicated by the Senator from Wyoming.

Mr. TYDINGS. Mr. President, I appreciate the courtesy of the Senate in helping us get this bill through, even though the opportunity exists here for bringing in subjects which are indirectly related to it. I also appreciate the great courtesy of the Senator from Utah in yielding the floor.

I hope I may not be considered captious when I suggest that in view of the fact that I have interrupted the speech of the Senator from Utah in order to get the bill considered, Senators will accommodate the courtesy of the action by at least making their future remarks as short as possible, so that all of us may not transgress on his courtesy.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for just one moment more?

Mr. KING. I yield.

Mr. O'MAHONEY. This has to do with the statement of the Senator from Utah that there is nothing about sugar in this bill. I read from page 4, beginning in line 16:

The United States duty shall be levied, collected, and paid, in the United States, upon all Philippine sugars, which are entered, or withdrawn from warehouse, for consumption in any calendar year after 1939, in excess of 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

That very provision was the subject of long debate upon the floor of the Senate when the Senate bill was under consideration in the first place.

Mr. TYDINGS. Not in this bill, I may say to the Senator. That is in existing law.

Mr. O'MAHONEY. Yes; but there was a question as to whether or not there would be a difference of opinion in the

interpretation of direct consumption of sugar, and I find that also in this bill. As a matter of fact, Mr. President, it was because of my desire to be certain that the provisions protecting the sugar industry which we wrote into the Senate bill were contained in this bill, that I asked for the delay in order that I might have the opportunity to examine it. And I may say I am satisfied.

Mr. TYDINGS. So long as we are all in agreement I should like very much to have a vote on the bill.

Mr. ELLENDER. I hope the interpretation placed on the Sayre letter by the Senator from Wyoming will prevail. However, during the past several weeks reports have been brought to my attention that the sugar trade in New York had serious reasons for anticipating that another 15 cents per 100 pounds would be lopped off the tariff on Cuban sugar. When these reports were brought to my attention, I immediately took up the matter with the State Department and I could at no time get the State Department officials to say that they would not take action at some time in the near future on the reduction of the tariff. I expressed to them my sincere hope that the State Department would see fit to take no action until we shall consider the sugar bill next year.

Mr. President, it is well known to the Senate that in 1940 the Sugar Act of 1937 must be extended or a new sugar bill considered. The Reciprocal Trade Agreements Act will also expire in 1940 and the Congress will have to consider whether to extend the powers granted and whether such powers, shall be subjected to reasonable restrictions by the Congress. There is a direct relationship between the reciprocal-trade policies of the United States Government and the Sugar Act of 1937. There is likewise a direct relationship between these two laws and the Philippine Independence Act, which makes definite provisions with respect to sugar. Since these problems are so closely related would it not be wise to consider them together?

At the beginning of this session, I introduced a resolution, the purpose of which was to avoid the plowing up of sugarcane in Louisiana and Florida and make it possible for the sugarcane growers of those States to conduct the normal progress of their industry. When the matter came before the Senate I readily accepted the amendments which Senators from beet-sugar-producing States proposed for the benefit of their beet growers. Although my resolution passed the Senate without a dissenting vote recorded, there has been no further action and the reason given has been that the Sugar Act must be considered in all of its provisions at the 1940 session of Congress.

In like manner, when the reports from Cuba came to the attention of the Senate that commitments had been made by the United States Government to grant Cuba an additional reduction in the tariff on sugar, despite the fact that the tariff had been reduced since 1933 from 2 cents per pound to nine-tenths of a cent per pound, I joined with other Senators in introducing a resolution asking for a full explanation of such commitment. Upon reassurances being given by the Secretary of State that no such commitment had been officially made, it was assumed that the whole subject of sugar tariff would be postponed until the Sugar Act, the Reciprocal Trade Agreements Act, and the Philippine Independence Act could be further considered in a coordinated manner at the same session of Congress. Recently persistent reports from Cuba and statements coming from persons engaged in the sugar trade at New York, have created the general impression that the expected changes in the Cuban trade agreement are awaiting the adjournment of Congress. Newspaper reports daily and trade reports alike for the past 3 or 4 weeks have repeated this expectation so often that I have become convinced that these reporters actually believe that there is in prospect a reduction in the tariff on Cuban sugar immediately after Congress adjourns. All trade reports indicate that Cuban sugars in large volume are being imported, but not entered in the customs of the United States, in anticipation of a reduction in the Cuban tariff, which would

mean a saving of 15 cents per 100 pounds of sugar imported into this country.

Mr. President, I realize that it is neither practical nor desirable to legislate on sugar every year and I can see why the administration and its leaders in Congress might want to postpone action so that the whole subject can be considered at one time. I submit that it is entirely inconsistent to postpone action to afford relief to the sugarcane growers and the sugar-beet growers of the United States, and at the same time take action for the benefit of the Cuban industry, most of which will flow into Wall Street rather than into the pockets of the sugarcane growers and laborers of Cuba. To be consistent and to do a fair job for everybody concerned, all of these matters should be considered by Congress at the same time so as to have coordination. If the Cubans are given special relief in advance of the next session of Congress, will they not be in a preferred position when the sugar bill is considered in 1940? The situation is not at all involved. It may become confused if Congress takes action with reference to the Philippines that might act as an obstacle to a full and free consideration of the whole sugar problem next year. It will certainly become confused if the State Department chooses to give advanced preferential treatment to Cuba in the matter of tariff. It is my sincere hope that the State Department, having delayed action on amending the Cuban trade agreement while Congress is in session, will wait until the next session of Congress to further consider the matter.

Mr. President, I wish to point out one important reason for objecting to any change in the tariff on Cuban sugar during this session of Congress or at any time in the near future. As I pointed out a few minutes ago, the President has already reduced the tariff on Cuban sugar in the amount of 60 cents per 100 pounds. When the Sugar Act of 1937 was passed the amount of the benefit payment to the sugarcane and sugar-beet growers was fixed at 60 cents per 100 pounds, so that the growers would be reimbursed a sum equal to the reduced protection accorded their industry.

Necessarily if the rate of duty on Cuban sugar is to be further reduced, the rate of the benefit payments to our sugar producers should be increased correspondingly, otherwise the growers of sugarcane and sugar beets in the United States would be the victims. It should be the desire of those of us who have the interest of the American farmers at heart to make sure that at no time will any change in our Government's policy be made at their expense.

Mr. President, I desire to thank the distinguished Senator from Utah [Mr. King] for his indulgence.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed

Mr. TYDINGS. Mr. President, I want to thank the Senator from Utah for his courtesy.

Mr. KING. Mr. President, just one observation. I repeat what I said a moment ago, that this bill does not affect our dealings with the Philippines, and the relations between the Philippines and the United States in regard to sugar. It deals with other matters quite foreign to the sugar question. The sugar bill which is now upon the statute books fully protects the United States in its relations with the Philippines, and I am sure there is no Senator who desires to change that relation so far as the present is concerned.

Mr. BORAH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. KING. I yield.

Mr. BORAH. Mr. President, before we take our final departure, in regard to the bill we have been discussing in the last few minutes, I should like to accord my congratulations to the gentleman who has just been appointed Philippine High Commissioner. If I understand correctly his interview, he is going there not for the purpose of propagandizing for the breaking of obligations of this Government, but for the purpose of carrying them out, and that he feels that our national honor is involved in maintaining the compact or

contract which we have heretofore made with the Philippine people.

Mr. VANDENBERG. Mr. President, may I just add a word of congratulation also to the new Commissioner, that he completely disagrees with his distinguished predecessor, Mr. McNutt, that we ought to stay in the Philippine Islands forever.

Mr. KING. Mr. President, it would seem that the Philippine problem has been thrust into the discussion today perhaps with some advantage. May I say, deviating from the speech which I intended to make, that I have been very much interested in the Philippine problem for many years. I think the great mistake which was made by the United States was in failing to carry out the pledge of the Democratic Party made in 1920. I had the honor to introduce the resolution in the Democratic convention, and in the Democratic platform, that the Filipinos should have their complete independence at the earliest possible date, and if back in the early twenties we had given to the Filipinos their independence, as they desired, and as we promised in the platform to which I have referred, some of the problems which have arisen since then would have been obviated and the Philippine question would no more be upon the doorstep of the United States.

I feared that it would be with us for an indefinite period, but I am very glad that the President has selected Dr. Sayre as the Philippine Commissioner, because he will approach the problems there in the proper spirit, and with the determination to see that the rights of the continental United States and the American nationals shall be respected and preserved.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF NEVADA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2) authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes, which were, on page 2, line 12, to strike out all after "of", where it appears the first time, down to and including "24" in line 4 of page 3 and insert "sections 12, 13, and 24, but specifically excluding the land in the area which is under private ownership,"; on page 3, line 17, after "sanitation," to insert "or if there be a repeal, with no reenactment within 90 days of the resolution of the Board of County Commissioners of Clark County, Nev., dated August 1, 1939, made in consideration of the passage of this bill, which forbids gambling and the sale of liquor within the confines of the proposed State park or within a radius of 6 miles of the boundaries thereof,"; and on page 3, line 22, after "for", to insert "national recreational area or"

Mr. PITTMAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

NEUTRALITY, BY LAW AND IN PRACTICE

Mr. KING. Mr. President, there has been considerable discussion during this session in regard to neutrality. I desire to submit a few observations on the subject, hoping that they may have some effect upon the action of the Senate upon this important question.

Conflicting views are dividing the American people with respect to the course which our Government should pursue in its international relations,

It is insisted by some that the present Neutrality Act shall be continued. Others insist that it shall be strengthened, and by that they mean that greater restrictions shall be imposed upon our Government and upon our nationals. Others urge that the present Neutrality Act has proven most unsatisfactory and will endanger the peace of our Republic; and, under these circumstances, the demand is made that the Neutrality Act of 1937 be repealed, and that our Government chart its course by the principles of international law.

There are those who contend that international law is inadequate to meet situations which international conflicts, particularly if they eventuate in war, develop. In other words, they insist that international law, notwithstanding its

importance and pervasive influence, is silent in periods of stress and storm and when the fires of war are lighted.

I was opposed to the Neutrality Act of 1935, which was amended by the act of 1937. I believed it to be a departure from the traditional attitude of our Government with respect to the principles of neutrality. I insisted that it was not in harmony with the principles that were announced by Washington and Jefferson, and by which this Nation was governed in its international relations during the intervening years.

The act, as I believed, not only was a restriction upon our Government but it was an interference with the freedom and liberty of our nationals. I believed then, as I believe now, that it was unneutral, and therefore would not only prove unsatisfactory but might provoke international criticism and possibly international difficulties.

Certainly it was an attempt at isolation, and was a surrender of American rights for which the act itself afforded no compensation,

Briefly, the act provides that the President, whenever he shall find that a state of war exists between two or more foreign states, or that civil strife of sufficient magnitude exists in a foreign state, shall proclaim such fact. Thereafter it shall be unlawful to export arms, ammunitions, or implements of war from the United States to any of the belligerents; to purchase, sell, or exchange bonds or other obligations of any belligerent government; to arm any merchant vessel of the United States beyond the extent necessary to preserve discipline aboard such vessel; or for any citizen of the United States to travel on any vessel of a belligerent. It was further provided that the law should not apply to American republics engaged in war against a non-American state, if the American republic was not cooperating with a non-American state in such war.

The so-called cash-and-carry provisions of the act, which expired on May 1 last, prohibited the shipping in American vessels of articles, specified by the President, in addition to arms, ammunition, or implements of war, and allowed their export in foreign ships only after all right, title, and interest had been transferred to a foreign government or agency.

It is to be noted that the act is not to be operative unless and until the President shall find that a state of war exists. In other words, it is entirely within the discretion of the Chief Executive to determine whether or not arms and munitions may be sold to a country engaged in hostilities, whether or not a citizen may purchase bonds of such a government or travel upon her ships. The dangers that inhere in this unfettered discretion—with no standard of any kind to guide the President in making the determination, with no definition of what constitutes a "state of war," with no requirement that a state of war be recognized even though it in fact exists—become apparent.

Criticisms have been leveled against our Government because of its interpretation of the Neutrality Act, as well as the interpretation which has been placed upon its provisions. It is believed by many that under the principles of international law a different course would have been required by our Government in dealing with the Spanish situation and in its dealings with the devastating and tragic war which Japan has waged against China.

Certainly, conditions which have existed since the Neutrality Act of 1937 have demonstrated the futility of legislating in advance to meet conditions in a turbulent and changing world.

The discretion resting with the Executive, it is believed by many, is inimical to the interests of the American people, and may result in placing the Government in an unneutral position. The moment hostilities occur in any part of the world, the President must determine whether or not the resources of this Nation shall continue to flow to the belligerents. If an embargo is laid, it is inconceivable that it would affect both belligerents alike, and the country disadvantageously affected would have grounds for complaint; whereas, if the act is not invoked the other belligerent might be injured. Even though the President exercises this discretion solely for the welfare of the United States, the belligerent that is adversely affected can look upon it only as a

hostile act on the part of this country. Placing the Government in such an unneutral situation, where it will likely incur disfavor from one side or the other, cannot be cited as an aid in keeping America out of war.

The difficulty in applying the act is further aggravated by the time element. Should it be invoked at the moment the first shot is fired, or should there be an interval during which peace negotiations may be attempted, or until it appears that the war will be of such proportions as to present a threat of involvement to America? If the act be not invoked at once, a belligerent might quickly obtain sufficient arms and other essentials before it is applied. The delay would be regarded by the other belligerent as a hostile and unneutral act toward it.

Another ground for my opposition to the act is that it offers an incentive for aggressive nations to declare war against nations which are less prepared and less aggressive; for so long as there is peace, arms, ammunition, and implements of war may be obtained from the United States. Walter Lippmann states that by repealing the Neutrality Act "we shall take away from them [referring to Germany and Italy] the hideous inducement to start a war in order to deprive their opponents of supplies that they can obtain only as long as there is no war."

In the troubled conditions prevailing throughout the world today, this Republic, with its great material and moral strength, should lead in the progress toward international peace and friendly cooperation among the family of nations. Dedicated to the high principles of justice and freedom, it has ever sought the settlement of disputes by pacific means. The spiritual force of this democracy has elevated the concept of government in many lands, and its devotion to peace has had its influence upon the world.

The act of 1937 is illogical and, in my opinion, should be repealed. There is no basis for placing an embargo upon the sale of arms, ammunition, and implements of war and not including in that embargo other articles such as oil, food, and clothing which are as essential, if not more so, to the conduct of modern warfare. Surely there is no greater risk in shipping armaments than there is in transporting other articles needed in carrying on military activities. The arbitrary distinction is unfair to certain nations and, again, places the United States in an unfavorable situation. Industrial countries do not need arms and munitions if they can import the raw materials with which to manufacture them; but some countries which are primarily agricultural are themselves in dire need of the manufactured articles, and their embargo, while permitting the exportation of scrap iron and other essential raw materials from which they are made, operates to the disadvantage of nonindustrial nations.

In this troubled world condition, legislation in advance concerning our foreign policy cannot be planned intelligently. Our short experience under the present act has demonstrated the impossibility of formulating a rule to guide the United States in international conflicts which may arise. We cannot foresee who will be at war or the cause of the war. We cannot divine the issues which will be involved; nor can we give expression to what the public sentiment in this country will be 6 months from now, or 1 year, or 5 years.

The act of 1937 is a surrender of conceded neutral rights even before war breaks out. In the event of a conflict, having surrendered certain rights, I fear we shall have to enumerate rights to which we intend to hold fast. Belligerents are not concerned in the details of local legislation. They are at war, and grudgingly admit restraints imposed by the principles of international law as they have come to be accepted through centuries of warfare.

There is no justification for the surrender of our neutral rights. There is no requirement for such self-denial.

If the purpose is to prevent war, concerted action by several great powers would be the only effective curb. The futility of one nation attempting a partial or general embargo against belligerents in order to prevent war has been demonstrated throughout history. It is too clear for argument that if the United States refuses to sell certain articles to countries at war, others producing the same articles will

gladly supply the warring nations. The restriction upon our own trade is merely a deprivation for the benefit of our foreign competitors. It must be remembered that Americans by nature will oppose restraints upon their rights and freedom unless the justification therefor is clear.

However, regardless of the purpose, so long as the ultimate end is to avoid being drawn into a war, the Neutrality Act presents dangers to American peace interests, and any neutrality measure must be carefully and skillfully drawn because of the almost certain danger of its operating as an unneutral measure.

The United States has not often been a belligerent, and therefore has been primarily interested in determining the rights of neutrals, particularly with reference to matters affecting trade and commerce. This has resulted in announcing, as an international policy, the freedom of the seas. Our Nation has been foremost in championing the freedom of the seas, and I am unwilling to favor a policy, adopted in the act of 1937, which in effect is an attempt to seek isolation by the abdication of our rights at sea, if not on land.

It is apparent that we cannot be isolated from all possible dangers of international conflicts, and no policy of alleged neutrality should be adopted which narrows the rights of our country or weakens international law. The rights of neutrals and belligerents should rest upon recognized principles of the law of nations. This does not mean that treaties should not be entered into between nations for the purpose of promoting peace and widening the opportunities for trade and commerce and cultural and economic devel-

As I have indicated, the act of 1937 seeks to deprive Americans of the freedom of action in the event of a foreign war. It serves notice in advance that our Government will draw no distinctions between the violators of international law and the victims of such violation.

I opposed the act of 1937, believing that it would encourage armament at home, if not abroad, and that the American people would be called upon to increase their already heavy appropriations for military and naval purposes. This prediction has come true; and the appropriations for socalled preparedness which will be made by the present Congress for the next fiscal year will exceed \$2,000,000,000.

For the reasons stated, and others which might be mentioned, the neutrality legislation, in my opinion, should be repealed, and we should take our stand upon the foundation and precepts of international law.

However, it is contended that these principles were violated during the World War, that treaties and solemn pacts were ignored and broken with impunity, and that therefore international law is dead.

Assuming this contention to be true, if the alternative to international law-the Neutrality Act-offered a guaranty of peace, there would be validity in the argument that we should rely upon the Neutrality Act to keep us out of war: but since it is admitted that there can be no guaranty of peace, it becames our duty to follow such a course as will give the United States the most security in its intention to remain at peace. The grave complications likely to result from tying the hands of government by declaring a policy in advance of circumstances that cannot be predicted may not be minimized. I have adverted to a few of the embarrassments which the United States would face in the event of an international conflict if our course were charted by the act of 1937; and these would tend to involve the country in war far more than situations which might arise under the rules of international law.

I cannot subscribe to the view that the law of nations is dead. Dr. John Bassett Moore, the eminent authority on international law, who was for 6 years a judge of the Permanent Court of International Justice, insists that it has not ceased to exist merely because its principles have been violated. He declares:

It has never heretofore been supposed that when belligerents violated international law they believed that they were destroying it or depriving it of its obligatory force.

International law is recognized among all nations. It is a term applied to the body of rules and regulations of states and other bodies possessing international personality. It is more than policies adopted in diplomatic relations. It finds expression in comity among nations. It is a part of the law of the land, recognized by the courts and by judicial tribunals in all civilized nations. It has been implemented and strengthened by agreements, treaties, customs, and concrete and ordered dealings among states. International law was recognized in ancient Greece, but it declined under the Roman Empire. It has been said that the birth of international law is traceable to the Peace of Westphalia. It is not unilateral but multilateral, and is in part due to compromises among nations under the terms of which selfish state laws or international policies are modified in the interest of better relations among nations. It is a recognition of the importance of higher moral standards among nations and a broader spirit of tolerance and justice. Grotius and other great writers on international law sought to mitigate the spirit of fierce nationalism and to secure a recognition by nations of what might be called natural justice.

They sought to modify the doctrine of exclusive sovereignty of nations and to bring about a certain amount of collectivity of action among nations. Various international conferences have been held for the purpose of codifying international law and formulating broader policies for the promotion of world peace.

As nations advanced in civilization, a higher ethical concept was developed, and the principles of international law became more firmly established and more generally recognized.

More recently efforts have been made to develop international machinery for the purpose of outlawing war and to make more effective the principles of international law. In the evolution of the principles of international law, emphasis was early laid upon impartiality toward belligerents, but more recently methods are being sought to determine the justice of war and who are the aggressors. Neutrals are to aid in bringing pressure upon wrongdoers.

And so the view is being developed that international law, with its emphasis upon neutrality, does not compel neutral nations to be silent in the face of assaults by powerful states upon weak and unoffending peoples. In other words, in determining the course to be pursued by neutrals consideration is being given to the question of justice and ethics and morality which arise or grow out of international conflicts; and the conduct of belligerents is being weighed by neutral nations, and the course of the latter is influenced by the verdict as to which of the belligerents was the aggressor and whether its conduct calls for universal condemnation. This, as I have indicated, may result in profound changes in the law of neutrality and affect the application of international law.

Bainbridge Colby, former Secretary of State, has stated:

It is a well-known principle of international law that the measure of a nation's neutral obligations is to be found in the rules of international law and nowhere else. As a result of centuries of wars, this group of principles was evolved by which belligerents and neutrals achieved some reasonably definite guides to the conduct of their reciprocal relations on land and sea. The adoption of these rules has been regarded throughout the civilized world as a victory for civilization over brute force, for law over anarchy. for civilization over brute force, for law over anarchy.

Mr. Colby warns that the principles of international law, despite the opinion in some quarters that it is a thing of the past, may nevertheless be tellingly invoked to show the unneutrality of the act of 1937:

If we assume the nonexistence of international law because of its unpunished violations during the last war, we may find ourselves confronted by it in all its rigor when our conduct is challenged under its ancient and established rules. We may find that we have consigned our shipping to disuse, transferred the trade of our citizens to foreign competitors, and undermined fatally our domestic economy, discovering too late that our new and ingenious formulas have not worked as expected.

The rules of international law may not prove in themselves a source of complete protection. But we shall know what our rights are and we can determine in each instance what degree of self-restraint or forbearance we can afford to practice.

Our present Neutrality Act does not lend to the strengthening of the principles of international law; rather, it is a renunciation of those principles. This nation, occupying a high place among the countries of the world, with its material and spiritual strength, should take the lead in bringing about international cooperation and peace.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, announced that the House had passed without amendment the following bills of the Senate:

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as Assistant to the Surgeon General;

S. 2427. An act authorizing the naturalization of John Ullmann, Jr.;

S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases: and

S. 2893. An act to provide for the local delivery rate on certain first-class mail matter.

The message also announced that the House had passed the following bills, each with amendments, in which it requested the concurrence of the Senate:

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government; and

S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

The message further announced that the House had passed the joint resolution (S. J. Res. 137) authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation to cover the expenses of such participation, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 3375. An act to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio;

H.R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes;

H. R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 edition, title 33, sec. 763), as amended, apply; and

H. R. 6878. An act to amend section 4894 of the Revised Statutes (U. S. C., title 35, sec. 37).

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.;

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes;

H. R. 6049. An act authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a

toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa:

H. R. 6353. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.;

H.R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes;

H. R. 6634. An act amending previous flood-control acts and authorizing certain preliminary examinations and surveys for flood control, and for other purposes; and

H. R. 6874. An act to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78).

The message also announced that the House insisted upon its amendment to the bill (S. 1708) to amend the Employers' Liability Act, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Celler, Mr. Healey, Mr. Walter, Mr. Guyer of Kansas, and Mr. Michener were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2001) for the equalization of letter carriers; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Romjue, Mr. Burch, Mr. Whelchel, Mr. Blackney, and Mr. Austin were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S.6. An act to return a portion of the Grand Canyon National Monument to the public domain;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and, subject to the recommendation of the Attorney General of the United States, to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont.:

S. 809. An act for the relief of Jessie M. Durst;

S. 839. An act to amend the Retirement Act of April 23, 1904;

S. 891. An act for the relief of J. C. Grice:

S. 1092. An act for the relief of Sigvard C. Foro:

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk;

S. 1429. An act for the relief of Earl J. Reed and Giles J. Gentry:

S. 1816. An act for the relief of Montie S. Carlisle;

S. 1821. An act for the relief of Harry K. Snyder;

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 2056. An act for the relief of N. F. Clower and Elijah Williams; and

S. 2408. An act for the relief of Russell B. Hendrix.

AMENDMENT OF BONNEVILLE PROJECT ACT

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 7270) to amend the Bonneville Project Act, requesting a conference with the Senate on the disagreeing votes of the two Houses thereon, and announcing the appointment of conferees.

Mr. BAILEY. I move that the Senate insist on its amendment, agree to the request of the House of Representatives for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BAILEY, Mr. SHEPPARD, and Mr. WHITE conferees on the part of the Senate.

CONSIDERATION OF UNOBJECTED-TO HOUSE BILLS ON THE CALENDAR

The PRESIDING OFFICER (Mr. Gurney in the chair). Under the unanimous-consent agreement entered into earlier in the day, the Senate will now proceed to the consideration of unobjected-to House bills on the calendar.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Downey Ellender Lucas Shipstead Lundeen McCarran Slattery Smathers Andrews Ashurst George Austin Gerry McKellar Maloney Smith Stewart Bailey Gibson Guffey Gurney Mead Miller Thomas, Okla. Thomas, Utah Bankhead Barkley Borah Hale Harrison Minton Tobey Townsend Bridges Murray Neely Nye O'Mahoney Brown Bulow Hatch Truman Tydings Vandenberg Hayden Burke Herring Holt Hughes Pepper Pittman Van Nuys Byrd Wagner Byrnes Johnson, Calif. Johnson, Colo. Radcliffe Reed Walsh Wheeler Chavez Russell Schwartz Clark, Idaho Clark, Mo. King La Follette White Schwellenbach Connally Lodge Sheppard

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present.

Mr. KING. Mr. President, I invite the attention of the Senate to House bill 5685, which I should like to have con-

The PRESIDING OFFICER. Is there objection to the present consideration of the bill referred to by the Senator from Utah?

Mr. BYRNES. Mr. President, I reserve the right to make

an objection. I should like to know what the bill is.

Mr. KING. The House has passed a bill which was exactly the same as a Senate bill dealing with real-estate brokers, salesmen, and so forth, in the District of Columbia.

Mr. BYRNES. I shall object until I have an opportunity to look into the bill.

Mr. KING. Very well.

The PRESIDING OFFICER. Objection is made.

The clerk will call the calendar, under the unanimousconsent agreement, for the consideration of unobjected-to bills from the House of Representatives.

The first business on the calendar under the unanimousconsent agreement was the bill (H. R. 289) for the relief of officers and soldiers of the Volunteer service of the United States mustered into service for the War with Spain.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CLOSER RELATIONSHIP BETWEEN AMERICAN REPUBLICS

The bill (H. R. 5835) to authorize the President to render closer and more effective the relationship between the American republics was announced as next in order.

Mr. LODGE. Mr. President, I do not intend to object to the consideration of this bill, because I recognize that it comes with an almost unanimous report from the committee, and it would be a waste of the time of the Senate for me to do so. I should like the RECORD to show, however, my own personal doubt as to the value of this type of policy.

In my opinion, the Latin-American countries will buy American goods if the American goods are priced right and are of sufficiently high quality; and, in my opinion, the Latin American peoples, like all other peoples, will feel friendly toward the United States if the United States treats them fairly and justly. The notion that because the dictators of the "axis" powers undertake to propagandize and influence public sentiment in those countries we should do the same thing is to me an abhorrent notion. Indeed, the fact that they do engage in this type of conduct seems to me a very good reason why we should not do it.

I am also advised-and I hope I shall be corrected if I am wrong-that the appropriation to do this work in Latin America has already been put through; and it seems to me a disorderly procedure to appropriate money before the authorization is made. For that reason, too, I have been objecting to this bill.

I wanted this opportunity to state my views, and shall not object further to the consideration of the bill at this time.

Mr. KING. Mr. President, I should like to have an explanation of the bill and its purpose by the chairman of the committee; and I further inquire whether a committee of the Senate has considered it?

Mr. PITTMAN. Mr. President, the bill was considered for some time-twice, I believe-by the Senate Committee on Foreign Relations. It deals only with the functions of the State Department. The State Department has created what it calls a Division of Cultural Relations and has also provided that there shall be an advisory board with regard to these cultural relations. The bill deals principally with the exchange of professors and students in colleges.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, line 15, after the word "meetings", to insert "within the United States", so as to make the bill read:

Be it enacted, etc., That in order to render closer and more effective the relationship between the American republics the President of the United States is hereby authorized, subject to such appropriations as are made available for the purpose, to utilize the services of the departments, agencies, and independent establishments of the departments, agencies, and independent estatismments of the Government in carrying out the reciprocal undertakings and cooperative purposes enunciated in the treaties, resolutions, declarations, and recommendations signed by all of the 21 American republics at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires, Argentina, in 1936, and at the Eighth International Conference of American States held at Lima Part in 1938

Lima, Peru, in 1938.

SEC. 2. The President is authorized to create such advisory committees as in his judgment may be of assistance in carrying out the undertakings of this Government under the treaties, resolutions declarations and recommendations referred to the treaties. tions, declarations, and recommendations referred to, but no committee or member thereof shall be allowed any salary or other compensation for services: Provided, however, That they may, within the limits of appropriations made available therefor by the Congress, which appropriations are hereby authorized, be paid their actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses while away from their homes in attendance upon meetings within the United States under instructions from the Secretary of State.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 5643) to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes was announced as next in order.

Mr. BURKE (and other Senators). Let the bill go over. The PRESIDING OFFICER. The bill will be passed over.

FEDERAL SURPLUS COMMODITIES CORPORATION

The bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry was announced as next in order. Mr. DANHER (and other Senators). Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. PEPPER. Mr. President, I give notice that immediately after the completion of the call of the calendar, I shall call up this bill for consideration.

Mr. KING. Mr. President, I inquire whether the bill was referred to any committee of the Senate, and whether a report has been made by a Senate committee?

The PRESIDING OFFICER. The bill was referred to and

reported from the Committee on Commerce.

Mr. ANDREWS. Mr. President, I ask unanimous consent to substitute House bill 5681 for Senate bill 2110. The two bills deal with the same subject.

Mr. DANAHER. Mr. President, there has been objection

to the consideration of the bill.

The PRESIDING OFFICER. As the Chair understands, House bill 5681 was reached on the calendar, and objection was made to it; and the Senator from Florida [Mr. PEPPER] has announced that he will ask for the consideration of the bill after the call of the calendar under the unanimousconsent agreement.

Mr. ANDREWS. In the confusion it was impossible to hear what was said.

BILLS PASSED OVER

The bill (H. R. 6039) to amend laws for preventing collisions of vessels; to regulate equipment of certain motorboats on navigable waters of the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF CRIMINAL CODE

The Senate proceeded to consider the bill (H. R. 6037) to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088).

Mr. KING. Mr. President, I ask to have the bill read.

We do not know what it is about.

The PRESIDING OFFICER, The Clerk will read the bill. The legislative clerk read the bill, as follows:

Be it enacted, etc., That section 194 of the act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909, as amended (U. S. C., 1934 ed., title 18, sec. 317), be amended to read as follows:

"Sec. 194. Whoever shall steal, take, or abstract, or by fraud or deception obtain, or attempt so to obtain, from or out of any mail, post office, or station thereof, or other authorized depository for post office, or station thereof, or other authorized depository for mail matter, or from a letter or mail carrier, any letter, postal card, package, bag, or mail, or shall abstract or remove from any such letter, package, bag, or mail, any article or thing contained therein, or shall secrete, embezzle, or destroy any such letter, postal card, package, bag, or mail, or any article or thing contained therein; or whoever shall steal, take, or abstract, or by fraud or deception obtain any letter, postal card, package, bag, or mail, which has been left for collection upon or adjacent to a collection box or other authorized depository of mail matter; or or mail, which has been left for collection upon or adjacent to a collection box or other authorized depository of mail matter; or whoever shall buy, receive, or conceal, or aid in buying, receiving, or concealing, or shall unlawfully have in his possession, any letter, postal card, package, bag, or mail, or any article or thing contained therein, which has been so stolen, taken, embezzled, or abstracted, as herein described, knowing the same to have been stolen, taken, embezzled, or abstracted; or whoever shall take any letter, postal card, or package out of any post office or station thereof, or out of any authorized depository for mail matter, or from any letter or mail carrier, or which has been in any post office or station thereof, or other authorized depository, or in the custody of any letter or mail carrier, before it has been delivered to the person to whom it was directed, with a design to obstruct to the person to whom it was directed, with a design to obstruct the correspondence, or to pry into the business or secrets of another, or shall open, secrete, embezzie, or destroy the same, shall be fined not more than \$2,000 or imprisoned not more than 5 years, or both."

Mr. KING. Mr. President, I inquire whether the bills which are being called up for consideration have been referred to Senate committees, and have been considered by the respective committees and reported.

The PRESIDING OFFICER. This bill was referred to the Committee on the Judiciary, which reported it without amendment.

The question is on the third reading and passage of the bill. The bill was ordered to a third reading, read the third time.

Mr. BARKLEY. Mr. President, I will say for the information of the Senator from Utah, and other Senators, that all these bills which are being called are House bills which have been referred to committees and reported by the Senate committees. No bill is being called which has not gone through a committee.

Mr. KING. The Senator will understand, however, that Senators do not have the bills before them.

Mr. BARKLEY. The bills on the calendar are before the Senators. All these bills are on the calendar and have been reported.

WILLIAM L. RULL

The bill (H. R. 4725) for the relief of William L. Rull, was considered, ordered to a third reading, read the third time, and passed.

J. HARRY WALKER

The bill (H. R. 4965) for the relief of J. Harry Walker, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 5506) to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont., was announced as next in order.

Mr. O'MAHONEY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 2953) authorizing States owning lands or interest therein, acquired from the United States, to include the same in certain agreements for the conservation of oil and gas resources, was announced as next in order.

Mr. KING. I would like to have an explanation. Let the

bill go over.

The PRESIDING OFFICER. The bill will be passed over. DISPOSITION OF RECREATIONAL PROJECTS

The Senate proceeded to consider the bill (H. R. 3959) to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes, which had been reported from the Committee on Public Lands and Surveys, with amendments, on page 2, line 3, to strike out "Provided, That the lands comprised within any such project which is contiguous to an area administered by the National Park Service may, upon the recommendation of the Secretary. be added to and made a part of such area as the President of the United States by Executive proclamation, and thereafter such added lands shall be subject to all laws, rules, and regulations applicable to such areas"; on page 2, line 20, after the word "finding", to add "after notice to such grantee or lessee and after an opportunity for a hearing", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior (hereinafter referred to as the Secretary) is authorized to convey or lease to the States or to the political subdivisions thereof, without consideration,

referred to as the Secretary) is authorized to convey or lease to the States or to the political subdivisions thereof, without consideration, any or all of the recreational demonstration projects and lands and improvements comprised within such projects transferred to him from the Resettlement Administration under the provisions of Executive Order No. 7496, dated November 14, 1936, or any parts of such projects, when in his judgment such grantees or lessees are adequately prepared to administer, operate, and maintain such project areas for public-park, recreational, and conservation purposes.

SEC. 2. The Secretary is authorized to execute on behalf of the United States all necessary deeds and leases to effect the purposes of this act. Every such deed or lease shall contain the express condition that the grantee or lessee shall use the property exclusively for public-park, recreational, and conservation purposes, and may contain such other conditions not inconsistent therewith as may be agreed upon by the Secretary and the grantee or lessee: Provided, That the title and right to possession of any lands so conveyed or leased, together with the improvements thereon, shall revert to the United States upon a finding, after notice of such grantee or lessee and after an opportunity for a hearing, by the Secretary that the grantee or lessee has not complied with such conditions during a period of more than 3 years, which finding shall be final and conclusive, and such lands and improvements thereon, upon such reversion to the United States, shall be considered as surplus real property and shall be disposed of in accordance with the act of August 27, 1925 (40 Stat 285) erty and shall be disposed of in accordance with the act of August 27, 1935 (49 Stat. 885).

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens, was announced as next in order. Mr. DANAHER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LEESBURG WELDING & GARAGE CO.

Mr. ANDREWS. Mr. President, I should like to have the Senate recur to Calendar 830, Senate bill (S. 2289) for the relief of the Leesburg Welding & Garage Co. I was out when that was called. It is an important matter and has the approval of the committee, which investigated it thoroughly.

The PRESIDING OFFICER. Under the unanimous-consent agreement, only House bills are being considered, and the bill to which the Senator refers is a Senate bill.

BILL PASSED OVER

The bill (H. R. 5333) to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924, was announced as next in order.

Mr. KING. Let the bill go over.

REFUND OF INTERNAL-REVENUE TAXES

The bill (H. R. 1648), to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations, was announced as next in order.

Mr. BARKLEY. Mr. President, the bill just reached on the calendar is a House bill which was called day before yesterday, and the Senator from Wisconsin [Mr. La Follette] asked that it go over. The Senator from Wisconsin is in a meeting of the Committee on Appropriations, and I will not ask that the bill be acted on at this time. However, I wish to say that it is a bill which should be passed. It authorizes the refunding of the cost of stamps which were destroyed and damaged in the Ohio River flood in 1936 and 1937 in such a way as to make them nonusable. Certainly the Government ought not to collect a tax on distilled spirits, and, after the tax has been collected and stamps representing the tax have been destroyed, insist that the owner of the distilled spirits buy new stamps before the liquor can be placed on the market. I do not know what the objection to the measure could be, but I will not ask that it be considered now. However, I hope we can take it up on its merits before we adjourn, and take some action on it.

Mr. VANDENBERG. Mr. President, I wish to give notice that when the Senate takes up House bill 1648, to which the able Senator from Kentucky has referred, I intend to offer an amendment, which I will submit now and ask to lie on the table. I will state briefly the purpose of the amendment.

Mr. President, this is the only revenue bill I can find on the calendar to which I can attach a revenue amendment. The amendment has the simple and sole purpose of taking out of the deadlock in conference on the social-security bill that section which freezes the pay-roll taxes, and prevents an increase of 50 percent next January in the pay-roll taxes on employers and employees under title II of the Social Security Act.

There is no disagreement at all between the House and the Senate on that particular provision. There is a universal feeling all over the country that such action should be taken. If it is not, a very serious situation will result in respect to the tax burden resting particularly upon smaller business in this country.

If the deadlock on the bill making amendments to the Social Security Act continues, and it goes over to the next session, that will be too late to cure this particular situation and to prevent the increase in the pay-roll taxes. Therefore I wish to take advantage of this revenue bill in order to offer an amendment reenacting simply that portion of the Social Security amendments, now deadlocked in con-

ference, dealing with the freezing of the pay-roll taxes next January.

I submit the amendment, and ask that it lie on the table, so that it can be considered when Calendar No. 1026 (House bill 1648) is taken up.

Mr. BARKLEY. Mr. President, I wish to say in that connection that I very sincerely and earnestly hope that the conference on the social-security amendments, which is now in session, will be able to arrive at an agreement before this session of Congress shall adjourn.

It seems to me that there were so many valuable amendments that were adopted by the House and adopted also by the Senate that the conferees should and, I am sure, will make every effort to come to a decision and agreement on the social-security amendments.

Whether it would be wise to pick out one particular amendment, referred to by the Senator from Michigan, and attach that to the bill to which I have called attention is a subject for further consideration; but I am expressing the very earnest hope that every effort will be made by the conferees on the part of the House and the Senate to come to a decision with respect to the amendments. There are so many good things in the social-security bill that it seems to me it would be a pity for it to fail at this session because of a contest over one or two controversial amendments. One of the amendments to which we all assent is that having to do with the freezing of the tax as it is now for the next 3 years. I hope that not only that but the other amendments to the law which have been brought forward will be agreed to in the conference, so that we may adopt a comprehensive conference report on the subject before final adjournment.

Mr. VANDENBERG. Mr. President, of course I completely agree with the sentiments just expressed by the able majority leader. I think it would be a calamity for the social-security amendments to lapse, even until the next session of Congress. If the conferees agree, and the conference report comes in, I shall have no further interest in pressing the amendment I have now offered. It is solely in the anticipation that perhaps the deadlock may persist that I am seeking to salvage that one section of the social-security amendments, which must have action prior to New Year's, and prior to the time when Congress will reassemble, if it is to be effective.

Mr. LUCAS. Mr. President, I have just come into the Chamber. Is the Senator objecting to the consideration of House bill 1648?

Mr. VANDENBERG. No; I am offering an amendment to a revenue bill, so that we can take care of the pay-roll tax problem in relation to the social-security amendments.

The PRESIDING OFFICER. The bill will be passed over.

PENSIONS AND INCREASE OF PENSIONS

The Senate proceeded to consider the bill (H. R. 6898) granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War, which had been reported from the Committee on Pensions with an amendment, on page 26, after line 6, to insert:

The name of John Dudley, helpless and dependent child of Seth B. Dudley, late of Company I, Twenty-third Regiment Maine Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Velma G. Rose, helpless and dependent child of Daniel G. Rose, late of the United States Signal Corps, and pay her a pension at the rate of \$20 per month.

The name of Minnie O. Draper, helpless and dependent child of Alvin L. Draper, late of Troop B, First Regiment Rhode Island Volunteer Cavalry, and pay her a pension at the rate of \$20 per month.

The name of Mary E. Farrar, helpless and dependent child of Thomas J. Farrar, late of Company C, First Regiment Kentucky Infantry, and Company C, Fifteenth Regiment Veterans' Reserve Corps, and pay her a pension at the rate of \$20 per month.

The name of Roy Joyce, helpless and dependent child of Minos Joyce, late of Company H, Fourteenth Regiment United States Colored Infantry, and pay him a pension at the rate of \$20 per month.

The name of Alma Blanche Shipman, helpless and dependent child of Wesley C. Shipman, late of Company F, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Clarence Edward Shipman, helpless and dependent child of Wesley C. Shipman, late of Company F, Nineteenth Regi-

ment Iowa Volunteer Infantry, and pay him a pension at the

rate of \$20 per month. The name of William Edward Fugatt, helpless and dependent child of Edward Fugatt, late of Company A, Fourth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate

The name of Katle Glenn, helpless and dependent child of Thomas Glenn, late of Company E, Eighteenth Regiment Kentucky Infantry, and Company B, Twenty-third Regiment Veteran Reserve Corps, and pay her a pension at the rate of \$20 per

The name of Edward Morgan, helpless and dependent child of Sylvester Robinson, known as Charles Morgan, late of Company H, Fourteenth Regiment United States Infantry, and pay him a

A, Fourteenth Regiment United States Infantry, and pay him a pension at the rate of \$20 per month.

The name of Sam H. Hadley, helpless and dependent child of Edwin Hadley, late of Company C, South Cumberland Battalion, Kentucky State Troops, and pay him a pension at the rate of \$20 per month.

The name of Fieldon Adkins, helpless and dependent child of James P. Adkins, late of Company G, Forty-seventh Regiment Kentucky Infantry, and pay him a pension at the rate of \$20

The name of Ann M. Callery, helpless and dependent child of Phillip Callery, late of Company B. Ninth Regiment Connecticut Infantry, and pay her a pension at the rate of \$20-per month.

The name of Gertrude Claypool, helpless and dependent child of Augustus Lewis Claypool, late of Company H. Sixty-third Regiment Laddens Malacrat Laddens Lad

ment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

rate of \$20 per month.

The name of Nora A. Kitchen, helpless and dependent child of William N. Kitchen, late of Company I, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Blanche Walker, helpless and dependent child of William C. Walker, late of Company A. Eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month per month.

The name of Excelia Lague-Leyo, helpless and dependent child of Joseph Leyo, alias Joseph Lejane, late of Company E, Second Regiment New Hampshire Infantry, and pay her a pension at the

rate of \$20 per month.

The name of Delta Teachout, helpless and dependent child of Royal B. Teachout, late of Company G. Eleventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$20 per month.

The name of William H. Kelly, helpless and dependent child of William Kelly, late of Company I, Twenty-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per

The name of Oscar Hinson, helpless and dependent child of Allen Hinson, late of Company B. One Hundred and Fifty-fourth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Margaret A. Silva, helpless and dependent child of Joseph Silva, late of the United States Navy, and pay her a pension

at the rate of \$20 per month.

The name of Hattie E. Lamb, helpless and dependent child of John W. Lamb, late of Company C, Forty-ninth Regiment Indiana Infantry, and pay her a pension at the rate of \$20 per month.

The name of Nora J. Buchanan, helpless and dependent child of Charles H. Buchanan, late of Company K, Fourth Regiment Michigan Volunter Information and her here properties at the same of the same of

Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Viola L. Buchanan, helpless and dependent child of Charles H. Buchanan, late of Company K, Fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Amanda M. Evert, helpless and dependent child of Frederick Evert, late of Company E, Twenty-fourth Regiment Wis-consin Volunteer Infantry, and pay her a pension at the rate of

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6901) granting increase of pensions to certain widows of veterans of the Civil War was announced as next in order.

Mr. BARKLEY. Mr. President, I should like to have an explanation of this bill, and I ask that it be temporarily passed over.

The PRESIDING OFFICER. The bill will be passed over.

TAXES ON SALES IN NATIONAL PARKS

The bill (H. R. 6687) to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property measured by sales, purchases, or use thereof occurring in United States national parks, military and other reservations or sites over which the United States Government may have jurisdiction was announced as next in order.

Mr. AUSTIN. Mr. President, I have been requested by the Senator from Wisconsin [Mr. LA FOLLETTE] to inquire whether the author of the bill would be willing to accept a proviso on page 2, line 7, of the bill, reading as follows:

Provided, That the provisions of this act shall not be applicable with respect to any transaction occurring in whole or in part within an Indian reservation.

The PRESIDING OFFICER. The Chair advises the Senator from Vermont that this is a House bill. The Senator from Georgia [Mr. George], who reported the bill from the Committee on Finance, is not in the Chamber at the moment to explain the bill.

Mr. AUSTIN. Then let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 7171) to amend section 22 of the Agricultural Adjustment Act was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, I am advised that the senior Senator from Georgia [Mr. George] either desires to offer an amendment to this bill or oppose the bill. At his request, I object.

The PRESIDING OFFICER. The bill will be passed over.

GRACE CAMPBELL

The bill (H. R. 3962) for the relief of Grace Campbell was considered, ordered to a third reading, read the third time, and passed.

STACY C. MOSSER, RECEIVER

The bill (H. R. 6728) for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation, was considered, ordered to a third reading, read the third time. and passed.

PAYMENTS TO OFFICERS OF THE MENOMINEE GENERAL COUNCIL

The bill (H. R. 4831) authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION NEAR WRIGHTSVILLE BEACH, N. C.

The bill (H. R. 5845) to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County, was considered, ordered to a third reading, read the third time, and passed.

D. E. SWEINHART

The bill (H. R. 5704) to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart, was considered, ordered to a third reading, read the third time, and passed.

CARYL BURBANK AND OTHERS

The bill (H. R. 5350) for the relief of Caryl Burbank, Preston H. Standford, and Fire Association of Philadelphia, was considered, ordered to a third reading, read the third time, and passed.

JOHN E. GARRETT

The bill (H. R. 5894) for the relief of John E. Garrett, was considered, ordered to a third reading, read the third time, and passed.

JAMES D. LARRY, SR.

The bill (H. R. 5895) for the relief of James D. Larry, Sr., was considered, ordered to a third reading, read the third time, and passed.

JOHN L. HICKS, AND SO FORTH

The bill (H. R. 6492) for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex., was considered, ordered to a third reading, read the third time, and passed.

JOHN L. SUMMERS, AND SO FORTH

The bill (H. R. 7049) for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MATILDA LARNED BOUCK

The Senate proceeded to consider the bill (H. R. 6808) for the relief of Matilda Larned Bouck, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of", to strike out "\$2,500" and to insert "\$1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Matilda Larned Bouck, of Middleburg, N. Y., the sum of \$1,000, in full settlement of all claims against the United States for property damage and personal injuries received by her while riding in automobile driven and owned by Edwin L. Wade, of Schenectady, N. Y., and which automobile was forced from the Middleburg-Schoharie Highway near Schoharie, N. Y. on December 3, 1935, by a truck in the service of the Civilian N. Y., on December 3, 1935, by a truck in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COLUMBUS IRON WORKS

The bill (H. R. 3689) for the relief of the Columbus Iron Works, was considered, ordered to a third reading, read the third time, and passed.

ALBERT R. RINKE

The bill (H. R. 4033) for the relief of Albert R. Rinke was considered, ordered to a third reading, read the third time, and passed.

J. GEORGE BENSEL CO.

The bill (H. R. 4252) for the relief of J. George Bensel Co. was considered, ordered to a third reading, read the third time, and passed.

MAMIE HOFFMAN

The bill (H. R. 4875) for the relief of Mamie Hoffman was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. JOHN ECKENDORFF AND MR. AND MRS. ALEXANDER G. DORR

The bill (H. R. 5338) for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr was considered, ordered to a third reading, read the third time, and passed.

CLYDE EQUIPMENT CO.

The bill (H. R. 5803) for the relief of Clyde Equipment Co. was considered, ordered to a third reading, read the third time, and passed.

W. R. FUCHS

The bill (H. R. 6490) for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, was considered, ordered to a third reading, read the third time, and passed.

ANNIE BEARDEN

The bill (H. R. 6362) for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner was considered, ordered to a third reading, read the third time, and passed.

ROSCOE B. HUSTON AND SIMEON F. FELARCA

The bill (H. R. 6491) for the relief of Roscoe B. Huston and Simeon F. Felarca was considered, ordered to a third reading, read the third time, and passed.

INTERNATIONAL STATISTICAL INSTITUTE

The joint resolution (H. J. Res. 320) to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939", was considered, ordered to a third reading, read the third time, and passed.

METHOD OF COMPUTING ANNUITIES FOR SERVICE IN THE TROPICS

The bill (H. R. 139) to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities was considered, ordered to a third reading, read the third time, and passed.

Mr. AUSTIN. Mr. President, what bill was just passed? The PRESIDING OFFICER. House bill 139, Calendar

No. 1119. Mr. AUSTIN. Mr. President, I ask unanimous consent

that the vote by which House bill 139 was passed be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AUSTIN. I now ask that the bill be read. The PRESIDING OFFICER. The clerk will read. The Chief Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1) of section 96 of title 2 of the Canal Zone Code is amended to read as follows:

"(1) A sum equal to \$37.50 multiplied by the number of years of service, not to exceed 30 years, rendered (a) on the 1sthmus of Panama, or (b) in the service of the United States in the Tropics;

Mr. AUSTIN. Mr. President, I inquire in what manner this bill changes the existing law?

Mr. CLARK of Missouri. Mr. President, this is simply a bill to permit employees of the Panama Canal Zone in computing their tropical service, the service in the Canal Zone, to include time in the Tropics, either in the military service or the naval service, or in the civilian service in the Army or Navy in tropical countries. I can best explain the bill by quoting from a radio message from the Governor of the Canal, in which he says:

The records show that some 253 employees would be affected by the proposed legislation. These employees have rendered service aggregating 374 years and 2 months, or an average of 1 year and 7 months for each employee affected.

7 months for each employee affected.

This service has been rendered mainly in civilian occupations with the Army and Navy on the Isthmus and is not now allowed under the first paragraph of section 96 of title 2 of the Canal Zone Code because the regulations require that the military or naval service be supported by a discharge from the service, but it is allowed under the third paragraph of section 96. Most of these employees were under 32 years of age when they came to the Canal or railroad service and will have served with the Canal and/or railroad for more than the required 30 years before reaching the railroad for more than the required 30 years before reaching the age of 62 and the effect of the proposed amendment, therefore, including the added cost resulting therefrom, would be slight.

In other words, it simply permits the inclusion in the period of service rendered in the Tropics service performed in a civilian capacity as well as in the military or naval service or in a civilian capacity with the military or naval forces. The Army and the Navy, particularly in the Panama Canal Zone, both have a number of civilian employees which would otherwise be excluded under the law. It seems to me to be a meritorious proposition. It simply gives these people the benefit of the tropical service which they have endured.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MILITARY ESTABLISHMENTS OF AMERICAN REPUBLICS

Mr. JOHNSON of California. Mr. President, what became of House Joint Resolution 367, being Calendar 1118?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the measure has just been received from the Printing Office. It is the next on the calendar.

The joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments and for other purposes was announced as next in order.

Mr. VANDENBERG. I ask that the joint resolution be passed over.

Mr. PITTMAN. Mr. President, will the Senator withhold his objection for a moment?

Mr. VANDENBERG. Yes.

Mr. PITTMAN. The joint resolution has passed the House. It was taken up in the Committee on Foreign Relations yesterday and was discussed by the committee. A considerable number of the members of the committee were present. I wish to call attention to the fact that the House bill contains amendments which the Senate bill did not contain. The House bill has the following provision in it:

And provided further, That no transaction authorized herein shall result in expenses to the United States nor involve the extension of credits by the United States.

In addition to that, the committee of the Senate offered another amendment which had a further proviso, as follows:

And provided further, That no contract shall be entered into under the terms of this resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

Those are two limitations in this measure which were not in the original Senate bill, and I do not think they came to the attention of the Senator from Michigan.

Mr. VANDENBERG. Mr. President, neither of those amendments touches the base of my objection to the legisla-

Mr. PITTMAN. I may say also that on yesterday the Under Secretary of State, Mr. Sumner Welles, appeared before the committee and read correspondence with all Latin American republics except one. In respect to that one he had oral communications through their Ambasasdor here, and his Government approves this proposed legislation.

The objection which I know the Senator has in mind seems to be very largely obviated by this correspondence; but at least it must be apparent that no contract would be advised or permitted which would create dissension among the Latin American republics.

Mr. VANDENBERG. I object first, Mr. President, to any legislation which makes an arms huckster out of Uncle Sam. In the second place, I think this particular arrangement invites friction instead of friendship among South American countries. I am simply objecting to taking it up on the Unanimous Consent Calendar. If the Senator wants to move to proceed to the consideration of the bill when he is free to do so, certainly I cannot object to that. I am simply asserting my individual rights at the only moment when I can still assert them.

Mr. PITTMAN. I thought there were probably changes which had not come to the Senator's attention which might alter the Senator's view. That is why I made the suggestion.

The PRESIDING OFFICER. Objection having been heard, the bill will be passed over.

AMENDMENT OF THE CANAL ZONE CODE

The Senate proceeded to consider the bill (H. R. 139) to amend the Canal Zone Code.

Mr. AUSTIN. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PLAYA DE FLOR LAND & IMPROVEMENT CO.

The Senate proceeded to consider the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, which had been reported from the Committee on Interoceanic Canals, with an amendment, at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the act entitled "An act for the relief of the Playa de Flor Land & Improvement Co., approved May 21, 1934," be, and the same is hereby, amended by adding the following: "SEC. 2. All competent testimony, exhibits, or other evidence heretofore admitted in evidence in any proceeding heretofore had under authority of this act and all competent testimony, exhibits, or other evidence heretofore admitted in evidence in the cases docketed in said court as numbers 1 and 3, and, respectively, entitled 'Playa' de Flor Land & Improvement Co., a joint-stock corporation, plaintiff, vs. Eusebia Diaz et al., and The Panama Railroad Co., a corporation, defendants', and "The Panama Railroad Co., a corporation, defendants', and "The Panama Railroad Co., a corporation,

plaintiff, vs. J. H. Stilson, W. Andrews, and C. P. Fairman, as the successors in interest and estate to Eufracis C. De Villalobos et al., defendants', shall be received in evidence for the same purpose as heretofore admitted in any suit brought or to be brought under authority of this act, as amended: *Provided*, That such evidence shall be subject, however, to any objection that the United States may interpose as to relevancy, materiality, or competency other than the objection of the witnesses not being produced in person."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

POST OFFICE, AKRON, OHIO

The bill (H. R. 6021) to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site, was considered, ordered to a third reading, read the third time, and passed.

UNITED STATES SUPREME COURT BUILDING COMMISSION

The joint resolution (H. J. Res. 341) to dissolve the United States Supreme Court Building Commission was considered, ordered to a third reading, read the third time, and passed.

Mr. PEPPER. Mr. President, does that complete the House bills? I thought Calendar 1126 was the last one on the calendar.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senate is to complete the consideration of House bills on the calendar; and as there are a number of House bills reported by committees which are not yet on the printed calendar, it is the understanding of the present occupant of the chair that the Senate is to continue the consideration of House bills.

BENJAMIN HARRISON MEMORIAL

The bill (H. R. 4872) to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States, was announced as next in order.

Mr. AUSTIN. Mr. President, from what committee is the bill reported?

The PRESIDING OFFICER. From the Committee on the Library.

Mr. WHITE. Mr. President, are the bills which are now being laid before the Senate House bills which have been referred to and been acted upon by Senate committees?

Mr. BARKLEY. They are.

Mr. WHITE. We are obliged to take them on faith, "sight unseen," with no committee reports.

Mr. BARKLEY. We are operating under a unanimousconsent agreement to consider only House bills which have been reported by Senate committees. That is all that is being done.

Mr. WHITE. The fact remains that we must take them "sight unseen," without copies of the bills and without reports.

Mr. BARKLEY. That is true. The bills now being called have been reported by Senate committees. Virtually all of them are reported without amendment. In the interest of saving time in the consideration of House bills at this time I included them within the request. Of course, if there is any doubt about the merits of any bill, it may go over under objection.

Mr. WHITE. As a practical matter, none of us know anything about the merits of any of these bills.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 4872) was considered, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, JEFFERSON BARRACKS, MO.

The Senate proceeded to consider the bill (H. R. 6441) authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.

Mr. AUSTIN. Mr. President, as a matter of procedure, in view of the circumstances, inasmuch as we have no copies of the bills before us, I suggest that the clerk state with the title of the bill the committee which recommended its passage, so that we may know without asking in each instance whether or not a committee has passed on the bill, and what committee has passed upon it.

The PRESIDING OFFICER. Without objection, the clerk

will state the name of the committee.

The CHIEF CLERK. A bill (H. R. 6441) authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo., reported from the Committee on Claims without amendment.

Mr. BARKLEY. Mr. President, that bill was reported by

the Committee on Commerce.

Mr. CLARK. The bill was reported by the Committee on Commerce

The CHIEF CLERK. According to the print, it is from the Committee on Claims.

Mr. CLARK of Missouri. There evidently is a misprint. It was reported by the Committee on Commerce. A similar Senate bill has been considered by the Commerce Committee and favorably reported.

The PRESIDING OFFICER. The present occupant of the chair will advise the Senate that the printing on the inside of the bill states that the bill was reported from the Committee on Commerce, while the printing on the outside of the bill states that it is from the Committee on Claims.

Mr. BARKLEY. The outside printing is a misprint. The bill was referred to the Committee on Commerce.

The PRESIDING OFFICER. It is evident to the present occupant of the Chair that the outside printing is a misprint.

Mr. CLARK of Missouri. Mr. President, I can testify to that fact. The bill was considered by the Committee on Commerce; and a similar Senate bill introduced by myself was also considered by the Committee on Commerce, and favorably reported.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MISSOURI RIVER RAILROAD BRIDGE, RANDOLPH, MO.

The Senate proceeded to consider the bill (H. R. 7262) granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo., which had been reported from the Committee on Commerce without amendment.

The bill was ordered to a third reading, read the third time, and passed.

KINGS CANYON NATIONAL PARK, CALIF.

The bill (H. R. 3794) to establish the Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes, was announced as next in order.

Mr. PITTMAN. Mr. President, what bill is this?

The PRESIDING OFFICER. House bill 3794. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 3794) to establish the Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes, reported from the Committee on Public Lands and Surveys without amendment.

Mr. PITTMAN. I object.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF WITNESSES

The bill (H. R. 6832) to provide for the protection of witnesses appearing before any department, independent establishment, or other agency of the United States, or the Congress of the United States, which had been reported from the Committee on the Judiciary without amendment, was announced as next in order.

Mr. AUSTIN. Mr. President, I ask that the bill be read. The PRESIDING OFFICER. The bill will be read. The Chief Clerk read the bill, as follows:

Be it enacted, etc., That the Criminal Code of the United States

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting therein a new section immediately following section 135 (U. S. C., title 18, sec. 241) to be known as section 135 (a) (U. S. C., title 18, sec. 241 (a)) and reading as follows:

"SEC. 135. (a) That whoever corruptly, or by threats or force, or by an threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who corruptly, or by threats or force, or by any threatening letter or communication shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress of the United States shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both."

Mr. AUSTIN. Mr. President, I ask the Senator from

Mr. AUSTIN. Mr. President, I ask the Senator from Wyoming [Mr. O'Mahoney] if he will please explain the bill. Mr. O'MAHONEY. Mr. President, this bill was unanimously reported by the House Committee on the Judiciary. When it came to the Senate it was referred to a subcommittee consisting of the very able and distinguished Senator from Connecticut [Mr. Danaher], the Senator from Arkansas [Mr. MILLER], and myself. The committee consulted individually with members of the House committee, and filed a unanimous report with the Senate Committee on the Judiciary, which ordered the bill reported.

The bill extends to witnesses before committees of the House and Senate, joint committees, independent establishments and departments the same protection from intimidation which is now granted to witnesses in the courts. The bill is a recital of exactly the same language now in the law protecting witnesses before the courts. It is endorsed by the American Bar Association and by the Bar Association of the District of Columbia, and I know of no reason why it should not be passed.

Mr. AUSTIN. Mr. President, I hope the bill may ultimately be passed; but I was notified by the distinguished Senator from Utah [Mr. King] that he might wish to object to it. I ask the Senator if he will not permit the bill to be passed over temporarily, until the Senator from Utah returns to the Chamber. I have sent for him.

Mr. O'MAHONEY. Of course, I could not object to that request. However, the Senator from Arizona [Mr. ASHURST] is present in the Chamber, and I think he will testify that the Senator from Utah was in the Committee on the Judiciary at the time the bill was considered and that his objection was thoroughly canvassed in the committee.

Mr. ASHURST. Mr. President, the statement of the Senator from Wyoming is correct. The able Senator from Utah [Mr. King], who is a learned and valuable member of the Senate Committee on the Judiciary, as is the Senator from Vermont [Mr. Austin], appeared before the Senate Committee on the Judiciary. It is true that at first he expressed some doubt as to the bill; but, after a thorough canvass and argument on the bill, which took place this afternoon, I understood that the Senator from Utah gave his assent to the

Mr. O'MAHONEY. Mr. President, if the bill is now passed, and the Senator from Utah has any objection whatsoever to it, it will be a simple matter for him to move to reconsider. I shall personally call the matter to his attention.

Mr. AUSTIN. Mr. President, personally I have no objection to the bill, and I have no obligation to object to it on behalf of the Senator from Utah. It is merely an act of courtesy on my part to attempt to suspend consideration temporarily until he can be present. However, with the statement of the Senator from Wyoming that he will not object to reconsideration if the Senator from Utah shall request it, I shall not impose any further delay.

Mr. O'MAHONEY. I thank the Senator.

Mr. JOHNSON of California. Mr. President, I inquire whether or not the language of the bill was taken from any other penal statute.

Mr. O'MAHONEY. It is taken from section 135 of the Code. Mr. JOHNSON of California. Let me read:

That whoever, corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States—

And so forth. Was that language taken from any penal statute?

Mr. O'MAHONEY. The language referring to the independent establisments, boards, commissions, and agencies is the new language.

Mr. JOHNSON of California. Yes.

Mr. O'MAHONEY. The bill extends to witnesses before such bodies the protection now granted to witnesses before the courts.

Mr. JOHNSON of California. Was it the intention to extend it in this drastic fashion to witnesses before any department, independent establishment, board, commission, or other agency of the United States?

Mr. O'MAHONEY. Mr. President, when a board or commission of the United States is authorized to hold hearings and to receive the testimony of witnesses, it seems to me no one can object to giving such witnesses the same protection which is thrown around witnesses appearing in the courts.

Mr. JOHNSON of California. Possibly the Senator is right. This, however, is my first sight of this bill, and I do not quite like its language. It reads:

That whoever, corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States—

And so forth. The language is so broad, and there is left much room for construction, that I should hate to pass a penal statute of this character.

Mr. O'MAHONEY. But the court would construe it. That language is in the law as it now stands.

Mr. JOHNSON of California. But I should hate to apply it to "any department, independent establishment, board, commission, or other agency of the United States," because I think that the language is so broad that it would give to any board, any agency, or any department the right to do things that ought not to be done.

Mr. O'MAHONEY. Oh, no.

Mr. JOHNSON of California. Yes; I think it would.

Mr. O'MAHONEY. Let us read the bill. I want to listen to every single reasonable objection, and I am always very careful to consider any question raised by the Senator from California. This bill grants no power to any board or commission; but if it should be enacted, it would protect witnesses.

Mr. JOHNSON of California. Oh, no.

Mr. O'MAHONEY. The bill would give no power to commissions or other governmental agencies. It would be enforced by the courts, not by any commission or agency.

Mr. JOHNSON of California. Perhaps it would be enforced by the courts, but I should hate to leave with any board or any commission any power of this character.

Mr. O'MAHONEY. The bill gives no power, I may say.
Mr. JOHNSON of California. 'Yes; it does. Suppose that
a governmental board or commission should come into court;
it would be thrice armed and would be enabled to have its
own way. I do not like to give to boards, commissions, and
departments any such power.

Mr. O'MAHONEY. What power? Will the Senator state what power he has in mind?

Mr. JOHNSON of California. Yes.

The PRESIDING OFFICER. The Chair wishes to inform the Senator from Wyoming that under the 5-minute rule his time has expired.

Mr. ASHURST. Mr. President, will the Senator from California yield to me?

Mr. JOHNSON of California. I yield to the Senator from Arizona.

Mr. ASHURST. Mr. President-

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. ASHURST. Mr. President, I am reluctant to enter this debate, but if, as I read it, this bill contained any of the implications or if I thought there could arise from it any of the conditions the able Senator from California anticipates, I would object to the measure. My understanding of the bill is that it extends to witnesses the same degree of protection which they have in the courts.

Mr. President, it is no secret that congressional committees and boards and commissions of the Government have during the last 15 or 20 years in some cases been treating witnesses in such a way as to intimidate them. I know of and can name instances of dignified, honest, upstanding American citizens being mercilessly muckraked by committees of the Congress and by boards of the Government by being required to reply to questions that were immaterial and which should not have been asked. As I understand this bill, it throws around a witness coming before a committee or commission the same degree of protection that would be accorded him if he were testifying in a court of law. If I did not think the bill so provided, I would oppose it. In other words, this bill seeks to put an end to the reckless, relentless muckraking of witnesses that has occurred from time to time in this Capitol. Courageous citizens sometimes hesitate to come before committees of Congress, because of certain conditions which have prevailed for many years. If I correctly understand the bill, it throws around the witness that degree of protection that the courts give him. If I am wrong, I wish to be corrected.

Here is the present law as to witnesses in a court of law, section 135 (U. S. C., title 18, sec. 241):

Whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any court of the United States or before any United States Commissioner or officer acting as such Commissioner, or any grand or petit juror, or officer in or of any court of the United States, or officer who may be serving at any examination or other proceeding before any United States commissioner or officer acting as such commissioner, in the discharge of his duty, or who corruptly or by threats or force, or by any threatening letter or communication, shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede, the due administration of justice therein, shall be fined not more than \$1,000, or imprisoned not more than 1 year, or both.

As a young lawyer I grew to admire the learned Senator from California [Mr. Johnson]. I never knew, at the bar, a better cross-examiner, and I can say to his credit that he never resorted to the intimidation of witnesses.

This bill, as I conceive it, would require the various boards and commissions set up by this Government to follow the rules of evidence. No lawyer, in my judgment, should object to that. The rules of evidence are well known, but I believe the time has arrived when witnesses, if they be honest men, should approach a tribunal without fear and should welcome any question that is competent, material, and relevant, and is not hearsay.

The Senator from California must know that I would be the last man to extend additional power to any board or commission.

Mr. JOHNSON of California. I realize that, and I have no doubt that the Senator from Wyoming doubtless would be of the same thought; but here we have a bill which directly connects the wrongdoing with the court, and of necessity one who becomes involved with the processes of the court in the fashion that is described in the statute would be amenable to the court and would be punished accordingly; but I think the pending bill goes still further than that. I may be in error in the matter, but I have a tenderness for the individuals called before any department or any agency of the

Government, or any independent establishment-board or commission. I detest the language in the bill because I know the capacity there has been for wrongdoing on the part of boards and independent agencies exactly along the line of which the Senator from Arizona complains, and such instances have occurred a hundred times. I do not want-

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. JOHNSON of California. I will yield in a moment, when I finish the sentence. I do not want the Congress of the United States to enact any law under which such things may continue to occur. Now I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I share completely the Senator's sympathy for the witness called before any group, and it is because I have such sympathy that I am urging the passage of this bill. Let me give the Senator an example how it would work. At the present time, if a witness should be called before the Interstate Commerce Commission, some person not a witness before that Commission could with complete impunity threaten him that if he testified to the truth he would lose his job, for example, and there would be no recourse. This bill provides that, if any person should so threaten such a witness, such person would be guilty of a criminal offense not punishable by the Interstate Commerce Commission but cognizable in a court of law and punished by such court. That is all the bill does. It extends to the witness before a committee of the House or the Senate, before a joint committee, or before a commission or board, the same protection that is now thrown about witnesses elsewhere. That is all I have to say about

Mr. JOHNSON of California. I think the Senator from Wyoming ascribes to the particular measure what is rather the result of his own logical mind than the result that will actually be attained. It is not for the protection of witnesses; I do not think the bill can be read that way; it is for the protection of the boards, the independent agencies, and different departments of the Government. That is where the difference between us lies.

Mr. O'MAHONEY. Of course, if the Senator has that cpinion, I cannot dissuade him; but I am sure the language of the bill does not justify such an interpretation.

Mr. JOHNSON of California. The Senator is sure I am wrong; I am quite sure that he may be wrong.

Mr. O'MAHONEY. Mr. President, the matter has not been disposed of. Does the Senator from California object?

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. JOHNSON of California. I object for the time being. I will look into it as well as I may, though not with the ability of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. Now! Now!

Mr. JOHNSON of California. Nor with the ability of the Senator from Arizona [Mr. Ashurst].

Mr. O'MAHONEY. Let me say that I walk at the knee of the Senator from California. If I could ever hope to attain one-half his ability and one-half his eloquence, I would, indeed, be proud.

Mr. JOHNSON of California. I thank the Senator. The PRESIDING OFFICER. The Chair advises the Senator from California that his time has expired.

The bill goes over on objection.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution:

S. 882. An act to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938";

S. 2133. An act authorizing the conveyance of certain lands to the State of Nevada; and

S. J. Res. 139. Joint resolution to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1693) to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 777. An act for the relief of Banks Business College; H.R. 1875. An act for the relief of the Women's Board of Domestic Missions:

H. R. 2452. An act for the relief of George Slade:

H.R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States:

H. R. 3104. An act for the relief of Kyle Blair:

H. R. 4260. An act for the relief of J. Milton Sweney:

H.R. 5747. An act to authorize the addition of certain lands to the Wenatchee National Forest; and

H. R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl.

The message also announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the House to each of the following bills of the Senate:

S. 1164. An act for the relief of Nadine Sanders; and

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

The message further announced that the House insisted upon its amendment to the bill (S. 2271) for the relief of Barnet Warren, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Kennedy of Maryland. Mr. Keogh, and Mr. Thomas of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Rogers of Oklahoma, Mr. O'Connor, and Mr. Burdick were appointed managers on the part of the House at the conference.

ALTERATIONS OF CERTAIN BRIDGES OVER NAVIGABLE WATERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1989) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, which were: On page 1, lines 6 and 7, to strike out "kind and reconstruction" and insert "kind, reconstruction, or removal in whole or in part"; on page 5, line 17, to strike out all after the word "and" down to and including "replacement" in line 22, and insert "that part of the cost attributable to the requirements of traffic by railroad or highway. or both, including any expenditure for increased carrying capacity of the bridge, and including such proportion of the actual capital cost of the old bridge or of such part of the old bridge as may be altered or changed or rebuilt, as the used service life of the whole or a part, as the case may be, bears to the total estimated service life of the whole or such part. The United States shall bear the balance of the cost, including that part attributable to the necessities of navigation"; on page 7, line 7, to strike out all after the name "Treasury" down to and including "owner" in line 8, and insert "through the Division of Disbursement upon certifications of the Secretary of War"; on page 7, line 16, to strike out all after the word "to" down to and including "to" in line 18, where it appears the second time; on pages 9 and 10, to strike out all of section 12, and insert:

SEC. 12. (a) The first sentence of section 4 of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906 (U. S. C., 1934 ed., title 33, sec. 494), and section 18 of the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1899 (U. S. C., 1934 ed., title 33, sec. 502), shall be inapplicable with respect to any bridge to which the provisions of this act are applicable, except to the extent provided in

(b) Any bridge, the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to July 1, 1939, and was not completed on such date, and in the case of which no penalties have accrued at the time of the enactment of this act, shall be constructed, reconstructed, or altered as case of which no penalties have accrued at the time of the enactment of this act, shall be constructed, reconstructed, or altered as required by such order, and not in accordance with the provisions of this act. In the case of any such bridge, however, the Secretary shall apportion the cost of the project between the bridge owner and the United States, and payment of the share of the United States shall be made, in the same manner as if the provisions of this act applied to such construction, reconstruction, or alteration, subject to the following limitations:

(1) In case such construction, reconstruction, or alteration has not begun on the date of enactment of this act, such apportionment of cost shall be made only if (a) the construction, reconstruction, or alteration is carried out in accordance with plans and specifications, and pursuant to bids, approved by the Secretary, and (b) the bridge owner has submitted to the Secretary a written guaranty of cost as provided for in section 5.

(2) The Secretary's determination as to such apportionment, and as to such plans and specifications and bids, shall be final.

(3) Such apportionment shall not be made if such construction, reconstruction, or alteration is not completed within the time fixed in such order of the Secretary or within such additional time (not to exceed 25 percent of the time allowed in the order for such completion) as the Secretary, for good cause shown, may allow, (c) Any bridge (except a bridge to which subsection (b) applies) the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to July 1, 1939, and was not begun before such date, shall be subject to the provisions of this act as though such order had not been issued, and

and was not begun before such date, shall be subject to the provisions of this act as though such order had not been issued, and compliance with the provisions of this act and with such orders as may be issued thereunder shall be considered to constitute compliance with such order issued prior to July 1, 1939, and with the provisions of law under which it was issued.

And on page 11, line 7, to strike out the word "herein" and insert "in this section."

Mr. TRUMAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INCREASED COMPENSATION TO CERTAIN CIVILIAN EMPLOYEES

Mr. LODGE. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it. Mr. LODGE. I inquire what is before the Senate?

The PRESIDING OFFICER. There is nothing before the

Senate at the present time. Mr. ELLENDER. Mr. President, when Calendar No. 1012, House bill 5333, was called the Senator from Utah [Mr. King] objected. He has, however, agreed to withdraw his

objection. I ask the Senate to recur to that bill and that it be considered at this time.

The PRESIDING OFFICER. The clerk will state the bill

The CHIEF CLERK. A bill (H. R. 5333) to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHITE. Mr. President, was there objection to this bill when it was called on the calendar?

The PRESIDING OFFICER. The Chair will state there was objection interposed at the time the bill was called; but the Chair understands the Senator from Louisiana desires to make a statement regarding the bill.

Mr. ELLENDER. The Senator from Utah [Mr. King] objected to the immediate consideration of the bill, but he has since withdrawn his objection.

Mr. WHITE. I desire to ask has the Senator who objected to the consideration of the bill withdrawn his objection?

Mr. ELLENDER. Yes, sir; he has. The PRESIDING OFFICER. Is there any further objection to the consideration of the bill?

Mr. LODGE. Mr. President, I am advised that the Senator from Vermont [Mr. Austin] expressed some doubt about this bill. I wonder if the Senator will not renew his request after the Senator from Vermont shall have returned to the Chamber.

Mr. ELLENDER. I did not know that the Senator from Vermont objected to the bill. I understood that the Senator from Utah [Mr. King] objected to it. The bill was introduced at the request of the Secretary of War. It makes no appropriation. It simply extends for 6 months the time limit within which claims may be filed.

Mr. BARKLEY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kentucky?

Mr. ELLENDER. I yield. Mr. BARKLEY. I will say to the Senator from Massachusetts that when this bill was reached on the calendar the Senator from Utah [Mr. King] objected to it. Later, he came to my desk and said that he had no objection, and that so far as he was concerned the bill might pass. I do not know what the position of the Senator from Vermont may be with reference to the bill.

Mr. AUSTIN entered the Chamber.

Mr. LODGE. Mr. President, the Senator from Vermont is in the Chamber now, and will speak for himself.

Mr. AUSTIN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. ELLENDER. I yield.

Mr. AUSTIN. The Senator from Vermont did not object to the consideration of this bill. The Senator from Vermont understands that it is a bill merely to put into the law a 6-month limitation.

Mr. ELLENDER. That is all.

Mr. AUSTIN. It is protective in its character, and there is not any reason in the world why the Senator from Vermont should object to the bill.

Mr. ELLENDER. I did not think the distinguished Senator from Vermont could be guilty of urging an objection to such a meritorious bill as this one.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5333) to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That no claim for additional or increased Be it enacted, etc., That no claim for additional or increased compensation incident to services rendered by civilian employees of the Government of the United States or of the District of Columbia between July 1, 1917, and June 30, 1924, authorized by acts making appropriations for the payment of such increased or additional compensation for the fiscal years ending June 30, 1918, to June 30, 1924, inclusive, shall be considered by the General Accounting Office unless presented to it within 6 months from the date of the enactment of this act.

BOUNDARY COMPACT BETWEEN STATES OF IOWA AND MISSOURI

Mr. ASHURST. Mr. President, on behalf of the Senator from Nebraska [Mr. Burke], who is in attendance upon the Committee on Appropriations, I report back favorably from the Committee on the Judiciary Senate Joint Resolution 181. Inasmuch as I shall request unanimous consent for its immediate consideration, I ask that the joint resolution, with the whereases, be read, and I invite the attention of the Senators from Missouri and Iowa to it.

It appears that there has been a dispute between those two States over a boundary line. The displute has existed, I understand, for nearly 100 years. Every Senator knows that States may not enter into a compact without the consent of Congress. This is a joint resolution granting the consent of Congress to those two States to enter into a compact regarding a boundary line.

I ask that the joint resolution, with the whereases, be read, and that the Senators from Missouri and Iowa give it their attention.

The PRESIDING OFFICER. Without objection, the joint resolution will be read.

The joint resolution (S. J. Res. 181) giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States was read, as follows:

Was read, as follows:

Whereas, under date of December 13, 1937, the State of Missouri commenced suit against the State of Iowa in the Supreme Court of the United States for the purpose of determining the boundary line between the county of Clark in the State of Missouri and the county of Lee in the State of Iowa; and

Whereas, by stipulation filed in the said Supreme Court of the United States, it was proposed that the Legislature of Iowa and the Legislature of Missouri pass like bills, the State of Missouri waiving and relinquishing to the State of Iowa all jurisdiction to lands lying north and east of the Des Moines River, now in the county of Clark, State of Missouri, and the State of Iowa waiving and relinquishing to the State of Missouri all lands lying south and west of the Des Moines River, and now in the county of Lee, State of Iowa, and that said acts be submitted to the Congress of the United States for its approval; and

Whereas, in accordance with said stipulation, the Forty-eighth General Assembly of the State of Iowa did at such session pass such act, this act being known and designated as house file No. 651, acts of the Forty-eighth General Assembly of Iowa, bearing the signatures of John R. Irwin, speaker of the house; Bourke B. Hickenlooper, president of the senate; and the signature and approval of George A. Wilson, Governor of Iowa, under date of April 12, 1939; and

18, 1939, said act being thereupon properly published and becoming law under date of April 23, 1939; and

Whereas said act provided in substance that the Des Moines River in its present course as heretofore declared by the Congress of the United States shall be and remain the true boundary line between the State of Missouri and the State of Iowa; that the State of Iowa relinquishes all jurisdiction to all lands in Lee County lying south and west of the Des Moines River, being south and each of the person the States. County lying south and west of the Des Moines River, being south and east of the east and west boundary line between the States of Iowa and Missouri, and that the effective date of the relinquishment of jurisdiction shall be as of midnight of the 31st day of December following the passage of the act of Congress approving the relinquishment of jurisdiction; and

Whereas, in accordance with stipulation as aforesaid, the Sixtleth General Assembly of the State of Missouri did, at such session, pass a like act, this act being known and designated as senate bill 350 of the acts of the Sixtleth General Assembly of Missouri and bearing the signature and approval of Lloyd C. Stark, Governor of Missouri, under date of June 16, 1939; and

Whereas said act provides in substance that the Des Moines

Missouri, under date of June 16, 1939; and

Whereas said act provides in substance that the Des Moines
River shall be the true boundary line as between Missouri and
Iowa; that the State of Missouri relinquishes all jurisdiction to
all lands lying north and east of the Des Moines River and that
the effective date of the relinquishment of jurisdiction over the
land herein described shall be as of midnight of the 31st day of
December following the passage of the act of Congress approving
the relinquishment of jurisdiction; and

Whereas the said acts of the States of Iowa and Missouri constitute an agreement between said States establishing a boundary

tute an agreement between said States establishing a boundary between said States: Therefore be it

Resolved, etc., That the consent of the Congress is hereby given to such agreement and to the establishment of such boundary; and said acts of the States of Iowa and Missouri are hereby approved.

Mr. AUSTIN. Mr. President, I inquire whether it is the intention of this agreement between the two States interested to leave in the United States the title to the Des Moines River.

Mr. TRUMAN. Yes. The joint resolution does not disturb the title to the Des Moines River. It merely refers to the land on each side of the river, which has changed its course.

Mr. CLARK of Missouri. Mr. President, if the Senator from Missouri will yield, the joint resolution represents the settlement of a dispute which has existed between the States of Iowa and Missouri for more than 100 years. As a matter of fact, at one time the two States were on the verge of civil war regarding the matter. Each State ordered out troops, and the dispute was finally settled by arbitration; but the matter has been in dispute ever since. The joint resolution represents an amicable adjustment of a century-old dispute.

Mr. AUSTIN. Mr. President, it gives me great happiness to join in settling such a long and ancient boundary romance I myself have lived professionally through one that began in 1763 and ended in 1936; so I am naturally keen to understand the intent of the parties here, because the boundary case with which I was so intimately involved depended upon the construction of language relating to a river.

Mr. TRUMAN. Mr. President, this joint resolution does not depend at all upon language. It is merely a settlement between the two States in regard to land which has changed its place on account of the change of the course of the river. The joint resolution is agreed to by both sides, and by all four Senators from both States.

Mr. AUSTIN. I would not delay this amicable adjustment. Mr. BARKLEY. Mr. President, I wish to say that if the Senator from Vermont has lived professionally through the controversy to which he referred from 1763 to this hour, he certainly does not look his age. [Laughter.]

Mr. AUSTIN. I thank the distinguished Senator from Kentucky for his compliment.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

COLUMBIA RIVER BRIDGE, THE DALLES, OREG.

The bill (H. R. 3122) to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg., which had been reported from the Committee on Commerce, was considered, ordered to a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, NIOBRARA, NEBR.

The bill (H. R. 5998) to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, which had been reported from the Committee on Commerce, was considered, ordered to a third reading, read the third time, and passed.

COLUMBIA RIVER BRIDGE, KETTLE FALLS, WASH.

The bill (H. R. 6271) granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or near Kettle Falls, Wash., which had been reported from the Committee on Commerce, was considered, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, HARRISBURG, PA.

The bill (H. R. 6662) granting the consent of Congress to the Dauphin County, Pa., Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa., which had been reported from the Committee on Commerce, was considered. ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PA.

The bill (H. R. 6907) granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins township, county of Luzerne, Commonwealth of Pennsylvania, which had been reported from the Committee on Commerce, was considered, ordered to a third reading, read the third time, and passed.

JAMES M. HARWOOD

The bill (H. R. 4885) for the relief of James M. Harwood was considered, ordered to a third reading, read the third time, and passed.

THOMAS J. SMITH

The bill (H. R. 2440) for the relief of Thomas J. Smith was considered, ordered to a third reading, read the third time, and passed.

ANNA E. HURLEY

The bill (H. R. 3156) for the relief of Anna E. Hurley was considered, ordered to a third reading, read the third time, and passed.

FISKE WARREN

The bill (H. R. 3172) conferring jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren, was considered, ordered to a third reading, read the third time, and passed.

CLARENDON DAVIS

The bill (H. R. 4062) for the relief of Clarendon Davis was considered, ordered to a third reading, read the third time, and passed.

HARRY VROUNTAS AND THEODORE VROUNTAS

The bill (H. R. 4275) for the relief of Harry Vrountas and Theodore Vrountas was considered, ordered to a third reading, read the third time, and passed.

ANTON SAGANEY AND OTHERS

The bill (H. R. 4300) for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz was considered, ordered to a third reading, read the third time, and passed.

FRANCIS A. LEETE AND SARAH LEETE

The bill (H. R. 4554) for the relief of Francis A. Leete and Sarah Leete was considered, ordered to a third reading, read the third time, and passed.

JAMES W. GILSON

The bill (H. R. 4726) for the relief of James W. Gilson was considered, ordered to a third reading, read the third time, and passed.

MRS. LAYER TAYLOR

The bill (H. R. 5259) for the relief of Mrs. Layer Taylor was considered, ordered to a third reading, read the third time, and passed.

H. A. DIXON

The bill (H. R. 5383) for the relief of H. A. Dixon was considered, ordered to a third reading, read the third time, and passed.

RUTH DORNSIFE

The bill (H. R. 5491) to pay salary of Ruth Dornsife was considered, ordered to a third reading, read the third time, and passed.

V. H. SCHEURING, ELMER EGGERS, AND THOMAS FAHEY

The bill (H. R. 5557) for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey was considered, ordered to a third reading, read the third time, and passed.

SIMON A. BRIEGER

The bill (H. R. 5923) for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor was considered, ordered to a third reading, read the third time, and passed.

REPORTS FROM THE COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. Mr. President, on behalf of the Committee to Audit and Control the Contingent Expenses of the Senate, I wish to report a number of resolutions which have been pending before the committee, in connection with which I wish to make a short statement.

Mr. AUSTIN. Mr. President, will the Senator yield so that I may call a quorum?

Mr. BYRNES. I have no objection; but I will say to the Senator that I am certainly not going to ask for action on these matters, if the Senator will permit me to make my statement.

Mr. President, I am merely reporting several resolutions; I am not asking for action, and I intend to make a statement with reference to them.

There are nine of the standing committees of the Senate which have reported resolutions for the investigation of various subjects. Those resolutions have been referred to the Committee to Audit and Control the Contingent Expenses of the Senate for the purpose of determining how much money shall be made available out of the contingent fund of the Senate for the conduct of the investigations. The Committee to Audit and Control has authorized me to report these resolutions with a recommendation as to the amount which shall be expended in each case, should the Senate decide to authorize the investigations.

The Committee to Audit and Control the Contingent Expenses of the Senate are of the opinion that when a standing committee votes unanimously, as in most of these cases, the

committees have to conduct investigations, the Senate should have an opportunity to pass upon the question, and determine whether or not the investigation should be made.

The amounts asked by the committees have not been recommended by the Committee to Audit and Control, except in one or two instances where the amounts requested were comparatively small. Members of the Committee to Audit and Control, in reporting the resolutions to the Senate to give to the Senate an opportunity to act on them, reserve their right, as individual Members of the Senate, to oppose the resolutions when they are brought before the Senate, should they see fit to do so. They merely determine to let the Senate have an opportunity to consider these measures.

CARLTON-MACE ENGINEERING CORPORATION

The bill (H. R. 5857) to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carlton-Mace Engineering Corporation," was considered, ordered to a third reading, read the third time, and passed.

Mr. AUSTIN. What was the name of the corporation? The PRESIDING OFFICER (Mr. Gerry in the chair). The Carlton-Mace Engineering Corporation.

ESTATE OF HARVEY T. COMBS

The bill (H. R. 2363) for the relief of the estate of Harvey T. Combs was considered, ordered to a third reading, read the third time, and passed.

Mr. VANDENBERG. Mr. President, would it be possible for the clerk, in reporting these bills, which are not listed, to state how much is involved in each bill as he reports it? This is such an utterly slipshod method of legislating that I suggest that just a casual bit of prudence might not be out of place.

FLOYD ELTON

The bill (H. R. 3853) authorizing the payment of \$400 for the relief of Floyd Elton was considered, ordered to a third reading, read the third time, and passed.

CELIA PRESS AND BERNARD PRESS

The bill (H. R. 4141) for the relief of Celia Press and Bernard Press was considered, ordered to a third reading, read the third time, and passed.

BYRON MAC DONALD

The bill (H. R. 4482) for the relief of Byron MacDonald was considered, ordered to a third reading, read the third time, and passed.

WILLIAM H. RADCLIFFE

The bill (H. R. 4549) for the relief of William H. Radcliffe was considered, ordered to a third reading, read the third time, and passed.

PAUL W. M'COY

The bill (H. R. 4601) for the relief of Paul W. McCoy was considered, ordered to a third reading, read the third time, and passed.

M. F. GUBRUD

The bill (H. R. 4616) for the relief of M. F. Gubrud was considered, ordered to a third reading, read the third time, and passed.

HARRY W. LYLE

The bill (H. R. 5115) for the relief of Harry W. Lyle was considered, ordered to a third reading, read the third time, and passed

Mr. SMITH. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH. We do not seem to be proceeding according to the calendar.

Mr. BARKLEY. Mr. President, if the Senator will yield, there are on the desk a number of House bills reported by Senate committees which have not been printed on the calendar, and which are being called for consideration. All of them have been reported by Senate committees.

Mr. SMITH. I understand that, but we have nothing to guide us, and something might slip by to which someone might object if we had a record of what was going on. Has this ever been done before?

Mr. BARKLEY. Yes; it has.

Mr. SMITH. When we have taken up bills which have not been reported?

Mr. BARKLEY. At the end of a session it is frequently done. It covers only House bills. Of course, these bills have been passed by the House of Representatives.

Mr. SMITH. I know, but none of them were passed on by Senate committees.

Mr. BARKLEY. They have been reported by Senate committees. Of course, any Senator can object when a bill is called if he does not want it to pass. Most of them are private bills, bridge bills, and so forth.

Mr. SMITH. If they are restricted to that type of bill, I would not have any objection, but just taking them as they come, the run-of-the-mine measures may get through to which some of us might seriously object if we had the proper

The PRESIDING OFFICER. The Chair will state to the Senator from South Carolina that these are only bills from the Committee on Claims.

Mr. SMITH. They are restricted to claims?

The PRESIDING OFFICER. The Chair is informed that under the order they are not restricted to claims, but these bills being taken up now are all claims bills.

Mr. WHEELER. Mr. President, I think it is exceedingly bad practice to pass bills about which no one in the Senate knows a thing, which have never been referred to com-

Mr. BARKLEY. Mr. President, all these bills have been referred to committees, and reported.

Mr. WHEELER. To Senate committees?

Mr. BARKLEY. Yes; to Senate committees. They were included in the request made for the calling of House bills on the calendar, bills reported by Senate committees. These bills have all been acted upon by Senate committees.

Mr. WHEELER. I did not know that. Mr. BARKLEY. Oh, yes; I would not ask that the bills be considered otherwise.

GEORGE A. MEFFAN

The bill (H. R. 5607) for the relief of George A. Meffan, United States marshal, district of Idaho, was considered, ordered to a third reading, read the third time, and passed.

THE HEIRS OF EMMA J. HALL

The bill (H. R. 5951) for the relief of the heirs of Emma J. Hall was considered, ordered a third reading, read the third time, and passed.

ALLEGED DETENTION OF LABOR ORGANIZER IN MAJESTIC HOTEL, MEXIA, TEX.

Mr. SHEPPARD. Mr. President, I ask that there be inserted in the RECORD at this point two telegrams which I have received from E. T. Lucas and J. G. Coman, of Mexia, Tex. The telegrams will explain themselves.

The PRESIDING OFFICER. Without objection, the telegrams will be printed in the RECORD.

The telegrams are as follows:

MEXIA, TEX., August 2, 1939.

Senator Morris Sheppard,

Senator Morris Sheppard, Washington, D. C.:

It has been brought to my attention that in the July 21 issue of Houston Post, under Associated Press dispatch from Washington, Robert R. Tisdale, testifying before Senate Labor Committee, testified that a union organizer was held in hotel in Mexia, Tex., and "threatened with tar and feathers" by a "group apparently sponsored by the employers." As manager of the Majestic Hotel, in Mexia, Tex., I cannot let such statement go unchallenged, as it was in my hotel that Howard Lee C. I. O. organizer stayed while in Mexia, Tex., I cannot let such statement go unchallenged, as it was in my hotel that Howard Lee, C. I. O. organizer, stayed while organizing Mexia textile mills of this city. The hotel register shows that he stayed at my hotel from August 22, 1937, to September 20, 1937, a day or so at a time and that no other organizer was in Mexia, to my knowledge. During the time Mr. Lee was guest in hotel he was never at any time "held" in said hotel by any group of persons, nor was he threatened with "tar and feath ers," nor was an attempt ever made to molest Mr. Lee or tar and feather him. I have been manager of Majestic Hotel, Mexia, Tex., since September 1, 1926, and there has never been during that time any attempt to tar and feather or detain any of my guests, and I know of no hotel in Mexia since I have resided here where any such attempt has been made, and any statement to contrary is a deliberate falsehood.

E. T. LUCAS, Manager, Majestic Hotel. MEXIA, TEX., August 2, 1939.

Senator Morris SHEPPARD.

Senator Morris Sheppard, Washington, D. C.:

It has been called to our attention that in an article appearing in July 21 issue, Houston Post, under Associated Press news dispatch from Washington that one Robert R. Tisdale, testifying before Senate Labor Committee, testified that at Mexia, Tex., a union organizer was held in "hotel and threatened to tar and feathers" by "group apparently sponsored by the employers." This deliberate lie cannot be passed unprotested. We emphatically deny that any union organizer has ever been held with or without threat of tar and feathers in any hotel in Mexia or vicinity with or without sanction of Mexia Textile Mills and further deny that any such acts have ever taken place in the city of Mexia as testified to by Tisdale, and hereby offer myself as witness at any time you may call me. call me.

J. G. COMAN, Manager, Mexia Textile Mills.

MARIE HEINEN

The bill (H. R. 5953) for the relief of Marie Heinen, which had been reported from the Committee on Claims, was considered, ordered to a third reading, read the third time, and

TAXES

Mr. ASHURST. Mr. President, on April 8, 1938, I presumed so far as to ask the Senate to hear me on the subject of taxes. I now read to the Senate what I said on that subject on that day:

> [In the Senate, April 8, 1938] TAXES

Mr. Ashurst. Mr. President, doubt and fear, twin spectral forms of evil, have descended upon business. Whether or not business is justified in its fear of Congress is a question I do not now discuss. It is sufficient to know that such fear actually exists.

The person who now addresses you during his youth time believed in ghosts, and was morbidly and frenziedly afraid of any man who was dead. It would be the subject of an interesting homily, if the Senate had the time to hear it, for me to relate

homily, if the Senate had the time to hear it, for me to relate the circumstance which permanently eradicated my fear and dread of ghosts and wraiths. I may do so some day, but not at this time. The country will not recover, nor will it make progress, unless and until Congress gives assurance that when citizens engage in legitimate business enterprises they will not be the subject of unnecessary taxes and amercements. Business now fears that should it launch legitimate enterprises, its activities would be pounced upon by Congress and penalized by unnecessary taxes, and that some sort of invisible radiation, such as a ghost or wraith of the enterprise, would be all that would ever flow from the undertakings. undertakings.

Congress must dispel this fear and doubt with which it has enshrouded business. Congress should say to labor, "You shall have a fair day's wage for a fair day's work," and should say to business, "You shall not be exploited."

Taxes will be, to say the least, moderately heavy during the life-

time of all persons now in existence. Taxes may be reduced only by reducing expenditures. The remedy for heavy taxes is somewhat within the hands of the taxpayers themselves. If and when taxpayers quit the practice of telegraphing Congress for more appropriations, and begin instead to telegraph Congress to vote against appropriations, Congress will grant relief from heavy taxes.

There are in this world some laws that may not be repealed, such as the law of the survival of the fittest, the law of supply and demand, the law of compensation, and the law of reactions. Even if Congress should refuse to grant relief from excessive taxes, the law of reactions would ultimately do its perfect work.

jealousy is the concomitant of violent love, as Aristides

A jealousy is the concomitant of violent love, as Aristides the Just was banished because people grew weary of hearing him called Aristides the Just, as a flercely raging fire will burn itself out, as a rapidly running river will create obstructions for itself, likewise an era of prodigal expenditures will be followed by economy to the point of parsimony.

I therefore declare to the Senate, as I said last autumn in my addresses to various civic organizations, "You are wise in getting money from Uncle Sam's Treasury 'while the getting is good'; for under the law of reactions this prodigal era in due time will be followed by a regime that will make Calvin Coolidge look like a spendthrift."

[Laughter.]

Mr. HATCH. Mr. President, in connection with the remarks of the Senator from Arizona I am prompted to ask if by any chance he has indulged in the ancient and honorable pastime of saying "I told you so."

Mr. ASHURST. Mr. President, it is always ungracious to say "I told you so," but I stand on the statement I made here on April 8, 1938, that under the law of reactions, an era of prodigal expenditures is followed by an era of economy to the point of parsimony. I do not say "I told you so," as that would serve no useful purpose and it would be ungracious to say it.

Mr. VANDENBERG. Mr. President, I suppose the Sen-

ator is anticipating the next election.

Mr. ASHURST. If the Senator refers to me I will say no, I am not anticipating the next election. Let me say that I have no politically perturbed spirit, because politically I have put on immortality. Politically I am on the other side of the resurrection. I have survived. Politically I am exempt from the fear that comes to all men who seek the Presidency. [Laughter.] And if the Republicans do make a Presidential nomination they could go farther and fare worse than the eminent, learned Senator from Michiganand probably will. [Laughter.]
Mr. BARKLEY. If I may comment on the Senator's

speech I wish to pay him the compliment of saying that he is in the unique position of doing what none of the rest of us here would dare to do-repeat a speech which he made

on a former occasion. [Laughter.]

Mr. ASHURST. Mr. President, I surrender. [Laughter.]

BUFORD LEE PRATT

The bill (H. R. 6963) for the relief of Buford Lee Pratt was considered, ordered to a third reading, read the third time, and passed.

SAM E. WOODS

The bill (H. R. 6805) for the relief of Sam E. Woods was considered, ordered to a third reading, read the third time. and passed.

BLUE RIDGE PARKWAY, VA. AND N. C.

Mr. BYRD. Mr. President, I ask unanimous consent for the present consideration of Senate bill 2626, Calendar No. 883. That bill, when reached on the calendar yesterday, was objected to by the Senator from Tennessee [Mr. McKellar]. He has withdrawn his objection. The bill relates only to the Blue Ridge Parkway in the States of Virginia and North Carolina. It has a local application.

Mr. KING. A parliamentary inquiry.
The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I do not object, but I was wondering whether, if we break the rule, which was, as I understood, to take up only House bills, we will not be deluged with requests of a similar nature.

Mr. BYRD. I will say to the Senator from Utah that this is a very important bill, which has to go to the House, and the Senator from Tennessee objected to it, but has since withdrawn his objection. It is entirely local in application, and I should greatly appreciate it if the Senator would permit it to be considered at this time.

Mr. KING. I have no objection if it is understood that this will not be a precedent to recur to the calendar, because there are many Senators who would have been here had they

understood that the Senate would do that.

Mr. BARKLEY. This understanding applies only to bills to which objection was being made while the calendar was being called. While it is true we are proceeding by unanimous consent to call only House bills, there is nothing irregular about asking to recur to a Senate bill to which objection had previously been made.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2626) to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway in the States of Virginia and North Carolina by the Secretary of the Interior, and for other purposes, which had been reported from the Committee on Public Lands and Surveys, with an amendment, on page 2, line 15, after the word "lands", to insert "but in no case shall such width exceed 1,000 feet", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to provide Be it enacted, etc., That the act entitled "An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes," approved June 30, 1936 (49 Stat. 2041), be amended to read as follows: "That all lands and easements heretofore or hereafter conveyed to the United States by the States of Virginia and North Carolina for the right-of-way for the projected parkway between the

Shenandoah and Great Smoky Mountains National Parks, together with sites acquired or to be acquired for recreational areas in connection therewith, and a right-of-way for said parkway of a width sufficient to include the highway and all bridges, ditches, cuts, and fills appurtenant thereto, but not exceeding a maximum of 200 feet through Government-owned lands (except that where small parcels of Government-owned lands would otherwise be isolated or where topographic conditions or scenic requirements are such that bridges, ditches, cuts, fills, parking overlooks, and land-scape development could not reasonably be confined to a width of 200 feet the said maximum may be increased to such width as may be necessary with the written approval of the department or agency necessary with the written approval of the department or agency having jurisdiction over such lands but in no case shall such width exceed 1,000 feet) as designated on maps heretofore or hereafter approved by the Secretary of the Interior, shall be known as the Blue Ridge Parkway and shall be administered and maintained Blue Ridge Parkway and shall be administered and maintained by the Secretary of the Interior through the National Park Service, subject to the provisions of the Act of Congress approved August 25, 1916 (39 Stat. 535), entitled 'An act to establish a National Park Service, and for other purposes', the provisions of which act, as amended and supplemented, are hereby extended over and made applicable to said parkway: Provided, That the Secretary of Agriculture is hereby authorized, with the concurrence of the Secretary of the Interior, to connect with the parkway such roads and trails as may be necessary for the protection, administration, or utilizeculture is hereby authorized, with the concurrence of the Secretary of the Interior, to connect with the parkway such roads and trails as may be necessary for the protection, administration, or utilization of adjacent and nearby national forests and the resources thereof: And provided further, That the Forest Service and the National Park Service shall, insofar as practicable, coordinate and correlate such recreational development as each may plan, construct, or permit to be constructed, on lands within their respective jurisdictions which, by mutual agreement, should be given special treatment for recreational purposes.

"Sec. 2. In the administration of the Blue Ridge Parkway, the Secretary of the Interior may issue revocable licenses or permits for rights-of-way over, across, and upon parkway lands, or for the use of parkway lands by the owners or lessees of adjacent lands, for such purposes and under such nondiscriminatory terms, regulations, and conditions as he may determine to be not inconsistent with the use of such lands for parkway purposes.

"Sec. 3. The Secretary of the Interior is hereby authorized, in his discretion, to approve and accept, on behalf of the United States title to any lands and interests in land heretofore or hereafter conveyed to the United States for the purposes of the Blue Ridge or the Natchez Trace Parkways, or for recreational areas in connection therewith."

The amendment was rejected.

The amendment was rejected.

Mr. BYRD. Mr. President, I offer an amendment which I ask to have stated.

The CHIEF CLERK. On page 2, line 11, after the word "overlooks", it is proposed to strike out "and"; and on the same page, in line 15, after the word "development", it is proposed to insert: ", and recreational and other facilities requisite to public use of said parkway."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSULTING SERVICES, BUREAU OF RECLAMATION

Mr. WHEELER. Mr. President, I ask unanimous consent to have considered Calendar No. 1093, being Senate bill 2448, to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work."

This is a bill in which the Reclamation Bureau is very much interested. It would permit them to employ some experts and geologists in their work. The bill has been reported by the committee favorably, and is upon the calendar. They are very anxious to have it passed at this session of Congress.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. AUSTIN. Mr. President, may I ask how much money the bill calls for?

Mr. WHEELER. The bill reads:

That the Secretary of the Interior is authorized, in his judgment and discretion, to employ for consultation purposes on important reclamation work 15 consulting engineers, geologists, appraisers, and economists, at rates of compensation to be fixed by him, but not to exceed \$50 per day for any engineer, geologist, appraiser, or economist so employed: *Provided*, That the total compensation paid to any engineer, geologist, appraiser, or economist during any fiscal year shall not exceed \$9,000.

Mr. AUSTIN. What is the total amount involved?

Mr. WHEELER. The bill authorizes the Secretary of the Interior to employ 15 engineers or consulting engineers at not to exceed \$50 a day, and not to pay them in excess of \$9,000 a year. It does not specify any particular amount at all.

Mr. AUSTIN. The total might be \$140,000?

Mr. WHEELER. No; it would not; but whatever it was, it would have to come out of their appropriation already made. As I understand, this would not call for any further appropriation at all.

The PRESIDING OFFICER. Is there objection to the

present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of February 28, 1929 (45 Stat. 1406), authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work, is hereby amended to read as follows:

lows:

"That the Secretary of the Interior is authorized, in his judgment and discretion, to employ for consultation purposes on important reclamation work 15 consulting engineers, geologists, appraisers, and economists, at rates of compensation to be fixed by him, but not to exceed \$50 per day for any engineer, geologist, appraiser, or economist so employed: Provided, That the total compensation paid to any engineer, geologist, appraiser, or economist during any fiscal year shall not exceed \$9,000: Provided further, That notwithstanding the provisions of any other act, retired officers of the Army or Navy may be employed by the Secretary of the Interior as consulting engineers in accordance with the provisions of this act."

FIRST LT. SAMUEL E. WILLIAMS

The bill (H. R. 1428) for the relief of First Lt. Samuel E. Williams, was considered, ordered to a third reading, read the third time, and passed.

OLIN C. RISINGER

The bill (H. R. 2049) for the relief of Olin C. Risinger was considered, ordered to a third reading, read the third time, and passed.

LUCILE SNIDER AND CLIFF SNIDER, JR.

The bill (H. R. 2096) for the relief of Lucile Snider and Cliff Snider, Jr., was considered, ordered to a third reading, read the third time, and passed.

FRANK MALLES, JR.

The bill (H. R. 2250) for the relief of Frank Malles, Jr., was considered, ordered to a third reading, read the third time, and passed.

JAMES M'CONNACHIE

The bill (H. R. 2344) for the relief of James McConnachie was considered, ordered to a third reading, read the third time, and passed.

C. E. HENDRICKSON AND THE STEPHENVILLE HOSPITAL, STEPHEN-VILLE, TEX.

The bill (H. R. 3676 for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex., was considered, ordered to a third reading, read the third time, and passed.

MARIJO M'MILLAN WILLIAMS

The bill (H. R. 3927) for the relief of Marijo McMillan Williams was considered, ordered to a third reading, read the third time, and passed.

OTHO L. CURTNER

The bill (H. R. 3933) for the relief of Otho L. Curtner was considered, ordered to a third reading, read the third time, and passed.

EMMITT COURTNEY

The bill (H. R. 4072) for the relief of Emmitt Courtney was considered, ordered to a third reading, read the third time, and passed.

TOLEDO TERMINAL RAILROAD CO., OF TOLEDO, OHIO

The bill (H. R. 4606) for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio, was considered, ordered to a third reading, read the third time, and passed.

MINA KEIL

The bill (H. R. 5266) for the relief of Mina Keil was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CERTAIN POSTMASTERS

The bill (H. R. 5348) for relief of certain postmasters was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH HESSMAN

The bill (H. R. 5931) for the relief of Elizabeth Hessman was considered, ordered to a third reading, read the third time, and passed.

MRS. VIRGIE B. WEAVER

The Senate proceeded to consider the bill (H. R. 5515) for the relief of Mrs. Virgie B. Weaver, which had been reported from the Committee on Claims with an amendment, on page 2, line 5, after the word "act", to insert a colon and the following additional proviso: "Provided further, That no benefits shall accrue prior to the approval of this act", so as to make the bill read:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Mrs. Virgie B. Weaver, Waco, Tex., a former employee of the United States of America at Camp McArthur, Tex., and the United States Employees' Compensation Commission is authorized to receive and consider her claim, under the remaining provisions of said act, for injury and disability alleged to have been sustained in the latter part of 1917 or the early part of 1918 as a result of her employment in such capacity: Provided, That claim hereunder shall be filed within 90 days from the approval of this act: Provided fulls act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JACK D. COLLINS

The Senate proceeded to consider the bill (H. R. 6259) for the relief of Jack D. Collins, which had been reported from the Committee on Claims with an amendment, on page 2, line 6, after the word "act", to insert a colon and the following additional proviso: "Provided further, That claims hereunder shall be filed within 90 days from the approval of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to consider the claim of Jack D. Collins, filed with the United States Employees' Compensation Commission on January 10, 1939, for disability alleged to have been incurred by him May 3, 1935, when engaged in authorized activities while an enrollee of the Civilian Conservation Corps, and to determine said claim upon its merits under the provisions of said act applicable to enrollees of the Civilian Conservation Corps: Provided, That no benefits shall accrue prior to the approval of this act: Provided further, That claims hereunder shall be filed within 90 days from the approval of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

H. H. RHYNE, JR.

The bill (H. R. 5698) for the relief of H. H. Rhyne, Jr., was considered, ordered to a third reading, read the third time, and passed.

PROHIBITION OF THE USE OF THE RADIO BY LIQUOR ADVERTISERS

Mr. JOHNSON of Colorado. Mr. President, I desire to address the Senate on a bill which has been on the calendar since April 28 of last year. I refer to Senate bill 517. I understand full well that under the circumstances there is no possibility of bringing the bill before the Senate for consideration; but I desire to make a few remarks in behalf of the bill, so that the Senate and others may be informed as to some of the issues involved.

My bill has for its purpose the prohibition of the use of the radio by liquor advertisers. Week after week the bill has had to give way to appropriation bills, "must" legislation of one kind or another, and special orders which were urgent. I realize that the subject is controversial and that Members facing issues of international import and contending with the jam of odds and ends of legislation which always accompanies the closing days of a session are in no mood to have such a bill forced into the confusion. However, I desire to lay before the Senate and the country for study and contemplation this important piece of legislation, which has for its only purpose the protection of the American home against the intrusion of the liquor salesman.

Three hundred and seventy-nine thousand parents, pleading protection for their firesides, have exercised their constitutional right to petition Congress for relief. A whole truckload of petitions signed by anxious parents from every State in the Union has been filed with Congress, pleading for relief from the intolerant oppression imposed upon them by this shameless intruder. These parents should be given immediate protection; but under the circumstances I am not going to insist upon a harassed Senate, anxious to bring a hectic session to a close, taking action now; I am giving notice, however, that when Congress reconvenes in January I shall press for a vote, which I have every reason to believe will be favorable. At this time I shall content myself with an effort to present some basic facts.

THE RADIO

The most intimate and important inanimate object in our home is a little piece of more or less unornamental furniture which we affectionately call the chatterbox, for it brings to us the voice of the entire world. The first member to arise in the morning turns it on and the last to retire turns it off. It entertains with a program varied from the sublime to the ridiculous; it caters from early to late to the spiritual, the esthetic, and the fleeting fancies and moods of each member of the family. It so handles current news that we need only listen to the highlights to have constantly before us a picture of what is transpiring in the world. Sporting events and important ceremonies in far-away places are presented blow by blow so realistically and in such masterful manner that we prefer to stay at home rather than undergo the inconvenience and discomfort incidental to being actual eye witnesses. Over this unique contrivance the statesmen of the world gather with us around our fireside and discuss the issues which rock the universe. How fascinating to hear in our humble living room the natural voices of our beloved President, Mr. Roosevelt; the Premier who made the bad bargain at Munich, Mr. Chamberlain; the vociferous Il Duce, Benito Mussolini; and the great "I am" Der Feuhrer Hitler, each in character depicting his part in the tragic drama of current history. Truly, the radio has added much to our home. Delightfully entertaining and pleasantly instructing, the radio has become a most essential part of our family life; and we would rather go without necessities than part with its magic. I quote from an address made by W. S. Alexander, delivered in Columbus, Ohio, April 24, 1939:

The American family takes its radio programs with reasonable seriousness, and, because it does, it has a right to the protection of the law from an invasion of its sanctity by the intrusion of propaganda, such as spot advertising of alcoholic beverages. In my opinion, there is nothing at the moment that is making so much foul weather for the liquor industry as the continued intrusion in the homes of the country of alluring radio appeals to "pep up" with this brew, and "go to town" with that. Science has developed the radio so rapidly that it has changed the habits of the American people. It is no longer a luxury, but is a necessity in practically every American home. Over it comes entertainment and instruction of unsurpassed merit for every member of the family—grand opera from the Metropolitan Opera House, symphonic concerts from the finest world orchestras, arias from the golden throats of gifted singers, sermons from eminent clergymen, dramas presented by the best talent on the stage, educational and political discussions of current topics by masters in those professions, news and news comment, and the whole range of culture covered in one day's cycle. Families gather about the radio in the evening and find pleasurable contentment. Old folks who are confined to their chairs lean upon it as a lame person leans upon a crutch.

THE PUBLIC'S INVESTMENT

In the United States on January 1, 1939, there were 764 radio stations on the air, 674 of which were actually broadcasting commercial programs. The total amount invested in these stations was approximately \$50,000,000; but the

investment of the listening public amounted to 50 times that figure, or two and one-half billion dcllars. The gross income upon the \$50,000,000 investment last year was \$135,-000,000. In view of these figures, who is there to say that the public financial interest, since it is 50 times the private financial interest, should not be protected? An industry in these days which can earn nearly three times its capital investment in 1 year can well afford to lose the revenue from unwholesome, offensive advertising which amounts to less than 1 percent of its total revenue. Radio revenue from liquor sales talks was only \$1,091,400 in 1938, against a total of \$135,000,000.

PROFANITY CENSORED BY CONGRESS

Congress in its wisdom, recognizing its responsibility and duty to regulate the radio, a common carrier engaged in interestate commerce operating over the channels of the air, enacted a law to deny to stations the right to broadcast profane language, or anything concerning lotteries, prizes, or games of chance. When this wholesome and necessary legislative step was taken the hue and cry was raised by the defenders of such gambling systems that this was the beginning of congressional censorship of the radio and the beginning of an effort to abridge the right of free speech; but Congress was not swerved from its responsibility by such clever subterfuge, so vile language and tempting news about lotteries ceased to be dinned into the ears of little children and foolish grown-ups. The courts have spoken on the subject, so that now no informed person in all the land contends that Congress has not the right as well as the duty in the public interest to enact necessary prohibitions. My amendment proposes taking another short step forward in the protection of the home by amending the Lottery Act, also to prohibit liquor advertising over the radio as being equally as offensive as profanity and gambling.

LIQUOR ADVERTISING OFFENSIVE

Mr. President, I am convinced that liquor advertising is offensive, because 379,000 parents have petitioned Congress for relief from it; because the Parent-Teachers Association. representing two and one-quarter million parents, says it is offensive; because officials in the Treasury Department of the Government whose duty it is to collect the liquor taxes have told Congress that it is exceedingly objectionable; because a majority of households say it is offensive, because Canada, with a population similar in ideals, habits, and customs to that of the United States, has already stopped radio liquor advertising; because the National Association of Broadcasters, representing 428 stations out of a total of 778, resolved in July of this year that it be banned. I am very grateful for this expression from the radio industry. It indicates that the association of radio stations realizes how offensive is such advertising and to what extent it is injuring the radio industry. It has been my personal experience to hear hundreds of parents complain about liquor sales-appeal talks over the radio. The Pittsburgh (Pa.) Catholic, late last fall carried this forceful and significant editorial, which I read in part:

Something has been said in these columns from time to time about the harmful effects of the advertising for intoxicants with which the radio and the billboards are flooding the country; advertising that simply cannot be squared with the public interest. Appeals to begin drinking, or to drink more—at any rate to drink, drink—flaunted day and night before eyes and dinned day and night into ears, are a deliberate incitement to intemperance.

Catholic Canada is outlining a course which the United States would do well to follow. Anyone who heard the American election returns by radio, simply saturated with intoxicants, knows that something should be done to curb this, before the selfish greed of the manufacturers of intoxicants engulfs young and old in the misery of drink.

PROFESSIONAL REFORMERS

The distinguished Senator from South Dakota [Mr. Gurney], who graced the chair as presiding officer of the Senato a few moments ago, states in the minority report which he has filed with this Senate concerning S. 517 that—

The radio should not be deprived of revenues * * * merely because a group of professional reformers seem to think that the

American parent cannot prevent a child from swapping the milk bottle for the beer bottle.

What a typically fanatical "wisecrack" that is to an honest effort to compel the liquor radio salesman to live within the bounds of decency! I would ask the able Senator if it is the business of a great public utility, a great public servant, and the family's most intimate friend to reach into the cradle and swap beer for milk. I cannot believe that anyone in this Senate contends that that is the proper function of a common carrier which has been permitted by the Congress to operate in the public interests with free access into the inner chambers of American homes. Does the good Senator from South Dakota believe that making liquor guzzlers of children through shrewd liquor salesmanship is in the public interest, convenience, and necessity?

I would analyze another portion of the able Senator's silly statement; I call your attention to that part of it in which he refers to "a group of professional reformers." Does the able Senator imply that the 379,000 parents who recently petitioned Congress to keep booze propaganda out of their homes are professional reformers? Three thousand eight hundred and fifty-seven of these petitioners live in South Dakota; the Senator knows many of them personally and he knows they are excellent citizens and are not by any means professional reformers. Is the Parent-Teachers Association, consisting of two and one-quarter million members, a group of professional reformers? Does the able Senator charge that W. S. Alexander, Administrator of the Federal Alcohol Administration, is a professional reformer? I do not see how the Senator from South Dakota can place him in that category after hearing him testify in our public hearing on S. 517.

This is Mr. Alexander's statement:

I have been very much interested in the past 3 years in the comments in the country at large in regard to the use of radio for the advertising of alcoholic beverages. At each time when a public statement has been made with reference to this question our Administration has received, from all over the country, comments, and usually those comments have been in favor of the elimination of radio advertising.

We have had a number of conferences on this question. Recently we had a conference in Washington, and as a result of that conference sent out questionnaires to public officials throughout the country, and while we have not heard from all of them, the opinions of those officials in various States from whom we have heard in connection with it, are all in favor of elimination of radio advertising as a medium for the sale of alcoholic beverages.

Are these State officials, Senator Gurney, to whom Mr. Alexander refers, professional reformers?

Mr. Alexander continues:

There seems to be on the part of practically all groups, of all citizens, and of most of the liquor industry itself, a willingness to eliminate the radio in the matter of liquor advertising.

Is it possible that the liquor industry is operated by a group of professional reformers?

Now Mr. Alexander states:

I think the policy of the alcoholic beverage industry should be to so conduct its industry as to be as little offensive to people as possible * * * so that they will not again become active in seeking repeal. * * * So far as I am personally concerned I have no desire to go back to the horrors of prohibition.

And Senator Gurney calls that man a professional reformer.

I quote further from Mr. Alexander's statement:

I am very much in favor of the passage of Senate bill 517, and believe it will make easier the regulation of alcoholic beverages and will remove one cause of resentment on the part of groups who do not favor the legal sale of liquor. I am very much interested in its (S. 517) passage.

Now comes Phillip E. Buck, general counsel for the Federal Alcohol Administration, another public official whom the minority report labels "professional reformer." In the distinguished presence of Senator Gurney, Mz. Buck stated:

In my opinion Senate bill 517 is a very good bill. I think it is not a question of revenue at all. It is not a question of whether or not you are taking from one advertising medium certain revenues and giving them to another.

and giving them to another.

In the first place, a great portion of the industry itself refuses to advertise over the radio, and there is no great amount of

revenue now being derived from that source by the radio companies. In the second place, as I say, it is a matter of good public policy; it is not a question of revenue. It is not a question of denying freedom of speech * * * at all, in my opinion; it is a question of regulating an industry that Congress has already, by its own acts, decided should be regulated. This is simply an extension of that regulation. I think that as a matter of good public policy Senate bill 517 is good, and I would like to see it enacted into law.

As a member of the subcommittee conducting hearings on Senate bill 517, I asked Mr. Buck, "You would not classify this legislation as fanatical legislation, would you?" He replied, "Not at all. I think it is very sane legislation, surprisingly sane, in fact."

Is Mrs. Mary T. Bannerman, legislative chairman of the National Congress of Parents and Teachers, a professional reformer? She testified in the presence of the able Senator from South Dakota that her organization was opposed to liquor advertising. In answer to Senator Andrews' question, "Whom do you represent?" she said:

The National Congress of Parents and Teachers. The National Congress of Parents and Teachers has a membership of approximately two and one-quarter millions, composed of 27,000 local associations constituting 48 State branches. Its purpose is child welfare in home, church, school, and community.

Another distinguished person who appeared before the hearings on Senate bill 517 was Dr. Howard A. Dawson, director of the Division of Rural Service for the National Education Association, who said among other pertinent things:

I should like to call your attention to the fact that a very substantial number of States * * * have laws which require the public schools to give instructions in the harmful effects in the use of alcohol and narcotics. Our association, of course, is in favor of giving that kind of instruction. We do not see that unrestricted advertising of alcoholic beverages is very compatible with the position that we should teach their harmful effects. I should like to point out there is quite a great difference between taking that point of view and being an advocate of prohibition by Federal amendment to the Constitution.

Dr. Dawson made it plain to everyone except Senator Gurney that he is not a professional reformer. The able South Dakota solon evidently believes that anyone who teaches the harmful effects of alcohol is a professional reformer.

Senator Andrews questioned Dr. Dawson, "Have a great number of schools radios in them, and are those radios turned on for educational purposes?" Dr. Dawson replied:

Yes, Senator; it is quite a prevalent practice now. In fact, practically the only schools which are without radios are some of the underprivileged schools.

I am certain that the able Senator [Mr. Gurney] would not class Dr. Howard A. Dawson as a professional reformer, nor do I believe that he would say that about the junior Senator from Colorado who introduced this bill for the protection of the American home and for no other purpose. I am not trying to reform anyone, Senator Gurney; but I am intensely interested in protecting boys and girls of tender age against the pitfalls of this evil time so that they will not require reformation. I do not want them placed at the mercy of the slick liquor salesman and his smooth line within the four walls of their own homes.

GOOD ADVICE TO BROADCASTERS

Chairman Frank R. McNinch, of the Federal Communications Commission, is certainly not a professional reformer. This is his very straightforward statement made in an address February 15, 1938, before the convention of the National Association of Broadcasters at the Mayflower Hotel in this city:

I think I am just an average American citizen. If I have ideals and fairly high conceptions of public interest, public taste, and public desire, I do not think I overrate the concepts of the average American citizen. I do not think I have any higher conception of the home than you have, and I am not willing to grant that any other has a more exalted opinion of the home than I have. I have a family, a wife, and five children, and I can get a fair impression similar to that made upon the average American home by program material that is broadcast.

As we sit in our family circle listening to the radio, we are, I believe, a typical American family. Some programs are not welcomed. They subtly and sometimes boldly suggest to young people things that I wonder if any of you think proper to suggest to young minds in their plastic and formative stage when impressions are quickly and indelibly made, often to last through life.

Beware of the danger to the ideals, the morals, the thought habits of our youth and children. I wonder if here there is not the highest possible degree of responsibility that is carried by any public agency because you do come into our homes, whisper your message or your song whether for good or ill to those assembled. * *

assembled. * * *

And now I am going to be bold. I am going to suggest that you consider the wisdom of adopting a policy that would deny your facilities to those who seek to cultivate the consumption of intoxicating liquors. There is comparatively little advertising of intoxicating beverages over the radio, and you are to be congratulated on so largely eliminating this sort of sales appeal. But I believe you would do well if the American public understood you were not willing to lend your facilities for sales talks intended to increase the consumption of intoxicating beverages, especially when you remember that appeal is made in the home to children of all ages and both sexes.

The majority of our citizens have registered their will that it should be lawful to sell such beverages, but the minority has, I believe, a right to have its homes protected against that which

is offensive.

I do not agree with Mr. McNinch that it is merely a minority who want protection for their homes. In my opinion, an overwhelming majority of American homes desire protection against offensive liquor-sales appeal talks to their children.

A CLEVER SUBTERFUGE

One of the most brilliant defense attorneys in Colorado, when defending some culprit, picks out some poor fellow to abuse who is not on trial. In that way he distracts attention from the real defendant. The minority report attempts to do that with S. 517. Left with so little to be said against this bill, the Senator from South Dakota cleverly brings out S. 575 to confuse the issue. S. 575 is pigeonholed in his committee and he knows that it is safely out of the way. From my point of view S. 517 and S. 575 have little in common and there is no sound reason for combining them as suggested by Senator Gurney except in the hope of defeating them both. Incidentally, I am opposed to S. 575 and shall vote against it in committee and on the floor of the Senate.

These are my reasons: Newspapers are not common carriers; they are not a public utility. They are not required to operate in the public interest, convenience, and necessity. No one needs a license to go into the newspaper business; anyone can print a paper and there is no limit as to their number. They do not mix advertising with entertainment as does the radio and there is a vast difference between vocal appeal and printer's ink. Every salesman knows that.

Before leaving the subject of the minority report, I desire to point out another of its glaring inconsistencies. The able author of this weak report does not want Congress to legislate on the subject of liquor advertising, so he states, for the reason that Congress has reposed sufficient powers in the Federal Alcohol Administration, Federal Trade Commission, and Federal Communications Commission to regulate advertising of liquor. In other words, the able Senator wants government by edict and not by law enacted by the representatives of the people. I violently oppose his position as not being democratic and not being in the interest of good government. Congress should determine and set forth policies by law wherever and whenever possible and not attempt to act indirectly through bureaucratic decree.

GOVERNMENT BY MEN

In line with the able Senator's suggestion, I should like to quote from Leonard B. Levenson, of the editorial staff of the Air Law Review:

It may be concluded that radio programs can be purged of liquor advertisements by the Federal Radio Commission's adoption of the policy of refusing to renew the licenses of stations which broadcast them. The licensing authority would thereby accomplish indirectly what it could not do directly.

In my opinion, that is precisely what Congress does not want done. This Government should not be a government by indirection through licensing bureaus assuming arbitrary powers; it should be a government by law. Congress should pass an act outlawing liquor advertisements over the radio and not leave that important function to some commission to determine what the policy of the country in that regard may be. I see a grave danger in a censorship exercised by

a bureau, but I do not fear laws enacted by Congress, for Congress will never assume dictatorial authority. It has its serious faults, but ambition to dictate is not one of them. I am convinced that Congress expected the Communications Commission to use its licensing power to control the physical facilities of broadcasting rather than the programs themselves. There are many physical, scientific, and technical problems which should be decided in the public interest by this Commission.

As is well understood, the Constitution prohibits Congress from passing any law which would abridge freedom of speech. Free speech is more than a pretty slogan in America. I am a vigorous and sincere advocate of the freedom of speech in its broadest sense. In this connection it is my opinion that the Federal Communications Commission has gone far beyond the bounds of propriety in issuing its infamous edict against freedom in international broadcasting. By what constitutional or statutory provision does the Commission issue the following order:

A licensee of an international broadcast station shall render only an international broadcast service which will reflect the culture of this country and which will promote international good will, understanding, and cooperation.

Had this pronouncement been made by Hitler, Stalin, or the Emperor of Japan, we need not have been shocked. However, in this democracy in which we are attempting to govern a nation by law and not by edict, Congress should demand that this bureau revoke this most unfortunate order, which they have temporarily suspended, and cease for all time such an arbitrary assumption of dictatorial power. This is a time in the world's history for America, known far and wide for her passion for frankness, to be able to tell the world without restraint and without "pulling her punches" just what her reactions to world events are as they take place. The radio is the greatest agency for international understanding and peace yet devised, but true understanding comes out of frank statements and not from hypocritical, deceitful, and censored utterances. Good will is not promoted by saying what we do not mean. International conversation by American officials must obviously be polite, moderate, and measured, but the Commission must not be permitted to be the judge of what is proper. Individuals throwing their voices to the four corners of the world for foreign audition should, of course, be held accountable under the law for what they broadcast. In any event, the Communications Commission has no right to pass judgment in such matters, for that is clearly the business of Congress and Congress alone.

RESTRICTIVE LAWS CAUSED BY MINORITY

One often hears the suggestion that we have too many laws in the United States. Less than 10 percent of the American people, through their unsocial tendencies, make almost all restrictive laws necessary. Less than 10 percent of professional men are unethical; less than 10 percent of businessmen are "chiselers"; less than 10 percent of employers take mean advantage of their employees.

A small percentage of liquor dealers voluntarily stoop to the low plane of making liquor sales talks to children, who cannot legally make the purchases which they suggest. The selfish viciousness of this noisy, loud-speaking minority, with a contemptible disregard for the rights of others, compels Congress to enact such a law as S. 517. It is likewise true that less than 10 percent of radio stations encourage liquor broadcasts. Less than 10 percent of the American people make 90 percent of all laws necessary, and less than 10 percent of the liquor crowd make the passage of S. 517 imperative.

BROADCASTERS NEED HELP

The radio industry has made great progress in providing clean programs for the public, and it should have the hearty commendation of the Congress for the high standards toward which it is striving, but like every other human endeavor, there are radio stations out for profits at any price. To do for the industry what the industry cannot do for itself, S. 517 has come to the Senate floor from its Interstate Commerce Committee with a favorable report.

Jerome G. Kerwin, associate professor of political science at the University of Chicago, in an essay, The Control of Radio, made this pertinent observation:

The theory of rugged individualism will raise its hoary head, and many a practical businessman will once again show how he loves his theories. The incontestable fact remains, nevertheless, that the privately controlled commercial broadcasting system needs a corrective which, because of its nature, the system cannot apply to

MOCKERY OF CONSTITUTION

Station WOR of Newark put on a program of the Mount Rose Gin Distilling Co., of Trenton. A male trio, known as The Sizzlers, was the advertising attraction. The program was introduced by the following statement from the an-

Those listening in from dry States may now tune out this station, for the next program is not intended to offer alcoholic beverages for sale or delivery in any State or community wherein the adver-tising, sale, or use thereof is unlawful.

That is the most impudent mockery of the Constitution which I have ever heard. It is such a bold effort to offend and make light of the constitutional declaration that it will protect dry territory that I do not see how Congress may well delay legislation to meet such a flippant challenge.

After this insolent broadcast the Radio Commission issued the following bulletin:

Although the eighteenth amendment to the Constitution has been repealed by the twenty-first, and, so far as the Federal Government is concerned, there is no liquor prohibition, it is well known that millions of listeners throughout the United States do not use intoxicating liquors and that many children of both users and nonusers are part of the listening public.

The argument is advanced that since liquor is "legal" it should have equal privileges over the radio with every other legal commodity. But liquor is not legal in the sense that water is legal. Liquor is licensed. Every State in the Union places its delivery and its use under more or less restriction.

STATES UNABLE TO CONTROL

Many States have tried to prohibit broadcasts of liquor sales talks, and while the effort has shown commendable intentions, it has not been at all effective for the reason that the radio beam knows no State line. The only power which can deal effectively with this outrageous evil is the Congress of the United States, the power which, through exercising its constitutional rights, gave the radio industry the privilege of existing. In this connection I should like to quote from a résumé by Laura Lindley, the well-known statistician, reporting on State laws against radio advertising:

Prohibitions on the use of the radio for liquor advertising are found in Georgia, New Jersey, and Pennsylvania, while Maine and Massachusetts prohibit it on licensed premises. North Carolina prohibits radio programs originating in the State.

Sound trucks may not advertise liquors in Alabama, Indiana, Massachusetts, Utah, and Washington, while Virginia has regula-

tions upon their use.

Hours and days of advertising are limited in some States. Idaho permits programs after 9:30 p. m., but the script must be approved. In Oregon beer and wine advertising may go on the air from 10 p. m. to 1 a. m., except on Sunday. Utah also prohibits Sunday programs. Advertising by manufacturers and distributors of high-balls, cocktails, and mixed beverages and/or spirits are permitted in Ohio after 10 p. m., but there must be no statements about quality or price. No manufacturer of beer and intoxicating liquors may sponsor a program for any local licensee in Ohio, though such advertising is permitted to others. In Michigan the advertisement may not use the licensee's name.

All advertising of intoxicating liquor of any kind is prohibited in Oklahoma and Tennessee.

LIQUOR NOT COMPLETELY LEGAL

The Supreme Court has ruled that-

* there is no inherent right in a citizen * * * to sell ting liquor by retail. * * * As a business attended with intoxicating liquor by retail. * danger to the community it may be entirely prohibited.

No commodity which moves in interstate commerce has the restricted status of intoxicating liquors under the peculiar wording of section 2 of the twenty-first amendment to the Constitution. In fact, no commodity other than liquor is mentioned at all in the Constitution. Section 2 reads:

The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby

If actual liquor for delivery or use cannot move into any State in violation of the State laws against such delivery or use, should it not naturally follow that when States prohibit vocal advertisements of liquor over the air it should be illegal for broadcasting stations outside of the boundaries of such States to cross the State line with vocal liquor sales talks? It may not be contrary to the letter of the Constitution, but it is certainly contrary to the spirit of the Constitution to transmit into a State prohibiting radio liquor advertising broadcasts.

I am compelled to devote a portion of my argument in behalf of S. 517 today to a discussion of radio control, censorship, freedom of speech, and freedom of radio for the reason that the opponents of this proposed legislation, unable or unwilling to directly meet the real issue involvedwhich is the protection of the home against offensive vocal propaganda-have raised these issues as a smoke screen. I shall attempt to show that in the United States the radio is a privileged public utility; that the Congress, the Communications Commission, the radio station itself, or all three of them must exercise the power of selectivity over the material broadcast; and that a proper restriction of radio advertising actually promotes the freedom of the radio and does not therefore abridge free speech. Due to natural limitations every person who would broadcast cannot do so; someone must say who shall speak, when he shall speak, and what he shall speak. The number of wave lengths has been limited by Providence, the air is crowded with programs. Many applications for stations are pending which cannot be accommodated. Some authority must weigh the evidence and select from this horde of applications the few to be granted licenses. Some authority must select programs and set up general standards for the stations. If free speech be abridged by these unavoidable limitations it is merely incidental in the necessary effort to bring order out

Someone must and someone does do these things. The question involved is, Who shall do it? Congress by law creates the privilege of radio broadcasting and Congress by law assigns and apportions that privilege under stipulated rules and regulations in the public interest to applicants who would use it; and then when Congress would prohibit the use of profanity, information about lotteries, and liquor advertising, the false cry of censorship is raised. The station is compelled to exercise a censorship because of its operating expenses and its desire to make profits with its limited facilities and limited time. There are only 24 hours in a day; there are only a limited number of wave lengths in the ether. The station must be granted a monopolized privilege, and Congress, the creator and allocator of that privilege, has the plain duty of seeing to it that the service rendered through its grant is exercised in the public interest. Congress should not create and hand out a monopoly to privileged private parties and then walk off and leave it to be operated without regard to the public interest. Congress has the very definite and unmistakable responsibility of protecting the public against the monopoly which it has created.

It is said with some truth that the receiving set with its dial and its switch is the proper censor. If a station broadcasts an offensive program, one may tune it out; but the second and third stations have offensive programs also, so the attempted selection in the home is nullified; the radio may be turned off, to be sure, but that is no answer to the problem. The proper place to stop offensive broadcasting is at its source. One cannot sit at his radio all day to protect his family against offensive programs. It is unfortunately true that some folks like to hear unwholesome broadcasting, but the overwhelming majority do not. It is true that a few have an appetite for lewd, vulgar, filthy things, but it is not the business of a great public utility licensed to

operate in the public interest to supply that degenerate demand. The public interest demands clean, wholesome things and there can be no argument about that.

The facilities and the operation of the radio cost large sums of money so that there is an expense involved in every word which is uttered on the air. The quantity of one's broadcasting is decided by the size of his purse. If he be poor, he cannot use the radio much, however badly the world may need his speech, while the rich liquor dealer, because of his great wealth, may speak far more than is desirable. Possession of money, therefore, determines the quantity of radio speech and becomes a censor in itself.

RADIO A TWO-EDGED MONOPOLY

Radio monopoly is obviously not restricted to the ownership of the station. There is a monopoly in the use of the radio by the paid customers and that monopoly is determined by quantity of money. Liquor interests financially able to to set aside millions for advertising enjoy a very vicious radio monopoly. The monopoly of the power to advertise and carry on private propaganda must be regulated in the public interest, for it will become more and more necessary as time goes on to assure by legislation easier and more positive access to the air to the less powerful groups and the less powerful individuals. Thus will freedom of the radio be promoted by a public regulation of radio advertising. The ether belongs to all the people and its use must not be restricted to the few simply because of their great wealth. The radio is not a "temple of free speech" nor can it be made one so long as it remains a private enterprise with all of the artificial and natural limitations surrounding it. I am not advocating public ownership or public operation of the radio because I do not believe in that sort of thing. I am attempting to indicate how ridiculous it is for the radio industry to cry censorship whenever a very few necessary regulations over that industry are invoked by the Congress.

The people, it is certain, prefer a public rather than a private censor, and it must also be concluded that the Congress, representing the people, is the proper public censor to exercise what little censorship is needed, for only Congress can be trusted by the people to use the tremendous power of censorship with deliberate moderation and dignified restraint.

We must admit that the regulation of radio advertising is a very troublesome problem. While it is understood that broadcasting stations in this country are supported by paid advertisers, it does not necessarily follow that the listening public should be compelled to submit to offensive advertising over the radio as their penalty for its free educational and recreational service.

The editor of the Journal of the National Educational Association has made this stinging observation:

America is the only great civilized country that has allowed this new garden of opportunity to become overgrown with the weeds of commercial advertising.

Radio advertising is a commercial enterprise and is entitled to no privilege for which it does not pay. The public owes it absolutely nothing, while radio advertisers owe the public everything. Radio advertising is bought and paid for like apples in a barrel. A thing which is purchased at so much per word cannot be free; it belongs to someone; it is created to make a profit; it is property; it is a commodity and it moves in interstate commerce as a commodity. To the contrary, the free speech with which the Constitution is concerned is not a commodity; free speech cannot be traded in the market place; it is not owned by anyone; it is not for sale at any price; it is ideals, theories, doctrines, beliefs, and controversies concerning public questions reduced to spoken language. It is free in spirit and it is free in price. Tyler Berry, in his book, Communications by Wire and Radio, makes this observation:

It is self-evident that the constitutional guaranty of speech applies to the expression of political and religious opinions, to discussion, fair comments, and criticisms of matters of general public interest, of candidates, of men holding public office, and of political, social, and economic issues.

Commercial speech and free speech are not synonymous. Advertising is essential to the existence of radio broadcasting in the United States since the revenue from advertising finances and makes broadcasting both profitable and possible. If it were not for this advertising revenue, the operating cost of broadcasting would have to be supported by taxation of one kind or another. Advertising revenues spare the taxpayer from the burden of maintaining this delightfully entertaining and necessary public-interest service and are, therefore, an essential factor in the operation of circulating free speech. Radio advertising is just as important as any portion of the mechanical equipment of the radio station, but it must be remembered that it is a means to an end and not the end in itself.

Congress has been very patient with the advertising development of the radio and has been slow to interfere with the outrageous conditions which have developed in it.

It would be foolish to think the Congress has been given the regulation of the broadcasting industry operating in interstate commerce without authority to regulate both the quality and quantity of advertising and to do so without being charged with infringing upon free speech. Congress has been given the power over the wave length over the commercial strength of the station and over everything pertaining to its operation by the Constitution itself and has the responsibility of controlling it in the public interest, which cannot be done unless it also has complete authority and control over advertising material and advertising revenues.

PUBLIC INTEREST PARAMOUNT

The radio renders a private service and it renders a public service. The private service is rendered to its commercial customers, for which it is paid; the public service is rendered to the listening public, for which it is not paid. The radio is a public utility and, while advertising is incidental and necessary under our system to its operation, the real purpose for which the radio has been licensed by the Congress is service to the public and not service to the advertisers. Broadcasting stations are not given the privilege of a monopolized opportunity to occupy certain wave lengths by the Congress for the private benefit of radio advertisers. Even though the advertisers support the radio, the public interest which manifestly is not in advertising remains paramount. The wailing and gnashing of teeth of the liquor salesman and his pretended interest in the freedom of speech the moment the door of American homes is threatened to be closed to his offensive propaganda will not deceive any fairminded person in or out of Congress. The liquor radio advertiser is not concerned with free speech; he is concerned with sales of liquor. He is not interested in the purity of the home; he is interested in private profits and new customers and he employs the radio to secure these things. So long as advertising occurs at reasonable intervals and is honest, clean, and wholesome, and adapted to the family circle, no reasonable person has a right to complain very much. Congress in its wisdom has delegated broad powers to the Communications Commission, but Congress has relinquished none of its prerogatives over policies of radio utterances. It has already prohibited by law the utterance of any obscene, indecent, or profane language by means of radio communication, and it should obviously add liquor advertising to this very short list of banned subjects.

FREEDOM OF LISTENING

Congress must recognize that liberty of expression is one of man's most precious heritages, but Congress must also remember that the exercise of free speech has never meant and never can mean "the unrestricted right to say what one pleases at all times and under all circumstances." There must be moderation and common sense in the exercise of free speech, otherwise a great human blessing eventually deteriorates into a positive oppression. Unwholesome advertising poured out from radio stations to be received in the privacy of the various homes of this land becomes the instrument of injury to unprotected children if care is not

manifested. When the spoken word does that it destroys by its very nature the social principles involved in the guarantee of free speech. There is a freedom of listening which is just as important as the freedom of speaking, for the listener to such a public utility, as the radio has just as much right to the consideration of Congress as has the

The Fourth National Radio Conference adopted this reso-Intion .

That public interest as represented by service to the listener shall be the basis for the broadcasting privilege.

I find myself in complete accord with this statement by Herbert Hoover:

Through the policies we have established the Government, and

Through the policies we have established the Government, and therefore the people, have today the control of the channels through the ether just as we have control of our channels of navigation; but outside of this fundamental reservation radio activities are largely free. We will maintain them free—free of monopoly, free in program, and free in speech—but we must also maintain them free of malice and unwholesomeness.

Radio has passed from the field of an adventure to that of a public utility. Nor among the utilities is there one whose activities may yet come more closely to the life of each and every one of our citizens, nor which holds out greater possibilities of future influence, nor which is of more potential public concern. Here is an agency that has reached deep into the family life. We can protect the home by preventing the entry of printed matter destructive to its ideals, but we must double guard the radio.

S. 517 is not in any sense fanatical legislation. It has nothing whatever to do with the eighteenth amendment or with a return to prohibition. Its only purpose is to protect the American home against offensive and unwholesome liquor advertising. That home has petitioned Congress to bar the invisible but attractive vocal liquor salesman from entry into its sacred inner chamber. I am standing on this floor advocating the adoption of S. 517 because 379,000 parents living in every State in the Union have been so outraged that they have asked Congress to protect them and to guard them against the violation of their firesides by the unscrupulous voice of this unwelcome invader. The Constitution has as much to say about the sanctity of the home as it does about freedom of speech. It does not permit a police officer, for instance, to enter that privileged sanctum without a warrant, yet the impudent liquor salesman demands constitutional rights which have never been the constitutional rights of anyone to enter that home, violate its sanctity, and make repulsive sales talks to persons who do not want to listen to them.

INTERNATIONAL EXHIBITION OF POLAR EXPLORATION

The PRESIDING OFFICER (Mr. Truman in the chair) laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 137) authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an international exhibition of polar exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation to cover the expenses of such participation, which was, on page 3, line 23, to strike out "\$35,000" and insert "\$15,000."

Mr. PITTMAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

FARM PRICES-THEN AND NOW

Mr. MINTON. Mr. President, on July 12 there appeared in the Congressional Record a statement entitled "Farm Prices-Then and Now" under the remarks of the Honorable GEORGE W. GILLIE, of Indiana. There was inserted under his remarks an editorial entitled "Sure, Why Not?" from the Steuben Republican, of Angola, Ind. This editorial carried a most curious conglomeration of statistical data purporting to represent agricultural prices under Republican administrations in comparison with similar prices under the Roosevelt administraton. Apparently this table was compiled under the assumption that figures never lie, regardless of the method of compilation or the person doing the job.

In this table the Republican average farm prices from 1921 to 1932 were shown while the Democratic average farm prices were from 1933 to 1937, or less than half the time covered by the former. Whatever this one-sided average was meant to convey, there was only one item shown with a higher price under the Democratic administration. Apparently this one single figure could not be manipulated so as to show a lower price. The mere number of years in this average of the "roaring twenties" with relatively high farm prices was enough to offset the bad conditions prevailing when the Democratic administration took over national affairs.

The farm prices at the end of the Hoover administration represented the actual conditions inherited by the Roosevelt administration. Whatever has happened since that time ought to be measured from the low point of the depression. That is the proper starting point, not back when the farmers thought they were enjoying prosperity.

I submit a table of prices of the same agricultural products for comparable periods of time—the last 3 years under Hoover and the last 3 years under Roosevelt-and ask that the table be printed in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average prices received by farmers

	Year beginning	1930–32 (Hoover, Hawley- Smoot)	1936–38 (Roosevelt trade agree- ments) ¹
Wheat, cents per bushel	July	48.1	85.1
Corn, cents per bushel	October	41.2	174.0
Oats, cents per bushel	July	23.1	33. 4
Barley, cents per bushel	do	31.8	56. 5
Rye, cents per bushel	do	35. 6	61.3
Cotton, cents per pound	August	7, 2	9.7
Butterfat, cents per pound	January	25. 7	30.6
Chickens, cents per pound Eggs, cents per dozen	do	15.3	15. 6
Beef cattle, dollars per 100 pounds	do	18, 5 5, 83	21. 1 6. 45
Veal calves, dollars per 100 pounds		7, 19	7.75
Lambs, dollars per 100 pounds	do	5, 88	7. 90
ogs, dollars per 100 pounds	do	5, 97	8, 84
Potatoes, cents per bushel	July	59. 1	75. 5
Wool, cents per pound	January	13.9	26, 0

1938 prices used are preliminary.
 23-year average 1935-37 used as 1938-39 crop year is not complete.

INVESTIGATIONS OF PERSONNEL CONDITIONS AT JEFFERSONVILLE, IND., QUARTERMASTER DEPOT

Mr. MINTON. Mr. President, from the Committee on Military Affairs I report back favorably without amendment Senate Resolution 178 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 178) submitted by Mr. MINTON on August 1, 1939, was considered and agreed to, as follows:

Resolved, That a subcommittee of the Senate Committee on Military Affairs, to be composed of three members of such committee appointed by the chairman of the committee, is authorized and directed to make a full and complete investigation of personnel conditions at the Jeffersonville Quartermaster Depot, Jeffersonville, Ind. The chairman of the Committee on Military Affairs shall designate one of the members of such subcommittee to act as chairman thereof. The subcommittee shall report to the Committee on Military Affairs the results of its investigation, together with its recommendations, at the earliest practicable date.

For the purposes of this resolution the subcommittee, or any mamber thereof dally supported by the absirpment of the subcommittee.

member thereof duly authorized by the chairman of the subcommittee, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-sixth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it or he deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed \$2,500, shall be paid from the continuent fund of the Senate upon velichers approved by the the contingent fund of the Senate upon vouchers approved by the chairman of the subcommittee.

CONSTRUCTION FOR DEFENSE OF PANAMA CANAL

The PRESIDING OFFICER. The clerk will report the next bill under the unanimous-consent agreement.

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 5129, authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Shipstead Slattery Downey Ellender Lucas Andrews Laindeen McCarran McKellar Smathers Ashurst George Austin Gerry Smith Bailey Bankhead Gibson Guffey Maloney Mead Stewart Thomas, Okla. Barkley Gurney Miller Thomas, Utah Tobey Borah Minton Harrison Townsend Bridges Murray Hatch Neely Tydings Vandenberg Van Nuys Bulow Hayden Nye O'Mahoney Herring Holt Burke Pepper Byrd Hughes Johnson, Calif. Byrnes Pittman Wagner Walsh Radcliffe Capper Reed Russell Chavez Johnson, Colo. Wheeler Clark, Idaho Clark, Mo. King La Follette White Schwartz Connally Lee Lodge Schwellenbach Sheppard Danaher

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

Mr. CLARK of Missouri. Mr. President, I renew my request for unanimous consent that the Senate proceed to the consideration of House bill 5129.

Mr. DANAHER. Mr. President, I should like to ask the Senator from Missouri a few questions, with his permission.

Mr. CLARK of Missouri. I shall be very glad to answer them if I can.

Mr. DANAHER. I was sure the Senator would, and I thank him for his cooperative attitude.

When House bill 5129 was first introduced, the report of the Committee on Interoceanic Canals to the Senate said that it was identical with Senate bill 2229, a bill which was recommitted to the committee by vote of the Senate.

Mr. CLARK of Missouri. Mr. President, that was true at the time the Senate bill was reported. The bill was very substantially amended in the House in accordance with the suggestions made in the debate in the Senate prior to recommittal with regard to restrictions upon the authority of the Governor of the Panama Canal. Amendments proposed by the War Department in conformity with the suggestions which were made in the Senate were adopted by the House committee and reported as part of the bill in the House; so the two bills are no longer identical, as they originally were.

Mr. DANAHER. Will the Senator please refer to page 2 of the bill, line 9, and tell us whether or not any limitation is understood by the Senator from Missouri as to the number of employees or the type of employees that the Governor of the Panama Canal may employ?

Mr. CLARK of Missouri. Of course it is obviously impossible to specify by law, in a great construction project of that sort, the number of employees who shall be engaged in it. I presume that in no great construction work which has ever been undertaken by the United States Government or by anybody else has anybody ever attempted to specify by law the number of pick-and-shovel men or the number of employees of various kinds who should be employed in the course of it.

We imposed a limitation in the authorization, and a limitation on the appropriation for the first year to increase the number of employees, including heavy-labor men, skilled-labor men, clerks, experts, would be simply an estimate at best, and I do not believe anyone would recommend the advisability of undertaking to restrict by law the number of people to be engaged for the expeditious and necessary prosecution of the work.

Mr. DANAHER. Nor, may I observe, is there any restriction on the citizenship of those who may thus be employed.

Mr. CLARK of Missouri. If the Senator had permitted the committee amendment to be reported, it would have been perfectly obvious, from the amendment adopted this morning by the Senate committee, what was decided on in that regard. I ask that the Senate committee amendment be reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 2, line 6, after the word "purpose", to insert "Provided, however, That all new personnel in such construction work occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States."

Mr. CLARK of Missouri. Mr. President, that was an amendment agreed to by the representatives of the Canal Authority, and the War Department, and the representatives of the various labor groups interested in the matter.

Mr. DANAHER. I thank the Senator and desire to say that that certainly meets in very large measure much of the opposition that was voiced to the bill.

Mr. CLARK of Missouri. I think the amendment is satisfactory to all concerned. It is unwise for work of a heavy nature in the Tropics—work performed by common labor—to import labor from the United States for a limited period because, in the first place, it is required that they be acclimated, and, in the second place, Americans are not suited to doing that kind of heavy work. It would very much delay and impede the completion of the project if we undertook to make any such provision. It was agreed by all concerned that the language shall be amended.

Mr. DANAHER. Mr. President, will the Senator yield

further?

Mr. CLARK of Missouri. I am glad to yield.

Mr. DANAHER. Inviting the Senator's attention to lines 24 and 25, at the bottom of page 2, the Senator will read that the Governor is authorized to make contracts "without the advertisement hereinafter prescribed, with architectural or engineering corporations, firms, or individuals," and so forth. Does the Senator understand that language to mean that the Governor, within the authorized limitations, may make contracts for the whole project?

Mr. CLARK of Missouri. I do not so understand, because the language of the proviso is specific, that that is simply "for the production and delivery of designs, plans, drawings, and specifications," the idea being that it is particularly desirable that if the work is to be entered upon at all it shall be entered upon with as much expedition as possible, in order to shorten the times of construction. Therefore, under that proviso the Governor of the Panama Canal Zone is authorized, with the approval of the Secretary of War, without going through the necessary delay of advertising for bids, merely to engage architectural or engineering firms or individuals for the production and delivery only of designs, plans, drawings, and specifications.

Mr. DANAHER. Mr. President, inviting the Senator's attention to page 3, lines 3 and 4, the Governor is authorized to make "any and all contracts necessary for the prosecution of the work herein authorized." I take it that that language will apply to the complete construction of the project from the beginning on?

Mr. CLARK of Missouri. As I understand, that is merely to authorize the Governor of the Panama Canal Zone to enter into contracts on behalf of the United States.

Mr. DANAHER. Yes; but contracts for the whole job—the completed job. Is not that so?

Mr. CLARK of Missouri. I would so construe it.

Mr. DANAHER. If the Senator will yield, it says "the work herein authorized" on a \$277,000,000 job. Is not that so? Mr. CLARK of Missouri. That is correct.

Mr. DANAHER. So that the making of contracts is in prosecution of the work herein authorized and hence for the whole job. Is not that correct?

Mr. CLARK of Missouri. Someone has to make the contracts.

Mr. DANAHER. Does the Senator understand that the making of the contract must be submitted for the approval of the Secretary of War?

Mr. CLARK of Missouri. There is no question on earth about that. I refer the Senator to the language above, in

lines 17 and 18, "that the Governor of the Panama Canal, with the approval of the Secretary of War," and so forth. In other words, that is the ordinary contract for public works, except that the Governor of the Panama Canal, being further removed, is given perhaps more discretion than subordinate Army officers ordinarily are in making such contracts, but the approval of the Secretary of War is required in each case.

Mr. DANAHER. Inviting the Senator's attention to page 3, line 13, we find that-

Notwithstanding any other provision of law, and except as otherwise provided in this act, all purchases and contracts for supplies or for services, except for personal services, shall be made by the Panama Canal after advertising, in such manner and at such times, sufficiently in advance of opening of bids, as the Governor or his duly authorized representative in the United States shall to be adequate to insure notice and opportunity for competition.

There is thereafter a provision for a suspension of even that necessity in the event of an emergency.

Mr. CLARK of Missouri. So far as the first sentence which the Senator has quoted is concerned, that merely removes this contract from the ordinary operation of projects with the War Department because of the distance from the United States. In other words, instead of having the bureau of the War Department attend to the advertising and submit the bids, it merely transfers the authority to another bureau of the War Department, to wit, the Panama Canal Authority, which is on the scene.

So far as the other provision is concerned, that is a very common provision in emergency construction, where it may be considered that an emergency exists, to permit a suspension of the rule established.

Mr. DANAHER. Mr. President, if the Senator will indulge me just a moment further-

Mr. CLARK of Missouri. I am glad to yield.

Mr. DANAHER. Does the Senator understand that it is necessary that we should suspend the protections and the limitations of existing law which bind the Secretary of War when he makes a contract?

Mr. CLARK of Missouri. Mr. President, it seems to me that in the case of a construction at a distance so far removed from the United States as Panama is, it is necessary to vest a certain measure of discretion in the responsible officers on the ground in cases of emergency, to be so found by those responsible officers as emergencies, in order to prevent failure of the work. I dare say that if a certain very large measure, a much larger measure of discretion than is usual in such cases, or as is provided for in the pending bill, had not been vested in General Goethals at the time of the construction of the Panama Canal, the Panama Canal never would have been successfully completed. In a work of such magnitude, removed from the United States such a distance, I do not feel that we should be so technical as in the ordinary routine of the War Department operations in the

The purpose of the pending measure is to provide additional lock facilities as a measure of national defense, as well as a prospective commercial adjunct of the Canal, and the construction should be completed as soon as reasonably can be expected. Therefore we should not tie it up with unnecessary technicalities which might defeat the purpose.

The Governor of the Panama Canal always is an officer of the Engineer Corps of the United States Army. The Army engineers perform nearly all of the construction of public works in this country. I think every Member of the Senate will bear me out when I say that I have never been very much inclined to vest any unnecessary authority in any public official, or any more discretion than is absolutely necessary; but when we take an Engineer officer of the United States Army, who has been designated as Governor of the Panama Canal, who is the man on the ground, an expert in construction matters, an expert in conditions at the Panama Canal, removed several thousand miles from the United States, I say he ought to be given an opportunity to prosecute the mission imposed upon him by Congress without unnecessary hampering restrictions.

Mr. DANAHER. Mr. President, the Senator will check me if I am incorrect, but, as I understand the bill, we authorize to be appropriated for the fiscal year 1940 only \$15,000,000.

Mr. CLARK of Missouri. That is correct.

Mr. DANAHER. But we place a ceiling or maximum upon the total above that of \$277,000,000.

Mr. CLARK of Missouri. That is correct. Mr. DANAHER. But as I read the language, we authorize that amount ultimately to be appropriated.

Mr. CLARK of Missouri. That is entirely correct. Of course, the amount to be appropriated is provided for in regular appropriation bills. The reason why the authorization for the first year was placed at \$15,000,000 was that that was the estimate of the War Department and the Canal authorities as to the amount which could be reasonably and profitably expended the first year.

Mr. DANAHER. I should like to ask the Senator why we could not properly amend line 4, on page 3, so that the Governor would be authorized to make any and all contracts only within the initial appropriation for the first year.

Mr. CLARK of Missouri. Mr. President, I do not believe that the War Department would feel justified in entering upon a construction of such magnitude if they were limited as to the initial expenses the first year. I know that if I were Secretary of War I would not. I do not believe any responsible administrative official in the United States would feel like entering upon a work of this magnitude, estimated to cost \$277,000,000, if he were limited in regard to all important plans and arrangements in the first year.

Mr. DANAHER. And yet is not that what we are saying by putting a limit of \$15,000,000 on it?

Mr. CLARK of Missouri. It seems to me that the construction of a project of this sort has to be contemplated as a whole and not piecemeal. A limitation of \$15,000,000 was included simply at the recommendation of the Department itself as to the amount which could properly be expended in 1 year.

Mr. DANAHER. Mr. President, I want to thank the Senator for his courtesy and his cooperation.

Mr. CLARK of Missouri. I am very glad to have it from the Senator from Connecticut or from any other Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, which had been reported from the Committee on Interoceanic Canals with an amendment, on page 2, line 6, after the word "purpose", to insert "Provided, however, That all new personnel in such construction work occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States", so as to make the bill read:

Be it enacted, etc., That the improvement and enlargement of the capacity of the Panama Canal in the interests of defense and interoceanic commerce is hereby authorized to be prosecuted the Governor of the Panama Canal under the supervision of the Secretary of War, substantially in accordance with the plans set forth and recommended in the Report of the Governor of the Panama Canal, dated February 24, 1939, and published as House Document No. 210, and including such appurtenant structures, works, and facilities and enlargements or improvements of existing channels, structures, works, and facilities as may be deemed necessary, at a total cost not to exceed \$277,000,000, which is hereby sary, at a total cost not to exceed \$277,000,000, which is hereby authorized to be appropriated for the purpose: Provided, however, That all new personnel in such construction work occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States: Provided, That the initial appropriation for the fiscal year 1940 shall not exceed \$15,000,000. For the purposes aforesaid, the Governor of the Panama Canal is authorized (a) to employ such persons as he may deem necessary and to fix their compensation: Provided, That the compensation of such persons shall not be lower than the compensation paid for the same or similar services to other employees of the Panama Canal: Provided further. That rates of compensation in excess of Canal: Provided further, That rates of compensation in excess of those authorized by law for other employees of the Panama Canal shall not be paid without the approval of the Secretary of War:

And provided further, That the Governor of the Panama Canal with the approval of the Secretary of War is authorized to engage under agreement, when deemed necessary, expert assistance in the various arts and sciences upon terms and rates of compensation for services and incidental expenses in excess of the maximum compensation provided by law for employees of the Panama Canal; (b) to authorize the making of contracts without the advertisement hereinafter prescribed, with architectural or engineering corporations, firms, or individuals for the production and delivery of designs, plans, drawings, and specifications; (c) to authorize the making of any and all contracts necessary for the prosecution of the work herein authorized; (d) to provide for the establishment and operation of such auxiliary plants and facilities in connection with the work as may be necessary or desirable; (e) to utilize any of the facilities or services of the Panama Railroad Co. upon such terms and conditions as may be approved by the Secretary of War; and (f) in general to do all things proper and necessary to insure the prompt and efficient completion of the work herein authorized.

Notwithstanding any other provision of law, and except as

Notwithstanding any other provision of law, and except as otherwise provided in this act, all purchases and contracts for supplies or for services, except for personal services, shall be made by the Panama Canal after advertising, in such manner and at such times, sufficiently in advance of opening of bids, as the Governor or his duly authorized representative in the United States shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (a) an emergency requires immediate delivery of the supplies or performance of the services; or (b) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (c) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards the Governor or his duly authorized representative in the United States may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. McCARRAN. Mr. President, when this bill was before the Senate the last time I was very much interested in, and I am now very much interested in the substance of the amendment which has just been read by the clerk and agreed to by the Senate. I wish to say to the Senator from Missouri, who will undoubtedly be a member of the conference committee, if a conference committee shall be appointed, that my interest in the substance of the bill does not lapse by the mere fact that it has been passed by the Senate. I sincerely trust that the Senator from Missouri will realize the importance of the amendment, and will further realize that if the conference report comes in without the amendment, there are some Senators who will be so interested as to attempt to try to oppose its adoption on the floor of the Senate.

Mr. CLARK of Missouri. Mr. President, I will say to the Senator from Nevada that I have never in my life been a member of a conference committee in which I did not to the very best of my ability and perseverance and tenacity adhere to the position of the Senate.

BUSINESS OF THE SESSION

Mr. PEPPER obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BARKLEY. I wish to state at this time that the deficiency bill now in the Committee on Appropriations is the only barrier to adjournment tomorrow, so far as I can see. The subcommittee is considering that bill, and I hope it will be able to report it sometime around noon tomorrow, and that we may finish the bill and wind up the session tomorrow night, if it is possible. Many Senators are leaving the city. A good many have already gone. I do not want to be caught without a quorum on an important measure of that kind because, undoubtedly, judging from the notices that have been served for suspension of the rule, a number of amendments will be offered from the floor. In addition to that, there may be and probably will be important amend-

ments added to the bill by the committee, and these amendments, both from the committee and on the floor, will have to be threshed out, and go to conference, and it may take some little time to iron them out in conference.

Therefore, I hope Senators, if they can do so without inconvenience, will remain here until we can finish the business of the session, so we will not find ourselves embarrassed by not having a quorum in the last 2 days of the session.

PURCHASE AND DISTRIBUTION OF SURPLUS PRODUCTS OF THE FISHING INDUSTRY

Mr. PEPPER. Mr. President, I move that the Senate presently consider calendar No. 854, House bill 5681 to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. DANAHER. I have no objection to the request, but there is objection to the passage of the bill.

The PRESIDING OFFICER. The request will first be considered. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

Mr. PEPPER. Mr. President, this bill does not call for any additional appropriation of money. It merely provides that fish products shall be eligible to the benefits which agricultural products may derive from the Federal Surplus Commodities Corporation. We know that the fishing industry is one of the great industries of the Nation, and that a very large portion of the States of the country have a very important part of their economy related to the prosperity of the fishing industry. Heretofore they have not been able to share the benefits of section 32 of the A. A. A., which has appropriated funds to the Federal Surplus Commodities Corporation. I shall move that the amount of money that may be available for this purpose shall not exceed the sum of \$1,500,000 per year. I do that at the insistence of the Senator from Georgia [Mr. Russell], who has conferred with some of his colleagues here and in the House who are interested in agriculture, so that the fishing industry may not be permitted to get an undue share of the funds which are available under that act.

So, Mr. President, I offer an amendment, on page 2, line 1, after the word "funds", to insert "not to exceed \$1,500,000 per year."

Mr. KING. Mr. President, it seems to me that we are projecting the Federal Government into another paternalistic policy or scheme. As I understand, we are authorizing the purchase of all forms of sea food, and of diverting them from the market and from the normal channels of trade and commerce. The Government is to acquire them and is to provide for their distribution through Federal, State, and private relief channels.

Mr. PEPPER. The Senator, of course, recognizes that that is the law now with respect to agriculture, and we merely say that the Federal Surplus Commodities Corporation may deal with fishery products as they now do with agricultural products.

Mr. KING. But we should not forget the fact that the Federal Surplus Commodities Corporation has lost now, I do not know how many millions of dollars—perhaps \$200,-000,000—by its improvident and unwise activities largely in private endeavors. Now it is proposed in the case of this same organization, which has received tremendous appropriations, and which is now asking deficiency appropriations of over \$100,000,000 to replenish the capital stock which has been exhausted, to increase its authority and to have it project itself into business which is being carried on now by private enterprise, by persons who are engaged in buying and selling fish and fish products throughout the United States. It seems to me that it is paternalism gone mad.

Mr. PEPPER. Mr. President, I hope the amendment will receive the favorable consideration of the Senate.

Mr. KING. Let me ask, why was the Committee on Commerce discharged from the further consideration of the bill?

Mr. PEPPER. I will answer the Senator from Utah. Mr. President, the Committee on Commerce was discharged because of the fact that when this bill was referred to the Committee on Commerce the committee had already passed upon two similar bills, but the main reason was that the Committee on Commerce of the Senate had passed upon a bill which is now upon the Senate calendar which, although there was a little difference in the actual wording, had exactly the same purpose as this bill has. So the Committee on Commerce was discharged because it should not have had this bill referred to it in the first place.

Mr. KING. I am opposed to the bill.

Mr. ANDREWS. Mr. President, will my colleague yield to me?

Mr. PEPPER. I yield to my colleague.

Mr. ANDREWS. I should like to make this matter plain. Senate bill 2110, which is Calendar No. 724, was introduced by me on April 7. It was considered, reported favorably by the committee. The subcommittee chairman was the Senator from Washington [Mr. Schwellenbach]. About that time or a little later a House bill came over to the Senate and was referred to the committee. It was ascertained that the two bills covered the same subject. Therefore the bill was reported back to the calendar, because the same subject matter practically had been handled by the subcommittee. So the bill is here properly for consideration at this time.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. DANAHER. I submitted yesterday an amendment, or rather it might be said that they were a series of amendments to House bill 5681. I fancy that if the amendments submitted were to be favorably acted upon there would be singular unanimity from then on in the consideration of this bill.

I ask the Senator from Florida if he is willing to accept the amendments which I submitted yesterday. I may say further to the Senator that if there were agreement upon those amendments, we could very readily dispose of the matter.

Mr. PEPPER. Mr. President, I regret that neither I nor a number of my colleagues on this side of the Chamber can agree with the Senator from Connecticut, because what he proposes to do is to make canned fishery commodities ineligible for the benefit of this law, and we think that canned fisheries products, such as shrimp and oysters and others of that character, are as much entitled to the benefits of the law as are other types of fish products. There being that difference of opinion, the Senator will have to offer his amendment and then let the Senate pass upon it according to its judgment.

The Senator from Connecticut is not opposed to the limitation of the amount which is offered by my amendment, and I hope he will let that amendment be disposed of.

Mr. DANAHER. That amount, Mr. President, is identical with that appearing in line 2 of my printed amendment, and I have no objection to the amount stated by the Senator from Florida.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Pepper]. Without objection, the amendment is agreed to.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Minnesota?

Mr. DANAHER. Of course.

I am informed by the Senator from Minnesota [Mr. Lundern] that he desires the floor in his own right. I think we should get on with the bill. I think the Senator from Florida will agree to that.

Mr. KING. Mr. President, we shall not get on very far with it tonight.

INVESTIGATION OF PERSONNEL CONDITIONS AT JEFFERSONVILLE (IND.) QUARTERMASTER DEPOT

Mr. TRUMAN. Mr. President, will the Senator yield? Mr. DANAHER. I yield to the Senator from Missouri.

Mr. TRUMAN. Earlier in the day the Senate acted on Senate Resolution 178, which should have been reported by the Committee to Audit and Control the Contingent Expenses of the Senate. I ask unanimous consent that the vote by which the resolution was agreed to be reconsidered and that the resolution be unanimously reported from the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. The Senator from Missouri asks unanimous consent that the vote by which Senate Resolution 178 was agreed to be reconsidered and that the resolution be unanimously reported from the Committee to Audit and Control the Contingent Expenses of the Senate. Is there objection to the request of the Senator from Missouri?

Mr. KING. Mr. President, what is the resolution?

Mr. TRUMAN. It is a resolution which authorizes an investigation of personnel conditions at the Jeffersonville, Ind., quartermaster depot. The resolution was submitted by the Senator from Indiana [Mr. Minton] and unanimously reported by the Committee on Military Affairs, but it should have gone through the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Without objection, the vote by which Senate Resolution 178 was agreed to is reconsidered, and the resolution is unanimously reported from the Committee to Audit and Control the Contingent Expenses of the Senate

Mr. MINTON. Mr. President, the vote by which the resolution was agreed to having been reconsidered, and the resolution now having been properly reported from the Committee to Audit and Control the Contingent Expenses of the Senate, I ask unanimous consent that the Senate proceed to the consideration of the resolution.

Mr. JOHNSON of California. Mr. President, will the Senator please tell us what the resolution is and to what it relates?

Mr. MINTON. The resolution authorizes an investigation of the quartermaster's depot at Jeffersonville, Ind., on the complaint of numerous employees there regarding certain discriminatory practices which have been going on within the depot. It carries an authorization of only \$2,500 to cover stenographic expenses.

Mr. JOHNSON of California. As I understand, it relates only to Indiana?

Mr. MINTON. It relates only to the quartermaster depot at Jeffersonville, Ind.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana?

There being no objection, the resolution was considered and agreed to.

RELIEF OF EXCESSIVE FARM-MORTGAGE DEBTS AND PREVENTION OF FURTHER INCREASE OF FARM TENANCY

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. DANAHER. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. Yesterday the Senator from Wisconsin [Mr. La Follette], on behalf of himself and the Senator from Montana [Mr. Wheeler], introduced Senate bill 2935, to remove the depressing economic effects of excessive farm-mortgage debts and prevent the further increase of farm tenancy due to mortgage foreclosures, and for other purposes. I have spoken to the Senator from Wisconsin and the Senator from Montana about the matter, and they have agreed that I may join with them in sponsorship of the bill. I ask unanimous consent that the Record show that I have joined the two Senators in sponsorship of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. AUSTIN. Mr. President, does the request call for action by the Senate?

Mr. LA FOLLETTE. Mr. President, the request is merely that the bill which the Senator from Montana and I introduced and had referred to the Committee on Agriculture and Forestry shall also be introduced in behalf of the Senator from Washington.

The PRESIDING OFFICER. Is there objection? The

Chair hears none, and it is so ordered.

PROPOSED EXTENSION OF GRAND TETON NATIONAL PARK

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. DANAHER. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator for yielding.

I send to the desk and ask to have read a letter from the financial clerk of the Senate. It relates to an appropriation which was made available to a special committee of the Committee on Public Lands and Surveys, which was appointed a year ago to investigate a proposal to extend the Grand Teton National Park. An appropriation of \$5,000 was made available to that committee. The report of the financial clerk is to the effect that there is now on hand a balance of \$3,294.40 out of the \$5,000; and I am returning that amount to the contingent fund of the Senate.

I ask that the letter be read.

The PRESIDING OFFICER. The letter will be read.

The legislative clerk read as follows:

UNITED STATES SENATE, August 3, 1939.

Hon. JOSEPH C. O'MAHONEY,

Chairman, Special Subcommittee of the Committee on Public

Chairman, Special Subcommittee of the Committee on Public Lands and Surveys, United States Senate.

Dear Mr. Chairman: On May 18, 1938, the Senate authorized the Committee on Public Lands and Surveys or any subcommittee thereof, together with both Senators from Wyoming, to make a thorough investigation of all questions relating to the suitability and feasibility of extending the boundaries of the Grand Teton National Park in Wyoming, including the attitude of the citizens of Teton County, Wyo., toward such extension, and the sum of \$5,000 was authorized to be expended for such purpose.

At the present time the records show that you have expended \$1,705.60, leaving a balance of \$3,294.40.

Respectfully.

Respectfully,

CHARLES F. PACE, Financial Clerk.

UNFINISHED LEGISLATION

Mr. LUNDEEN. Mr. President, announcement has just been made by our distinguished leader that we are about to adjourn. I can appreciate how the Congress feels on that However, when we pick up our evening newspapers tonight and read about troops going into action, tanks rolling down the streets of great cities, the W. P. A. turmoil, and one Governor talking about insurrection against the Government, we must realize that we have important problems which are being left unsolved. I am opposed to adjournment. Let the Congress remain in session to meet the oncoming crisis.

In that connection I ask unanimous consent to place in the RECORD a statement by the president of the Minneapolis Central Labor Union, John Boscoe, in reply to Governor Stassen, together with a statement by the Workers Alliance,

and an editorial from the biweekly Work.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the matters referred to may be printed in the RECORD.

The matters referred to are as follows:

RADIO ADDRESS BY JOHN BOSCOE

In Governor Stassen's radio address of last week, he made an attack upon the organized labor movement of Minneapolis and its democratically elected leadership. The Governor charged this leadership with being thoughtless, unsound, and vicious. He said that a small handful of men led the W. P. A. walk-out, that the strike was called without a vote of the membership, that the leaders of the local labor movement caused great loss and injury by placing 10,000 men and women in dire need, and finally that the joint committee which directed the protest strike inflicted great harm on Minneapolis labor.

In the name of the Minneapolis labor movement, I intend to answer the Governor's faulty and superficial estimate of the W. P. A. strike and to present a factual picture of that strike which has remained hidden from the people to this very day. In Governor Stassen's radio address of last week, he made an

First of all, was it a small handful of men who caused the trouble and created the situation? This is what the Governor charged. The truth is as follows: When the W. P. A. workers of the city, State, and Nation returned to their jobs Wednesday morning after the Fourth of July holiday, they found posted on the bulletin boards a notice that their union wage scale was cut as much as 50 percent and their hours of labor greatly increased.

DROPPED THEIR TOOLS

Spontaneously, W. P. A. workers throughout the Nation dropped their tools and refused to work. In the Twin Cities, the daily press agrees, the W. P. A. walk-out began at the projects at the State fair grounds and rapidly spread throughout Hennepin and Ramsey Counties. Members of trade-unions, of unemployed organizations, and workers who had never belonged to either, walked

ganizations, and workers who had never belonged to either, walked off their jobs in unison in protest against the wage-cutting, jobslashing, and hour-lengthening provisions of the slave-relief act.

Almost simultaneously the same reaction was occurring in all parts of the State—in Duluth, on the iron range, in southern Minnesota. At the same time W. P. A. workers all over the country—in New York City, in Ohio, in Pennsylvania, in Chicago and southern Illinois, in New Jersey and California, and elsewhere—were walking off projects in protest against the wage-cutting outrage committed by the sponsors and supporters of the Woodrum amendments.

A compilation of strike figures indicated that approximately half a million men and women were participating in the spontaneous walk-out in protest against this attack on their living standards.

JOINT STRUGGLE

Half a million strikers! Never before, not even in the great railway strike of 1877 nor in the Nation-wide struggle for the 8-hour day in 1886, had so many workers engaged in a joint struggle. It is certain that the W. P. A. strike was the most popular movement of protest which has ever occurred in this country. Governor Stassen gives full credit for it to "a small handful of local leaders." The fact is that such widespread protests do not occur without impelling reasons. Here are some of them: After the cumulative effects of 10 years of unemployment, a more concerted drive against the unemployed began after last November's elections when 300,000 workers were dropped from W. P. A. rolls. Next, early in 1939, noncitizens, widows with children, and old-age pensioners were dropped from the rolls.

In recent weeks the attack on W. P. A. workers reached a peak.

pensioners were dropped from the rolls.

In recent weeks the attack on W. P. A. workers reached a peak. Under the leadership of reactionaries, Congress passed a cut of \$800,000,000 from last year's figures. An inadequate security wage was substituted for the prevailing or union wage. Then came the Woodrum amendments including the 30-day lay-off of all W. P. A. employees of 18 months standing; and the W. P. A. administration made it clear that those dropped have a slim chance of reemployment. Finally the new act called for a slash in monthly wages of over 1,000,000 workers in the North and West.

THREE MORE BLOWS

As the national protest demonstration grew, came three more

As the national protest demonstration grew, came three more blows in succession, the announcement that all those away from their jobs for 5 days would be dropped from the rolls; that striking W. P. A. workers would be denied relief; and then the press campaign that: You can't strike against the Government.

No wonder that the W. P. A. workers felt desperate and that the entire labor movement joined hands in protesting this attack against the American standard of living.

The Minneapolis labor movement took quick and effective action to organize and protest locally. On Thursday, July 6, the day after the spontaneous walk-out began, the Minneapolis Building and Construction Trades Council officially endorsed the protest strike. The various building-trades unions voted unanimously to remain on strike and to refuse to work for anyone at less than union wages. The Minneapolis Building Trades Council, like many sister councils throughout America, has not receded from this position and is determined to defend the union wages and conditions won during their 50 years of struggle. and conditions won during their 50 years of struggle.

ENDORSED THE ACTION

On Friday morning, July 7, the policy committee of the Minneapolis Central Labor Union endorsed the action of the Building Trades Council. In the next day or two the Hennepin County Workers Alliance, the Federal Workers section of Local No. 544, the C. I. O., and the Minneapolis Central Labor Union all voted officially to endorse and support the protest strike called by the Minneapolis Building Trades Council and their demand that the Woodrum amendments be repealed and that union wages be restored stored.

stored.

In the light of these facts, what happens to the claim of the Governor that a small handful of men in Mineapolis started the walk-out, and that the strikers had no chance to vote on the strike? The truth is that the overwhelming majority of the Minneapolis labor organizations having members on W. P. A. voted to join the strike. The truth is that the antiunion and pauperizing provisions of the Woodrum relief act had identical social repercussions throughout the country. If there was a conspiracy, it was a conspiracy of the paid political representatives of big business to put over an attack upon the wages and living standards of the American people.

Governor Stassen's second charge is that the Minneapolis labor

Governor Stassen's second charge is that the Minneapolis labor movement has elected a leadership that is thoughtless, unsound, and

vicious. Thereby he implies that Minneapolis workers would be wise to desert this leadership. Minneapolis is among the best unionized cities in the entire country and, Governor Stassen, it will remain so. All the benefits of organization come to the workers and unemployed of Minneapolis because they have organized under this leadership whom the Governor accuses of being thoughtless and unsound

GREAT LOSS AND INJURY

In his third charge the Governor, in a pious tone, accuses the Minneapolis labor leadership of causing great loss and injury to the W. P. A. workers and with placing 10,000 men and women in dire need.

who is it that is injurying the workers of Minneapolis and Minnesota and placing them in dire need? Is it the Minneapolis labor movement that works untiringly to protect labor and win for it a greater share of the good things of life? Or is it the connivers in Congress who pushed through the last-minute relief bill that violated the pledges these Congressmen had made to the people, that slashed the wages of W. P. A. workers, lengthened their hours, and promises to throw 1,500,000 of them out of employment off W. P. A. Come to think of it, it is passing strange that there are any unemployed persons in this State, for did not Governor Stassen promise to create jobs in private industry that would absorb the unemployed? Did he not promise the assembled workers on the capitol steps on June 2 that no one would go hungry in Minnesota?

WHERE ARE THOSE JOBS?

Where are these jobs you were going to create for the youth and unemployed, Governor Stassen? And is it not true, Governor, that while you are making charges against a group of Minneapolis labor leaders, that during the past week you have had a delegation of labor leaders from the Minnesota Federation of Labor, along with Mr. Zander from the Minnesota rederation of Labor, along with Mr. Zander from the Government employees' national union, calling upon you for a hearing on wholesale discriminatory dismissals of their members during recent days, as well as the charges leveled at your highway department for wage cutting and wholesale lay-offs by the St. Paul Trades and Labor assembly and the State machinists

What happened to your pledge to care for the unemployed? Your legislature slashed almost \$2,000,000 from State relief.

Who injured and who now injures the unemployed of this State? Is it the union and unemployed organizations that fight for decent wages and job security for the workers and decent relief for the unemployed—or the sanctimonious politicians who slyly pretend to be a friend of the workers, only to knife them in the back with slashes in relief, with one-sided and oppressive labor laws, and with employer-inspired attacks on organized labor. The labor movement is opposed to any form of strike wherever it is possible to prevent it, and only as a last resort do we strike.

This situation was forced upon us by a policy of provocation

herein set forth.

INCRIMINATING MATERIAL

Why do you seek to mislead the public to believe that the transcripts of your conference with the joint labor committee contained incriminating material? Governor Stassen, why don't you inform the public of the truth, that it was the labor committee which demanded that a stenographic report of the conference be made and forwarded to President Roosevelt, Colonel Harrington, and Attorney General Murphy? We challenge you to make public through the press the entire contents of this stenographic report. It contains the impressive testimony on the police brutality against a peaceful picket line. Why didn't you inform the public that the labor committee demanded that the city council undertake an unbiased investigation into the brutal police attacks that resulted in the death of Emil Bergstrom and the wounding of a score of innocent people? score of innocent people?

Is it not true, Governor Stassen, that on "bloody Friday night" there were no pickets either on the sidewalk nor on the street in front of the sewing project at the time the police opened fire upon the people clear across the street? Is it not true that squads of police crossed the street into private property and there shot down the people who had the permission to remain on that property with their care?

with their cars?

FALSELY CHARACTERIZE

Why do you attempt to falsely characterize this W. P. A. strike as a revolt against the Government and a threat to democracy, when the fact is there would have been no more trouble than during previous W. P. A. demonstrations had not the entire previous W. P. A. administrative policy been sharply reversed in this instance? The W. P. A. nationally, up until this present situation, had pursued a policy of closing down temporarily any W. P. A. polymers a leaver dispute conversed. Recause of this policy there had pursued a policy of closing down temporarily any W. P. A. job where a labor dispute occurred. Because of this policy, there never was any violence or disturbance during previous protests and strikes on W. P. A. That policy always created the opportunity for calm deliberation which makes easier the settlement of disputes. How can you speak of the cooperative spirit of Mr. Glotzbach? With whom did he cooperate when he reversed this national policy without prior announcement? Or when he called for police protection to help him reverse it, or when he failed to shut down the affected jobs and call for a meeting with the responsible labor officials, as was the W. P. A. custom? Is this the spirit of cooperation you praise? Had Glotzbach done his duty, there would have been no bloodshed in this strike.

You are 100 percent wrong on another of your charges when you say that none of the strike leaders had been on W. P. A. them-

selves. All of the leaders of Local No. 544, Federal Workers' Section, are, or have been, on W. P. A.; and the same thing is true of the Workers Alliance.

VICIOUS FOLLY

Governor Stassen charges that the joint committee surrendered in the strike, that they falled, that they met the stone wall of their own vicious folly. We in the labor movement are accustomed to hearing the claims of employers and their representatives that strikes are failures. But the labor movement has a different way of looking at these things. At any rate, the Governor and Mayor Leach should get together in their estimate of the protest strike, since both belong to the same political party and supported each other in the State and city elections. The Governor charges the strike was an abject failure, but Mayor Leach estimates that the Federal Government has made a disgraceful surrender to the W. P. A. strikers. Which shall you call it, gentlemen, a failure or success?

success?

Governor Stassen, you ended your attack on the Minneapolis labor movement by stating that: As for yourself, you disapproved of certain provisions of the 1940 Relief Act.

During the past year you have continued to speak of your sympathy for organized labor and the unemployed. Even while your administration cut the State relief budget, you said you protected the unemployed. Even while your labor law bound the hands of organized labor and encouraged the employers to break down the living standards of the masses, you professed your friendship for labor.

FALSE CHARGES

We submit that your judgment is completely erroneous, specifically and generally, because you have directed insinuations and false charges against the very people in this situation who are the stanchest and most reliable defenders of the real public interests—the working people and their unions—and that you have condoned and helped to cover up the real culprits who are responsible for the loss of wages of the W. P. A. workers, the violence, bloodshed, and deaths caused by them in this situation—that is, those who launched the attack and would still drive it further.

As for your unfounded insinuations to the Federal grand jury, Governor Stassen, the Minneapolis labor movement has nothing to fear from any honest investigation no matter what its source. But we are determined to protect the legal rights of our members

But we are determined to protect the legal rights of our members and defend them against any attempted frame-ups.

In this, as in all previous W. P. A. demonstrations here, the Minneapolis labor movement has recognized and declared that the main function of such demonstrations is to direct public attention to the unjustifiable problems of unemployment. That was our prime purpose. The fight for jobs at union wages and conditions, and for decent relief standards for those who have no jobs, did not begin nor end with the W. P. A. strike in Minneapolis. The struggle, by the logic of events, now takes other channels. There must be no adjournment of Congress until the vicious Woodrum provisions are repealed.

TUESDAY, July 18, 1939.

STATEMENT ON THE W. P. A. SITUATION BY DAVID LASSER, NATIONAL PRESIDENT OF THE WORKERS ALLIANCE OF AMERICA

The actions which have taken place since the Woodrum Relief act went into effect were the result of the justifiable resentment of W. P. A. workers, labor generally, and all progressive people.

W. P. A. workers, labor generally, and all progressive people.

These actions were not strikes against the Government. They were legitimate protests of needy citizens against being forced to labor at conditions that degraded, humiliated, and starved them. They were protests against the law foisted on us by the antilabor GARNER-WOODRUM-TABER clique dominanant in Congress. These actions, in our opinion have served to focus public attention on the injustices in the relief act and the need for immediate remedial legislation. Such legislation must (1) restore the prevailing hourly wage, (2) prevent cuts in the already inadequate monthly pay checks, (3) prevent arbitrary lay-offs of needy W. P. A. workers, (4) restore the arts projects.

We are culminating our actions in Nation-wide protests demon-

We are culminating our actions in Nation-wide protests, demonstrations, and parades on Thursday, July 20, in all cities where the Workers Alliance is organized.

At the moment we consider the urgent need is to focus public At the moment we consider the urgent need is to focus public attention on the necessity for Congress to act. Some honest Congressmen have expressed the opinion that job stoppages were embarrassing their efforts to have the present law changed. Some reactionaries have raised a false issue of "strikes against the Government" as an excuse for their not supporting improvements in the act. Some public officials, such as Mayor Leach, of Minneapolis, have sought to create a reign of terror, to try to provoke violence, and to stir public hysteria by ridiculous charges against labor.

Our sole concern is to protect the welfare of the millions of unemployed and W. P. A. workers and to take such practical action as will change the law in their behalf.

Because we want to provide every aid and cooperation for the friends of labor and the people in their efforts to have the law changed, because we do not wish to provide any aid and comfort for the enemies of labor or of the people, our national executive board has voted: (1) In cases where our own affiliates are leading work stoppages, the workers be asked to return to work temporarily under protest. (2) In cases where we are engaged in stoppages with other labor groups, we will recommend the temporary

ending of such stoppages. In these cases, however, our groups will abide by the democratic decision of the groups we are working with. (3) To turn the full and undivided attention of the unemployed and W. P. A. workers upon the mobilizing of public opinion for changes in the law and to make Members of Congress aware of that onlyion

that opinion.

We have been informed by Senator MURRAY that he does not consider our July 20 actions in any way detrimental to the cam-paign to change the relief act. We have his authority to inform paign to change the relief act. We have his authority to inform our membership that he and his group are sufficiently encouraged by the cooperation shown at least by the Workers Alliance of America to get ready to immediately push ahead vigorously for changes in the act. Now, we will have demonstrated the complete good faith of the Workers Alliance, it is up to Congress. As far as our activities are concerned, no further excuses can be made by Congress for not changing the iniquitous and unjust features of the relief act before it adjourns. If Congress fails to act, we will carry out our responsibility by taking every orderly action necessary to save the unemployed and W. P. A. workers from the awful suffering they will face.

carry out our responsibility by taking every orderly action necessary to save the unemployed and W. P. A. workers from the awful suffering they will face.

We hope in these efforts the administration will lend its support to the just grievances of labor. We believe that if the administration spokesmen had been as vigorous in defense of labor needs as they were in condemning the just protests of labor, we would be much further advanced toward a solution.

We hope also that some labor leaders may be induced to adopt a more progressive stand. Unfortunately, there were some who failed to give any support to efforts to improve the bill when it was in Congress and who are now wringing their hands or calling work stoppages. There are some who are opposed to the W. P. A. program and are using this situation as a pretext to destroy the W. P. A. program and discredit it in the eyes of labor. There are some whose only interest is to use this situation to make anti-New Deal propaganda instead of directing the main fire where it belongs—on Congress. There are some who are confusing the whole issue in the public mind by selfishly narrowing it to certain interests of a few instead of fighting for all the necessary demands of all W. P. A. workers. We have no intention to give aid or comfort to these people or to sacrifice the interests of the unemployed and W. P. A. workers to their plans.

We believe that if some people who now bitterly complain had joined with us in the National Right-to-Work Congress or in supporting the Murray-Casey bill, we would not have had this situa-

joined with us in the National Right-to-Work Congress or in sup-porting the Murray-Casey bill, we would not have had this situa-tion upon us. We are still hopeful that labor can fully unite its

forces upon a program which protects all labor.

[From Work] THE W. P. A. CRISIS

(By David Lasser, national president, Workers Alliance of America)

The 1940 Relief Act represents the greatest blow at American labor since the depression began. In its main provisions it would paralyze the organized workers in their fight to maintain wage standards; and by that, endanger the whole recovery movement. What are these "main provisions"?

Vinat are these "main provisions"?

1. The act does away with prevailing wage rates, and substitutes a 130-hour work month for all workers. This mean that not only will the skilled worker take a cut of 30 to 50 cents hourly, but the unskilled worker also takes a slash of 10 to 15 cents an hour in his meager pay. It puts the United States Government in the position of opening the door wide for wage cuts in all American industry.

Government in the position of opening the door wide for wage cuts in all American industry.

2. By attempting to "equalize wages" as between geographic regions, and by not providing more money with which to do this (actually, by providing less money) it makes necessary on August 31, cuts in the monthly security wages for 2,000,000 W. P. A. workers in the North and West. This second blow is not only at W. P. A. workers, but at all labor.

3. By the 18-month rotation provisions, between now and August 31, between 600,000 and 700,000 workers will get 403's and be thrown onto the labor market. Flooding the labor market with these hungry people, at a time when private employment is not increasing, will be a serious menace to the standards of workers with private jobs. workers with private jobs.

Mr. LUNDEEN. I wish to refer to a statement which portrays the situation of 112,310 Minnesota people dropped from employment in Minnesota industries. The statement is by Jay C. Hormel, one of the greatest and one of the most progressive businessmen in the State of Minnesota, head of a \$60,000,000 business in our North Star State:

STATEMENT BY JAY C. HORMEL, CHAIRMAN, AMERICAN LEGION, DEPART-MENT OF MINNESOTA, COMMITTEE ON EMPLOYMENT STABILIZATION, AUSTIN, MINN., MARCH 22, 1939

Do you realize that last year 112,310 Minnesota people were laid off—were disemployed—were dropped from employment in Minnesota industries for a sufficiently long period of time to permit them to receive compensation checks under the Minnesota Unemploy-

ment Compensation Act?

Although these 112,310 people about whom we are talking did receive compensation checks from the State for their unemployment, it still is true that in general those checks were only half as much as the regular wages those people had been drawing, and

in many cases they did not get a check each week they were off. Can you imagine the problems which those people had to face during their period of unemployment?

Do you realize how much these 112,310 people would be benefited

if industry would, first, learn how and, second, take the trouble to stabilize employment?

I also wish to make reference, without placing it in the RECORD, to a document called Public Assistance, published by the Bureau of Research and Statistics, Division of Public Assistance Research, United States Government, stating that in the years 1933 to 1938 the public expenditures for assistance to persons in need in continental United States amounted to \$12,900,000,000, or nearly \$13,000,000,000 in those years. call that statement to the attention of the country. Was anything fundamental really done, except here and there? No enduring permanent program resulted from all this expenditure of the taxpayers' money, and we still have over 12,000,000 unemployed with us. That is not much of a solution. And we spent \$13,000,000,000 fumbling over makeshifts. There must be an end to all this. Had this administration listened to the progressive program of the Farmer-Labor Party, a program which I have placed in the Congressional RECORD time after time, we would not now be sinking in the slough of despondency.

I wish also to call attention to the 1938 financial analysis of relief costs, board of public welfare, division of public relief, in my home city of Minneapolis, prepared by O. A.

Pearson, superintendent thereof.

I say to the Senate that before we adjourn we should look over the list of unfinished important and vital legislation and consider foreign affairs, which certainly are clouding the horizon of all nations, and see that we do not commit an error in adjourning at too early a date. So far as I am concerned, I am opposed to adjournment in this hour of

I also wish to make reference to a speech which I delivered on September 10, 1935; another on June 7, 1935; and another on April 8, 1939, on the W. P. A. and labor questions, all reported in the Congressional Record. On April 8, this year, I held the floor for more than 4 hours pleading the cause of labor against wage cuts and poverty. In the midst of untold wealth produced by our workers labor starves. I demand a just share of that wealth for the men and women of America.

PURCHASE AND DISTRIBUTION OF SURPLUS PRODUCTS OF THE FISH-ING INDUSTRY

The Senate resumed the consideration of the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

Mr. ANDREWS. Mr. President, will the Senator yield?

Mr. DANAHER. I yield. Mr. ANDREWS. If the Senator continues to yield, we shall never obtain consideration of the bill. I should like to see it considered this afternoon.

Mr. DANAHER. I am certain that unless we run into a night session we shall not be able to dispose of the bill today.

Mr. KING. Mr. President, there will be some discussion upon the bill. Much as I should like to comply with the wishes of the Senator from Florida, I do not think we should pass the bill this evening.

Mr. BARKLEY. Mr. President, if there is to be extended discussion on the bill-

Mr. KING. There will be.

Mr. BARKLEY. In that event, I think probably we had better postpone consideration of the bill until tomorrow. It will be the unfinished business tomorrow.

Mr. PEPPER. Mr. President, a very simple question is involved, as to whether or not canned-fish commodities are eligible for the benefits of the bill, which can be decided by the Senate in a relatively short time. In view of the announcement made by the leader, I am afraid that tomorrow we shall get caught in other legislation, and will not have an opportunity to complete consideration of the bill.

Mr. BARKLEY. Mr. President, my suggestion is based upon information which the Senator from Utah has just given me. He has advised me that he intends to speak for an hour

Mr. PEPPER. Mr. President, I suggest that we dispose of the amendment of the Senator from Connecticut. Then further consideration of the bill can be postponed.

Mr. CONNALLY. Mr. President— Mr. DANAHER. I yield to the Senator from Texas.

Mr. CONNALLY. I desire to make a motion. Will the Senator yield for that purpose?

Mr. DANAHER. I yield to the Senator unless making the motion would take me off the floor,

Mr. CONNALLY. I rather think it would. I desire to make a motion to lav aside temporarily the pending bill and

take up another bill. Mr. DANAHER. If the Senator from Florida is agreeable to having the bill laid aside while the Senator from Texas has the other bill taken up, I have no objection.

Mr. CONNALLY. I do not suppose the Senator from Florida is. That is an impossible condition. The bill to which I refer is a very important revenue bill, and it should be acted upon before we adjourn tomorrow.

The PRESIDING OFFICER. Does the Senator from Con-

necticut yield for that purpose?

Mr. BARKLEY. Mr. President, if the Senator from Florida would be willing to have his bill laid aside temporarily. I do not think the bill referred to by the Senator from Texas would take much time. I think it could be taken up and disposed of without affecting the bill of the Senator from Florida.

Mr. PEPPER. So far as I am concerned, I should not

object to that.

Mr. KING. Mr. President, I will say to the Senator from Florida that I should not want to have the bill referred to by the Senator from Texas taken up in the absence of the Senator from Georgia [Mr. George].

Mr. CONNALLY. I am perfectly willing to have the Senator from Georgia here. He is somewhere around the Senate

Chamber. Let us send for him.

Mr. PEPPER. Mr. President, I merely want it understood that the motion of the Senator from Texas will not displace the pending bill as being the unfinished business.

The PRESIDING OFFICER. Without objection, that is

understood.

Mr. CONNALLY. Mr. President, I move that the pending bill be temporarily laid aside without any prejudice to its standing, and that the Senate proceed to the consideration of House bill 7171, to amend section 22 of the Agricultural Adjustment Act.

Mr. SMITH. Mr. President, before the motion is acted upon I desire to say that there will be more than 1 day's discussion on that measure. It is very certain that we shall not adjourn tomorrow night if the bill comes up.

The PRESIDING OFFICER. Objection is heard.

Mr. CONNALLY. I did not ask unanimous consent; I made a motion.

The PRESIDING OFFICER. A motion if agreed to would displace the matter which is now pending before the Senate. and the Chair understood that the Senator from Texas did not want to do that.

Mr. CONNALLY. I did not desire to do it.

The PRESIDING OFFICER. If the Senator makes a motion to take up the bill referred to by him, and it is agreed to, it will displace the bill which is now pending.

Mr. KING. Mr. President, I shall feel impelled to ask for a quorum unless the Senator from Georgia [Mr. George] can be present. I do not like to do so at this hour.

Mr. BARKLEY. Mr. President, in view of the situation at this late hour, probably we had better let both bills go over until tomorrow.

Mr. CONNALLY. In view of the attitude of the leader, I shall not insist on my motion now; but I give notice that as soon as I can obtain the floor tomorrow I shall move that the Senate proceed to the consideration of House bill 7171.

Mr. AUSTIN. Mr. President, will the Senator from Connecticut vield for a question?

Mr. DANAHER. I yield to the Senator for a question.

Mr. AUSTIN. I ask the Senator from Texas if he will have his bill printed in the RECORD. There is no digest of the bill; and I have had difficulty in finding it or any descrip-

Mr. CONNALLY. I am sure a report has been filed on the bill. It is House bill 7171.

Mr. AUSTIN. Apparently there is a report, No. 1043; but I have not been able to find any digest of the bill.

Mr. CONNALLY. I think I can very briefly explain the purpose of the bill.

Mr. AUSTIN. I wish the Senator would explain it. Then we can be thinking about it.

Mr. CONNALLY. The purpose of the bill is as follows: Under section 22 of the Agricultural Adjustment Act, if the Senator has that act available, in case prices of agricultural products are raised domestically as the result of the operations of the A. A. A. or other Government agencies, the Tariff Commission is given authority to raise the tariff duties on those articles to keep them from coming in from foreign countries.

The section I have been speaking of is section 22. Under section 32 of the Agricultural Adjustment Act it is provided that 30 percent of the tariff revenues shall be set aside by the Secretary of Agriculture in a special fund for the purpose of increasing and stimulating the export of agricultural commodities. Under section 32 the Secretary of Agriculture has instituted export subsidies on wheat, which are already in operation, and have been for a considerable period. He has now instituted export subsidies on cotton, The purpose of the bill is to give the President, through the Tariff Commission, power to raise the rates on cotton textiles and other competitive commodities, and on raw cotton itself when we export it and give it a bounty, to keep it from coming back into the United States. That is the effect of the bill.

Under the present law the Tariff Commission has a limited authority in that regard, but only when the commodities are actually coming in. The bill spreads that authority a little, and says the Tariff Commission may act either when the commodities are coming in or when they are practically certain to come in, because we want to anticipate the return of the commodities. The bill is to protect the textile interests, and raw cotton, too, for that matter. It not only protects cotton, but it protects all other agriculural commodities within the compass of the two sections I have named

Mr. AUSTIN. Does it protect the producers of wool?

Mr. CONNALLY. I do not think it relates to wool, because wool already has a duty of 33 cents per pound on it.

Mr. AUSTIN. Mr. President, the tariff on wool has been cut 50 percent by a trade treaty.

Mr. CONNALLY. Only on manufactured wool; not on raw wool.

Mr. AUSTIN. I am including in my remarks manufac-

Mr. CONNALLY. I will say to the Senator that this bill applies only to the agricultural commodities which are dealt with under the A. A. A. I do not know whether the wool program comes under the A. A. A. or not.

Mr. AUSTIN. I thank the Senator for his explanation. Mr. SCHWELLENBACH. Mr. President, will the Senator

Mr. DANAHER. I yield to the Senator from Washington. Mr. SCHWELLENBACH. Several months ago I submitted a resolution involving the continuation of the subcommittee of the Committee on Education and Labor which has had under consideration the subject of civil liberties. For some time that resolution has been in the hands of the Committee to Audit and Control the Contingent Expenses of the Senate. Just a few minutes ago it was reported by the committee, and is now on the calendar. Under the rules of the Senate it cannot be considered until tomorrow.

There has been considerable discussion about a possible adjournment tomorrow night. We shall probably have before us for consideration tomorrow the third deficiency bill, which is of importance. The matter of the continuation of the civil-liberties subcommittee is something that cannot be permitted to go over until next year.

If it is to be properly considered, it must be considered before the Congress adjourns. A number of the Members of this body have indicated that they will not be willing to proceed to the completion of the consideration of the third deficiency bill until the Senate has considered and voted upon the resolution for the continuation of the work of the subcommittee. I should like to inquire of the Senator from Kentucky [Mr. Barkley] what arrangements can be made now so that we may be assured that we shall not get into a iam tomorrow.

Mr. BARKLEY. Mr. President, I will say to the Senator from Washington that I contemplate no motion for sine die adjournment until this matter shall have been disposed of. It was suggested by a member of the Appropriations Committee that if the deficiency bill could be reported by noon tomorrow, we might finish that and other legislation and adjourn tomorrow night. Whether or not that is possible, only tomorrow night can tell; but I certainly would not hurry up an adjournment that would avoid the consideration of this resolution, with which, I will say, I am in entire sympathy. I do not know that we can make an arrangement now as to when it can be taken up tomorrow, because obviously we are going to have to adjourn or recess tonight with an unfinished bill before us; but I will cooperate fully for the consideration of the resolution at the earliest possible

Mr. SCHWELLENBACH. I should like to say that I appreciate very much the attitude and statement of the Senator from Kentucky, and, of course, shall be glad to comply with any request he makes; but before the consideration of the third deficiency bill is completed tomororw I should like to have some definite arrangement concerning the consideration of the resolution prior to the adjournment of the Congress. I will say that it will be extremely difficult to get through with the third deficiency bill until such an arrangement shall have been made.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President-

Mr. DANAHER. I yield to the Senator from Kentucky. Mr. BARKLEY. In view of the situation, I think we cannot finish tonight the bill which is before us, so it will go over as the unfinished business. I therefore move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

Henry F. Grady, of California, to be an Assistant Secretary of State; and

Ray Atherton, of Illinois, now Envoy Extraordinary and Minister Plenipotentiary to Bulgaria, to be Envoy Extraordinary and Minister Plenipotentiary to Denmark, vice Alvin Mansfield Owsley, resigned.

He also, from the Committee on the Judiciary, reported favorably the nomination of J. H. S. Morison, of Alaska, to be United States district judge, division No. 2, District of

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the nomination of Lloyd L. Black, of Washington, to be United States district judge for the western district of Washington, to fill a position created by the act of Congress of May 31, 1938.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion or transfer in the Regular Army.

Mr. WALSH, from the Committee on Finance, reported favorably the nomination of Thomas B. Hassett, of Fitchburg, Mass., to be collector of internal revenue for the district of Massachusetts, to fill an existing vacancy.

He also, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

ARTHUR J. ALTMEYER

Mr. LA FOLLETTE. From the Committee on Finance, I report back favorably the nomination of Arthur J. Altmeyer, of Wisconsin, to be a member of the Social Security Board. This is a reappointment, and the report from the committee is unanimous. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none; and, without objection, the nomination is confirmed.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Bert Fish, of Florida, to be envoy extraordinary and minister plenipotentiary to Egypt.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James J. Murphy, Jr., of Pennsylvania, to be Foreign Service officer.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Edward Gearing Kemp, of Michigan, to be the Assistant to the Attorney General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HOLT. Mr. President, I ask that the nominations of John Kenna Kerwood to be postmaster at Ripley, W. Va., and Charles B. McCray to be postmaster at Webster Springs, W. Va., be recommitted to the Committee on Post Offices and Post Roads

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NEELY. Mr. President, I sincerely regret that there is opposition to the immediate confirmation of the West Virginia postmasters mentioned. But obviously any Senator can prevent any confirmation at this late day in the rapidly expiring session. Therefore, I refrain from interposing a manifestly futile objection to the pending request.

The PRESIDING OFFICER. Without objection, the nominations of postmasters other than the nomination of John Kenna Kerwood to be postmaster at Ripley, W. Va., and of Charles B. McCray to be postmaster at Webster Springs, W. Va., are confirmed en bloc.

IN THE ARMY

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs of the Senate I have reported favorably today a number of Army nominations, and I ask that they be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the request of the Senator from Texas is agreed to, and the nominations are confirmed en bloc. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Friday, August 4, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 3 (legislative day of August 2), 1939

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Ray Atherton, of Illinois, now Envoy Extraordinary and Minister Plenipotentiary to Bulgaria, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark, vice Alvin Mansfield Owsley, resigned.

SOCIAL SECURITY BOARD

Arthur J. Altmeyer, of Wisconsin, to be a member of the Social Security Board for a term expiring August 13, 1945. (Reappointment.)

WORK PROJECTS ADMINISTRATION

S. L. Stolte, of Minnesota, to be Work Projects Administrator for Minnesota.

Linus C. Glotzbach, of Minnesota, to be regional director, district VII, Work Projects Administration.

UNITED STATES MARSHAL

William W. Crawford, of Montana, to be United States marshal for the district of Montana. He is now serving under a recess appointment.

APPOINTMENTS IN THE REGULAR ARMY

TO BE MAJOR GENERALS

Brig. Gen. Kenyon Ashe Joyce, United States Army, from November 1, 1939, vice Maj. Gen. Robert McC. Beck, Jr., United States Army, to be retired October 31, 1939.

Brig. Gen. George Grunert, United States Army, from December 1, 1939, vice Maj. Gen. Albert J. Bowley, to be retired November 30, 1939.

TO BE BRIGADIER GENERALS

Col. Joseph Warren Stilwell, Infantry, from July 1, 1939, vice Brig. Gen. Charles M. Bundel, United States Army, retired June 30, 1939.

Col. Sherman Miles, Field Artillery, from September 1, 1939, vice Brig. Gen. George C. Marshall, Acting Chief of Staff, to be appointed major general September 1, 1939.

Col. Bruce Magruder, Infantry, vice Brig. Gen. Kenyon A. Joyce, United States Army, nominated for appointment as major general.

Col. Lloyd Ralston Fredendall, Infantry, vice Brig. Gen. George Grunert, United States Army, nominated for appointment as major general.

APPOINTMENTS AND PROMOTIONS IN THE NAVY MARINE CORPS

Capt. Clarence J. Chappell, Jr., to be a major in the Marine Corps from the 1st day of August 1939.

First Lt. James M. Masters, Jr., to be a captain in the Marine Corps from the 1st day of July 1939.

Second Lt. William F. Kramer to be a first lieutenant in the Marine Corps from the 4th day of June 1939.

The following-named citizens to be second lietuenants in the Marine Corps from the 1st day of July 1939:

Claude J. Carlson, Jr., a citizen of Washington.

Morris E. Flater, a citizen of Indiana.

POSTMASTERS

ARKANSAS

Robert E. Pace, Jr., to be postmaster at Marked Tree, Ark., in place of J. E. Pittman. Incumbent's commission expired May 9, 1938.

Ralph McNiel to be postmaster at Piggott, Ark., in place of E. R. Winton. Incumbent's commission expired June 26, 1939.

CALIFORNIA

Clara M. Scott to be postmaster at Kerman, Calif., in place of C. M. Scott. Incumbent's commission expired March 19, 1939.

COLORADO

Floyd C. Bradfield to be postmaster at Cortez, Colo., in place of W. H. Harrison. Incumbent's commission expired June 18, 1938.

CONNECTICUT

William K. Buggie to be postmaster at Cromwell, Conn., in place of W. H. Buggie, deceased.

Edward J. Bradley to be postmaster at West Willington, Conn., in place of H. M. Hansen, Jr., deceased.

ILLINOIS

John T. Lustig to be postmaster at Bradley, Ill., in place of F. X. Hodapp, removed.

Robert L. Graham to be postmaster at Dieterich, Ill., in place of M. J. Clagg. Incumbent's commission expired May 31, 1938.

Helen E. Goodell to be postmaster at Loda, Ill., in place of Kate McDonnall. Incumbent's commission expired June 14, 1938.

INDIANA

Clarence E. Steward to be postmaster at Bainbridge, Ind., in place of C. E. Steward. Incumbent's commission expired May 2, 1939.

Orlin F. Reinhardt to be postmaster at New Salisbury, Ind., in place of O. F. Reinhardt. Incumbent's commission expired April 2, 1939.

Rolla E. Pinaire to be postmaster at Ramsey, Ind., in place of R. E. Pinaire. Incumbent's commission expired March 20, 1939.

IOWA

Mable Kinney to be postmaster at Elliott, Iowa, in place of J. N. Kinney, resigned.

William J. Gleason to be postmaster at New Hampton, Iowa, in place of E. P. Feuling. Incumbent's commission expired May 17, 1938.

John Hynek to be postmaster at Tama, Iowa, in place of John Hynek. Incumbent's commission expired June 25, 1939.

KANSAS

John H. Eckhart to be postmaster at Almena, Kans., in place of J. H. Eckhart. Incumbent's commission expired July 19, 1939.

John H. Jessee to be postmaster at Axtell, Kans., in place of J. H. Jessee. Incumbent's commission expires August 21, 1939.

Ivan L. Farris to be postmaster at Cheney, Kans., in place of I. L. Farris. Incumbent's commission expired July 27, 1939.

Harriet M. Mayo to be postmaster at Claffin, Kans., in place of H. M. Mayo. Incumbent's commission expired July 27, 1939.

Thomas Lloyd Lozier to be postmaster at Edna, Kans., in place of T. L. Lozier. Incumbent's commission expired May 1, 1939.

James Oscar Warren to be postmaster at Eskridge, Kans., in place of J. O. Warren. Incumbent's commission expired July 9, 1939.

Clayton J. Connell to be postmaster at Fall River, Kans., in place of C. J. Connell. Incumbent's commission expired July 9, 1939.

John T. McGrath to be postmaster at Greenleaf, Kans., in place of J. T. McGrath. Incumbent's commission expired July 27, 1939.

William F. Varvel to be postmaster at Gridley, Kans., in place of W. F. Varvel. Incumbent's commission expired July 27, 1939.

John C. Patterson to be postmaster at Haddam, Kans., in place of J. C. Patterson. Incumbent's commission expires August 21, 1939.

John L. A. Wainscott to be postmaster at Hazelton, Kans., in place of J. L. A. Wainscott. Incumbent's commission expired July 1, 1939.

Orville K. McQueen to be postmaster at Kirwin, Kans., in place of O. K. McQueen. Incumbent's commission expired June 18, 1939.

Helen M. Collins to be postmaster at Lenexa, Kans., in place of H. M. Collins. Incumbent's commission expired July 1, 1939.

Henry W. Behrens to be postmaster at Lyndon, Kans., in place of H. W. Behrens. Incumbent's commission expired July 9, 1939.

Hubert A. Morain to be postmaster at Minneola, Kans., in place of H. A. Morain. Incumbent's commission expires August 26, 1939.

James A. Wiley to be postmaster at Sedgwick, Kans., in place of J. A. Wiley. Incumbent's commission expired July 27, 1939.

Michael J. Baier to be postmaster at Shawnee, Kans., in place of M. J. Baier. Incumbent's commission expired July 27, 1939.

Robert E. Berner to be postmaster at Waterville, Kans., in place of R. E. Berner. Incumbent's commission expired July 27, 1939.

John W. Vancil to be postmaster at White Water, Kans., in place of J. W. Vancil. Incumbent's commission expires August 14, 1939.

KENTUCKY

Virginia L. Stigall to be postmaster at Burnside, Ky., in place of L. P. Kreamer. Incumbent's commission expired February 18, 1939.

Harry Greene to be postmaster at Milburn, Ky., in place of Harry Greene. Incumbent's commission expired July 19, 1939.

MAINE

John H. Gilbert to be postmaster at Monson, Maine, in place of J. H. Gilbert. Incumbent's commission expired March 8, 1939.

Don Owen Cate to be postmaster at Richmond, Maine, in place of D. O. Cate. Incumbent's commission expired June 19, 1939.

Donald P. George to be postmaster at Thomaston, Maine, in place of D. P. George. Incumbent's commission expired April 30, 1939.

MARYLAND

Maude L. Shives to be postmaster at Hancock, Md., in place of M. L. Shives. Incumbent's commission expired January 17, 1939.

MASSACHUSETTS

George W. Seymour to be postmaster at Ashby, Mass., in place of G. W. Seymour. Incumbent's commission expired January 23, 1939.

Alfred A. Averill to be postmaster at Edgartown, Mass., in place of A. A. Averill. Incumbent's commission expires August 27, 1939.

MICHIGAN

Charles W. Holt to be postmaster at Athens, Mich., in place of C. W. Holt. Incumbent's commission expired April 26, 1939.

William A. Young to be postmaster at Bellevue, Mich., in place of W. A. Young. Incumbent's commission expired July 3, 1939.

Glenn P. Adgate to be postmaster at Saranac, Mich., in place of G. P. Adgate. Incumbent's commission expires August 26, 1939.

Olive E. Bergey to be postmaster at Vanderbilt, Mich. Office became Presidential July 1, 1937.

MINNESOTA

Harold E. Otterstein to be postmaster at Amboy, Minn., in place of H. E. Otterstein. Incumbent's commission expired March 27, 1939.

Harriett M. Eleeson to be postmaster at Beaver Creek, Minn., in place of H. M. Eleeson. Incumbent's commission expired August 1, 1939.

Percy L. Hakes to be postmaster at Brownton, Minn., in place of P. L. Hakes. Incumbent's commission expired June 18, 1939.

Mary E. Gilbert to be postmaster at Carlton, Minn., in place of M. E. Gilbert. Incumbent's commission expired May 29, 1939.

Clifford Bergland to be postmaster at Clearbrook, Minn., in place of Clifford Bergland. Incumbent's commission expired May 29, 1939.

Clyde H. Hiatt to be postmaster at Granada, Minn., in place of C. H. Hiatt. Incumbent's commission expired May 1, 1939.

Carl Von Ohlen to be postmaster at Henning, Minn., in place of Fritz Von Ohlen, resigned.

Alfred H. Smith to be postmaster at Heron Lake, Minn., in place of A. H. Smith. Incumbent's commission expired May 29, 1939.

Oliver A. Matson to be postmaster at Kiester, Minn., in place of O. A. Matson. Incumbent's commission expired May 1, 1939.

Hattie G. Haas to be postmaster at Lamberton, Minn., in place of H. G. Haas. Incumbent's commission expired March 12, 1939.

William Pennar to be postmaster at Laporte, Minn., in place of William Pennar. Incumbent's commission expired August 1, 1939.

Nels E. Fedson to be postmaster at Lyle, Minn., in place of N. E. Fedson. Incumbent's commission expired July 16, 1939.

Mamie A. Sondergaard to be postmaster at New York Mills, Minn., in place of M. A. Sondergaard. Incumbent's commission expires August 26, 1939.

George H. Tome to be postmaster at Pine Island, Minn., in place of G. H. Tome. Incumbent's commission expired March 23, 1939.

Linus E. Dougherty to be postmaster at Pine River, Minn., in place of L. E. Dougherty. Incumbent's commission expired March 12, 1939.

Robert S. Cowie to be postmaster at Rothsay, Minn., in place of R. S. Cowie. Incumbent's commission expired March 23, 1939.

MISSISSIPPI

Samuel N. Shelton to be postmaster at Alcorn, Miss., in place of S. N. Shelton. Incumbent's commission expired July 18, 1939.

William M. Ferrell to be postmaster at Ashland, Miss., in place of W. M. Ferrell. Incumbent's commission expired July 11, 1939.

George D. Myers to be postmaster at Byhalia, Miss., in place of G. D. Myers. Incumbent's commission expired July 26, 1939.

Martha B. Lowe to be postmaster at Glendora, Miss., in place of M. B. Lowe. Incumbent's commission expired March 7, 1939.

John T. Miller to be postmaster at Myrtle, Miss., in place of J. T. Miller. Incumbent's commission expired July 11, 1939.

Thomas J. Barnes to be postmaster at Noxapater, Miss., in place of T. J. Barnes. Incumbent's commission expired July 11, 1939.

Marie J. Sandlin to be postmaster at Parchman, Miss., in place of M. J. Sandlin. Incumbent's commission expired July 26, 1939.

Abner W. Flurry to be postmaster at Perkinston, Miss., in place of A. W. Flurry. Incumbent's commission expired May 2, 1939.

Faye V. Peel to be postmaster at Potts Camp, Miss., in place of F. V. Peel. Incumbent's commission expired March 27, 1939.

Ruby W. Bacon to be postmaster at Schlater, Miss., in place of R. W. Bacon. Incumbent's commission expired July 26, 1939.

Lellie M. Ferriss to be postmaster at Shaw, Miss., in place of L. M. Ferriss. Incumbent's commission expires August 21, 1939.

John Auburn Bethany to be postmaster at Shuqualak, Miss., in place of J. A. Bethany. Incumbent's commission expires August 27, 1939.

Mrs. Tommie A. Hamill to be postmaster at Sturgis, Miss., in place of T. A. Hamill. Incumbent's commission expired July 11, 1939.

Blanche M. Sledge to be postmaster at Sunflower, Miss., in place of B. M. Sledge. Incumbent's commission expired July 26, 1939.

Augustus Ferdinand Fleck to be postmaster at Terry, Miss., in place of A. F. Fleck. Incumbent's commission expires August 21, 1939.

Curtis E. Morgan to be postmaster at University, Miss., in place of C. E. Morgan. Incumbent's commission expired July 26, 1939.

William W. Milner to be postmaster at Vaiden, Miss., in place of W. W. Milner. Incumbent's commission expired July 11, 1939.

Will S. Black to be postmaster at Weir, Miss., in place of W. S. Black. Incumbent's commission expired July 11, 1939.

Oliver W. Catchings to be postmaster at Woodville, Miss., in place of O. W. Catchings. Incumbent's commission expired July 18, 1939.

MISSOURI

Ella B. Newman to be postmaster at Desloge, Mo., in place of E. B. Newman. Incumbent's commission expired June 25, 1939

Carl E. Latimer to be postmaster at Frankford, Mo., in place of C. E. Latimer. Incumbent's commission expired June 5, 1939.

Chester M. Eoff to be postmaster at Knox City, Mo., in place of C. M. Eoff. Incumbent's commission expires August 2, 1939.

Chester T. Hoover to be postmaster at Laclede, Mo., in place of C. T. Hoover. Incumbent's commission expires August 21, 1939.

Fred J. Jacobi, Jr., to be postmaster at Martinsburg, Mo., in place of F. J. Jacobi, Jr. Incumbent's commission expired February 20, 1939.

William E. Murphy to be postmaster at Sumner, Mo., in place of W. E. Murphy. Incumbent's commission expired May 9, 1939.

MONTANA

Charles C. Nicholson to be postmaster at Bigtimber, Mont., in place of C. C. Nicholson. Incumbent's commission expired July 30, 1939.

NEBRASKA

Harold M. Knapp to be postmaster at Ansley, Nebr., in place of A. M. Knapp, resigned.

Fred B. Householder to be postmaster at Bladen, Nebr., in place of F. B. Householder. Incumbent's commission expired June 28, 1939.

Julius J. Weidner to be postmaster at Humphrey, Nebr., in place of J. J. Weidner. Incumbent's commission expired May 8, 1939.

Fred C. Johnson to be postmaster at Merriman, Nebr., in place of F. C. Johnson. Incumbent's commission expired June 18, 1939.

Catherine Childs to be postmaster at Oakdale, Nebr., in place of Catherine Childs. Incumbent's commission expires August 16, 1939.

Mable A. Foreman to be postmaster at Palmyra, Nebr., in place of M. A. Foreman. Incumbent's commission expired March 21, 1939.

Effie E. Adams to be postmaster at Ralston, Nebr., in place of E. E. Adams. Incumbent's commission expired June 18,

Justus H. LaMunyon to be postmaster at Shelby, Nebr., in place of J. H. LaMunyon. Incumbent's commission expires August 27, 1939.

Christopher A. Weber to be postmaster at Spalding, Nebr., in place of C. A. Weber. Incumbent's commission expires August 27, 1939.

NEW HAMPSHIRE

Earl X. Cutter to be postmaster at Antrim, N. H., in place of E. X. Cutter. Incumbent's commission expires August 15, 1939.

Caroline W. Southworth to be postmaster at North Haverhill, N. H., in place of H. L. Thompson. Incumbent's commission expired April 25, 1938.

NEW JERSEY

John J. Kelly to be postmaster at Allendale, N. J., in place of L. H. Kelly, deceased.

Whitehurst M. Garner to be postmaster at Livingston, N. J., in place of H. N. Savage, removed.

Theodore H. Reed to be postmaster at Pennington, N. J., in place of T. H. Reed. Incumbent's commission expired February 25, 1939.

Alger H. Alpaugh to be postmaster at Succasunna, N. J., in place of A. H. Alpaugh. Incumbent's commission expired! February 25, 1939.

Monroe H. Bea to be postmaster at Westville, N. J., in place of M. H. Bea. Incumbent's commission expires August 26, 1939.

NEW MEXICO

Margaret I. Daniels to be postmaster at Cloudcroft, N. Mex., in place of M. I. Daniels. Incumbent's commission expires August 6, 1939.

Bertha R. Yessler to be postmaster at Nara Visa, N. Mex. Office became Presidential July 1, 1938.

NEW YORK

Helen F. Hallahan to be postmaster at Brasher Falls, N. Y., in place of H. F. Hallahan. Incumbent's commission expires August 21, 1939.

Chester A. Field to be postmaster at Cold Water, N. Y., in place of J. A. Fishbaugh, transferred.

James H. Mulligan to be postmaster at Hillburn, N. Y., in place of J. H. Mulligan. Incumbent's commission expired August 2, 1939.

Cornelius Edward Conroy to be postmaster at Stanley, N. Y., in place of C. E. Conroy. Incumbent's commission expired May 8, 1939.

Anna Marriott to be postmaster at Vernon, N. Y., in place of Anna Marriott. Incumbent's commission expires August 21, 1939.

Arthur E. Murphy to be postmaster at Youngstown, N. Y., in place of G. H. Wall. Incumbent's commission expired June 18, 1938.

NORTH CAROLINA

George M. Sudderth to be postmaster at Blowing Rock, N. C., in place of G. M. Sudderth. Incumbent's commission expired June 18, 1939.

Thurla Cole to be postmaster at Cameron, N. C., in place of Thurla Cole. Incumbent's commission expired July 1, 1939.

Joseph C. Peed to be postmaster at Creedmoor, N. C., in place of J. C. Peed. Incumbent's commission expired July 1, 1939.

Joseph Tracy Moore to be postmaster at Greensboro, N. C., in place of J. W. Coleman, resigned.

Lula G. Harris to be postmaster at Macon, N. C., in place of L. G. Harris. Incumbent's commission expired July 1, 1939.

John R. Steele to be postmaster at Ramseur, N. C., in place of J. R. Steele. Incumbent's commission expires August 27, 1939.

Guy S. Crawford to be postmaster at Rowland, N. C., in place of G. S. Crawford. Incumbent's commission expires August 27, 1939.

George Glenn Nichols to be postmaster at Sparta, N. C., in place of G. G. Nichols. Incumbent's commission expired March 12, 1939.

Bertie L. Matthews to be postmaster at Vass, N. C., in place of B. L. Matthews. Incumbent's commission expired July 1, 1939.

Margaret W. Davis to be postmaster at Walnut Cove, N. C., in place of M. W. Davis. Incumbent's commission expires August 16, 1939.

NORTH DAKOTA

Mildred Peck to be postmaster at Glenburn, N. Dak., in place of Mildred Peck. Incumbent's commission expired June 18, 1939.

Levurn R. Church to be postmaster at Haynes, N. Dak., in place of L. R. Church. Incumbent's commission expired March 18, 1939.

Herbert J. Simon to be postmaster at Lakota, N. Dak., in place of H. J. Simon. Incumbent's commission expired August 1, 1939.

Loren J. Savage to be postmaster at Litchville, N. Dak., in place of L. J. Savage. Incumbent's commission expired June 18, 1939.

Jay J. Eaton to be postmaster at Medora, N. Dak., in place of J. J. Eaton. Incumbent's commission expired March 18, 1939.

Bland Elsberry to be postmaster at Rocklake, N. Dak., in place of Bland Elsberry. Incumbent's commission expired June 18, 1939.

William S. McCabe to be postmaster at Walhalla, N. Dak., in place of W. S. McCabe. Incumbent's commission expired February 7, 1939.

OHIO

Edward Wild to be postmaster at Arcanum, Ohio, in place of Edward Wild. Incumbent's commission expired July 2, 1939.

Florence M. DeChant to be postmaster at Avon Lake, Ohio, in place of F. M. DeChant. Incumbent's commission expired July 9, 1939.

William H. Fike to be postmaster at Bloomville, Ohio, in place of W. H. Fike. Incumbent's commission expired May 13, 1939.

William L. Bryan to be postmaster at Bradner, Ohio, in place of W. L. Bryan. Incumbent's commission expired July 2, 1939.

Dwight C. Banbury to be postmaster at Danville, Ohio, in place of D. C. Banbury. Incumbent's commission expired August 1, 1939.

Lloyd K. Heckman to be postmaster at Ellet, Ohio, in place of L. K. Heckman. Incumbent's commission expired February 12, 1939.

Caleb Peter Motz to be postmaster at Fairlawn, Ohio, in place of C. P. Motz. Incumbent's commission expired June 17, 1939.

Leo A. Bietz to be postmaster at Kent, Ohio, in place of L. A. Bietz. Incumbent's commission expired May 2, 1939.

Ernest A. Rowland to be postmaster at Lodi, Ohio, in place of E. A. Rowland. Incumbent's commission expired February 12, 1939.

Leo M. Keller to be postmaster at Nevada, Ohio, in place of L. M. Keller. Incumbent's commission expired July 22, 1939.

George R. Kinder to be postmaster at Rockford, Ohio, in place of G. R. Kinder. Incumbent's commission expires August 16, 1939.

Elias Howard Barns to be postmaster at Sabina, Ohio, in place of E. H. Barns. Incumbent's commission expired July 22, 1939.

Isabel A. Downey to be postmaster at Somerset, Ohio, in place of I. A. Downey. Incumbent's commission expires August 26, 1939.

John L. Carr to be postmaster at South Charleston, Ohio, in place of J. L. Carr. Incumbent's commission expires August 27, 1939.

Fred G. Wetmore to be postmaster at Stow, Ohio, in place of F. G. Wetmore. Incumbent's commission expired May 13, 1939.

Agnes M. Goll to be postmaster at Stryker, Ohio, in place of A. M. Goll. Incumbent's commission expired May 13, 1939.

Earl I. Ducket to be postmaster at Walbridge, Ohio, in place of E. I. Ducket. Incumbent's commission expired July 2, 1939.

Vance K. McVicker to be postmaster at West Salem, Ohio, in place of V. K. McVicker. Incumbent's commission expired July 22, 1939.

OREGON

Isaac R. Howard to be postmaster at Junction City, Oreg., in place of I. R. Howard. Incumbent's commission expired July 9, 1939.

Harry E. Mahoney to be postmaster at Oakland, Oreg., in place of H. E. Mahoney. Incumbent's commission expired July 19, 1939.

Pearl A. Lawson to be postmaster at Riddle, Oreg., in place of P. A. Lawson. Incumbent's commission expired July 19, 1939.

George W. T. Doty to be postmaster at West Linn, Oreg., in place of G. W. T. Doty. Incumbent's commission expired May 1, 1939.

PENNSYLVANIA

John H. Baldwin to be postmaster at Atglen, Pa., in place of J. H. Baldwin. Incumbent's commission expired July 3, 1939.

Henry N. Byers to be postmaster at Bolivar, Pa., in place of H. N. Byers. Incumbent's commission expires August 22, 1939.

Harry L. Hause to be postmaster at Catawissa, Pa., in place of H. L. Hause. Incumbent's commission expires August 22, 1939.

Wilmer G. Dimmig to be postmaster at East Greenville, Pa., in place of W. G. Dimmig. Incumbent's commission expires August 27, 1939.

George V. Beech to be postmaster at East Pittsburgh, Pa., in place of G. V. Beech. Incumbent's commission expired June 18, 1938.

John J. Botts to be postmaster at Elizabethville, Pa., in place of J. J. Botts. Incumbent's commission expires August 27, 1939.

George M. Neely to be postmaster at Fairfield, Pa., in place of G. M. Neely. Incumbent's commission expired August 2, 1939.

Charles V. Finley to be postmaster at Flourtown, Pa., in place of C. V. Finley. Incumbent's commission expired June 7, 1939.

Edna M. Finney to be postmaster at Langeloth, Pa., in place of E. M. Finney. Incumbent's commission expired June 19, 1939.

Floyd E. Bashore to be postmaster at Port Royal, Pa., in place of F. E. Bashore. Incumbent's commission expired May 28, 1939.

John Zelinski to be postmaster at Simpson, Pa., in place of John Zelinski. Incumbent's commission expired April 6, 1939.

Kathryn McFadden to be postmaster at Summit Hill, Pa., in place of Kathryn McFadden. Incumbent's commission expires August 27, 1939.

James K. Bell to be postmaster at Warren, Pa., in place of J. K. Bell. Incumbent's commission expired June 6, 1938.

Francis W. McCartan to be postmaster at Yatesboro, Pa., in place of F. W. McCartan. Incumbent's commission expires August 27, 1939.

SOUTH CAROLINA

Ernest G. Poston to be postmaster at Lake City, S. C., in place of A. M. Parker, deceased.

Bessie T. Cooper to be postmaster at Mayesville, S. C., in place of B. T. Cooper. Incumbent's commission expired July 9, 1939.

SOUTH DAKOTA

Perry W. Waltz to be postmaster at Brookings, S. Dak., in place of P. W. Waltz. Incumbent's commission expired January 28, 1939.

TENNESSEE

Zula A. Humphreys to be postmaster at Puryear, Tenn., in place of T. A. Humphreys, deceased.

James Hunt Morris to be postmaster at Ripley, Tenn., in place of P. S. Savage, resigned.

TEXAS

Guy J. Harp to be postmaster at Canyon, Tex., in place of G. J. Harp. Incumbent's commission expired January 25, 1939.

Conally Gwyn to be postmaster at Lott, Tex., in place of L. E. Phillips. Incumbent's commission expired February 12, 1939.

WASHINGTON

Harry C. Smyth to be postmaster at Mabton, Wash., in place of H. C. Smyth. Incumbent's commission expired January 16, 1939.

WEST VIRGINIA

Paul Pickens to be postmaster at Ravenswood, W. Va., in place of F. D. Fleming. Incumbent's commission expired April 2, 1938.

Oliver C. Barkwill to be postmaster at St. Marys, W. Va., in place of H. E. West, resigned.

WISCONSIN

James S. Purvis to be postmaster at Knapp, Wis., in place of W. S. Casey, deceased.

Walter M. Touhey to be postmaster at Maribel, Wis. Office became Presidential July 1, 1938.

Hartwig F. Breutzman to be postmaster at Nelson, Wis., in place of P. O. Anderson. Incumbent's commission expired January 18, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3 (legislative day of August 2), 1939

DIPLOMATIC AND FOREIGN SERVICE

Bert Fish, now Envoy Extraordinary and Minister Plenipotentiary to Egypt, to be also Envoy Extraordinary and Minister Plenipotentiary to Saudi, Arabia.

James J. Murphy, Jr., to be Foreign Service officer of class 3, a consul, and a secretary in the Diplomatic Service.

ASSISTANT TO THE ATTORNEY GENERAL

Edward Gearing Kemp to be the Assistant to the Attorney General.

SOCIAL SECURITY BOARD

Arthur J. Altmeyer to be a member of the Social Security Board.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Austin Garfield Frick, Coast Artillery Corps.
Sydney Smith Winslow, Quartermaster Corps.
Wilmot Alfred Danielson, Quartermaster Corps.
Boltos Elder Brewer, Infantry.
Edgar Bergman Colladay, Coast Artillery Corps.
James Allan Stevens, Infantry.
Frederick Ramon Garcin, Chemical Warfare Service.

TO BE LIEUTENANT COLONELS

McFarland Cockrill, Cavalry.
Otto Blaine Trigg, Cavalry.
Edison Albert Lynn, Ordnance Department.
Lawrence Cordell Frizzell, Cavalry.
Guy Humphrey Drewry, Ordnance Department.
Henry Davis Jay, Field Artillery.
Clarence Maxwell Culp, Infantry.
Ray Lawrence Burnell, Field Artillery.
Raphael Saul Chavin, Ordnance Department.

TO BE MAJORS

Mortimer Francis Sullivan, Cavalry.
Eggleston Westley Peach, Quartermaster Corps.
Leslie Dillon Carter, Cavalry.
Don Riley, Infantry.
Pembroke Augustine Brawner, Infantry.
Isaac Leonard Kitts, Field Artillery.
Fred Charles Thomas, Quartermaster Corps.
Merrill Deitz Mann, Air Corps (temporary).

Merrill Deitz Mann, Air Corps (temporary major, Air Corps).

James Bernard Patterson, Cavalry.

Albert Carl Foulk, Air Corps (temporary major, Air Corps). Edward Vincent Harbeck, Jr., Air Corps (temporary major, Air Corps). Appointments, by Transfer, in the Regular Army to chemical warfare service

Robin Bruce Epler, first lieutenant, Air Corps.

Appointments in the Regular Army

TO BE MAJOR GENERALS

Kenyon Ashe Joyce George Grunert

TO BE BRIGADIER GENERALS

Joseph Warren Stilwell Sherman Miles Bruce Magruder Lloyd Ralston Fredendall

POSTMASTERS

ALABAMA

George W. Floyd, Alabama City. Otis B. Hunter, Boaz. Ernest W. Thompson, Tuskegee. Ethel D. Jolly, Warrior.

ARKANSAS

Max B. Wurz, Bigelow. Houston E. Mayhew, Greenbrier. Leila W. Freeman, Tyronza. Raymond M. Moore, Vilonia.

DELAWARE

Harry K. Heite, Dover.

FLORIDA

Oliver K. Holmes, Lake City. Robert L. McLester, West Palm Beach.

INDIANA

Daniel L. Slaybaugh, Akron.
Edgar D. Logan, Goshen.
Norma L. A. Koerner, Huntingburg.
Albert Rumbach, Jasper.
Anthony M. Schuh, Kentland.
Bayard F. Russell, Laurel.
Lawrence H. Barkley, Moores Hill.
Firm I. Troup, Nappanee.
Retta M. House, North Salem.
Jesse M. Trinkle, Paoli.
Earl C. McLain, Swayzee.
Iva S. Turmail, Vallonia.
Louis L. Langdon, Wheatland.

AWOI

Eunice Hamilton, Bedford. Amanda J. Belt, Glenwood. Hal W. Campbell, Harlan. William J. Hollander, Sheldon. Dudley A. Reid, West Des Moines. Mary C. Ilgen Fritz, Winterset.

KANSAS

Dean R. Marriott, Eureka. Norval W. Woodworth, Plains.

KENTUCKY

Henry H. Snodgrass, Alva.
John W. Tipton, Catlettsburg.
Leslie L. Patton, Horse Cave.
Clarence L. Sharp, Liberty.
James Purdon, Maysville.
Jack B. Hubbard, Jr., Munfordville.

MARYLAND

Irvin R. Rudy, Oakland. Nena M. Jamison, Walkersville.

MASSACHUSETTS

Thomas J. Drummey, East Pepperell. Armand L. Bengle, Indian Orchard. Frank C. Sheridan, Maynard. Lawrence Cotter, North Brookfield.

Josephine E. Dempsey, South Ashburnham.

Anna Wohlrab, South Sudbury.

James H. Anderson, Ware.

MICHIGAN

Helen M. Kane, Algonac,
George P. Siagkris, Base Line.
Carl V. Moody, Copemish.
Vedah W. Halterman, De Witt.
Fred W. Schroeder, East Detroit.
Joseph F. Roberts, Elkton.
Norman C. Lee, Farmington,
James L. Heslop, Gladwin.
Leo G. Burns, Kingston.
Clarence J. Maloney, Mass.
Edwin Boyle, Milford.
Frank C. Miller, Stevensville.

MISSOURI

Ethel Rose, Bogard.
Howard L. Stephens, Eldon,
Frank M. Story, Kahoka.
William G. Warner, Lamar.
Harvey F. Nalle, Pattonsburg.
Oliver A. Cook, Portageville.

MONTANA

Shebel Rehal, Chester.

NEVADA

Dora E. Kappler, Carlin. Mabel L. Andrews, Hawthorne. Linwood W. Campbell, Pioche.

NEW HAMPSHIRE

Roland A. Lewin, Hanover. Arthur L. Prince, Manchester.

NEW YORK

Moses Symington, Long Island City.
NORTH CAROLINA

Wade C. Hill, Canton. Fletcher C. Mann, Pittsboro.

OHIO

Ray W. Senn, Attica. Elmer E. Eller, Cuyahoga Falls.

OKLAHOMA

John K. Jones, Blair. Thomas A. Gray, Duncan. Laura A. Plunkett, Gould. Mona Clark, Idabel.

SOUTH CAROLINA

Rufus R. McLeod, Hartsville.

SOUTH DAKOTA

Adolph M. Kaufmann, Colman.

VIRGINIA

Jay C. Litts, Norton.

WASHINGTON

Fred E. Booth, Castle Rock. Clyde F. Shrauger, Mount Vernon. Dorothy H. Lynch, Soap Lake.

WEST VIRGINIA

Henry S. Lambert, Kenova.

WISCONSIN

Joseph Schmidlkofer, Chilton. George E. Shaw, Cornell. Herman W. Paff, Elk Mound. Ira A. Kenyon, Mellen. John P. Snyder, Oconomowoc. Herman H. Lins, Spring Green. Robert L. Graves, Viroqua. Christian R. Mau, West Salem.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 3, 1939

The House met at 12 o'clock noon,

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal Spirit, Thou who wert the God of our fathers, we rejoice that Thou art also the God of their succeeding generations. Hitherto Thou hast blessed us. Thy mercies are without number and the treasury of Thy goodness is infinite.

We pray that we may show forth our gratitude in lives of devotion. Fill our minds and hearts with those desires which Thou dost delight to satisfy. May we have such a love for Thy truth that we shall come to know the truth of Thy love.

Bless our President and all who are in positions of leadership and service in the life of our Republic. Give them wisdom to know and strength to perform the duties of their high calling.

May we be a Nation whose God is the Lord. Keep us in the vanguard of the upward march toward the final triumph of peace and righteousness.

In the name of the Prince of Peace, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 31, 1939:

H. R. 153. An act to transfer jurisdiction over commercial prints and labels, for the purpose of copyright registration, to the Register of Copyrights;

H. R. 542. An act for the relief of Anna Elizabeth Watrous; H. R. 1982. An act to amend the act entitled "An act to classify officers and members of the Fire Department of the District of Columbia, and for other purposes";

H. R. 2234. An act for the relief of W. E. R. Covell;

H.R. 3623. An act for the relief of Capt. Clyde E. Steele, United States Army;

H.R. 3673. An act for the relief of the Allegheny Forging Co.:

H. R. 3730. An act for the relief of John G. Wynn;

H. R. 3834. An act to amend the act entitled "An act to regulate steam and other operating engineering in the District of Columbia," approved February 28, 1887, as amended;

H.R. 4440. An act for the relief of Mr. and Mrs. John Shebestok, parents of Constance and Lois Shebestok;

H. R. 5660. An act to include Lafayette Park within the provisions of the act entitled "An act to regulate the height, exterior design, and construction of private and semipublic buildings in certain areas of the National Capital," approved May 16, 1930; and

H. R. 6503. An act relating to the exchange of certain lands in the State of Oregon.

On August 1, 1939:

H. R. 4647. An act to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States; and

H. R. 6076. An act to provide for the registry of pursers and surgeons as staff officers on vessels of the United States, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H.R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade:

H.R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation;

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481);

H.R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464)

H. J. Res. 283. Joint resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth; and

H. Con. Res. 32. Concurrent resolution establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2868. An act to facilitate the procurement of aircraft for the national defense; and

S. J. Res. 139. Joint resolution to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes:

H.R. 6505. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H. R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 6. An act to return a portion of the Grand Canyon National Monument to the public domain;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.;

S. 809. An act for the relief of Jessie M. Durst;

S. 891. An act for the relief of J. C. Grice;

S. 1092. An act for the relief of Sigvard C. Foro;

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk;

S. 1429. An act for the relief of Earl J. Reed and Giles J. Gentry;

S. 1816. An act for the relief of Montie S. Carlisle;

S. 1821. An act for the relief of Harry K. Snyder;

S. 1905. An act for the relief of Elizabeth E. Burke; and S. 2408. An act for the relief of Russell B. Hendrix.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1708) entitled "An act to amend the Employers' Liability Act," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NEELY, Mr. BURKE, and Mr. Austin to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 839) entitled "An act to amend the Retirement Act of April 23, 1904."

INTERSTATE AND FOREIGN COMMERCE IN SEEDS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5625) to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce: to require certain standards with respect to certain imported seeds; and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill and the Senate amendments, as follows:

Page 16, lines 8 and 9, strike out "or vegetable."
Page 16, lines 9 and 10, strike out "such records as may be prescribed by rules and regulations prescribed under section 402 of this act" and insert "for a period of 3 years a complete record of origin, germination, and purity of each lot of agricultural seed offered.'

Page 16, line 24, after "him", insert "And provided further, That such seeds produced or sold by him when transported or offered for transportation to any State, Territory, or District, shall not be exempted from the provisions of sections 201 and 202 unless not be exempted from the provisions of sections 201 and 202 unless said seeds shall be in compliance with the operation and effect of the laws of such State, Territory, or District, enacted in the exercise of its police power, to the same extent and in the same manner as though such seed had been produced, sold, offered, or exposed for sale in such State, Territory, or District, and shall not be exempted therefrom by reason of being introduced therein in original packages or otherwise."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN PRELIMINARY EXAMINATIONS AND SURVEYS FOR FLOOD CONTROL

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6634) amending previous Flood Control Acts, and authorizing certain preliminary examinations and surveys for flood control. and for other purposes, with Senate amendments thereto. and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 15, insert:
"SEC. 3a. Buffalo Bayou and its tributaries, Texas; the project set forth in House Document No. 456, Seventy-fifth Congress, and authorized by Public Law No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public Law No. 761, Seventy-fifth Congress, and all requirements of local congression presistent with seid section 2 are hereby eliminated."

Law No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated." Page 3, line 13, after "District:", insert "Provided further, That the Secretary of War is authorized to pay to said district forthwith on the passage of this act, the sum of \$1,500,000, on verification of the fact that reimbursable expenditures in such amount have been made by the district, and on the agreement of the district, duly certified to the Secretary of War, that it will proceed immediately to convey and transfer any assets acquired through such expenditures not already conveyed, but such payment may be made prior to the actual transfer of title to lands, easements, rights-of-way, and other property."

Page 3, after line 16, insert:

and other property."

Page 3, after line 16, insert:
"SEC. 5. Section 2 of Public Law No. 761, Seventy-fifth Congress, is hereby amended by adding the following: 'Provided further, That in all cases of the acquisition hereunder by the United States from the Los Angeles County Flood Control District or the Muskingum Watershed Conservancy District of lands, easements, or rights-of-way, wherein the written opinion of the Attorney General in favor of the validity of the title to such lands, easements, or rights-of-way is or may be required or authorized by law, the Attorney General may, in his discretion, base such opinion upon a certificate of title of the district from which said lands, easements, or rights-of-way are to be acquired accompanied by an agreement, duly executed by the district in conformity with the constitutions and laws of the State where the district in question is situated to indemnify the United States against all claims, liabilities, loss, expenses, and attorneys' fees of whatsoever kind or nature, resulting from or arising out of any defect or defects whatsoever in the title to any such lands, easements, or rights-of-way so conveyed to the United arising out or any defect or defects whatsoever in the title to any such lands, easements, or rights-of-way so conveyed to the United States, including all just compensation, costs, and expenses which may be incurred in any condemnation proceeding deemed necessary and instituted by the United States in order to perfect title to any such lands, easements, or rights-of-way."

Page 3, line 17, strike out "5" and insert "6."

Page 4, line 9, after "Congress:" insert "Provided, That the power red with critic professed by the Flood Control Act of June 28 1032

and authority conferred by the Flood Control Act of June 28, 1938, and previously conferred, upon the Federal Power Commission shall remain in full force and effect."

Page 4, after line 23, insert:
"Green River, Mass."
Page 5, after line 4, insert:
"Mohawk River, N. Y."
Page 5, after line 15, insert:
"Purdy Reservoir on Rush Creek, Okla."
Page 5, after line 15, insert: "Dirty Creek, Muskogee County, Okla."
Page 5, after line 15, insert:
"Mangum-Slat Fork, Greer County, Okla." Page 5, after line 16, insert:

"Fairfax-Kaw City, Osage County, Okla."

Page 5, after line 16, insert: "Hobolochito River, Miss."
Page 5, after line 16, insert:
"Hatchie River and tributaries, Mississippi and Tennessee." Page 5, after line 19, insert:
"Whiteoak and Straight Creeks, Ohio." Page 5, after line 21, insert: "Kentucky River and its tributaries, Kentucky."
Page 6, after line 6, insert:
"South Platte River and its tributaries, Colorado, Wyoming, and

Nehraska" Page 6, after line 6, insert:

Page 6, after line 6, insert:

"Neskowin Creek, Oreg."

Page 6, after line 7, insert:

"Skykomish River, Wash."

Page 6, after line 18, insert:

"Sec. 7. That the Alamogordo Dam and Reservoir on the Pecos River, N. Mex., is hereby authorized and declared to be for the purposes of controlling floods, regulating the flow of the Pecos River, providing for storage and for delivery of stored waters, for the reclamation of lands, and other beneficial uses, and said dam and reservoir shall be used, first, for irrigation; second, for flood control and river regulation; and third, for other purposes. The Chief of Engineers and the Secertary of War are directed to report to the Congress the amount of the total cost of said Alamogordo Dam and Reservoir which is properly allocable to flood control. The appropriation and transfer of such amount from the general fund of the Treausry to the reclamation fund, for credit by reduction of the maximum obligation of the Carlsbad irrigation district

fund of the Treausry to the reclamation fund, for credit by reduction of the maximum obligation of the Carlsbad irrigation district to repay the total cost thereof, is hereby authorized."

Page 6, after line 18, insert:

"Sec. 8. In the case of any local flood-protection work in the Ohio River Basin authorized to be prosecuted by the provisions of section 4 of the act entitled 'An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes,' approved June 28, 1938, the President is authorized to waive the requirements of section 3 of the Flood Control Act, approved June 22, 1936, with respect to local cooperation to the extent of not to exceed 50 percent of the estimated cost of the lands, easements, and rights-of-way required for such work, if he finds, after investigation, that the city or town to be benefited by such work is, by reason of its financial condition, unable to comply with the requirements of such section 3 with respect to local cooperation."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Mississippi

explain what these amendments do?

Mr. WHITTINGTON. Mr. Speaker, before submitting the request, which is agreeable to the members of the Committee on Flood Control, I called a meeting of that committee, which considered the amendments adopted by the Senate. The members of the Flood Control Committee were substantially in agreement as to all of the amendments with the exception of one or two. The one amendment I refer to is the so-called Minton amendment, which provided that in the case of local flood-control projects in the Ohio Basin the President of the United States might, in his discretion, after he had investigated the matter and if he were satisfied that any town or city was not able to comply with the local contribution, reduce not to exceed 50 percent that local contribution. I may say a similar provision in the exact language of the Minton amendment appears in the act of August 28, 1937, in which act Congress authorized the expenditure of \$24,877,000 for flood control in the Ohio Basin. In the exercise of that discretion the President of the United States followed the recommendation of the Chief of Engineers and it was only exercised in three cases, one at Paducah, Ky., and the amount that the President waived in that case was \$160,000. In the second case it was exercised at Rockport, Ill., and the amount waived was \$4,500. It was waived in a third case at Golconda, Ill., and the amount waived was \$24,860.

In the act of June 28, 1938, we authorized additional local projects in the Ohio River Valley aggregating \$50,300,000. In answer to the gentleman's inquiry, I take it, Mr. Speaker, that the only case where the President would likely be called upon to exercise this discretion would be at Jeffersonville, Ind., where the United States Government has a large War Department depot, in which as I am advised millions of dollars of war supplies are stored.

That property is not to be available for local taxation and would not be subject to taxation in order to provide the local contribution. In my judgment, if the President reduced the local contribution there, it would not be in excess of a few hundred thousand dollars at the outside. Moreover, it is my view and the view of the committee, that at the next session of Congress there should be a uniform yardstick adopted and this provision should be made applicable to all basins and to all projects, or else repealed.

Mr. MARTIN of Massachusetts. It should be one or the other. There is no question about that.

Mr. WHITTINGTON. I agree with the gentleman. Before I called up this bill I submitted the request to and asked the Chief of Engineers to give me a report on each of the Senate amendments. I hold in my hand a letter from the Chief of Engineers which I expect to incorporate in my remarks as extended, in which he states the amendments are agreeable to him and he has no objection to any of them.

Mr. MARTIN of Massachusetts. These amendments have the uniform support of the gentleman's committee on both sides of the aisle?

Mr. WHITTINGTON. Except as I have stated.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, may I ask the gentleman if it is not a fact that the President has not yielded in any case unless there was some special reason?

Mr. WHITTINGTON. The gentleman is correct, and I have given not only the three cases but the amounts. The amount he yielded on in connection with these projects that cost some \$25,000,000 amounted to about \$189,000.

Mr. JENKINS of Ohio. May I say to the gentleman that I live in the Ohio Valley, as the gentleman knows. At this time there are a great many projects going on there and we have to pay the full amount in every case. So the idea should not go out that the Ohio Valley is getting anything. In the case of my own town we have paid every penny and this is true in the case of every place within a hundred miles. In this one town referred to, the Government has a great institution of its own and the people think the Government ought to contribute something.

Mr. WHITTINGTON. That is my understanding of the situation.

Mr. ENGLEBRIGHT. Mr. Speaker, reserving the right to object, as I understand, if there are any inequalities in the law with reference to other projects, the committee will at the next session of Congress endeaver to correct such situations?

Mr. WHITTINGTON. Yes.

In extending my remarks at this point, under leave granted, I repeat the Committee on Flood Control is agreeable to the Senate amendments with one or two exceptions. The principal exception was in respect to the so-called Minton amendment, as I have stated. However, under a similar amendment in the act of 1937 the President did not waive any local contribution by 50 percent. The Committee on Flood Control in 1937, and again in 1938 and 1939, heard witnesses in advocacy of the policy of the Minton amendment. It applied, as I have stated, to authorizations in the act of August 28, 1937, amounting to \$24,877,000, but the discretion was only exercised by the President in three cases and in no case did he reduce the local contribution by 50 percent. In the case of Paducah, Ky., a city of some 40.000 people—that was completely overflowed in 1937—the President waived 40 percent of the local contribution required by law and the amount waived was \$160,000. Golconda the amount waived was 45.5 percent and the amount was \$24,860. At Brookport he waived 32.6 percent and the amount was \$4,500. The Flood Control Act of June 28, 1938, authorized \$50,300,000 for additional local

protective works in the Ohio Basin and the Minton amendment would be applicable to this increased authorization just as an identical provision was applicable to the prior authorization of \$24,877,000. The provision in 1937 was also inserted in the Senate. The Committee on Flood Control in the House has taken the view that a definite yardstick should be applied to all projects along all rivers. The committee intends to report a flood-control bill at the next session of Congress and it plans either to make the Minton amendment applicable to all local protective projects in all parts of the country or to repeal the same. It is also fair to say that the President has not waived the local contribution unless the waiver is recommended by the Chief of Engineers. There is only one case as I have stated where there will likely be a waiver and that is at Jeffersonville, Ind., where the United States Government has an Army depot and stores millions of dollars of Army equipment. The United States property is not subject to taxation to provide the local contribution and is one of the principal properties benefited by the flood-control project. It is not believed that the waiver at Jeffersonville will materially exceed the waiver that was made at Paducah.

The amendment in section 3a places the Buffalo Bayou, Tex., flood-control project for the protection of the city of Houston on an equality with flood-control projects approved in the Flood Control Act of June 28, 1938.

With deference, I desire to call attention to the fact that the Committee on Rivers and Harbors adopted this project in the rivers and harbors bill in the Seventy-fifth Congress. Public Document 685. It should have been considered by the House Committee on Flood Control. The acceptance of the amendment putting this project on an equality with other flood-control projects must not be construed as a precedent. Flood-control projects should not be included in river and harbor bills and navigation projects should not be included in flood-control bills, except as navigation is incidental to flood control.

The Senate amendment with respect to the Muskingum project does not change the authorization and is recommended by the Chief of Engineers.

The Senate inserted a new section 5 with respect to the approval of titles in the Muskingum project and in the Los Angeles project. The amendment was recommended by the Attorney General and approved by the Bureau of the Budget. At the time the bill was passed by the House no report had been received on a bill covering the subject matter that was pending before the Committee on Flood Control. The Flood Control Committee only reported items that were recommended by the Chief of Engineers on which favorable reports had been submitted.

The Senate inserted section 7 with respect to the Alamogordo Dam and Reservoir on the Pecos River. This project has been constructed. It is for multiple purposes. It is stated that there are flood-control benefits. The amendment authorizes the Chief of Engineers to report to Congress the amount allocable to flood control and authorizes the deduction of such amount in the assessment to be collected from property owners.

The Senate inserted a perfecting amendment to section 5 of the bill as it passed the House, which is section 6 as passed by the Senate, to the effect that the power and authority conferred in the Flood Control Act of June 23, 1928, and previously conferred upon the Federal Power Commission shall remain in full force and effect. This amendment in nowise changes the meaning of the section with respect to preliminary examinations and surveys. The language in the bill as it passed the House is substantially the identical language to give effect to the intent of Congress in exempting the Corps of Engineers from reorganization. As shown by colloquies on the floor of the House and Senate at the time the reorganization bill was under consideration, and particularly in the colloquy between the gentleman from North Carolina [Mr. WARREN] and myself, the exemption of the Corps of Engineers from reorganization carried with the exemption the exemption of the functions of the Engineer Corps and its head. It was definitely understood and intended by Congress that flood-control and river and harbor works should remain the function of the Engineer Corps, United States Army, and its head, the Chief of Engineers, to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers.

Certain powers were conferred upon the Federal Power Commission in the Flood Control Act of June 28, 1938. Section 5 as it passed the House expressly excepted the power conferred upon the Power Commission in the act of June 28. 1938, and otherwise by other laws conferred upon the Power Commission, and I quote from the language of section 5 as it passed the House:

Except as otherwise specifically provided by Congress.

I may also add that the House Committee on Flood Control not only agreed to the Senate amendments as herein stated but before submitting the request to concur in the Senate amendments I not only followed the action of the House Committee on Flood Control, including the ranking minority members of the committee, but I conferred with the distinguished minority leader of the House. We only agreed to the Senate amendments after we were advised that they were not objectionable to the Chief of Engineers, and under leave I include the following letter from the Chief of Engineers, Maj. Gen. J. L. Schley, to me, dated August 2, 1939, to wit:

> WAR DEPARTMENT, Office of the Chief of Engineers, Washington, August 2, 1939.

Hon. WILL M. WHITTINGTON,

House of Representatives, Washington, D. C. My Dear Judge Whittington: I have carefully considered the amendments made by the Senate in the pending flood-control bill and, in accordance with your request, I am pleased to give you my views thereon.

The first amendment added by the Senate Committee on Commerce, consists of broadening language for the Muskingum project which will enable this Department to make immediate payment of funds already appropriated pursuant to authority contained in the Flood Control Act approved June 28, 1938. A further amendment would authorize the Attorney General to accept title to lands, easements, and rights-of-way upon a certificate of title from the district concerned and as guaranteed by it. This amendment has the approval of the Attorney General. The final amendment authorized the Department to make a study of the Alamogordo Dam and Reservoir on the Pecos River, N. Mex., to determine how much of the cost of that reservoir is chargeable to flood control, it being understood that no appropriation of flood-control funds is contemplated. In addition, there were added on the floor of the Senate, amendments which are discussed as follows:

One to place the Buffalo Bayou, Tex., project, previously au-The first amendment added by the Senate Committee on Com-

One to place the Buffalo Bayou, Tex., project, previously authorized by Public, No. 685, Seventy-fifth Congress, under the conditions of the Flood Control Act approved June 28, 1938. A further amendment safeguarding the interests of the Federal Power Commission, in accordance with authorities previously conferred. After careful consideration, upon your specific request, I can see no reason why the amendments above outlined are objectionable.

There have also been added several authorities to make preliminary examinations and surveys. The examinations and surveys have been considered in each instance and are found desirable.

nave been considered in each instance and are found desirable.

The final amendment proposed on the floor of the Senate would operate to authorize the President to waive up to 50 percent of the estimated cost of lands, easements, and rights-of-way for cities or towns in the Ohio River Basin found to be financially unable to bear the full cost. This amendment opens a question of policy for determination by the Congress. However, I don't feel justified in interposing any objection to the extension to the communities in the Ohio River Basin of a similar policy authorized by the Flood Control Act approved August 26, 1937.

Very truly yours.

Very truly yours,

J. L. SCHLEY, Major General, Chief of Engineers.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

The Senate amendments were agreed to, and the motion to reconsider was laid on the table.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend the remarks I just made and to include the letter referred to from the Chief of Engineers dated August 2, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]? There was no objection.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks with reference to the bill H. R. 6618, and include therein a brief statement and analysis of the bill by Mr. C. P. Carter.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LUTHER A. JOHNSON]?

There was no objection.

EQUALIZATION OF LETTER CARRIERS

Mr. BURCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2001) for the equalization of letter carriers, with Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. ROMJUE, Mr. BURCH, Mr. WHELCHEL, Mr. BLACKNEY, and Mr. AUSTIN.

MUSKINGUM RIVER CANAL, BEVERLY, OHIO

Mr. WADSWORTH. Mr. Speaker, the Senate has passed a number of House bills relating to the construction of bridges and has made but minor amendments to them. I am going to ask unanimous consent to take these bills from the Speaker's desk and concur in the Senate amendments in each case.

Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3375) to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 3, after "Gildow", insert ", his heirs or legal representatives."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE MISSISSIPPI RIVER, CASSVILLE, WIS.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6049) authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 4, strike out "reasonable."
Page 3, line 4, after "interest", insert "at a rate of not to exceed 5 percent per annum."

Page 3, line 4, after "and", where it appears the second time, sert "reasonable."

Page 3, line 5, after "cost", insert "as approved by the Commissioner of Public Roads."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE CONNECTICUT RIVER, HARTFORD, CONN.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6353) granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 9, strike out "reasonable."

Page 2, line 9, after "interest", insert "at a rate of not to exceed 5 percent per annum."

Page 2, line 9, after "and", insert "reasonable."
Page 2, line 9, after "cost", insert "as approved by the Commissioner of Public Roads."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE ST. LOUIS RIVER BETWEEN THE STATES OF MINNESOTA AND WISCONSIN

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6475) to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River between the States of Minnesota and Wisconsin, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 13, strike out "a point in."

Page 2, lines 14 and 15, strike out "as approved, within a reasonable time, by the City Council of the City of Superior. Wis., and."
Page 5, line 11, after "owned", insert "by the city of Duluth, and shall be."

Page 5, line 12, after "Duluth", insert "and the city of Superior."

Page 5, line 12, after "Duluth", insert "and the city of Superior. Page 5, after line 20, insert:
"SEC. 5. The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of all questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon the city of Duluth by the provisions of this act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior as expressed by resolution of the city council of said city of Superior." council of said city of Superior."
Page 5, line 21, strike out "5" and insert "6."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER BETWEEN DELTA POINT, LA., AND VICKSBURG, MISS.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3224) creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 4, strike out all after "act", down to and including "act", in line 9, and insert "Whenever, and for the time only, that said bridge is not in operative condition by reason of accident, damage, repair, or other causes beyond the control of said Commission, said Commission and its successors and assigns are hereby authorized to maintain and operate a ferry, or ferries, across the Mississippi River at or within 15 miles of said bridge, subject to the conditions and limitations contained in this act: Provided, That the acquisition and operation of a ferry or ferries shall only be in the event that the condition of said bridge is such that it cannot be used and as soon as repaired or again usable no ferry or ferries shall be operated: Provided further, That no permission shall be given for the operation of a ferry or ferries within 15 miles of said bridge without the direct repeal of this section of the

act."
Page 9, line 18, strike out all after "to", down to and including "provide" in line 21 and insert "railroad or railroads using bridge."
Page 10, line 5, after "property", insert "only insofar as it is essential and necessary in the operation of the bridge."
Page 10, line 10, strike out all after "persons", down to and including "Mississippi" in line 12 and insert "one of whom shall be approvided by the Governor of Louisians from the congressional

be appointed by the Governor of Louisiana from the congressional district in the State of Louisiana wherein is located the west approach to said bridge, one of whom shall be appointed by the Governor of Mississippi from the congressional district in the State

of Mississippi wherein is located the east approach to said bridge, and one of whom shall be appointed by the Commissioner of Public Roads."

Page 10, lines 15 and 16, strike out "Secretary of Agriculture"

Page 10, lines 13 and 10, strike out "Sectedary of Agriculture" and insert "Commissioner of Public Roads."

Page 10, line 23, after "appointed", insert "and/or by the Commissioner of Public Roads as herein provided."

Page 11, line 1, strike out "Department of Agriculture" and insert "Federal Works Agency."

Page 11, line 14, strike out "\$500" and insert "\$1,200."

Page 13, after line 21, insert: "SEC. 13. The cost of acquisition of said bridge by said Com-"SEC. 13. The cost of acquisition of said bridge by said Commission shall not include goodwill, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of construction, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring interests in the necessary real property; (3) actual financing and promotion costs, not to exceed 2 percent of the cost of construction of such a bridge and its approaches and acquiring such interests in the property; and (4) actual expenditures for percessary necessary real property; and (4) actual expenditures for necessary improvements."

Page 14, line 1, strike out "13" and insert "14." Page 14, line 1, strike out "14" and insert "15."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

LOCAL DELIVERY RATE ON CERTAIN FIRST-CLASS MAIL MATTER

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2893) to provide for the local delivery rate on certain first-class mail matter. The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask if this bill increases the distance over the regular zones that are now in existence in the Postal Service?

Mr. ROMJUE. No; this bill has nothing to do with that. Mr. RICH. Does this bill have the approval of the Committee on the Post Office and Post Roads?

Mr. ROMJUE. It has.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in section 1001 of the Revenue Act of 1932 (relating to postal rates) is amended to read as follows: "Provided, That such additional rate shall not apply to first-class matter mailed for local delivery or for delivery wholly within a county the population of which exceeds 1,000,000, provided said county is entirely within a corporate city."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. JONES of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-three Members are present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Barnes Dingell Kennedy, Martin Reed, N. Y. Bates, Ky. Ditter Kunkel Rockefeller Douglas Eaton, Calif. Eaton, N. J. Boren Lanham Ryan Byron Caldwell Lesinski Ludlow Schaefer, Ill. Schwert McGranery Secres McMillan, Thos. S Short Chapman Fernandez Secrest Cluett Fish Coffee, Nebr. Fitzpatrick Magnuson Stearns, N. H. Folger Ford, Leland M. Ford, Thomas F. Cooley Massingale Mitchell Stefan Sumners, Tex. Creal O'Neal Sweeney Crowe Crowther Thill White, Idaho Green Patman Harrington Powers Cummings Holmes Rabaut Woodruff, Mich. Curley Dies Rankin Reece, Tenn. Johnson, Ind.

The SPEAKER. On this roll call 367 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with. ASSISTANT TO THE SURGEON GENERAL

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1899) to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, are you putting on another assistant to the Surgeon General? Mr. BULWINKLE. To the Surgeon General of the Public Health Service.

Mr. RICH. Is this putting on a new assistant?

Mr. BULWINKLE. It is just giving the man the rank provided in the measure. This is the unanimous report of the Committee on Interstate and Foreign Commerce.

The purpose of this bill is to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General and be Acting Surgeon General in the absence of the Surgeon General. The bill was strongly recommended by the Secretary of the Treasury and has the approval of the Bureau of the Budget. It was unanimously reported by the Senate Committee on Finance and passed in the Senate by unanimous consent.

The expansion of the work of the Public Health Service has imposed administrative responsibilities upon the Surgeon General which are more than he alone can meet. In recent years two additional administrative divisions have been added to the Bureau, namely, the Division of Mental Hygiene and the Division of Venereal Diseases, and many new functions have been imposed upon the Service by statute. There is a distinct need that statutory provision be made for the detail of an experienced administrative officer to assist the Surgeon General in his work.

As a temporary expedient, the Surgeon General has removed from one of the administrative divisions the Assistant Surgeon General most experienced in the administrative work of the Service and has assigned to him a share of the responsibility and work devolving upon the office of the Surgeon General. However, this officer is unable to assume the duties and responsibilities of the Surgeon General in his absence because of the provision contained in the act of July 1, 1902. that the Assistant Surgeon General, senior in total Public Health Service, shall assume the duties of the Surgeon General in his absence. Consequently the duties of the Surgeon General in such an instance devolve upon a division chief who is relatively unfamiliar with them and who is fully occupied with duties of his own.

The proposed legislation will remedy this situation by enabling the Surgeon General to detail to the position of assistant to the Surgeon General established by the bill a commissioned medical officer possessed of the experience and qualifications to enable him to aid the Surgeon General in his work and who, in the absence of the Surgeon General, can assume the duties and responsibilities of that officer. The bill will permit a new Surgeon General to select an administrative assistant of his own choosing and will allow conformance with the practice of the Public Health Service of detailing commissioned medical officers for service in Washington for periods of not longer than 8 years.

The total increase in cost as a result of this legislation will not exceed \$300 per annum. The maximum salary and allowances of the new position will be \$7,500 per year, which is only \$300 in excess of that of the existing grades of Assistant Surgeon General and Medical Director from which the officer detailed to the new position will be selected. The bill does not increase the number of commissioned officers in the Public Health Service and the position vacated by the officer detailed to serve as assistant to the Surgeon General will remain open while he is thus serving.

The increase in salary will be only \$300 over that of the existing grades of Assistant Surgeon General and medical director. The maximum salary and allowances of these grades is \$7,200. The maximum salary and allowances of the new position will be \$7,500. It is contemplated that the officer selected for this position will be from a \$7,200 grade.

The bill does not increase the number of commissioned officers in the Public Health Service. Congress places a numerical limitation on the number of commissioned officers in the annual appropriation act. No increase in the number of commissioned officers will be requested on account of S. 1899.

The officer who will serve as Assistant to the Surgeon General under the provisions of S. 1899 will be selected by the Surgeon General from the regular commissioned corps on the basis of experience and general fitness for the position. The position which he vacates to become Assistant to the Surgeon General will remain open while he is thus serving, and upon the expiration of his term of appointment as Assistant to the Surgeon General he will return to the same position which he would have occupied had he not been so appointed. This system is applicable to an officer who is appointed by the President to serve for a time as Surgeon General and to officers who are appointed by the Surgeon General to serve at his pleasure as chiefs of the administrative divisions and designated as Assistant Surgeons General while so serving. These provisions are by regulations promulgated by the Secretary of the Treasury after approval by the President. The positions of Surgeon General and Assistant Surgeon General are established by act of Congress. Similarly, the proposed position of Assistant to the Surgeon General would be established by S. 1899.

Numerical replacements of officers in any grade and any length of service who may die or otherwise vacate their positions can be made only by employing new officers entering at the foot of the lowest and entering grade. This is specified by the act of April 9, 1930, which provides that the conditions of promotion, pay, and allowances of commissioned officers of the Public Health Service shall be the same as for commissioned officers of the Medical Corps of the Army.

There being no objection, the Clerk read the bill (S. 1899), as follows:

Be it enacted, etc., That there shall be in the Public Health Service a commissioned medical officer of the Public Health Service, detailed by the Surgeon General of the Public Health Service, who shall be known as the Assistant to the Surgeon General, and who shall perform such duties as the Surgeon General may prescribe and shall act as Surgeon General during the absence or disability of the Surgeon General or in the event that there is a vacancy in the office of the Surgeon General. The Assistant to the Surgeon General, while serving as such Assistant, shall have a rank in the Public Health Service which shall correspond to that held by a brigadier general in the United States Army, and shall be entitled to the same pay and allowances as a brigadier general in the Army.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ADVISORY HEALTH COUNCIL MEMBERS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1540) to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government, with a committee amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MAPES. Mr. Speaker, reserving the right to object, I would like to have the gentleman from North Carolina explain what this is.

Mr. BULWINKLE. This bill is to provide that the National Advisory Health Council, which was established in 1900, be allowed \$25 per day. This will entail an additional expense of \$540 to the Government. These doctors come

from various parts of the United States and this measure puts them in line with the others.

The purpose of this bill is to authorize an increase in the compensation of those members of the National Advisory Health Council not in the regular employment of the Government. The National Advisory Health Council is an advisory board for the Public Health Service. The council consults with the Surgeon General relative to investigations to be inaugurated by the Public Health Service and the methods of conducting such investigations, and advises the Surgeon General in respect to public-health activities. It is composed of 14 members, 4 of whom are ex officio and serve without additional compensation. The 10 members not in the regular employment of the Government receive under existing law enacted over 37 years ago-section 5 of the act of July 1, 1902-compensation of \$10 per day while serving in conference, together with allowance for actual and necessary traveling and hotel expenses. Under the bill these members would, while in conference, receive, instead of \$10 per day, compensation at a rate to be fixed by the Federal Security Administrator not to exceed \$25 per day. Members of the National Advisory Cancer Council, a similar organization, receive under the provisions of the National Cancer Institute Act, approved August 5, 1937, compensation at the rate of \$25 per day during the time spent in attending meetings and for time devoted to official business. It would seem only proper that there be authority to fix the compensation of members of the National Advisory Health Council on the same basis, since no difference exists between the members of the two councils either in their reputation and scientific standing or in the quality of the service rendered.

The bill would also permit the utilization of the services of council members outside of conference but in connection with conference matters, and authorize payment for such services at the same rate of compensation that they would receive while in conference. At times problems arise in which the advice of only one or two members of the council specially conversant with the subject matter is required. This may, for example, necessitate a visit to a field station where the work is carried on or the critical review of a scientific report. It is believed that work of this kind should not be done without remuneration.

The Committee on Interstate and Foreign Commerce reported the bill with amendments which provide for the fixing of the compensation of members of the National Advisory Health Council in an amount not to exceed \$25 per day by the Federal Security Administrator rather than by the Secretary of the Treasury, as is provided in the bill as passed by the Senate. These amendments are desirable because of the transfer on July 1, 1939, of the Public Health Service from the Treasury Department to the Federal Security Administration, pursuant to reorganization plan No. I submitted to Congress by the President on April 25, 1939.

The total estimated annual expenditures under the bill will be \$1,650, which will represent an increase of \$990 per annum over existing expenditures in this connection. This estimate is based on the expectation of two regular meetings each year of the council totaling 3 days in all—one of 1 day and one of 2 days—which will be attended by all 10 nongovernmental members of the council, and on the use of 6 nongovernmental members of the council an average of 6 days each per year outside of conference.

It is estimated that the additional cost will be about \$990 per annum.

There are 14 members of the council. Only 10 of these are affected. The other 4 are ex officio and receive no per diem allowance.

There are two meetings each year totaling 3 days.

The present cost of 10 members at these meetings at \$10 per day is \$300.

The cost at the proposed rate of \$25 per day will be \$750. The additional cost of this item is therefore \$450.

In addition to the foregoing it may be necessary to utilize the services of six of the members for an additional 6 days.

At the old rate of \$10 a day this would cost \$360.

At the new rate of \$25 a day it will cost \$900.

The additional cost of this item is therefore \$540.

The total additional cost will therefore be: Item No. 4, \$450; item No. 5, \$540, or a total of \$990.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 1, in line 9, after the word "the" strike out the words "Secretary of the Treasury" and insert "Federal Security Administrator"; and the same amendment in line 7, page 2.

The committee amendments were agreed to.

A motion to reconsider was laid on the table.

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6878) to amend section 4894 of the Revised Statutes (U.S. C., title 35, sec. 37), with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment:

The Clerk read as follows:

Senate amendments:

In line 6, after the word "days" insert "or any extensions thereof."

Mr. SIROVICH. Mr. Speaker, the change made by the Senate makes it more nearly certain that the Commissioner of Patents will have authority to extend the time of response by applicants to the office action if it seems fair and equitable to do so.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PAYMENT OF FINAL FEES ON ALLOWED APPLICATIONS FOR PATENTS

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6874) to repeal section 4897 of the Revised Statutes (U.S.C., title 35, sec. 38) and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78), which simplifies the procedure in respect of paying final fees on allowed applications for patents.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Senate amendments: On page 1, line 6, strike out all after the ord "by", down to and including the word "by", in line 8. In line 9, after the word "That", strike out the words "upon proof

And in line 10, after the word "patents", strike out the balance of line 10 and all of line 11 and insert "may in his discretion receive

And on page 2, line 2, strike out the words "three months" and insert "six months'."

Mr. RICH. Mr. Speaker, reserving the right to object, I understand if this is passed it only extends the time for 60 days for an applicant to make his final payment of the fee to the Department of Commerce.

Mr. SIROVICH. The old law provided that the man must pay his fee within 6 months. The bill that the House passed provided for 3 months. The Senate amendment provides that it shall remain at 6 months, and we have agreed to that.

Mr. RICH. In other words, the bill just gives him an extension of time for the payment of the fees.

Mr. SIROVICH. Yes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in and a motion to reconsider was laid on the table.

RETIREMENT OF CERTAIN EMPLOYEES

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6747) relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 edition, title 33, sec. 763), as amended, apply, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Virginia asks unanimcus consent to take from the Speaker's table the bill, H. R. 6747, with a Senate amendment thereto, and concur in the Senate amendment. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert: "That any officer or employee of the Lighthouse Service who, "That any officer of employee of the Lighthouse Service who, on June 30, 1939, meets the requirements (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., title 33, sec. 763), as amended or supplemented, and who shall (1) reach the age of 64 years prior to July 1, 1940, or (2) be the occupant of an office or position abolished prior to July 1, 1940, may in the discretion of the head of his executive department be retired with annual compensation as provided in said section 6: Provided, however, That no such officer or employee shall be retired hereunder unless compensation as provided in said section 6: Provided, however, That no such officer or employee shall be retired hereunder unless he shall have been in the service of the Government not less than 30 years at the time of retirement. Any officer or employee to whom this act applies who is not retired hereunder prior to reaching the age of 65 years shall, upon reaching such age, become eligible for retirement in accordance with the provisions of said section 6 of the act of June 20, 1918, and may not be retired under the provisions of this act. Nothing contained in this act shall be construed to affect the application of said section 6 to any officer or employee of the Lighthouse Service to whom this act does not apply." whom this act does not apply.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

SEIZURE AND FORFEITURE OF VESSELS, ETC.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6556) to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill, H. R. 6556, with a Senate amendment thereto, and concur in the Senate amendment. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 3, line 4, after "that" insert "(1) in the case of a railway car or engine, the owner, or (2) in the case of any other such vessel, vehicle, or aircraft."

The SPEAKER. Is there objection?

Mr. JENKINS of Ohio. Mr. Speaker, I reserve the right to object for the purpose of having the gentleman explain what the amendment does.

Mr. ROBERTSON. Mr. Speaker, the principal purpose of the amendment is to provide that in the case of a railroad, a railroad train cannot be forfeited by the Government unless the owner of the train knew it was carrying contraband.

Mr. JENKINS of Ohio. And what the gentleman seeks to amend is the bill respecting the importation of marihuana and guns and the usual implements of burglars?

Mr. ROBERTSON. That is the bill.

Mr. JENKINS of Ohio. And the Senate amends it so that a railroad car will not be confiscated?

Mr. ROBERTSON. Unless the owner of a railroad knew the car was hauling contraband.

Mr. JENKINS of Ohio. I suppose the reason is because that was clearly beyond the comprehension of the law, confiscating a whole railroad for such dereliction.

Mr. ROBERTSON. A railroad has never yet been forfeited, and we think this amendment is rather immaterial. Mr. JENKINS of Ohio. I agree with the gentleman.

Mr. BLAND. Mr. Speaker, I reserve the right to object. What about a ship? Suppose a purser is guilty of such a thing. Will you forfeit the whole thing?

Mr. ROBERTSON. No. Perhaps I had better read the language.

In the case of any other such vessel, vehicle, or aircraft, the owner or the master of such vessel, or the owner or conductor, driver, pilot, or other person in charge of such vehicle or aircraft was at the time of the alleged illegal act a consenting party or privy thereto.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

AMENDING EMPLOYERS' LIABILITY ACT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1708) to amend the Employers' Liability Act, with amendment thereto, insist on the House amendment, and agree to the conference asked.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. Celler, Mr. HEALEY, Mr. WALTER, Mr. GUYER of Kansas, and Mr. MICHENER.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning cheap electricity with the city of New York.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

COMMODITY CREDIT CORPORATION APPROPRIATION

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, I have the following telegram from C. A. Buettel, the president of the Colorado Farm Bureau Federation:

BURLINGTON, Colo., August 3, 1939.

Congressman John A. Martin, Washington, D. C.:

The error in failure to include in the deficiency bill \$119,000,000 will be the wrecking of farm prices. We urge every effort be made to correct this mistake.

President, Colorado Farm Bureau.

I have sent the farm leader the following answer:

AUGUST 3, 1939.

Mr. C. A. BUETTEL,
President, Colorado Farm Bureau, Burlington, Colo.:

The Commodity Credit Corporation appropriation amendment The Commodity Credit Corporation appropriation amendment carried in Committee of the Whole on a voice vote 95 to 94. On teller vote it was defeated 116 to 110. Under the rules no defeated amendment can be voted on in the House. A motion was ready to recommit the bill with instructions to report it back carrying the appropriation. This motion was forestalled by Mr. Tarer, of New York, a leader of the Republican-Democratic coalition now in control of the House, who was entitled to recognition and who offered a motion to recommit the bill with instructions to strike out a minor surveying expenditure of \$100,000. It was a purely parliamentary move to prevent a favorable roll call vote on the appropriation. I regard the Commodity Credit Corporation appropriation as the I regard the Commodity Credit Corporation most beneficial of all farm-aid expenditures.

JOHN A. MARTIN, M. C.

And also the following telegram from the Farmers Union and others stressing the vital necessity of the appropriation:

ST. PAUL, MINN., August 2, 1939.

Hon. John A. Martin,

House Office Building, Washington, D. C.:

We are amazed at the decision of the House Committee on Apwe are amazed at the decision of the House Committee on Appropriations in disproving the deficiency appropriations of \$119,-000,000 for Commodity Credit Corporation. This would definitely eliminate the corn-loan program and eventually destroy the wheat-and rye-loan programs if the Appropriations Committee's position should be sustained by the Congress. Without the loan programs for these three commodities they would hit an all-time low price in history. The result of such a price debacle would envelop several hundred thousand more farm families into the cataclysm of bankhundred thousand more farm families into the cataclysm of bankruptcy. Attempts to balance the Budget at such a cost is in no
sense a move of economy. Admittedly the present farm programs
for price and income are inadequate and incomplete, but that is no
justification for abandoning the present props to hold up farm
prices. We hope the House of Representatives will override the
decision of the Appropriations Committee.

NATIONAL FARMERS UNION,
NATIONAL FEDERATION OF GRAIN COOPERATIVES
WHEAT CONSERVATION CONFERENCE,
M. W. THATCHER, Legislative Representative.

I regard this as the most beneficial bit of farm aid the Appropriations Committee and the House have ever considered, and it was asked for in the President's Budget. [Applause.]

I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

PURCHASE OF BEER ON CREDIT BY RETAILERS-VETO MESSAGE (H. DOC. NO. 467)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 5137, an act "to prohibit the purchase of beer on credit by retailers in the District of Columbia." So far as I can recollect, I know of no legislation which has ever undertaken to order that some special kind of industrial product be sold by the manufacturer solely for cash. To establish the principle that retailers must pay cash for any special article opens the door to similar legislation, not only for the District of Columbia but for the entire country, whereby the Congress could select this, that, or the other product and command that the manufacturer thereof cease selling it on credit.

I understand that this bill is urged by brewers because they have not had wholly favorable results from selling beer in the District of Columbia to retailers by the usual credit procedure. This bill would allow whisky to continue to be sold on credit. The question of unfavorable experience on the part of the brewers seems to me to be wholly a matter that lies within their own selling practices. They should continue to sell only to such retailers as they have had good experience with. That is the usual custom adopted by manufacturers throughout the Nation.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 3, 1939.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RANDOLPH. Mr. Speaker, I move that the message and the accompanying bill be referred to the Committee on the District of Columbia and ordered printed.

The motion was agreed to.

MINIMUM AGE (SEA) CONVENTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 466)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries and ordered printed:

To the Congress of the United States of America:

To fulfill the obligations of this Government under the Minimum Age (Sea) Convention (Revised), 1936, I transmit herewith for the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft bill to implement the Convention.

This bill was prepared by an interdepartmental committee after careful consideration of the questions involved. The purpose of the proposed bill is to establish minimum standards for the employment of minors on American vessels comparable to the standards heretofore adopted by the Congress for the purpose of eliminating interstate traffic in the products of child labor. These standards consist in a basic minimum age of 16 years for employment on small vessels and a minimum age of 18 years for employment on large vessels and in certain other maritime employments considered to be particularly hazardous or detrimental to the health and wellbeing of minors of such ages.

I heartily recommend enactment of this proposed legislation, for it will extend still further our frontiers of social progress by erecting additional safeguards against the employment of the youth of our Nation at immature ages.

Inasmuch as the Convention heretofore ratified by the Government of the United States will become effective for the United States on October 29, 1939, it is a matter of great importance that legislation be enacted at this session of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 21, 1939.

EXTENSION OF REMARKS

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief table dealing with agricultural imports and exports.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. SACKS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks on the housing bill. The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a short newspaper clipping.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARRETT. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an address by Mr. Lon A. Smith, chairman of the Railroad Commission of Texas.

The SPEAKER. Is there objection?

There was no objection.

Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent to extend my own remarks and include certain quotations from Mr. Miller, of Oregon.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix and include therein a statement I made before the Committee on Appropriations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a letter from the China Aid Council of Los Angeles.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. Gehrmann, Mr. Pearson, and Mr. Coffee of Washington, by unanimous consent, were granted permission to extend their own remarks in the RECORD.

THE HOUSING BILL

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I do this for the purpose of making clear the very wide support for the housing bill that exists in my section of the country.

I have in my hand telegrams from the City Council of Los Angeles; from the chief of the Division of Immigration and Housing of the State of California; from the director of the housing authority of the city of Los Angeles; from the chairman of the Committee on Social Legislation of the City of Los Angeles; from the Motion Picture Democratic Committee; from State conference of the bricklayers, stonemasons, and plasterers unions; the district council of carpenters; the plumbers' union; and from a number of other organizations and persons of similar importance, all urging the adoption of the rule and passage of this housing bill.

I also have seen a telegram from the legislative chairman of the Farmers' Union of America, expressing strong support for this legislation; and I hope earnestly that it will be passed. I know that arguments will be made against some of the financial features of the housing program. They are the same arguments that can be made against the financing by the method of bond sales of any project or construction program whatsoever. I have an amendment which I shall offer at the proper time which I am convinced will answer those arguments. It is explained on pages 10604 and 10605 of the RECORD for July 31.

I think it is important for the Members of the House to realize that a vote for or against the rule is a vote for or against the bill.

[Here the gavel fell.]

TRANS-ATLANTIC AIR SERVICE—CHICAGO VIA SHEDIAC

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CHURCH. Mr. Speaker, next Wednesday, August 9, the United States representatives will meet with the representatives of the Canadian Government in an international conference at Ottawa to consider the general subject of airtransportation services between the respective countries.

It would be a forward step in the development of trans-Atlantic air service if a direct air route were inaugurated between Chicago and Shediac, New Brunswick, and thence to Botwood, Newfoundland, where the Pan American Clippers take off for Ireland. I am accordingly urging our Civil Aeronautics Authority to make this proposal one of the matters for consideration at the Conference at Ottawa next Wednesday.

The only regular trans-Atlantic service now in operation is that conducted by the Pan American Airways, Inc. It has two routes. The one known as the northern route extends from New York via Shediac, New Brunswick, and Botwood, Newfoundland, to Foynes, Ireland, and London, England. The other, known as the southern route, extends from New York via the Azores and Lisbon, Portugal, to London or Marseilles, France.

At the present time mail and passengers from Chicago go something like 710 miles by air to New York City for trans-Atlantic transportation. It is, as will be readily seen by a mere glance at the map, a circuitous route. Mileage, time, and money could be saved by the inauguration of a direct route out of Chicago across Canada to Shediac, New Brunswick, and Botwood, Newfoundland.

Mr. Speaker, there are several possible routes out of Chicago across Canada, instead of to New York City, that could be followed:

First. From Chicago direct to Botwood, Newfoundland-1,626.5 miles.

Second. From Chicago to Shediac, New Brunswick, and thence to Botwood, Newfoundland-1,651.5 miles.

Third. From Chicago to Detroit, to Toronto, to Ottawa, to Montreal, and thence to Botwood, Newfoundland—1,661 miles.

Fourth. From Chicago to Detroit, to Toronto, to Ottawa, to Montreal, to Shediac, and thence to Botwood, Newfoundland—1.681.5 miles.

Whichever of these four routes out of Chicago is adopted, it would be shorter than the present circuitous route across the United States to New York and thence north. I might say that of the four possibilities, the route from Chicago to Detroit, Toronto, Ottawa, Montreal, Shediac, and Botwood seems to be the most desirable. It has unlimited potentialities in developing air transportation service for the Midwest and far West to Europe.

It is hardly necessary to point out to this House that Chicago is the "hub" of the Nation. Like spokes in a wheel, railroad lines, air lines, and bus lines, from every direction across the continent, center in the great city of Chicago. The farmers of the great wheat and corn fields ship their products to its markets. It is the market for the fruit growers, the market for the cattle of the South and western prairies, and the center of manufacturing. In the Chicago area alone there are something like 10,000 manufacturing plants of national prominence.

In short, Mr. Speaker, a direct route of trans-Atlantic air transportation service out of Chicago may be said to be a line from the very heart of the Nation. And it should also be pointed out that the weather conditions in Chicago are excellent for flying purposes. The United States Department of Agriculture summary of Chicago records shows that during 1938 there were only 10 days of dense fog. The greatest daily range of temperature at Chicago in 1938 was 39 degrees.

I do urge, in the interest of developing and improving air transportation service, in the interest of economy and time, that my colleagues cooperate with me in an effort to inaugurate this proposed direct-route service out of Chicago to Europe. I have urged the Civil Aeronautics Authority to make this a subject for consideration at the Ottawa Conference this coming Wednesday. I am communicating with the various air lines now conducting service out of Chicago. And I earnestly solicit the full cooperation of my colleagues here in the House in advancing this proposal.

EXTENSION OF REMARKS

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on two different subjects.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I wish to proffer two unanimous-consent requests: First, that I may be allowed to extend my remarks in the Record in response to a letter which I have just received from Gen. Frank T. Hines; second, to extend in the Record a resolution from the Military Order of the Purple Heart of the Department of Minnesota.

The SPEAKER. Is there objection to the requests of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. Thorkelson addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. McARDLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered. There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my remarks, as I will not have time on the rule. I hope we will determine whether this bill is really a slum-clearance proposition or whether it is what they sometimes call "pork." It seems to be another free gift from the Public Treasury.

I want to remind you: The Scotchman saw a sign "Free Air." He took so much that all four tires blew. [Laughter and applause.]

The SPEAKER. The Chair is not inclined at this juncture to recognize Members for any purpose except to extend remarks.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an article from the Washington Post of July 27.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. BENDER. Mr. Speaker, I make a similar request. The SPEAKER. Without objection it is so ordered. There was no objection.

APPORTIONMENT OF REPRESENTATIVES IN CONGRESS

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I do trust that Members will not ask to address the House at this time. I shall not object to the request of the gentleman who is on his feet, but we do have a matter that we want to bring up, and I would suggest that those gentlemen who want to speak wait until the legislative business of the day is taken care of. A great many Members are seeking recognition to call up House bills with Senate amendments, and I think the business of the session should come first. I trust, therefore, that no other Member will ask to proceed until we finish the business of the day.

The SPEAKER. The gentleman from Michigan is recognized for 1 minute.

Mr. McLEOD. Mr. Speaker, I have asked for this time to call to the attention of the House a situation that will prevent reapportionment after the next census is taken if not corrected before the present Congress adjourns.

Section 22 of Public Act No. 13, Seventy-first Congress, which provides for the apportionment of Representatives in Congress, must be amended during the present Congress if the provisions of the Constitution providing for a redistribution of seats in the House of Representatives every 10 years are to be carried out.

H. R. 7348, the bill I introduced recently, if adopted, will provide the necessary amendments to this act.

Having received several inquiries relative to the purposes of this bill and the effect it will have on reapportionment, I wish to outline the reasons for amending section 22 of the above-mentioned act.

In enacting a reapportionment statute in 1929, it was the intent and desire of the Seventy-first Congress that thereafter reapportionment should be automatic. The situation existing during the 20-year period between the years 1910 and 1930, during which time Congress failed to provide for reapportionment, led to the enactment of an automatic reapportionment statute. In addition to this—and probably of more importance—the Constitution provides the authority and places upon Congress the duty of effecting reapportionment every 10 years.

However, section 22 of the present Reapportionment Act, if permitted to remain unchanged, will defeat the will of Congress and the demands of the Constitution.

The present law provides that-

On the first day, or within 1 week thereafter, of the second regular session of the Seventy-first Congress and of each fifth Congress thereafter, the President shall transmit to the Congress a statement showing the whole number of persons in each State—

And so forth. "Each fifth Congress thereafter"—that is the automatic clause referred to, with the Seventy-first Congress as a basis upon which to calculate the elapse of years. The fifth Congress after the Seventy-first is the Seventysixth. The second session of the Seventy-sixth Congress will

convene in January 1940.

Since, therefore, the President's statement must be based on the "fifteenth and each subsequent decennial census of the population," and since the sixteenth decennial census will not commence until April 1940, 3 months after the time when the President's statement based on the sixteenth decennial census is scheduled to be transmitted to the second session of the Seventy-sixth Congress, no reapportionment can be effected. In short, the President will not have figures upon which to base his statement until approximately 1 year after the time his statement is required to be submitted under the existing statute.

H. R. 7348 corrects this anomalous situation. This bill amends section 22 (a) to read:

Within 4 weeks after the first regular session of the Seventy-seventh Congress and of each fifth Congress thereafter, the Presi-

And so forth, without further change in subsection (a) of section 22, with the exception of changing the decennial census from the fifteenth to the sixteenth.

There would be no need for this bill and the amendments it proposes had there been no amendment to the Constitution changing the order of congressional sessions. However, the enactment of the so-called Norris lame-duck amendment has caused a mix-up in dates and thrown congressional sessions out of order with respect to reapportionment. The originators of the present reapportionment statute, I being one, did not anticipate such an amendment to the Constitution and for that reason could not word the act to meet such a contingency.

Another question has been asked concerning H. R. 7348, as follows: "Why has subsection (b) of section 22 been amended to provide a 60-day limit within which Congress may enact a law apportioning Representatives?" again we have the Norris amendment changing the effect of the present reapportionment statute. Suffice it to say that before the adoption of this amendment to the Constitution, Congress convened in December of one year and adjourned on March 4 the following year. Section 22 (b)

of the present statute provides:

If the Congress to which the statement required by subdivision (a) of this section is transmitted, fails to enact a law apportioning representatives among the several States, then each State shall be entitled, in the second succeeding Congress and in each Congress thereafter until the taking effect of a reapportionment under this act or subsequent statute, to the number of Representations. sentatives shown in the statement based on the method used in the last preceding apportionment. It shall be the duty of the Clerk of the last House of Representatives forthwith to send to the executive of each State a certificate of the number of Representatives to which such State is entitled under this section.

Before the passage of the lame-duck amendment, the report of the Clerk would be made to the States immediately after adjournment on March 4. However, at the present time, Congress convenes in January of each year and may continue the session into August, or even later. If any Congress, under the present statute, failed to enact a law apportioning Representatives the Clerk could not transmit the required certificate to the States until adjournment, which might be very late in the year. Since the great majority of State legislatures meet during the early months of the year, it is essential that they know definitely, or at least the latest date, when the certificate of the Clerk will

Mr. Speaker or Members of the House, I want to repeat, failure to enact such a time limit in the reapportionment statute will defeat the purpose of the Constitution and the desires of the Congress which adopted the present reapportionment statute.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6480) to amend the Agricultural Adjustment Act of

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, what does this bill do?

Mr. AUGUST H. ANDRESEN. This bill relates to the shipment of grain from small country elevators into the larger terminal warehouses. It does not cost the Government anything.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "Agricultural Adjustment Act," approved May 12, 1933, is amended by striking out the whole of subsection (5), section 8, title I, part 2, and substi-

ment Act," approved May 12, 1933, is amended by striking out the whole of subsection (5), section 8, title I, part 2, and substituting in lieu thereof the following:

"(5) No person operating a public warehouse for the storage of any basic agricultural commodity in the current of interstate or foreign commerce shall deliver any such commodity upon which a warehouse receipt has been issued and is outstanding without prior surrender and cancelation of such warehouse receipt, except that any person operating a country public grain warehouse or warehouses may, because of lack of sufficient space to accommodate all depositors, move storage grain out of such warehouse or warehouses to another warehouse for continuous storage, under such regulations as the Secretary of Agriculture may prescribe. A nonnegotiable warehouse receipt shall be issued by the warehouseman to whom the grain was shipped, and said receiving warehouseman shall give such guaranty and shall store such grain under such regulations as the Secretary of Agriculture may prescribe to assure delivery to the rightful owner of such grain in the amount, and of the kind, quality, and grade called for by his receipts. Any warehouseman who intends to ship grain while his original receipt is outstanding must recite in his receipt both the name and address of his warehouse as well as that of the warehouse to which the grain may be shipped under a that of the warehouse to which the grain may be shipped under a nonnegotiable bill of lading. Any person violating any of the provisions of this subsection shall, upon conviction, be punished by a fine of not more than \$5,000, or by imprisonment for not more than 2 years, or both. This act shall not be construed as amending or changing in any manner the United States Warehouse Act of August 11, 1916, as amended."

With the following committee amendments:

On page 1, strike out all of lines 4 and 5 and insert "approved May 12, 1933, as amended, is further amended by striking out the whole of section 8f, title I, part 2, and."
On page 1, line 9, strike out "(5)" and insert "Sec. 8f."
On page 2, line 18, after the word "shipped", insert "for further

storage. All grain shipped under this section must be shipped."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE HOUSING ACT

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I call up House Resolution 266. The Clerk read as follows:

House Resolution 266

Resolved, That upon the adoption of this resolution it shall be Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 591, an act to amend the United States Housing Act of 1937, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by of order the substitute committee amendment recommended by of order the substitute committee amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions. or without instructions.

Mr. SABATH. This not being a partisan matter, I do not believe the other side will want any time on the rule but will want to agree unanimously to the rule. Am I correct?

Mr. MAPES. I am afraid the gentleman's imagination is working overtime. We shall need all the time we can get.

Mr. SABATH. I think you will need all the time you can get. In view of that fact, Mr. Speaker, I yield the usual 30 minutes to the gentleman from Michigan.

Mr. MAPES. I agree with the chairman of the committee that it is not a partisan matter, and I expect to yield part of my time liberally to Members on his side.

The SPEAKER. The gentleman from Illinois is recognized for 30 minutes, and the gentleman from Michigan is recognized for 30 minutes.

Mr. SABATH. Mr. Speaker, this rule provides for 4 hours of general debate, the committee having added 1 hour to the original 3 hours requested. The rule makes in order the consideration of the housing bill passed by the Senate, one which probably for political reasons we will not waste a great deal of time trying to prevent passing. Notwithstanding what has been stated in some of the newspapers and by gentlemen who are opposed to this humane, needed legislation, I call attention to the fact that this bill will not cost the Government any money. The \$800,000,000 provided will all be lent to States, counties, and municipalities who by special legislation have organized for the purpose of providing and constructing housing facilities for the poor people of the Nation, at the same time eliminating the slum sections, the crime-breeding sections of the communities.

This bill sets aside \$200,000,000 for rural housing. Oh, I feel that there are some Members from rural sections who may say, "We do not need any," but I know of the demand that comes from people from every section of the country who do know and who have the interest of the people at heart. Right here I have telegrams from nearly every city and State that has passed special legislation asking and urging this aid for the needy. When I say that it will not cost the Government any money I say so because 11/2 percent of all the loans will remain with the Government to take care of expenditures to the tune of about \$40,000,000. In attempts to prejudice the minds of Members and the people of the country against this legislation it is being charged that it will cost \$70,000,000 per year to carry out the commitments necessary under this bill. These charges are not only untrue but are in direct opposition to the facts. The actual facts are that this measure will actually cost the Government little in comparison to the great benefits. The money authorized will be lent to the housing authorities, the security for such loans being the housing projects themselves. All the bonds now being issued for projects under way are in great demand by the banks all over the United States. The new bonds likewise will be snapped up at favorable rates for the Government.

Under this bill the Government will get the money needed for the loans at an average cost of 1% percent and will loan it out on these developments at 3 percent, leaving the difference, 1%-percent profit, a substantial margin, which will materially reduce the \$45,000,000 authorization in this bill for maintenance and operation. Thus the figures which have been quoted by multiplying the authorization by the 60-year life of the loans are but bugaboo or hokum computations.

The passage of this bill not only will provide decent housing for approximately 2,000,000 unfortunate slum dwellers but it will provide employment for nearly 500,000 workers; it will stimulate business-in fact, all industries-and at the same time will provide an outlet for the billions of dollars now reposing in the vaults of the banks throughout the country. I cannot, therefore, understand why there should be any objection to the bill unless it be, unfortunately, for political reasons; and I again say to my friends on both sides of the aisle that they will make a great mistake if they try to defeat the consideration of this bill, which is demanded by labor organizations, commercial organizations, and farm organizations throughout the United States. They have appealed for this legislation. The Senate has acted. Will you deny consideration in the face of their requests for it?

For years there has been complaint in the House that the Rules Committee has smothered legislation and deprived the membership from voting on it. Yet only yesterday, when

you had an opportunity to vote on the farmers and wageearners relief bill you voted down the rule providing for its consideration. Today you have another opportunity, and the question is whether you will again refuse to even consider a bill carrying such vast benefits. Will you gentlemen from the rural and farming sections of our country refuse to legislate on the \$200,000,000 authorization provided for in this bill to improve the housing conditions of the poorest of the poor farmers, the sharecroppers, the farmer tenants, and those poor in the smaller towns of your districts? If you do refuse, the responsibility will again be yours and not mine. I have done my full duty and await your action. I know that the Republicans both yesterday and today were being whipped into line, but I have a right to feel that there are independent Members on the Republican side who will not be made rubber stamps by the Republican leaders and who will support this beneficial legislation. As to you Democrats who voted yesterday against the lending bill, you will be held to account when you return to your districts. I say to them, here is another opportunity offered to vote right. Do not let vicious propaganda or personal hatred against President Roosevelt sway you from your duty to your constituents and to the country. Remember the old saying, "He who digs a pitfall or grave for another is digging it for himself."

Mr. Speaker, in conclusion I wish to direct the attention of the House to the fact that the House Banking and Currency Committee has carefully considered the Senate bill; it has been properly amended and safeguarding and restrictive provisions added to it, making the bill, if enacted, one that can be efficiently administered. I repeat that our duty is plain, and I know that the President and all those interested in this matter and all those who are interested in the underprivileged are in favor of this beneficial legislation.

Mr. Speaker, I am not going to detain the House longer because I have many requests from gentlemen who desire to express their views in behalf of this legislation. I therefore conclude, reserving the balance of my time.

Mr. MAPES. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. Wolcott].

Mr. WOLCOTT. Mr. Speaker, I was very much interested in what the gentleman from Illinois just said. If I understood him correctly, he said this program would not cost the Federal Government one cent.

Mr. SABATH. Eventually not a cent.

Mr. WOLCOTT. Mr. Speaker, I want to make the statement, and I challenge anyone on this floor to successfully contradict it, that this bill will cost the Federal Government a very minimum of \$2,700,000,000. This bill is a supplement to the act which we passed last year and the one passed the year before by which we authorized the United States Housing Administration to make \$800,000,000 in loans; but the significant part of it is that we at the same time authorized appropriations amounting to \$28,000,000 annually over a 60-year period of time. So under existing law, much to my amazement and much to the amazement of other members of the Banking and Currency Committee, when this matter was under consideration a few weeks ago, we found we had authorized appropriations of \$1,680,000,000 for what purpose? For the sole purpose of reimbursing the Government for the original loan of \$800,000,000.

Now, this bill is presented, by which they would raise the bond authorization of the United States Housing Authority another \$800,000,000. It has been referred to quite generally as the \$800,000,000 bill. Mr. Speaker, the minimum that this will cost the Government, let me reiterate, is \$2,700,000,000. You must add the \$28,000,000 authorized by existing law to the \$45,000,000 authorized under this bill and you get the figure \$73,000,000. You may say it is a \$73,000,000 bill. But is it? You must multiply the \$73,000,000 by 60, because, if this bill is enacted, we shall have authorized an annual expenditure in the form of annual contributions of \$73,000,000, or a total of \$4,380,000,000 without taking into consideration any interest whatever. For what purpose? For the sole purpose of paying back to the Government the \$1,600,000,000 which it will loan. [Applause.]

I leave it to the judgment of every sound-thinking individual, not only on this floor but in the United States, if it is good, sound business to raise \$4,380,000,000 for the purpose of paying back a \$1,600,000,000 loan.

No contracts are made for less than 60 years. No part of the rent which is collected in any of these projects ever finds its way back into the Federal Treasury and there is no provision of law that so provides. Not one cent of this money is returned to the Treasury. So when the gentleman from Illinois [Mr. Sabath] or any of the other gentleman who are going to talk on this bill, speak of these as self-liquidating projects, let them show us in the bill wherein they are selfliquidating other than that this debt is liquidated by appropriating three times as much as the original debt to do so. Of course these bonds are good; of course the banks want the bonds, because the Government of the United States annually appropriates money to retire these bonds and pay the interest on the bonds, and the bill specifically says that annual contributions shall first be used to retire this debt, not only the \$1,600,000,000 debt, but also, and this is remarkable and amazing, to make available money by which the local housing authorities, who are supposed to put up 10 percent, might retire their own bonds.

Mr. Speaker, when we complete this program we will have raised the money to have built every project contracted for and at the end of 60 years we hand these projects over to the local housing authorities without the projects having cost the local housing authorities one red cent. The purposes of this bill can be accomplished by encouraging the use of a part of the \$7,000,000,000 available capital that is now frozen in the banks. A study of this whole question should be made and I implore you to do it during the present session of Congress, instead of being placed in a ridiculous position by passing this bill. I assure the House there are brains enough in this country somewhere, and we will find them, to solve the problem without too much expense to the Federal Government. A study should be made of this problem, and we can thaw out private capital for the purpose of doing this same job, and can give relief to those within the lowest income brackets, as suggested by this bill. Why do I make that statement? Because an experimental project undertaken by Girard Lambert in New Jersey has proven it can be done with a little assistance. Read the hearings. He has already developed a project with private capital; the rents are nearly as low as those charged on U.S. H. A. projects. He has done this without the benefit of subsidies. If he had a 10-percent subsidy, such as the localities are supposed to put up in cash, work, land, and so forth, by the provisions of this bill, and if he had a further subsidy of 20 percent which the localities put up in services, tax remissions or tax exemptions, he could get the cost and maintenance down to a figure low enough so that the person within the very lowest income brackets could afford to rent his homes. He is now and could continue to pay 4 percent on his bonds.

Mr. Speaker, with \$7,000,000,000 of idle credit in the banks, it is ridiculous for us to supplement and continue to furnish Government credit without giving at least some consideration to available means of thawing out this credit and putting it to work. Bear in mind this program takes care of only 15 percent of those whom the President and Mr. Straus want to serve, but there is a limit, of course, to their ambitions.

Mr. Straus tells us, assures us, that at no period of 60 years will the program cost us in annual subsidies more than \$500,000,000, or \$30,000,000. Can you imagine that? Thirty billion dollars he assures us will be the peak, and over a period of 60 years it will not annually cost us more than \$500,000,000. Let us think of what we are doing here.

England tried out this plan, and England came to the conclusion that if it followed the program to its logical conclusion it would empty the British exchequer. All I want to do and what this House should do is stop this program before it empties the United States Treasury. [Applause.]

Mr. SABATH and Mr. KELLER rose.

Mr. WOLCOTT. I am sorry, I cannot yield.

The rural section of this bill was written into the bill in the Senate 5 minutes before the final vote was taken and without any consideration having been given to it by the Senate committee. It sets up a program whereby the farmer can deed to a local housing authority, provided one is organized, one-eighth of an acre, half an acre, or an acre of land, and then the authority can build a home and rent that home to the farmer for 60 years. The farmer does not own it. [Applause.]

Mr. Straus estimates that a farm home can be built for from \$2,000 to \$3,000 on land not owned by the farmer; the Farm Security Administration is now providing homes for farmers on land owned by the farmer for \$1,100.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Speaker, the gentleman from Michigan has made a number of statements which are rather amazing and with which I cannot agree. I recall that not long ago, when the Committee on Ways and Means unanimously reported a bill to the House, by the vote of 15 Democrats and 10 Republicans, the gentleman from Michigan took the floor and, with his usual ingenuity, raised the cry of inflation, and his Republican colleagues followed him and did not follow the 10 Republican members of the Committee on Ways and Means.

Let us not deceive ourselves. The Republicans are going to vote against this rule. A vote against this rule is a vote against the bill. There are many districts represented by Republicans which have benefited by this legislation, and I am interested in seeing how they are going to vote on this rule. The money heretofore appropriated has been allocated in a fair manner, without political considerations.

Later, when the Republicans tell their friends, "Oh, I was for the bill; I was only against the rule," I hope their friends will realize a little deception is being practiced.

Everything the gentleman from Michigan has said is pertinent in the consideration of this bill in the Committee of the Whole. If the gentleman is sincere, why not vote for consideration of the bill? I have heard the Republicans talk against gag rules, and I believe there is some foundation for such talk, but now they are willing to completely gag the consideration of this bill.

As I have only 2 minutes, let me speak briefly to my friends on the Democratic side. I am not so much concerned about what happened to the rule a few days ago as I am concerned with the Democratic Party and with what happens on this rule today. The rule of a few days ago was a matter which, from a party angle, does not mean anything politically fatal to the Democratic Party—serious but not fatal.

Mr. Speaker, may I say now to my Democratic colleagues that this coalition idea can work two ways. The gentleman from Colorado earlier spoke about the coalition of yesterday. It was a different coalition than the one the day before. Action brings reaction. I do not like such reaction. I do not like action that is not consistent with the best interests of our party. All we want is the consideration of this bill. I do not like to see schisms among the members of my own party. I do not like to see a situation where those in the country are going to vote one way and those in the cities vote another way, using the Republican Party as the tail of their kite. That is the situation. That game can be played two ways, but I do not want to see it played either way. I want my party to vote for the consideration of this bill, and then when the bill comes up for consideration let individual Members vote as their conscience dictates. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, in my opinion, the calling up of this rule constitutes a very great blunder on the part of my friend the gentleman from Illinois, the chairman of the Rules Committee. The gentleman has no expectation whatever that the rule will be adopted, or if adopted, no idea that the bill could possibly pass.

Mr. SABATH. I did not say that.

Mr. COX. The rule is called up for the purpose of being defeated in order that some gentlemen may have a talking point for some time in the future. I voted to report the rule for consideration of the bill; but at the time I reserved the right to vote against its adoption in the House. To press for the adoption of the rule in the face of certain defeat is a vain and foolish thing to do. It is my belief that on the call of the roll a majority of the Rules Committee will vote against the adoption of the rule.

In my opinion, the bill is infinitely less meritorious than the lending bill that the House refused to consider several days ago. Gentlemen who were heard by the Rules Committee took the position that the whole bill is nothing less than a barefaced fraud, and the statements made in support of this

allegation were most persuasive.

Mr. Speaker, I believe the rule should be voted down. The chairman of the Committee on Rules offering the rule, if really interested in housing, would do a wise thing if he should ask unanimous consent that he might withdraw the rule from the further consideration of the House. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. Luce].

Mr. LUCE. Mr. Speaker, as a member of the Committee on Banking and Currency through many years, it may be presumed that I speak with some familiarity on this subject.

When housing was first considered and when authorization to proceed was made it was believed on the part of the committee, and following that on the part of the House, that we were to engage in a lending program. It has developed into a spending program as well, as shown to you by my colleague, the gentleman from Michigan [Mr. Wolcott]. This has come about by reason of the fact that experience has already demonstrated the impossibility of providing decent housing for the lower third of society without contribution from a Government source. The structures already contracted for furnish residence at an average cost of about \$4,500. It is hoped this can be reduced on some dwellings to \$3,300. Now, \$3,300 would give the kind of living quarters normally occupied by families with \$1,320 a year income, the rent being one-tenth of the value and one-quarter of the income.

The President has called to our attention his belief that one-third of our people are ill housed. It happens that onethird of our people have incomes of less than \$1,000 a year. Therefore this program at its best furnishes living quarters for nobody in that lower one-third unless supplemented by a contribution from the Government.

You will see that you are plunging into the very middle of an activity than which there is nothing more socialistic. I use the word "socialism" with no invidious significance. It is a philosophic principle for which there is argument for as well as argument against, but here you have complete socialism in undertaking to tax the people of the country in order that one-third of them may live in homes that they would not otherwise occupy.

Mr. KELLER. Mr. Speaker, will my friend yield for a question?

Mr. LUCE. I decline to yield.

This may or may not be the wise thing for us to do, but I hold its importance is such that we ought to stop, look, and listen. No great harm will come from postponing this measure until the opening of the next Congress. In the course of that time it will be possible for gentlemen unacquainted with the facts to learn what we are doing and find out with what we are threatened by reason of our

It is said, to be sure, that there should be this step in order to aid the building business. The figures for June show that building had, in that period, reached a high point, perhaps not the highest ever reached, but a building boom is on. There is no important need for the Government to go farther with this thing to encourage building. We are likely to see the biggest building boom the country ever saw as a result of private activity and private enterprise. [Applause.] [Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky, a member of the Committee on Banking and Currency [Mr. Spence].

Mr. SPENCE. Mr. Speaker, we are today not alone considering this rule, but we are trying a policy of the Democratic Party that has been solemnly adopted by the legislative branch of this Government.

We have adopted a policy of slum clearance. Slums are the breeding places of crime, of disease, and of immorality, and they are not only destructive of this generation, but of the generations yet to come. The bill has for its purpose a great humanitarian object. Twenty-eight States have passed enabling legislation. No State has refused to pass such legislation where it has been submitted. Three hundred and fifty local agencies have been organized. Eight hundred million dollars of funds have been allocated. Five projects have been completed and there are now applications for projects totaling a billion more.

If we refuse to adopt this rule, it is a refusal to give a hearing for a continuation to a policy which we have already adopted. It is the conviction and condemnation of the United States Housing Act of 1937 without arraignment, without plea, and without trial. There is no excuse for refusing to adopt the resolution and considering the bill under

this fair and open rule.

This is a momentous occasion for the Democratic Party. I think it means much to us, not only for the present, but for the future of the party. We have solemnly adopted the United States Housing Act of 1937. It is not only this rule that is on trial, it is that act which is on trial. To refuse to pass this resolution would be a confession of error when we passed that act and a confession of incapacity, because it would proclaim to the world that we not only admit we made a mistake when we passed the act, but that we also admit we are not capable of perfecting it; that we are incapable of making it a better act. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Speaker, I rise at this time to explain the fact that I shall vote for this rule, even though I am opposed to this legislation. I voted for the rule in committee, and I feel it my duty to vote for it on the floor of this House. I have always followed that policy in the brief time I have been on this committee, and I think the House should have an opportunity to consider these matters. Therefore I will vote for the rule, even though I am opposed to the legislation. Of course, there are those of you who are not on the committee who do not have to vote that way. [Laughter and applause.]

Mr. WOODRUM of Virginia rose. Mr. COLMER. Oh, I cannot yield.

Mr. WOODRUM of Virginia. Just for a question. Mr. COLMER. Very well. I cannot refuse the distinguished gentleman from Virginia.

Mr. WOODRUM of Virginia. And if the gentleman were not on the Committee on Rules, I judge he would not feel obligated to vote for the rule.

Mr. COLMER. The gentleman from Virginia has a way of drawing fair conclusions. [Laughter and applause.] But I always favor an opportunity for the membership to pass on these questions.

Mr. KELLER rose.

Mr. COLMER. No, Mr. Speaker; I am sorry, I cannot

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. MAPES. Mr. Speaker, I have only two more speakers on this side.

Mr. SABATH. Mr. Speaker, in view of the fact that the gentleman from Michigan has only two gentlemen who are brave enough to speak against the rule, I yield 2 minutes to the gentleman from Missouri [Mr. Anderson].

Mr. ANDERSON of Missouri. Mr. Speaker, every Member of this House is aware that the expenses of our Government must be kept within its revenues, and that continuation to spend far more than we collect will eventually place our Government in a state of insolvency just the same as any other business that spends more than it makes.

From its very inception I have been opposed to the vast and almost uncontrolled Federal spending as a means of reviving business. I feel that this is not a desirable way nor an effective way to get the wheels of industry turning and get men back to work. Our efforts to resuscitate the fallen giant of industry will bear more fruit it we proceed to remove or at least modify a lot of boards, bureaus, taxes, and other restrictive elements that shackle American industry and agriculture and prevent recovery. However, let it not be said that all Federal spending is wasteful or undesirable. A certain amount of public works should always be authorized so long as there is need for it.

That there is a tremendous need for proper low-cost housing in the cities of this Nation is not debatable. The clearance of slums is a great economic and social necessity of our day and certainly it is a question that transcends all political considerations. The establishment of proper housing and environment for the millions who now dwell in the filth-ridden slums of our great cities is a problem that no man or woman can solve by political equation. It is one that must be met with an open mind and with a firm devotion to our duty of doing everything within our power to promote the "general welfare" of all our people.

The problem of large scale slum clearance is so vast and so urgently pressing that only the Federal Government is capable of handling the situation with any degree of success.

I cannot believe that there is a man or woman in this body who can fail to appreciate the desirability of slum clearance not only as a sound economic policy but one that involves great social betterment for millions. Perhaps there are many here who have no serious slum problem in their districts. The slum is one of the scourges of the large cities, and you, who live in and represent essentially rural areas may not look upon the slums with the same horror that those of us do who come from the large cities. But everyone here does know that the provision of proper housing and proper surroundings for a vast part of our population is a problem of greatest importance.

Before coming to Congress I practiced law in St. Louis for many years. After that I served two terms as prosecuting attorney of St. Louis County. In this capacity I learned of the tremendous necessity and desirability of slum clearance because I saw crime and criminals fostered and bred in the

An amazingly large number of the young and first offenders that reached my office became criminals and social outcasts because of surroundings that were conducive of bad conduct. The Nation's annual crime bill is almost beyond comprehension for a nation that beasts of so many advantages for all. A very large percentage of the offenses are due to improper and unwholesome environment, especially in the large cities. Hence I am convinced that whatever money we spend for the housing program of the United States Housing Authority will be repaid hundreds of times, not in dollars and cents but in social and economic betterment for millions of people. Thousands of laborers, artisans, and mechanics will find work under the program, and generations to come will be improved socially and morally if we have the foresight to begin this great program now. Nothing is so effective in improving business conditions as a construction and building program. Every kind of business is helped by it.

Perhaps the majority of this House in their wisdom will see fit to defer or defeat the housing bill. There can be no quarrel with this body's prerogative to do that if it so desires, and I always have the greatest confidence in the decisions of the majority of this body whether I happen to be on that side or not. But I urge you-yes, even plead with you-to at least consider the bill by voting for the rule so that you may hear our case on the merits of the bill. Certainly it is too important a matter to refuse even the slightest consideration.

The housing bill means a great deal to St. Louis and to every city in this Nation. It means work for the building trades and all the industries that supply and sustain building programs. It means fewer slums and fewer social delinquencies. It means a better America.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO], who has some valuable information to give to the House.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that the Clerk read the following letter which I received from the president of the American Farm Bureau Federation.

The SPEAKER pro tempore. Without objection the Clerk will read the letter in the time of the gentleman from New York.

The Clerk read as follows:

AMERICAN FARM BUREAU FEDERATION. Washington, D. C., August 3, 1939.

Hon, VITO MARCANTONIO

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Replying to your recent inquiry to me as to the position of the American Farm Bureau Federation relative to the Housing bill, S. 591, under date of January 10 a statement of the American Farm Bureau Federation by its executive committee was submitted to the President of the United States and to all Members of the Seventy-sixth Congress, which set forth the position of our organization with respect to employment and various recovery measures. From this statement I again quote:

"1. In these critical times, when lack of economic balance between groups of our people prevents normal exchange of goods and services, which in turn results in a continuing unemployment problem, we reiterate our conviction that the full power of the Federal Government must be mobilized in an effort to restore the economic balance which is necessary to enable us, as a Nation, to regain normal volume of production and normal national income. We must put to work our billions of unemployed dollars and our millions of unemployed people."

Among our specific recommendations was the following: "That

the Federal Government continue to provide employment for those who cannot secure employment in private industry."

We further recommended: "We insist further that Federal works projects be limited to such constructive projects as can fairly be expected to increase national income and wealth, or to add to the productive efficiency of our national encountry."

productive efficiency of our national economy."

To the extent that S. 591 meets the requirements as set forth in the foregoing statements with respect to providing useful employment, it will be a factor in national recovery as well as improving the housing conditions in better that the conditions in the statements. ing the housing conditions in both rural and urban areas. Sincerely yours,

EDW. A. O'NEAL. President.

Mr. MARCANTONIO. Mr. Speaker, as one who was born in the slums, who was raised in the slums, and who still lives in the slums, I take this opportunity to voice the gratitude of the slum dwellers to the officers and members of the American Farm Bureau Federation for their support of this housing bill, S. 591. [Applause.]

All I can do in this brief moment is to direct my remarks to those who are playing politics with human misery. I ask you to forget politics, to forget your political hatred of Franklin D. Roosevelt, or his opponents; to lay that all aside and go into the slum districts of the big cities. Go into my district on a hot summer night and see American babies sleeping on the fire escapes, gasping for air. I am sure if you saw that sight you would forget playing politics with human misery. Stand on the sidewalks of New York with the people who dwell in the slums when the siren of the fire truck is heard, and watch their faces, observe their eyes filling with fear, and see them wonder as to which relative. whose brother, whose sister, whose mother, whose child is going to be the next victim on the funeral pyre of a slum fire. I say this because these sights, and these sights alone, could stop this disgusting political game that is being played here, with human beings as pawns.

This bill is not pump priming. It is the inexorable next step in the march of human progress. All we ask by this bill is not prosperity, not leisure, but to give to our young Americans their share of air and sunlight with which God has endowed our Nation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. MAPES. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Faddis].

Mr. FADDIS. Mr. Speaker, this legislation is entirely too much of an adventure into the realms of socialism to suit me. My concern for the national credit and for the general welfare of this Nation will not allow me to support it. It comes to us from Mayor LaGuardia and his council of mayors of the metropolitan areas of the United States—an organization which has been endeavoring for several years to have the Congress force upon the country in general the relief problem of the metropolitan centers of this Nation.

Mr. WALTER. Mr. Speaker, will the gentleman yield? Mr. FADDIS. I cannot yield. I do not have the time.

We have learned much during the past 6 years about relief, and we are due to learn more during the next few years. I myself have learned during the past 6 years that relief must be a local problem; that if we are ever to solve this problem we must solve it locally. I am confident that the housing problem of the United States is of the same character. Day before yesterday we refused to consider a measure brought in here which would have helped the rural population of the United States. The reason we refused consideration of that measure was because we believed that we had already expended as much money this year as we were warranted in expending. For the same reason that I voted against consideration of that measure I intend to vote against consideration of this one. The trend of the times is not toward more concentration in the cities, but the trend of the times is toward the breaking up of large metropolitan centers. This legislation is contrary to the trend of the times, and I hope the rule will be voted down. [Applause.]

I vield back the balance of my time.

Mr. KELLER. Will the getleman yield for a question?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MAPES. Mr. Speaker, I have only one more speaker. Mr. SABATH. I yield $2\frac{1}{2}$ minutes to the gentleman from Missouri [Mr. Wood].

Mr. WOOD. Mr. Speaker, I hope this rule will be adopted. It was said a moment ago that the chairman of the Rules Committee made a blunder when he brought out this bill. I think we will make a big blunder if we do not adopt this

rule and pass this bill.

In my opinion, we made a blunder when we built up a prevailing rate of wages amongst mechanics on W. P. A. in

prevailing rate of wages amongst mechanics on W. P. A. in the cities for 3 long years and then abolished it. We made another blunder when we reduced the rolls of the W. P. A. 1,000,000. Six hundred and fifty thousand go off the W. P. A. rolls this month. We made another blunder when we failed to adopt the appropriation for \$119,000,000 for the Commodity Credit Corporation to protect the prices of corn, cotton, and other commodities. We will indeed make a blunder if we do not pass this measure that will give the low-income group an opportunity for healthful surroundings, and also create work opportunities for the unemployed that is so desperately needed among the building trades; and if we do not start clearing out the slums and supplanting them with decent surroundings for the workers of this Nation.

I think there is no more important legislation that has come before this session of Congress than this measure. If we defeat this measure I think we will have completed a do-nothing session, insofar as contributing to the recovery of this Nation is concerned. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota. I regret that I do not have more time to give the gentleman.

Mr. BURDICK. Mr. Speaker, it has been reported here that all of the Representatives from the farming sections of the United States will oppose this rule, because the farmers did not get what they wanted. I want to say that I represent a State where there is no other activity except agriculture. We are about as far removed from New York City as any other State in the Union that is engaged in agriculture. From my section of the country the gentlemen who represent that State in this House are not against the rule. We are not against any rule. We have never been against a rule, because it is a confession of weakness for this

House to decide that we shall not hear the merits of a bill. [Applause.]

I expect to keep my mind judicially inclined and listen to this bill. If it is a good bill I will support it. If it is not, I will vote against it. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I only have one other speaker, so I will ask the gentleman from Michigan to use his time.

Mr. MAPES. The gentleman has only one more speaker?

Mr. SABATH. That is all.

Mr. MAPES. I yield the balance of my time to the gentleman from Tennessee [Mr. Gore].

The SPEAKER pro tempore. The gentleman from Tennessee is recognized for $10\frac{1}{2}$ minutes.

Mr. GORE. Mr. Speaker, on day before yesterday I resolved doubt as to the self-liquidating character of the lending bill in favor of its sponsors and voted "aye" on the resolution. Today, on this bill there can be no doubt. The United States Housing Authority program is in no respect self-liquidating. It is not contemplated that any revenue from any project will ever be returned to the United States Government.

The cost of the program is paid in 60 annual payments from the Treasury of the United States. This bill authorizes \$800,000,000 to be loaned, but, mind you, that does not represent the cost of the program. It also authorizes the United States Housing Authority—and, mind you, when you authorize them, it will certainly be done—to make binding contracts for the payment of \$45,000,000 a year for 60 years—\$2,700,000,000. Add that to the \$28,000,000 every year to which we have already been committed, for 60 years, and you have \$73,000,000 a year for 60 years—\$4,380,000,000 to which the passage of this bill will definitely and positively commit the Government.

Mr. KELLER. Will the gentleman yield?

Mr. GORE. I decline to yield.

Mr. KELLER. Not for a question?

Mr. GORE. I decline to yield.

The regular order was demanded.

Mr. GORE. If I thought the gentleman was seeking information, I would yield. [Laughter.]

The faith and credit of the United States Government is pledged to the fulfillment of these contracts.

The chairman of my committee, whom I dearly love and whom I regret to oppose, will follow me; and I hope he will not say that any of this is misinformation, because it is not misinformation and I would be glad to substantiate every statement I have made in personal conversation with any Member of this House.

The municipalities do not pay one penny of the cost of these projects. Each transaction requires two contracts. Mind you, it is not done in one contract. There is a loan contract and a contribution contract. The contribution contract represents the cost of the program which is-now, listen to this-which is a minimum in every contract of 233 percent of the amount loaned. Some contracts-and I shall be glad to show them to any Member, I have analyzed dozens of them—some contracts pledge the payment of 250 percent of the amount loaned. The Government pays the entire bill. The municipalities get the buildings and the local units get the rent. Not only does the Government pay the entire bill, but it is pledged, and contracted, and bound to amortize the debt at the rate of 3 percent interest; and, mind you, the United States Housing Authority borrows the money at 1% percent.

If the contracts, if the projects, could be amortized by the Treasury they would be paid completely in a little less than 32 years by making the same payment, the same one, the same specific amount that they bind themselves in these contracts to pay not for 32 years, but for 60 years. Let me illustrate by this simple example. Here is the finance provision: I lend you \$53. I take your note, put it in this pocket; and then I make a side contract with you to pay you \$73, and I take that money out of my other pocket, which is supplied by the taxpayer, put it in the first pocket, pay off the \$53 and proclaim to the world that I have made a profit of \$20.

It is ridiculous, Mr. Speaker. I am one of the youngest Members of this House. Even though my people may keep me here for 10 years, for 20 years, for 30 years, for 40 years, or for 50 years, this program will not then be paid for; and every year our appropriation bills will carry an item of \$73,000,000 for this purpose for the next 60 years. My 18-months-old baby will be lucky to live to see one of these contracts consummated. It is ridiculous. How many people can name an apartment house that is inhabitable at the end of 60 years? I turn to another point.

The United States Housing Authority is guilty of disseminating the most reprehensible, deceptive, and misleading information. In spite of this cost I find that on June 2 Mr. Straus made a speech in New Haven, Conn., in which he said—and in order that no claim of misinformation or misquotation can be assigned to me, I read his statement. I quote:

"The loans which the U. S. H. A. makes to localities for financing the capital development of projects are absolutely returnable—every dollar—with interest—"

Listen to this-

"They do not cost the public a penny."

I guess that is where the chairman of the Committee on Rules got his information. [Laughter.]

Mr. SABATH. No; I had studied the bill. [Laughter.]
Mr. GORE. That is very pleasing. I continue the quotation:

"They do not cost the public a penny, but, in fact, yield a small interest profit."

Mr. Speaker, one must be charitable, and, indeed, modest in selecting his diction to call that "propaganda."

The program is advertised as low-cost housing. It is not low-cost housing. So far this program has cost an average of \$4,893 per family unit, and before we pay ourselves back by this crazy change-of-pocket procedure and doubling the interest on the taxpayers of the country it will cost us for every family unit an average of over \$10,000. One project has cost—and this is a statement from the United States Housing Authority substantiated this morning—one project has cost \$6,710 per family unit, and before we pay ourselves back—mind you, the project never pays one penny to the Government—it will cost in that project over \$14,000 per family unit. I am wondering how many of my colleagues live in such expensive abodes.

The program is advertised as one to rehouse the slum dwellers, and although specifically requested, not one iota of evidence has been presented that as much as one family from the abolished slum area has ever been rehoused in one of these projects. I want to read from the record of the hearings. I do not wish to be misunderstood in making the statement that not as many as one has been rehoused, but I asked for the information, and they could not show me where one had been. I read to you from page 304 of the record of the hearings in regard to the projects which have been opened:

MEMBER OF THE COMMITTEE. In these five projects what percentage of the occupants are from the slum areas which were demolished?

Mr. Straus. From the particular area demolished?

Member of Committee. Yes.

Mr. Straus. I do not know. I can find out. It is not very important. * *

I thought it was important!

And that is not misinformation.

It will be said following me, because I know the program and argument, that we have adopted a policy, that it should go on, and that we should not stop it. Well, England adopted it, as you have heard, and within 3 years they stopped it. Why? Because a catastrophe was impending for the exchequer.

Mr. Speaker, something was said about blunders. I do not subscribe to the theory that because we as representatives of the people, we as Democrats or as a Congress, have made a blunder or a mistake, we should keep right on and carry it through. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield the balance of the time to the chairman of the Banking and Currency Committee [Mr. Steagall], who is not a new Member, but who has served here and on that committee for over 20 years.

Mr. STEAGALL. Mr. Speaker, I shall not contend that if this House recognizes that a mistake has been made in passing the original legislation that we should not correct that mistake. I do call attention to the fact, however, that the bill before the House is simply a provision for the continuation of a program upon which the House has voted affirmatively at least three or four different times, and that this program should not be interrupted without full consideration of results. Since the program was begun projects have been inaugurated in all but 17 States and 38 States have passed enabling legislation for organization of local housing authorities. The problem of housing is one that challenges the sympathetic efforts of every Member of the House. It pertains not alone to our cities, but conditions that cry out to us are spread throughout the length and breadth of the Nation. The legislation is national in purpose and will benefit the people of the entire Nation.

The cities were the first beneficiaries of our efforts for relief, but those who were responsible for this legislation had a vision that swept beyond the confines of the cities of the country. Those of us who come from rural areas know that conditions there parallel the unfortunate conditions that have been depicted in some of the cities of the Nation. Slum housing in rural areas is just as deplorable as is the case in urban centers. The inauguration of this great reform has been successful to an extent that exceeds our expectations.

Under the act as it was initially passed and approved in September 1937, the United States Housing Authority was authorized to issue bonds in an amount not to exceed a total of \$500,000,000, \$100,000,000 of which was to be available the first year and \$200,000,000 the second and third years. That act also authorized annual contributions in an aggregate amount of \$20,000,000, \$5,000,000 to be available the first year and \$7,500,000 the second and third years. In June of 1938, amendments were adopted which increased the bond authorization to \$800,000,000 and made the full amount immediately available. The amendments increased the annual contribution authorization to \$28,000,000 and made the full amount immediately available. This annual contribution authorization has, however, been sufficient to cover projects involving only about \$650,000,000 in Federal loans, plus the 10 percent local capital participation.

The amendment to the bill proposed by the committee authorizes the United States Housing Authority to issue its bonds for an additional \$800,000,000. The proceeds of these bonds would be available for loans of not more than 90 percent of the cost of projects undertaken by local publichousing agencies. This increased authorization is an authority merely to borrow that sum, which will be used for loans that will be fully repayable to the United States Housing Authority with interest.

The bill authorizes the United States Housing Authority to contract for the payment of annual contributions to public housing agencies in the additional amount of \$45,-000,000. These annual contributions will cover projects financed with the proceeds of the additional bonds of the United States Housing Authority in the amount of \$800,-000,000 and the amount of \$150,000,000 unexpended. These contributions are intended to make up the difference between the rent which would otherwise have to be charged for decent new housing and the rent which the families living in slums can now afford to pay. The bill authorizes the extension of the program to families of low income in rural areas. Of the funds available to the United States Housing Authority for loans, \$200,000,000 are earmarked to provide housing for families of low income in rural areas.

The program to be carried out if this proposal is passed would rehouse 500,000 families in the United States. It will provide new housing facilities for 2,000,000 people—certainly not less than 1,500,000—in the United States, of whom more than one-half million would be in rural areas.

The statement has been made that residents in the slum sections of our cities have not in reality been rehoused. The program is just getting under way, and projects under construction cannot be used before completion. Under the present program 365 projects are under way and some of them finished and occupied. There is demand now for more funds than is provided in the measure under consideration, but the program will have to proceed in an orderly way. It is not calculated that funds to be made available under this bill will be exhausted in less than 2 years.

This bill would afford employment for one-half million men for a period of 1 year. It is estimated that in connection with expenditures of this kind three times the amount of those directly expended will be employed in the expansion of trade and in labor to be put to work in carrying out contracts for the erection of buildings and otherwise.

The record shows that down to this time, instead of costing \$6,000 per dwelling, the cost is not above \$4,000, and it is being gradually reduced lower than contemplated in the original act. We have now approached the time when the cost of these structures will average \$3,500 or less. On an average, they have never exceeded the limits established in the original law of \$5,000 per unit and \$1,250 per room for the more expensive construction in the larger cities, and \$4,000

per unit and \$1,000 per room elsewhere.

I desire to call attention of Members of the House to the provision in this bill for rural housing. Two hundred million dollars have been earmarked for the relief of slum conditions that obtain in the rural sections of the country. Enabling legislation passed in 17 States provides for the organization of local housing authorities in rural areas. Secretary of Agriculture testified that the program can be extended to several areas in every State in the Union under local laws or under the Farm Home Corporation in the Department of Agriculture. I believe that the program is less difficult of administration in rural areas than in urban centers. There is on hand \$150,000,000 of the funds available to inaugurate a system of low-cost housing in rural areas, without the requirement of the 10-percent cash contribution required under the bill now before us, which is a departure from existing law.

Under this bill any local housing authority must first contribute 10 percent in cash of any loan to be made.

Mr. SIROVICH. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New York.

Mr. SIROVICH. The distinguished gentleman who has been battling for slum clearance has made a very interesting contribution; but I want to call his attention to the fact that although the United States Housing Authority assisted projects are built for 60 years with labor paid the prevailing wages, the average net construction cost of these projects is more than \$1,000 less than the comparable figure for private residential construction of all types.

Mr. STEAGALL. That is quite true, and I thank the gentleman.

I wish to call attention to the figures that have been given, which are calculated to give an exaggerated and unjust impression respecting the provisions of this bill.

The amount of annual contributions carried in this bill for the purpose of maintaining the low-rent quality of houses to be afforded the unfortunate people who are to benefit by this legislation is not such as has been pictured. The rate of interest paid by the United States Housing Authority at this time is 1% percent. The rate of interest charged on loans is 3 percent. So that you have a margin of 1% percent upon which to operate, and when we take into account earnings on the margin between the cost of the money and the rate applied, and apply that to annual contributions, it will reduce annual contributions to \$50,000,000. That is what the actual figures show.

Contrary to statements that have been made, not technically misleading, but calculated to create misunderstanding with reference to this bill, it is a loan bill insofar as the

money supplied to aid the local housing authorities in the construction of buildings is concerned. They are loans that will be repaid and loans that we have a right to expect will be repaid. The gentlemen who oppose us proceed with the figures handed us. I answer on a basis of the same figures that have been handed us. If they are correct when offered by the gentlemen who have preceded me, they should not be questioned when offered by me. On the basis of these figures we are justified in the statement that the difference of 15% percent between the cost of money and the interest charged on loans if applied against annual contributions will reduce them to \$50,000,000 a year.

The bill provides for full repayment of loans but not to the Treasury for the reason that the Treasury does not part with a dollar. The Treasury does not furnish the money and the Treasury, of course, does not get the money back. The United States Housing Authority uses the credit of the Federal Treasury to borrow money, and the bill provides that the money will be returned to the United States Housing Author-

ity for payment of its obligations.

The way in which figures are presented to this House would give an unjust impression. If we take any annual appropriation and multiply it by 60 the total will be appalling.

Such a calculation on the figures in this bill is far less staggering than it would be if applied to any of our various annual appropriations such as national defense, veterans' benefits, agricultural adjustment, and others made on that basis. It is not a fair way to present it. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 169, nays 191, answered "present" 1, not voting 67, as follows:

[Roll No. 154] YEAS—169

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ANSWERED "PRESENT"-1

Robsion, Ky.

NOT VOTING-67

Ball	Dies	Lanham	Rockefeller
Barnes	Dingell	Lesinski	Ryan
Bates, Ky.	Douglas	Ludlow	Schaefer, Ill.
Boren	Eaton, Calif.	McGranery	Schwert
Buckler, Minn.	Eaton, N. J.	McMillan, Thos. S.	Secrest
Burch	Fernandez	Magnuson	Short
Caldwell	Fish	Mansfield	Stearns, N. H.
Chapman	Fitzpatrick	Massingale	Stefan
Cluett	Ford. Thomas F.	Mitchell	Sumners, Tex.
Coffee, Nebr.	Green	O'Neal	Sweeney
Collins	Harrington	Patman	Taylor, Colo.
Cooley	Holmes	Powers	Thill
Creal	Hook	Rabaut	Vincent, Ky.
Crowe	Johnson, Ind.	Rankin	White, Idaho
Crowther	Kennedy, Martin	Reece, Tenn.	Wolverton, N. J.
Cummings	Knutson	Reed, N. Y.	Woodruff, Mich.
Curley	Kunkel	Richards	
Currey		CONTRACTOR CONTRACTOR	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he answered "yea."

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bates of Kentucky (for) with Mr. Robsion of Kentucky (against).
Mr. Buckler of Minnesota (for) with Mr. Knutson (against).
Mr. Rankin (for) with Mr. Douglas (against).
Mr. Powers (for) with Mr. Thill (against).
Mr. Dingell (for) with Mr. Reece of Tennessee (against).
Mr. Rabaut (for) with Mr. Thomas S. McMillan (against).
Mr. Ball (for) with Mr. Cluett (against).
Mr. Crowe (for) with Mr. Coffee of Nebraska (against).
Mr. Sweeney (for) with Mr. Chapman (against).
Mr. Wolverton of New Jersey (for) with Mr. Rockefeller (against).
Mr. Creal (for) with Mr. Crowther (against).
Mr. Hook (for) with Mr. Reed of New York (against).
Mr. Magnuson (for) with Mr. Woodruff of Michigan (against).
Mr. Lesinski (for) with Mr. Ryan (against).

General pairs:

Mr. McGranery with Mr. Fish.
Mr. Martin J. Kennedy with Mr. Holmes.
Mr. Caldwell with Mr. Stearns of New Hampshire.
Mr. Lanham with Mr. Short.
Mr. Harrington with Mr. Johnson of Indiana
Mr. Schaefer of Illinois with Mr. Stefan.
Mr. Burch with Mr. Eaton of New Jersey.
Mr. Cooley with Mr. Kunkel.

Mr. Barnes with Mr. Eaton of California.
Mr. Cummings with Mr. Secrest.
Mr. Massingale with Mr. White of Idaho.
Mr. Ludlow with Mr. Dies.
Mr. O'Neal with Mr. Green.
Mr. Taylor of Colorado with Mr. Fernandez.
Mr. Thomas F. Ford with Mr. Mitchell.
Mr. Mansfield with Mr. Vincent of Kentucky.
Mr. Sumners of Texas with Mr. Collins.
Mr. Boren with Mr. Patman.

Mr. ROBSION of Kentucky. Mr. Speaker, I have a pair with the gentleman from Kentucky, Mr. Bates. If the gentleman from Kentucky were present, he would vote "yea." I voted "nay." I wish to withdraw my vote and answer "present."

Mr. John L. McMillan changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded. On motion of Mr. Martin of Massachusetts, a motion to reconsider the vote by which the resolution was rejected was laid on the table.

Mr. CULLEN. Mr. Speaker, if my colleagues the gentlemen from New York, Mr. CURLEY and Mr. FITZPATRICK, both of whom are ill, were present, they would have voted "yea" on the resolution. My colleagues the gentlemen from New York, Mr. MARTIN J. KENNEDY and Mr. Schwert, and the gentleman from South Carolina, Mr. RICHARDS, are unavoidably detained. If they were present, they would have voted "yea" on the resolution.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had ordered that the Secretary be directed to request the House to return to the Senate the bill (H. R. 5982) entitled "An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2697) entitled "An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad."

The message also announced that the Senate insists upon its amendment to the bill (H. R. 7270) entitled "An act to amend the Bonneville Project Act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Bailey, Mr. Sheppard, and Mr. White to be the conferees on the part of the Senate.

PAYMENT OF ATTORNEY'S FEES FROM OSAGE TRIBAL FUNDS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. Rogers of Oklahoma, Mr. O'Connor, and Mr. Burdick.

CONVEYANCE OF CERTAIN LANDS TO THE STATE OF NEVADA

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2133) authorizing the conveyance of certain lands to the State of Nevada.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. RICH. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. DEROUEN. Mr. Speaker, the Senate bill that I have asked be considered at this time has passed the Senate and is now before the House. There are no amendments. bill authorizes the conveyance of certain lands to the State of Nevada, and that is all it does. The bill contains the usual reservation to the United States of mineral rights. There is no objection whatever to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey to the State of Nevada all right, title, and interest of the United States in the following-described area: The northwest quarter of the northeast quarter of section 11, town-The northwest quarter of the northeast quarter of section 11, township 43 north, range 51 east, Mount Diablo base and meridian, in part satisfaction of the grant to the State for university purposes made by the act of July 4, 1866 (14 Stat. 85): Provided, That the patent issued to the State for this tract shall contain a reservation to the United States for all oil, gas, and other mineral deposits, together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WENATCHEE NATIONAL FOREST

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5747) to authorize the addition of certain lands to the Wenatchee National Forest, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 10, after the period, add the following sentence: "Lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was concurred in. A motion to reconsider was laid on the table.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6435) to authorize cancelation of deportation in the case of Louise Wohl, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 11, insert:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 291) authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation to cover the expenses of such participation.

The Clerk read the title of the joint resolution.

Mr. TABER. Mr. Speaker, reserving the right to object, I understand the gentleman is prepared to offer an amend-

Mr. BLOOM. I have an amendment on the Clerk's desk reducing the amount to \$15,000.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the Senate joint resolution (S. J. Res. 137) may be considered in lieu of the House joint resolution and that the Foreign Affairs Committee be discharged from consideration of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the President is hereby authorized and requested to accept the invitation extended by the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which is to be

held at Bergen, Norway, in 1940. SEC. 2. The President is authorized to appoint a commissioner to represent the United States at the exhibition, who will serve in represent the United States at the exhibition, who will serve in this capacity without compensation; or the President is authorized to designate, upon the nomination of the Secretary of State, a permanent Government official as commissioner to represent the United States at the exhibition, who will serve in this capacity without additional compensation. The expenses of the commissioner and such staff as he may need to assist him will be met out of funds provided for the purposes of Government participation in the exhibition. The duties of the commissioner and his assistants shall be prescribed by the Secretary of State. The other departments of the Government are authorized and directed to

assistants shall be prescribed by the Secretary of State. The other departments of the Government are authorized and directed to cooperate with the Secretary of State or his authorized representatives in preparing the exhibit.

SEC. 3. The Secretary of State is authorized to employ such assistants as may be deemed necessary to carry, out the provisions of this resolution, and to fix their reasonable compensation without regard to the civil-service laws and regulations and the Classification Act of 1923, as amended; to purchase such materials, contract for such labor and other services as may be necessary, without regard to the provisions of section 3709 of the sary, without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5). The Secretary of State may delegate to the commissioner or other officer any of the powers vested in him by this resolution as may be deemed advisable.

advisable.

Sec. 4. In order to defray the expenses of representation of the United S'ates at the exhibition, including personal services in the District of Columbia or elsewhere; transportation of things; traveling and subsistence expenses; rent and heating, light, and maintenance services; printing and binding; selection, purchase, assembling, preparation, transportation, arrangement, safekeeping, demonstration, removing, repairing, and altering of an exhibit or exhibits, including the preparation of an exhibit plan; official cards; entertainment; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; communication services murchase or passenger-carrying vehicles; communication service; purchase or rental of furniture and equipment; stationery and supplies, books of reference, and periodicals, newspapers, and other appropriate publications, maps, reports, documents, plans, specifications, and manuscripts; and ice and drinking water for office use: *Provided*, That arrangements for telephone services, rents, and subscriptions That arrangements for telephone services, rents, and subscriptions to newspapers and periodicals may be made in advance; and such other expenses as may be necessary in the opinion of the Secretary of State to carry out the purposes of this resolution; the sum of \$35,500, or so much thereof as may be necessary, is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until expended for the purposes of this joint resolution, and any unexpended balances shall be covered into the Treasury of the United States. All expenditures shall be subject to the approval of the Secretary of State and payable upon his certification: Provided further, That he is authorized in his discretion to delegate this authority to the commissioner or such other officer as he may deem advisable. Such expenditures shall not be subject to the provisions of any law regulating or limiting expenditure of public money other than this resolution, but this provision shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, or permit any indebtedness to be incurred in excess of the amount permit any indebtedness to be incurred in excess of the amount authorized to be appropriated.

Sec. 5. The heads of the various executive departments and inde-

SEC. 5. The heads of the various executive departments and independent offices and establishments of the Government are authorized and directed to assist the Secretary of State, or such other officers of the Government as may be designated or appointed by the Secretary of State, to assemble the exhibit, in the procurement, installation, and display of an exhibit or exhibits; to lend such materials, articles, manuscripts, documents, papers, specimens, and exhibits as the Secretary of State shall deem to be in the interest of the United States in carrying out the purposes of this resolution; and to contract for such labor or other services as may be requested

by the Secretary of State, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5).

SEC. 6. The commissioner or officer in charge of the preparation of the exhibit, with the approval of the Secretary of State, may receive from any source contributions of material to aid in carrying out the general purposes of this resolution, and at the close of the out the general purposes of this resolution, and at the close of the exhibition or when the connection of the Government of the United States therewith ceases shall, under the direction of the Secretary of State, return the articles so contributed to the source from which they came, or dispose of them, or such portion thereof as may be unused, and account therefor.

SEC. 7. Any expenses incident to the restoration of any of the property assembled under the provisions of this resolution to such a condition which will permit its use at subsequent exhibitions or

celebrations, and for the continued employment of personnel necessary to close out the fiscal and other records and to prepare the reports, may be paid from the appropriation authorized herein.

SEC. 8. It shall be the duty of the Secretary of State to transmit to the Congress within 6 months after the close of the exhibition

a detailed statement of all expenditures, together with such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient

Mr. BLOOM. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 3, line 23, strike out "\$35,500" and insert in lieu thereof "\$15,000."

The amendment was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope this resolution will pass. It is extremely fitting that we should be represented at the Polar Exploration Exposition at Bergen. Norway. Norway has always been our very good friend, and the United States polar explorations have been most notable. We, in Massachusetts, are especially interested, due to the fact that Admiral Richard Byrd has made such extremely valuable contributions.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 291) was laid on the table.

APPORTIONMENT OF COST BETWEEN THE UNITED STATES AND THE OWNERS OF CERTAIN BRIDGES

Mr. CROSSER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1989) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

Mr. TABER. Mr. Speaker, reserving the right to object,

will the gentleman explain this bill?

Mr. CROSSER. Mr. Speaker, the transportation bill that was passed last week contained a provision about the apportionment of the cost of alterations of bridges between the Government and the railroads when they were ordered changed or rebuilt by any of the departments of the Government. There will not be any agreement in conference on the bill before January, and the gentleman from Alabama [Mr. Hobbs] is interested in a matter down in his district and would like the legislation to take effect so far as the bridge matter is concerned now. This is practically the section that was in the transportation bill passed last week with regard to bridges.

Mr. TABER. It has to do with bridge matters and nothing else?

Mr. CROSSER. Nothing else but bridges.

Mr. TABER. And the committee has all agreed to it?

Mr. CROSSER. Yes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc .-

DEFINITIONS

SECTION 1. When used in this act, unless the context indicates otherwise-

The term "alteration" includes changes of any kind and reconstruction.

The term "bridge" means a lawful bridge over navigable waters of the United States, including approaches thereto, used and operated for the purpose of carrying railroad traffic, or both railroad and highway traffic.

road and highway traffic.

The term "bridge owner" means any corporation, association, partnership, or individual owning any bridge, and when any bridge shall be in the possession or under the control of any trustee, receiver, trustee in bankruptcy, or lessee, said term shall include both the owner of the legal title and the person or entity in possession or control of such bridge.

The term "Secretary" means the Secretary of War acting directly or through the Chief of Engineers.

The term "United States," when used in a geographical sense, includes the Territories and possessions of the United States.

OBSTRUCTION OF NAVIGATION

SEC. 2. No bridge shall at any time unreasonably obstruct the free navigation of any navigable waters of the United States.

NOTICE, HEARINGS, AND FINDINGS

SEC. 3. Whenever any bridge shall, in the opinion of the Secre-SEC. 3. Whenever any bridge shall, in the opinion of the Secretary, at any time unreasonably obstruct such navigation, it shall be the duty of the Secretary, after notice to interested parties, to hold a hearing at which the bridge owner, those interested in water navigation thereunder or therethrough, those interested in either railroad or highway traffic thereover, and any other party or parties in interest shall have full opportunity to offer evidence and be heard as to whether any alteration of such bridge is needed, and if so what alterations are needed, having due regard to the necessity of free and unobstructed water navigation and to the necessities of the rail or highway traffic. If, upon such hearing, the Secretary determines that any alterations of such bridge are necessary in order to render navigation through or under it reanecessary in order to render navigation through or under it reasonably free, easy, and unobstructed, having due regard also for the necessities of rail or highway traffic thereover, he shall so find and shall issue and cause to be served upon interested parties an order requiring such alterations of such bridge as he finds to be reasonably necessary for the purposes of navigation.

SUBMISSION AND APPROVAL OF GENERAL PLANS AND SPECIFICATIONS

SEC. 4. It shall be the duty of the bridge owner to prepare and submit to the Secretary, within 90 days after service of his order, general plans and specifications to provide for the alteration of such bridge in accordance with such order, and for such additional alteration of such bridge as the bridge owner may desire to meet the necessities of railroad or highway traffic, or both. The Secretary may approve or reject such general plans and specifications, in whole or in part, and may require the submission of new or additional plans and specifications, but when the Secretary shall have approved general plans and specifications, they shall be final and binding upon all parties unless changes therein be afterward approved by the Secretary and the bridge owner.

CONTRACTS FOR PROJECT; GUARANTY OF COST

SEC. 5. After approval of such general plans and specifications SEC. 5. After approval of such general plans and specifications by the Secretary, and within 90 days after notification of such approval, the bridge owner shall, in such manner as the Secretary may prescribe, take bids for the alteration of such bridge in accordance with such general plans and specifications. All bids, including any bid for all or part of the project submitted by the bridge owner, shall be submitted to the Secretary, together with a recommendation by the bridge owner as to the most competent bid or bids, and at the same time the bridge owner shall submit to the Secretary a written graranty that the total cost of the to the Secretary a written guaranty that the total cost of the project, including the cost of such work as is to be performed by the bridge owner and not included in the work to be performed by the bridge owner and not included in the work to be performed by contract, shall not exceed the sum stated in said guaranty. The Secretary may direct the bridge owner to reject all bids and to take new bids, or may authorize the bridge owner to proceed with the project, by contract, or partly by contract and partly by the bridge owner, or wholly by the bridge owner. Upon such authorization and fixing of the proportionate shares of the cost as provided in section 6, the bridge owner shall, within a reasonable time to be prescribed by the Secretary, proceed with the work of alteration; and the cost thereof shall be borne by the United States and by the bridge owner, as hereinafter provided.

APPORTIONMENT OF COST

SEC. 6. At the time the Secretary shall authorize the bridge owner to proceed with the project, as provided in section 5, and after an opportunity to the bridge owner to be heard thereon, the Secretary shall determine and issue an order specifying the proportionate shares of the total cost of the project to be borne by the United States and by the bridge owner. Such apportionment shall be made on the following basis: The bridge owner shall bear such part of the cost as is attributable to the direct and project. shall be made on the following basis: The bridge owner shall bear such part of the cost as is attributable to the direct and special benefits which will accrue to the bridge owner as a result of the alteration, and the United States shall bear the balance of the cost. In such direct and special benefits shall be included additional length of life or period of usefulness of a bridge. In apportioning cost due allowance to the bridge owner shall be made for the present value of bridge replaced at the time of replacement.

PAYMENT OF SHARE OF THE UNITED STATES

SEC. 7. When the Secretary shall have approved the general plans and specifications for the alteration of such bridge and the guaranty with respect to the cost thereof, and shall have fixed the proportionate shares thereof as between the United States and the bridge owner, he shall furnish to the Secretary of the Treasury a certified copy of his approval of such plans and specifications and of his order fixing the proportionate shares of the guaranty, and of his order fixing the proportionate shares of the guaranty, and of his order fixing the proportionate shares of the United States and of the bridge owner, and the Secretary of the Treasury shall thereupon set aside, out of any appropriation available for such purpose, the share of the United States payable under this act on account of the project. When the Secretary finds that such project has been completed in accordance with his order, he shall cause to be paid to the bridge owner, out of the funds so set aside, the proportionate share of the total cost of the project the project to the United States; or he may the he discrete force. set aside, the proportionate share of the total cost of the project allocated to the United States; or he may, in his discretion, from time to time, cause payments to be made on such construction costs as the work progresses. The total payments out of Federal funds shall not exceed the proportionate share of the United States of the total cost of the project paid or incurred by the bridge owner, and, if such total cost exceeds the cost guaranteed by the bridge owner, shall not exceed the proportionate share of

the United States of such guaranteed cost, except that if the cost of the work exceeds the guaranteed cost by reason of emergencies, conditions beyond the control of the owner, or unforeseen or undeconditions beyond the control of the owner, or unforeseen or undetermined conditions, the Secretary may, after full review of all the circumstances, provide for additional payments by the United States to help defray such excess cost to the extent he deems to be reasonable and proper, and shall certify such additional payments to the Secretary of the Treasury for payment. All payments to any bridge owner herein provided for shall be made by the Secretary of the Treasury on warrants drawn by the Secretary, payable to the bridge owner. payable to the bridge owner.

APPROPRIATION AUTHORIZED

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. FAILURE TO COMPLY WITH ORDERS; PENALTIES; REMOVAL OF BRIDGE

SEC. 9. Any bridge owner who shall willfully fail or refuse to remove a bridge, or so much thereof as may have been found by the Secretary to be an unreasonable obstruction to navigation, or to comply with any lawful order of the Secretary, made in accordance with the provisions of this act, shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished in any court of competent jurisdiction by a fine not exceeding \$5,000, and every month such bridge owner shall remain in default shall be deemed a new offense and subject such bridge owner to additional penalties therefor. In addition to the penalties above prescribed the Secretary may, upon the failure or refusal of any bridge owner to comply with any lawful order issued by the Secretary in regard thereto, cause the removal of any such bridge and accessory works at the expense of the bridge owner; and suit for such expense may be brought in the name of the United States against such bridge owner and recovery had for such expense in any court of competent jurisdiction. The removal of any bridge erected or maintained in violation of the provisions of this act or the order or direction of the Secretary made in pursuance thereof, and compliance with any order of the Secretary made with respect to any bridge in accordance with the provisions of this act, may be enforced by injunction, mandamus, or other summary process upon application to the district court of any district in which such bridge may, in whole or in part, exist, and proper proceedings to this end may be instituted under the direction of the Secretary.

REVIEW OF FINDINGS AND ORDERS SEC. 9. Any bridge owner who shall willfully fail or refuse to

REVIEW OF FINDINGS AND ORDERS

SEC. 10. Any order made or issued under section 6 of this act may be reviewed by the circuit court of appeals for any judicial circuit in which the bridge in question is wholly or partly located, if a petition for such review is filed within 3 months after the date such order is issued. The judgment of any such court shall be final except that it shall be subject to review by the Supreme Court of the United States upon certification or certiorari, in the manner provided in sections 239 and 240 of the Judicial Code, as amended. The review by such Court shall be limited to questions of law, and the findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive. Upon such review, such Court shall have power to affirm or, if the order is not in accordance with law, to modify or to reverse the order, with or without remanding the case for a rehearing as justice may require. Proceedings under this section shall not operate as a stay of any order of the Secretary issued under provisions of this act other than section 6, or relieve any bridge owner of any liability or penalty under such provisions.

REGULATIONS AND ORDERS SEC. 10. Any order made or issued under section 6 of this act

REGULATIONS AND ORDERS

SEC. 11. The Secretary is authorized to prescribe such rules and regulations, and to make and issue such orders, as may be necessary or appropriate for carrying cut the provisions of this act.

EXISTING PROVISIONS OF LAW

Sec. 12. The first sentence of section 4 of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906 (U. S. C., 1934 ed., title 33, sec. 494), and section 18 of the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1899 (U. S. C., 1934 ed., title 33, sec. 502), shall be inapplicable with respect to any bridge to which the provisions of this act are applicable; and, in any case in which any requirement under either of such sections has been made with respect to the alteration of any bridge and such alteration had not been begun prior to January 1, 1939, the provisions of this act shall be applicable with respect to such alteration, and the Secretary shall make such additional findings and orders and take such other action as may be necessary in order to provide that such alteration will be made as nearly as possible in conformity with the provisions of this act.

RELOCATION OF BRIDGES SEC. 12. The first sentence of section 4 of the act entitled "An

RELOCATION OF BRIDGES

SEC. 13. If the owner of any bridge used for railroad traffic and the Secretary shall agree that in order to remove an obstruction the Secretary shall agree that in order to remove an obstruction to navigation, or for any other purpose, a relocation of such bridge or the construction of a new bridge upon a new location would be preferable to an alteration of the existing bridge, such relocation or new construction may be carried out at such new site and upon such terms as may be acceptable to the bridge owner and the Secretary, and the cost of such relocation or new construction, including also any expense of changes in and additions to rights-of-way, stations, tracks, spurs, sidings, switches, signals, and other railroad facilities and property, and relocation of shippers required

for railroad connection with the bridge at the new site, shall be apportioned as between the bridge owner and the United States in the manner which is provided for in section 6 hereof in the case of an alteration and the share of the United States paid from the appropriation authorized in section 8 hereof: *Provided*, That nothing herein shall be construed as requiring the United States to pay any part of the expense of building any bridge across a navigable stream which the Secretary of War shall not find to be in fact a relocation of an existing bridge.

Mr. CROSSER. Mr. Speaker, I offer the following committee amendments:

Page 1, lines 6 and 7, strike out "kind and reconstruction." and insert in lieu thereof, "kind, reconstruction, or removal in whole or in part."

Page 5, strike out after "and" in line 17 the balance of line 17 and all of lines 18 to 22, inclusive, and in lieu thereof insert the following: "that part of the cost attributable to the requirements of traffic by railroad or highway, or both, including any expenditure for increased carrying capacity of the bridge, and including such proportion of the actual capital cost of the old bridge or of such part of the old bridge as may be altered or changed or rebuilt as the used service life of the whole or a part, as the case may be, bears to the total estimated service life of the whole or such part. The United States shall bear the balance of the cost, including that part attributable to the necessities of navigation."

The United States shall bear the balance of the cost, including that part attributable to the necessities of navigation."

Page 7, strike out all after "refuse to" in line 16, down to and including "or to" in line 18.

Pages 9 and 10, strike out all of section 12, and in lieu thereof insert the following:

"SEC. 12. (a) The first sentence of section 4 of the act entitled 'An act to regulate the construction of bridges over navigable waters', approved March 23, 1906 (U. S. C., 1934 ed., title 33, sec. 494), and section 18 of the act entitled 'An act making appropriations for the construction repair and preservation of certain priations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved March 3, 1899 (U. S. C., 1934 ed., title 33, sec. 502), shall be inapplicable with respect to any bridge to which the provisions of this act are applicable, except to the extent provided in this

section.

"(b) Any bridge, the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to July 1, 1939, and was not completed on such date, and in the case of which no penalties have accrued at the time of the enactment of this act, shall be constructed, reconstructed, or altered as required by such order, and not in accordance with the provisions of this act. In the case of any such bridge, however, the Secretary shall apportion the cost of the project between the bridge owner and the United States, and payment of the share of the United States shall be made, in the same manner as if the provisions of this act applied to such construction, reconstruction, or alteration, subject to the following limitations:

"(1) In case such construction, reconstruction, or alteration has

"(1) In case such construction, reconstruction, or alteration has not begun on the date of enactment of this act, such apportionment of cost shall be made only if (A) the construction, reconstruction, or alteration is carried out in accordance with plans and specifications, and pursuant to bids, approved by the Secretary, and (B) the bridge owner has submitted to the Secretary, a written guaranty of cost as provided for in section 5.

"(2) The Secretary's determination as to such apportionment, and as to such plans and specifications and bids, shall be final.

"(3) Such apportionment shall not be made if such construction

"(3) Such apportionment shall not be made if such construction, reconstruction, or alteration is not completed within the time fixed in such order of the Secretary or within such additional time (not to exceed 25 percent of the time allowed in the order for such completion) as the Secretary, for good cause shown, may

"(c) Any bridge (except a bridge to which subsection (b) applies) the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to July 1, 1939, and was not begun before such date, shall be subject to the provisions of this act as though such order had not been issued, and ompliance with the provisions of this act and with such orders as may be issued thereunder shall be considered to constitute compliance with such order issued prior to July 1, 1939, and with the provisions of law under which it was issued."

Page 11, line 7, after "nothing", strike out "herein", and insert "in this section".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN ULLMANN, JR.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2427, authorizing the naturalization of John Ullmann, Jr., and consider the same.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to take from the Speaker's table the bill S. 2427 and consider the same, which the Clerk will The Clerk read as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, at any time within 1 year after the date of enactment of this act, John Ullmann, Jr., of the United States Navy, retired, may be naturalized as a citizen of the United States by taking the naturalization oath of allegiance before any court having jurisdiction of the naturalization of aliens.

Mr. CASE of South Dakota. Mr. Speaker, this bill (S. 2427) is one of the most meritorious naturalization bills that has ever come to my attention. It will authorize the naturalization of John Ullmann, Jr., at any time within 1 year, by the taking of the naturalization oath of allegiance by Mr. Ullmann before any court having jurisdiction of the naturalization of aliens. It appears that Mr. Ullmann was born in Russia in 1884 and came to this country with his parents in 1892. The father, John Ullmann, Sr., took out his first papers in Clay County, Nebr., in 1893. They were under the mistaken belief that this was all that was required and that such action conferred citizenship upon the entire family, some of whom moved to South Dakota.

It was not until 1914 that Mr. Ullmann, Sr., received his final papers at which time John Ullmann, Jr., had reached his majority. In 1906 he enlisted in the Navy and at that time his citizenship was established to the satisfaction of the Navy Department officials upon an affidavit by the father. In 1914 his citizenship was again established upon a similar affidavit to the satisfaction of the Navy Department. Mr. Ullmann was retired at Shanghai, China, in 1936, upon the completion of 30 years' service. He immediately was appointed as an assistant deputy United States marshal in Shanghai, which position he held for 18 months. Since that time he has been employed by two or three American tobacco firms, representing their interests in China. He returned to this country in February of this year on a visit and was admitted as a citizen upon the presentation of his Navy papers. During the month of April he learned definitely that he did not acquire citizenship upon the naturalization of his father and immediately filed a declaration of intention, however, under the regular procedure, it will be 5 years before he can receive his final papers.

Mr. Ullmann has a wife and four children in Shanghai and they, of course, cannot come to this country until his citizenship is established and neither can he obtain a passport to return to China. He had an excellent record while in the United States Navy.

The consideration of the House in passing S. 2427 to meet this situation is appreciated.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIEN M'MAHON

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2478) to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases, and consider the same.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table the bill S. 2478, and consider the same. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. Will the gentleman please explain what this bill is?

Mr. WALTER. Mr. Speaker, this bill extends the statutory period so that Mr. McMahon, who was an Assistant Attorney General, may try the Harlan County cases over again without having the 2-year period apply to him. It does not involve any additional appointment. It merely permits the 2-year period to start from the time he left the employment of the Department of Justice.

Mr. TABER. Does this call for any additional expense?

Mr. WALTER. No.

Mr. TABER. And it relates specifically to him and not to anyone else?

Mr. WALTER. Not to anyone else.

Mr. HANCOCK. He was employed as a special counsel to try these cases, and this is to permit him to proceed with the cases of which he has had charge.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the employment of Brien McMahon as an attorney or counselor specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice, at a compensation not to exceed the rate of \$10,000 per annum, to assist in the conduct of the case of United States against Mary Helen Corporation and others, in the eastern district of Kentucky, and the case of Société Suisse pour Valeurs de Metaux, petitioner, against Homer S. Cummings, Attorney General of the United States, and William A. Julian, Treasurer of the United States, in the District of Columbia, including all proceedings therein and any other case or proceeding, appellate or otherwise, that may arise out of or pertain to the matters or any of them involved in the said cases, shall not be construed to be employment within the meaning of sections 109 and 113 of the Criminal Code of the United States, as amended (U. S. C., title 18, secs, 198 and 203), or section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTION OF CERTAIN TELEPHONE EXCHANGES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1234) to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938," and consider the same.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. What is this?

Mr. RAMSPECK. This is the so-called rural telephone exchange exemption. I think everyone is in favor of it. I talked with the gentleman from Massachusetts [Mr. Martin] and he is agreeable to this.

Mr. RICH. We may not object to this particular provision, but the gentleman has a lot of things in the National Labor Relations Act that ought to be changed. Can we expect any relief on that legislation which is anticipated by the people of this country?

Mr. RAMSPECK. This has nothing to do with the National Labor Relations Act.

Mr. RICH. This is the Wage and Hour Act?

Mr. RAMSPECK. Yes.

Mr. RICH. There are other features which the gentleman's committee is interested in, and are we to get any relief from that?

Mr. RAMSPECK. I cannot tell about that.

Mr. TABER. Will the gentleman tell how far this goes?

Mr. RAMSPECK. It simply exempts from the wage and hour provisions switchboard operators employed in telephone exchanges having less than 500 stations.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled the "Fair Labor Standards Act of 1938," be, and the same is hereby, amended by adding a new subsection 11 as follows: "or (11) any switchboard operator employed in a public telephone exchange which has less than 500 stations."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SURPLUS AGRICULTURAL COMMODITIES

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the present consideration of a conference report on the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

The SPEAKER. The gentleman from Alabama asks unanimous consent for the present consideration of a conference report upon the bill S, 2697. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. Will the gentleman explain what this is?

Mr. STEAGALL. This conference report is entirely satisfactory to all of the conferees.

Mr. TABER. On both sides of the aisle?

Mr. STEAGALL. Yes.

Mr. TABER. And it is approved by the gentleman from Massachusetts [Mr. Martin]?

Mr. STEAGALL. Yes; with certain amendments which are entirely satisfactory to him.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the conference report. The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"The Commodity Credit Corporation is authorized and directed to transfer to warehouses in or near cotton manufacturing centers in New England not to exceed 300,000 bales of cotton, to which it now has title or may hereafter acquire title, having regard for the grades and staples customarily required by manufacturers in that area: Provided, That all necessary costs in connection with such transfer will not result in additional net cost to the Corporation.

"In determining specific cotton to be exchanged under this Act, the determination shall be made by sampling and selection at the place where the cotton is stored on the date of ratification of a treaty providing for such exchange, and no cotton shall be exchanged under such treaty which, after such date, is transported to another place and there sampled and selected."

And the House agree to the same.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
JESSE P. WALCOTT,
CHARLES L. GIFFORD,
Managers on the part of the House.
JAMES F. BYRNES,
J. H. BANKHEAD,
PERNTISS M. BROWN,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The House amendment provided that the Commodity Credit Corporation should warehouse in or near cotton—manufacturing centers in New England such reasonable amounts of cotton held as security for loans as the Corporation deemed necessary to meet local manufacturing needs, and in no event was the amount to be less than 300,000 bales. It was also provided that the written consent of the producer or borrower to reconcentration, as provided in section 383 (b) of the Agricultural Adjustment Act should not be required, and in determining specific cotton to be exchanged the determination was to be made by sampling and selection at the place where the cotton was stored on the date of the enactment of the act, and no cotton was to be exchanged which after such date was transported to another place and there sampled and selected.

383 (b) of the Agricultural Adjustment Act should not be required, and in determining specific cotton to be exchanged the determination was to be made by sampling and selection at the place where the cotton was stored on the date of the enactment of the act, and no cotton was to be exchanged which after such date was transported to another place and there sampled and selected.

The conference agreement provides that the Commodity Credit Corporation shall transfer to warehouses in or near cotton-manufacturing centers in New England not to exceed 300,000 bales of cotton, to which it has or may hereafter acquire title, having regard for the grades and staples customarily required by manufacturers in that area, provided that all necessary costs in connection with such transfer will not result in additional net cost to the Corporation. It is also provided that in determining specific cotton to be exchanged the determination shall be made by sampling and selection at the place where the cotton is stored on the date of the

ratification of a treaty providing for such exchange, and no cotton is to be exchanged under such treaty which, after such date, is transported to another place and there sampled and selected.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
JESSE P. WOLCOTT,
CHARLES L. GIFFORD,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

POSTAL POWERBOAT SERVICE IN ALASKA

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 882, to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes, and consider the same at this time.

The SPEAKER. The gentleman from Missouri asks unanimous consent to take from the Speaker's table the bill S. 882, and consider the same. Is there objection?

Mr. TABER. Reserving the right to object, Mr. Speaker,

will the gentleman explain this bill?

Mr. ROMJUE. Under the present law the Postmaster General has no authority to make any contract for carrying passengers. All he can do is to make contracts in regard to carrying the mail. The Department has had great difficulty in getting anyone to carry the mail for the money they are allowed.

I would like for the Delegate from Alaska [Mr. DIMOND] to explain the details of it.

Mr. DIMOND. If the gentleman will yield-

Mr. ROMJUE. I yield.

Mr. DIMOND. In a certain part of Alaska, in that part which embraces the Alaska Peninsula and some of the Aleutian Islands, a region about 1,000 miles long, and containing six or seven or eight thousand people, there is difficulty in getting facilities for transportation for freight or passengers.

The purpose of this bill is to improve the service, so that in addition to furnishing transportation of the mail in this region, the bill will authorize the Postmaster General to require that the mail carrier also use in the service a safe and seaworthy boat of sufficient size to carry a reasonable number of passengers and some freight, in order to give adequate transportation service. The bill has the approval of the Bureau of the Budget and the Postmaster General, and we have a unanimous report from the Committee on the Post Office and Post Roads, and it has been passed by the Senate by unanimous consent.

Mr. TABER. What will be the additional cost?

Mr. DIMOND. In my judgment, the additional cost will be about \$20,000 a year, but it may be somewhat more. I want to say to the House, however, that in the recent contracts that were made in 1938 for the carriage of mails in Alaska, we effected a very great savings on other contracts, so that the Government, even under this bill, will not pay any more money for the service generally than it has paid out before.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. Romjue]?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Postmaster General may, in his discretion, contract for a period of not exceeding 4 years, without advertisement therefor, for the carriage of all classes of mail, by steamboat or other powerboat of United States registry, on the route from Seward, by points on Kenai Peninsula, Kodiak Island, Alaska Peninsula, the Aleutian Islands to Umnak Island, and points on Bristol Bay, Alaska, and vicinity, and back, by a schedule and under the conditions prescribed by the Postmaster General; the contractor to furnish and use in the service a safe and seaworthy boat of sufficient size to provide adequate space for mail, passengers, and freight, the annual cost not to exceed \$125,000, payment therefor to be made from the appropriation for powerboat service.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KANIKSU NATIONAL FOREST

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2752) to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 10, line 18, after "forests", insert "Lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. TABER. Mr. Speaker, reserving the right to object, is that a usual provision to put in this kind of a bill?

Mr. DeROUEN. Yes, sir. This was passed by both the Senate and the House. That amendment originated with the gentleman from California [Mr. Englebright], who wishes this reservation made on all bills.

Mr. TABER. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHEPPARD. Mr. Speaker, when the resolution providing for the consideration of H. R. 7120, the lending bill, was voted on Tuesday last, I was absent from the House due to being in the hospital. Had I been present I would have voted "aye" on the adoption of the resolution.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, at this time I ask unanimous consent to extend my own remarks in the Record and include a radio address by Mr. R. W. Blackburn, secretary, American Farm Bureau Federation, made last evening.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the resolution relating to the Housing Act.

The SPEAKER. Without objection, it is so ordered. There was no objection.

PETROLEUM INVESTIGATION

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 290.

The Clerk read the resolution, as follows:

House Resolution 290

Whereas in 1934 the Committee on Interstate and Foreign Commerce, by a subcommittee thereof, under authority of House Resolution 441, Seventy-third Congress, conducted a petroleum investigation and on January 3, 1935, submitted to the House a report thereon (Rept. No. 2, 74th Cong.), which investigation and report served as the basis for the enactment of important oil legislation;

Whereas on July 22, 1939, the President of the United States addressed a letter to the chairman of the Committee on Interstate and Foreign Commerce of the House, reading, in part, as follows:

and Foreign Commerce of the House, reading, in part, as follows:

"I appreciate the thoroughness with which the Committee on Interstate and Foreign Commerce conducted the petroleum investigation in 1934 in response to H. R. 441; but in the light of changes that have taken place, I believe the committee may wish to study developments since that time by investigation and hearings prior to the next session of the Congress. To this end, and with a view to the enactment of suitable legislation in the next session, I request that the petroleum conservation bill which I today discussed with you and Representative Cole be introduced at this session"; and Whereas the bill referred to by the President in such letter was introduced on July 26, 1939, as H. R. 7372: Therefore be it Resolved, That the Committee on Interstate and Foreign Commerce, as a whole or by subcommittee, is authorized—

(a) To conduct such investigation as may be necessary to bring up to date its study and report made pursuant to House Resolution

up to date its study and report made pursuant to House Resolution

441, Seventy-third Congress, which provided for the investigation of (1) the production, importation, storage, transportation, refining, purchase, and sale of petroleum and its products for the purpose of determining whether there is an excessive supply of petroleum and its products; whether such excessive supply, if it exists, injuriously affects commerce in petroleum and its products and has the effect of rendering unprofitable the operation of wells of small but settled production and will cause their natural resources, induced by absence of restrictions upon the quantity which may move in com-merce, results in waste and inferior uses; whether restrictions should be placed upon the quantities of petroleum and its products which may move in commerce when an excessive supply exists, and if so, whether such restrictions should regulate and coordinate commerce in petroleum and its products among the several States and with foreign nations, with fair and equitable apportionment among the States and among different operators and sources of supply; and whether commerce in petroleum and its products is of such a nature that it may be regarded as a unit for the purpose of establishing quotas irrespective of whether transactions are interstate or intrastate, or whether exportation or importation is involved; and (2) all other questions in relation to the subject of regulating commerce in petroleum and its products; and

(b) To investigate the methods and practices employed in the production and storage of petroleum from deposits within the United States, for the purpose of determining whether such methods United States, for the purpose of determining whether such methods and practices are wasteful of petroleum and the reservoir energy available for recovery thereof from such deposits; whether the employment of such methods and practices is inimical to the maintenance of reserves of petroleum, and of the facilities for the recovery and transportation thereof, available for military and supporting civilian needs in an adequate national defense; and whether the employment of such methods and practices burdens and obstructs interstate commerce and unduly limits the usefulness of instruments of transportation in and causes the abandonment of facilities. ments of transportation in, and causes the abandonment of facili-ties for, such commerce; and to investigate any other matters bearing upon the practicability and advisability of enacting legis-lation of the character of H. R. 7372, introduced on July 26, 1939;

(c) To investigate methods and practices employed in the production, transportation, and distribution of petroleum and its products for the purpose of determining whether such methods and practices, in or in relation to interstate commerce in petroleum and its products, constitute unfair methods and practices from the standpoint of their effect upon producers and consumers.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) during the present Congress the results of its investigation, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee, or any sub-

For the purposes of this resolution the committee, or any sub-committee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RIGHT-OF-WAY FOR BLUE RIDGE PARKWAY ACROSS CHEROKEE INDIAN RESERVATION, N. C.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6668) to grant the State of North Carolina a right-of-way for the Blue Ridge Parkway across the Cherokee Indian Reservation in North Carolina, to provide for the payment of just compensation for said right-of-way, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. RICH. Mr. Speaker, reserving the right to object. I would like to have the gentleman explain this bill.

Mr. Derouen. This bill has been before the committee for several years. It provides for a right-of-way through the Cherokee Indian Reservation in North Carolina. The disagreement was that the survey which was at first proposed went through the Soco Reservation, where the agricultural lands, the best lands of the Indians, were, and we objected to that. So finally, after long hearings during several years, we recently held a hearing before the committee and an agreement was reached by which we were willing to grant this right-of-way, provided it would not go through the Soco

Valley, and provided further that a new section would be added as section 8 of the bill, which provides as follows:

Nothing in this act shall be deemed to constitute a precedent for authorizing the Secretary of the Interior or any other officer of the United States to grant or take for any purpose any other Indian lands or property within the Cherokee Indian Reservation without the consent of the Eastern Band of Cherokee Indians.

The chief and the assistant chief of the Cherokees testified before our committee and agreed that if this amendment were added to the bill they would have no objection to the enactment of the bill.

This bill provides that the State of North Carolina must buy and pay for all this land, and give it without any cost to the United States Government.

Mr. RICH. What are we going to do to take care of the Indian tribes?

Mr. Derouen. The Indian tribes are cared for under the Indian laws.

Mr. RICH. If we take this land from the Indian tribes because of the passing of this legislation, what are we going to do to reimburse the Indians, and who is going to pay it?

Mr. Derouen. The Indians will receive \$40,000 for this right-of-way on the ridge and not in the Soco Valley, where they have their land. Both the chief and the assistant chief stated to the committee that there was no disagreement. The only thing they were afraid of was that other roads might be built. They did not want this to happen too often, and did not want other roads going through their reservation. They realized, however, that it would mean much to them as well as to other people, and there was no disagreement between the white folks in the States and the authorities. With the adoption of this change they were perfectly satisfied. They did not want this to constitute a precedent; and secondly, they did not want the road to go through the Soco Valley, but on the ridge, way up where no one lives.

Mr. RICH. Then the Indian tribes will not come back on the Federal Government at some time in the future and expect us to make them a further payment?

Mr. DEROUEN. Not at all. The State of North Carolina pays the Indian tribes \$40,000 for the right-of-way.

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I am a member of the Committee on Indian Affairs, but I have no recollection of our committee's considering this bill. The subject matter of the bill would seem to bring it within the jurisdiction of the Committee on Indian Affairs. What committee did consider this bill?

Mr. DEROUEN. I will explain to the gentleman. This has to do with a right-of-way for a road.

Mr. RICH. For a parkway.

Mr. DEROUEN. For a parkway, a continuation of the Great Smokies National Parkway. It has been before the Committee on Public Lands for several years.

Mr. SCHAFER of Wisconsin. If the gentleman will yield further, this is a matter directly affecting an Indian reservation. I believe that before the House should be asked to pass this bill by unanimous consent, a bill dealing with a subject within the jurisdiction of the Committee on Indian Affairs, the members of that committee, at least, should have had the matter called to their attention.

Mr. Derouen. Let me answer it this way, as far as reference to the committee is concerned: That was done by the Parliamentarian. We have had it for about 4 years trying to arrive at a compromise. This is not the type of reservation one ordinarily thinks of when one speaks of Indian reservations.

Mr. SCHAFER of Wisconsin. If the Indians involved in this reservation have expressed their approval of this proposed bill I shall not object.

Mr. DEROUEN. Yes; they have; the chief and assistant chief living on the reservation. That is what I am trying to tell the gentleman.

Mr. SCHAFER of Wisconsin. In view of that fact, Mr. Speaker, I will withdraw my opposition, but I respectfully suggest that when any more Indian reservation bills are

referred to the gentleman's committee that he send them to the proper committee for consideration.

Mr. DEROUEN. I thank the gentleman.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and empowered, whenever he may determine that the requirements of this act have been fulfilled, to grant and convey to the State of North Carolina a right-of-way for the Blue Ridge Parkway across any lands or other property within the Cherokee Indian Reservation in North Carolina held in trust by the United States for the Eastern Band of Cherokee Indians. Such grant and conveyance shall pass to the State of North Carolina in fee simple absolute all right, title, and interest of the United States and the Eastern Band of Cherokee Indians in and to all lands and other property situate and lying within the boundaries of said right-of-way.

property situate and lying within the boundaries of said right-of-way.

Sec. 2. The location and boundaries of said right-of-way, which shall not exceed 1,000 feet in width, shall be determined by the Secretary of the Interior. Before approving any plan for the location and boundaries of said right-of-way the Secretary of the Interior shall transmit a copy of the plan to the council of the Eastern Band of Cherokee Indians, and shall allow said council at least 90 days thereafter for the submission of recommendations in favor of the approval or disapproval of the plan or in support of any alterations therein which said council may desire to propose. In determining the location and boundaries of said right-of-way, the Secretary of the Interior shall give effect to the recommendations submitted to him by the council of the Eastern Band of Cherokee Indians to the extent that he finds such recommendations to be consistent with the interest of the public in the proper placement of the Blue Ridge Parkway for recreational and other public purposes.

SEC. 3. In consideration for the granting of said right-of-way, the State of North Carolina shall pay to the United States in trust for the Eastern Band of Cherokee Indians a sum sufficient to constitute just compensation to the said band and the members thereof for the taking of said right-of-way for parkway purposes. The just compensation herein referred to shall cover all elements of damage for which the Constitution of the United States would require compensation to be made in proceedings brought by the United States for the condemnation of a like right-of-way across lands in private ownership, and shall also cover any further elements of damage for which the Constitution or laws of North Carolina would require compensation to be made in proceedings brought by the State highway commission for the condemnation of a like right-of-way across lands in private ownership, without diminution in either case for any benefits resulting from the use of said right-of-way for parkway purposes. All amounts agreed upon or awarded as just compensation for said right-of-way shall bear simple interest at the rate of 6 percent per annum until paid, to be computed from the date when deed for said right-of-way is accepted by the State of North Carolina.

SEC. 4. At any time after the determination of the location and boundaries of said right-of-way the council of the Eastern Band of Cherokee Indians may make a contract with the State of North Carolina, liquidating the sum to be paid as just compensation for said right-of-way and prescribing the time and manner of its payment. Such contract shall be approved by the Secretary of the Interior if he finds that the sum to be paid thereunder will meet the requirements of section 3 of this act and that the terms on which payment is to be made are fair and reasonable. Upon approval by the Secretary of the Interior such contract shall become binding upon the United States, the Eastern Band of Cherokee Indians, and the State of North Carolina.

Sec. 5. At any time after the determination of the location and boundaries of said right-of-way the Secretary of the Interior may execute and deliver a deed conveying said right-of-way to the State of North Carolina: Provided, however, That if no contract liquidating the sum to be paid as just compensation for said right-of-way shall have been made and approved, the Secretary of the Interior, before delivering such deed, shall require the State of North Carolina to furnish a bond, in form and amount satisfactory to him, conditioned for the payment of just compensation in accordance with section 3 of this act to the United States in trust for the Eastern Band of Cherokee Indians. Upon the delivery of a deed for said right-of-way and the acceptance of such deed by the State, title to said right-of-way shall vest in the State of North Carolina and right to the just compensation required in section 3 of this act shall vest in the United States, in trust for the Eastern Band of Cherokee Indians.

Sec. 6. After the delivery and acceptance of a deed for said

SEC. 6. After the delivery and acceptance of a deed for said right-of-way, the United States and the Eastern Band of Cherokee Indians shall each have the right to bring suit against the State of North Carolina for the enforcement of all obligations and rights running to or vested in either of them under this act, in the event of any controversy arising with respect to the amount to be paid as just compensation for said right-of-way or with respect to any other matters pertaining to said obligations and rights. Jurisdiction is hereby conferred upon the District Court of the United States for the Western District of North Carolina to hear and

decide any such cause in accordance with law and equity; to grant such relief therein to or against any party as may be appropriate and proper under the circumstances; and to issue all lawful process necessary for the accomplishment of the foregoing purposes. The Eastern Band of Cherokee Indians may intervene in, or be made a party to, any such suit brought by the United States may intervene in any such suit brought by the Eastern Band of Cherokee Indians but shall not be made a party involuntarily. Presided, however. That promptly upon the institu-Eastern Band of Cherokee Indians but shall not be made a party involuntarily: Provided, however, That promptly upon the institution of any such action to which the United States is not a party the said band shall cause written notice of the pendency of the action to be served upon the United States district attorney for the Western District of North Carolina, and that upon the expiration of 60 days from the date when such notice is served the United States shall be bound by any judgment or other order thereafter entered in the proceedings the same as a party thereto. The practice, pleadings, forms, and modes of proceeding in any such cause shall conform, as near as may be, to the practice, pleadings, forms, and modes of proceeding in condemnation suits brought by the United States in said district court where title has passed the United States in said district court where title has passed under a declaration of taking; and the orders or judgments ren-dered in any such cause shall be appealable to the same extent and in the same manner, as near as may be, as like orders or judgments rendered in condemnation suits brought by the United States in said district court where title has passed under such a declaration. Acceptance of the deed for said right-of-way by the State of North Carolina shall constitute a consent to be sued under

SEC. 7. Payment for said right-of-way shall be made by the State of North Carolina to the United States in trust for the Eastern Band of Cherokee Indians. All funds so received shall be deposited in the Treasury of the United States to the credit of the Eastern Band of Cherokee Indians, and shall be available for expenditure for such purposes as may be designated by the council of said band and approved by the Secretary of the Interior. In order to provide acceptable lands for purchase out of such funds the Secretary of the Interior, is barely authorized in his discretion to band and approved by the Secretary of the Interior. In order to provide acceptable lands for purchase out of such funds the Secretary of the Interior is hereby authorized, in his discretion, to grant to the Eastern Band of Cherokee Indians the beneficial interest in any lands selected by the council of said band within the tracts in the vicinity of Ravensford, N. C., now owned by the United States and known, respectively, as the Ravensford tract, containing approximately 884 acres, and the Boundary Tree tract, containing approximately 322 acres; and the said Secretary is hereby directed to exclude from the Great Smoky Mountains National Park any lands so selected and granted: Provided, however, That the quarry site within the Ravensford tract shall not be granted to said band. Prior to the consummation of any such grant, payment shall be made for all lands included therein by the transfer of a sum equal to the fair market value of such lands, as determined by the Secretary of the Interior, from the funds placed to the credit of said band under this section to the credit of the fund "National Park Service, donations," which transfer the Secretary of the Treasury is hereby authorized to make upon request by the council of said band approved by the Secretary of the Interior. Funds so transferred shall be available for national park and monument uses, including the acquisition of lands for the Interior. Funds so transferred shall be available for national park and monument uses, including the acquisition of lands for inclusion in the Great Smoky Mountains National Park. All lands purchased or otherwise acquired for the Eastern Band of Cherokee Indians with the funds received under this section shall constitute a part of the Cherokee Indian Reservation in North Carolina, shall be held by the United States in trust for said band, and shall be nontaxable and nonalienable to the same extent as other lands within said reservation.

With the following committee amendments:

Page 2, line 7, after the word "Interior", insert "except in the Soco Calley

Soco Calley."

Page 8, after line 6, add a new section as follows:
"SEC. 8. Nothing in this act shall be deemed to constitute a precedent for authorizing the Secretary of the Interior or any other officer of the United States to grant or take for any purpose any other Indian lands or property within the Cherokee Indian Reservation without the consent of the Eastern Band of Cherokee Indians." Cherokee Indians.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. Cole of Maryland and Mrs. O'Day asked and were given permission to revise and extend their own remarks.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a statement by the national commander of the Veterans of Foreign Wars.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WAGE-HOUR AMENDMENTS

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, the fact that there was no objection to the unanimous-consent request submitted by the gentleman from Georgia to consider a bill amending the Wage-Hour Act exempting only rural telephone exchanges having under 500 phones makes it very obvious that the rule reported yesterday to make in order the consideration of the three bills amending the Wage and Hour Act will not be called up.

We will not have a chance to vote on the Barden bill, for which the Committee on Rules provided a rule. We had every reason to expect it would come before the House. As one who was a member of the Labor Committee and who attended the hearings on that bill and as one who made the motion to recommit the Wage-Hour Act when it passed, may I say that the will of Congress has been thwarted by the leadership by not permitting the rule to come before the House. I believe the Barden bill would have passed the House. Something more than rural telephone exchanges needs to be exempted from the law. I would not have objected when that matter came up, but not a word has been said since this action has been taken, which means that the administration is afraid to let it come to the floor. We will not have a chance to consider it.

[Here the gavel fell.]

The SPEAKER. The Chair agreed to recognize the gentleman from Michigan [Mr. Hoffman], who states he has a question of personal privilege to present.

Mr. RAYBURN. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Texas. Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for a half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN].

There was no objection.

Mr. RAYBURN. Mr. Speaker, the House does not at this time seem to be inclined to consider very much legislation. especially any legislation of far-reaching importance. I have been asked, I guess, 50 times a day for the last week whether or not the so-called amendments to the wage-hour bill will be taken up for consideration during this session. The answer is, they will not.

Mr. SABATH rose.

The SPEAKER. Does the gentleman from Michigan [Mr. HOFFMAN] yield to the gentleman from Illinois?

Mr. HOFFMAN. Mr. Speaker, I do not. The SPEAKER. The gentleman from Michigan [Mr. HOFFMAN] is recognized. How long does the gentleman desire?

Mr. HOFFMAN. Not very long.

The SPEAKER. The gentleman is recognized for "not very long."

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Mr. Speaker, under the rule that means 1 hour, does it not?

The SPEAKER. If the gentleman presents a question of personal privilege, he is entitled to 1 hour.

Mr. HOFFMAN. Mr. Speaker, I have a question of personal privilege to present, a question that also involves the privileges of the House.

The SPEAKER. The gentleman will state his question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, this involves the integrity of the RECORD. Under date of July 27, when the gentleman from Illinois [Mr. Keller] had the floor, certain remarks were made by me under a reservation of the right to object. I send to the Speaker's desk a printed copy of the RECORD and a transcript from the Official Reporters, which shows that all of those remarks made by me were stricken from the RECORD by the gentleman from Illinois. That is the question of personal privilege and of the privilege of the House I now present, and which will be followed by a motion.

The SPEAKER. The Chair is of the opinion that the gentleman presents a question affecting the privileges of the House and he is recognized for 1 hour.

Mr. HOFFMAN. Mr. Speaker, I shall be very, very brief. Mr. Speaker, I raise this question because this is not the only instance in which the RECORD has not accurately reported the proceedings which have taken place on the floor. The question is not raised because the remarks which were stricken from the RECORD were deemed by me to be of any particular importance, but because it does involve the right of every Member, when he so desires, to have the remarks he made on the floor recorded in the RECORD.

Mr. DIRKSEN. Will the gentleman yield?
Mr. HOFFMAN. I yield to the gentleman from Illinois.
Mr. DIRKSEN. Would the gentleman care to apprise the Members of the language that was stricken, so that we will know what it is all about?

Mr. HOFFMAN. I will. I read from the official transcript. The gentleman from Illinois [Mr. Keller] had the floor and said:

Mr. Keller. Mr. Speaker, I ask unanimous consent to proceed for 2 more minutes

The SPEAKER. Is there objection?

Mr. Hoffman. Mr. Speaker, reserving the right to object, was the gentleman present in the Labor Committee this morning when John Lewis made that statement?

Mr. Keller. Yes; I was. Mr. Hoffman. Did you offer any objection? Mr. Keller. I did not.

Mr. Hoffman. You thought it was true, did you? Mr. Keller. I did not ask you for that, or anybody else. Mr. Hoffman. No; but I am asking you. [Laughter.]

Now, all of those words were stricken from the Record, and Mr. Keller's remarks appear as one connected statement without any interruption, without showing that anyone else took part in the colloquy. If those words had been stricken by someone on the Republican side, by some tory Democrat-if there be such a political creature-who had attempted to undermine the Constitution by destroying the right of free speech and a free press, perhaps I would not have thought much about it, because I know that the various "economic royalists" and all those who venture to question the wisdom or adaptability, whatever it may be termed, of the present program to our national problems, are to be criticized, and their remarks perhaps should be stricken from the RECORD; at least, that appears to be the view of some people. But the gentleman from Illinois [Mr. Keller] is a self-styled great liberal.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. What does the gentleman call a "liberal" today?

Mr. HOFFMAN. One who is willing to decide everything for us, solve every problem, every crisis, every emergency, without a moment's consideration, give away everyone's property except his own; something along that line. [Laughter.]

When the gentleman from Illinois, who is creating that great lake over there in his State for the benefit of the carp and the people who live around it, creating it at the expense of the taxpayers of the Nation for the benefit of the voters of his district, so that the "economic royalists" can build their homes down there on its shores, after the Government fixes it up, talks so much, so loudly, and, some may think, so eloquently, about free speech, I was almost prostrated by grief when I saw in the RECORD what the gentleman had done; that he had committed, to him, the unpardonable, of depriving a fellow Member of the great constitutional right to free speech. [Laughter.] You could hear the foundations of this great Capitol of ours fairly quake; see them rock when the gentleman struck from the Congressional Record those words. The words themselves were not of any importance. It is the principle that is involved that makes the question important, vital. You would not deny to a poor, humble, ignorant, unassuming, and uneducated Republican, who is not a Communist, who is not antilabor, the privilege, would you, of just putting in a few words here and there? The law, the Constitution, is for the protection of the weak, the lowly, those who are unable to defend themselves, as I am unable, incapable of defending myself from the mighty thrust of the gentleman from Illinois [Mr. Keller]. He is strong, magnificent in his presence; his voice is music that charms us all when he takes the floor, his logic irresistible when he discourses of carp and lakes for his district, all at Government expense. So when the gentleman from Illinois, who has written books-the great author and the great statesman, as he styles himself-strikes from the RECORD those remarks. I believe the RECORD should be corrected.

Mr. GUYER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Kansas. Mr. GUYER of Kansas. The gentleman was revising his remarks without extending them, was he not?

Mr. HOFFMAN. I do not know about that. What he did was to strike from the RECORD, and that without permission, the remarks of another Member.

Mr. Speaker, I will not take any more time, because I know you are all in a hurry to get away.

Mr. Speaker, I send to the Clerk's desk a motion.

The Clerk read as follows:

John Lewis made that statement?

"Mr. Keller. Yes; I was.
"Mr. Hoffman. Did you offer any objection?
"Mr. Keller. I did not.

"Mr. Hoffman. You thought it was true, did you?
"Mr. Keller. I did not ask you for that, or anybody else.
"Mr. Hoffman. No; but I am asking you. [Laughter.]"

Mr. HOFFMAN. Mr. Speaker, the motion may be a little vague in that it states "after the words --." The reason for this is that the official stenographer's transcript of what the gentleman from Illinois said does not indicate where this colloquy belongs, so we will have to ask the gentleman from Illinois to help.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Wis-

Mr. SCHAFER of Wisconsin. Does not the gentleman believe it would be a kindly act if the gentleman would hold his motion in abeyance and give the distinguished gentleman from Illinois a chance to ask unanimous consent to correct the error? I cannot believe that a great liberal would intentionally take it upon himself to censor the proceedings of the House.

Mr. HOFFMAN. Oh, I do not believe he did it either, in the spirit of censorship; probably his only thought was to preserve for posterity the purity, the continuity, of his thought; I just think it was a slip, you know, of the shears.

Mr. SCHAFER of Wisconsin. It was inadvertently done, and the gentleman should have the opportunity to ask unanimous consent to correct the error.

Mr. HOFFMAN. I think the gentleman from Wisconsin is right, because if you will refer to the stenographer's minutes you will notice that the gentleman from Illinois just took the shears and clipped off his set speech, inserted it, added to it here, and crossed out the remarks which I made. So I have not the slightest objection; in fact, I will be happy if the gentleman from Illinois wishes to make such a request, for I really love him, admire him, and think he does much to relieve what on occasion might otherwise be a dull day.

Mr. SCHAFER of Wisconsin. Why does not the gentleman yield to the gentleman from Illinois so he can ask unanimous consent to make the correction?

Mr. HOFFMAN. I will be glad to do that.

Mr. KELLER. I am not asking the gentleman to do that. The gentleman has his motion.

Mr. HOFFMAN. Suit yourself about it, but I would be glad to have you do it.

The SPEAKER. The question is on the motion of the gentleman from Michigan, to correct the RECORD.

The motion was agreed to.

SURVEY AND STUDY OF THE NATIONAL PARKS, NATIONAL MONU-MENTS, AND NATIONAL SHRINES

Mr. DEROUEN. Mr. Speaker, I ask unainmous consent for the present consideration of House Resolution 284.

The Clerk read the resolution as follows:

House Resolution 284

Resolved, That, for the purpose of making a survey and obtaining information necessary as a basis for legislation, the Committee on the Public Lands, as a whole, or by subcommittee, is authorized and directed to make a survey and study of the national parks, national monuments, and national shrines and of the administration of them and of the laws, rules, and regulations pertaining to them. The committee shall report to the House, as soon as practicable after January 3, 1940, the result of its findings, together with such recommendations for legislation as it deems desirable.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. TABER. Reserving the right to object, Mr. Speaker, it seems to me that to consider a resolution such as this by unanimous consent—I do not know that a report from the committee is available—is rather a broad-scale proposition. How much money will this survey cost?

Mr. DEROUEN. Not to exceed \$2,000.

Mr. RICH. When will the report come in?

Mr. DEROUEN. The report will be made during the recess of Congress, after the Congress adjourns.

Mr. DIRKSEN. Reserving the right to object, Mr. Speaker, only a short while ago a volume came to my desk, and I am sure it went to every Member of the House, which apparently indicated that a survey had been made by the Department of the Interior along the same line. Is not that true?

Mr. Derouen. That is where the trouble lies. None of us in the committee or in the Congress knows anything about all these monuments and parks for which we have been appropriating money. It has been approximately 16 years since a survey has been made by the Congress of this subject. It seems to me it would be proper and the part of wisdom that some committee of the Congress go and see for themselves about these monuments and parks and report to the Congress.

Mr. DIRKSEN. Is the matter so urgent that we cannot investigate a little further, at least until tomorrow, and see what sort of investigation the Department of the Interior has already made?

Mr. DEROUEN. The Department of the Interior has no objection to this resolution, and your minority leader is in agreement with it. We have consulted all parties concerned, and they are all in agreement that this would be a very conservative thing to do.

Mr. DIRKSEN. But they may not be aware that such an investigation has already been made and a report prepared in document form.

Mr. DEROUEN. From what I hear, there seems to be a disposition in the Congress not to accept the surveys of Mr. Ickes' Department.

Mr. RICH. Reserving the right to object, I realize the Speaker will make the appointment, but who is going to make the recommendations to the Speaker? Will the members come from the Public Lands Committee or from the Committee on Appropriations that makes the appropriations for these parks?

Mr. Derouen. The appointments will be made by the Speaker, and he will appoint, according to the usual custom, members of the minority and the majority, and then the matter will be referred to the Committee on Accounts.

Mr. RICH. I am interested in knowing whether the members of the committee will be from the Committee on the Public Lands or not.

Mr. DEROUEN. Yes; they will be from the Public Lands Committee.

Mr. TABER. Mr. Speaker, reserving the right to object, I understand there has been a survey made, and the survey

has been made available by the Department of the Interior. I wonder if the gentleman would not withdraw his request now and look at the copy of that survey that is in the possession of the gentleman from Illinois [Mr. Dirksen], and see if that does not answer his purpose before going ahead with a resolution tying us up to this expenditure?

Mr. DIRKSEN. I may say to the gentleman that if there is no duplication, I would have no reason to object, but I do not believe there ought to be overlapping of work in this field.

Mr. CARTER. Reserving the right to object, Mr. Speaker, what is to be the nature of this investigation?

Mr. Derouen. It is not to be an investigation. Let us be frank about it on both sides. I have been on the Public Lands Committee during the last 12 years, and my experience has been that whenever we bring any bills in here that have to do with monuments or parks, very few Members know anything about them. We have appropriated a lot of money for these purposes and Congress does not know anything about such matters, and it would therefore seem that \$2,000 would not be a large expenditure for the purpose of informing the Congress through a survey made by Members from both sides of the House, who will perform the work and tell the Members of the Congress what they have found. No one knows what has been done in the past, and I have no interest personally further than what I have just stated.

Mr. CARTER. Does not the gentleman know that that information is all available through the Department of the Interior, and all he has to do is to send a communication down there and get the information?

Mr. Derouen. I thought I knew about these matters myself; but let us be fair and frank about it. Every time I bring any of those reports from the Interior Department or from any of the bureaus, I am told that they are not correct. Now, what do I know about it? I do not know anything about it personally, and I am trying to be fair about the matter.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. SCHAFER of Wisconsin. Why does not the gentleman write a personal letter to Mr. Ickes?

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. CARTER. Mr. Speaker, reserving the right to object, I have requested that the gentleman hold this over until tomorrow. I would like to get some further information

Mr. Derouen. May I call the gentleman's attention to this fact. We are about to adjourn, and unless we act on this matter now it will be too late to have it sent back to the committee and have appropriate action taken. If we adjourn and there is nothing done about this, we will be in the same position we have been in every year in the past.

Mr. CARTER. I think the gentleman will have time tomorrow to bring this up and for the present, Mr. Speaker, I am going to object.

The SPEAKER. Objection is heard.

POSTAL POWERBOAT SERVICE IN ALASKA

The SPEAKER. Without objection, the Chair will lay on the table the bill H. R. 2748, to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes, a similar Senate bill having been passed.

PETROLEUM INVESTIGATION

Mr. WARREN. Mr. Speaker, I ask particularly the attention of the gentleman from Michigan [Mr. Mapes]. The resolution passed the House a few moments ago providing for an investigation by the Committee on Interstate and Foreign Commerce, and funds were provided for this investigation by the House yesterday on the second deficiency appropriation bill through the courtesy of Mr. Woodrum of Virginia and Mr. Taber. I now ask unanimous consent for the present consideration of House Resolution 291, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 291

Resolved, That the expenses of conducting the investigation authorized by H. Res. 290, incurred by the Committee on Interstate and Foreign Commerce, acting as a whole or by subcommittee, not to exceed \$25,000, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or by any subcommittee thereof conducting such investigation, signed by the chairman of the committee or any member of the committee designated by him, and approved by the Committee on Accounts.

With the following committee amendments:

Page 1, line 4, strike out "\$25,000" and insert in lieu thereof "\$15,000."

After line 11, add the following:
"Sec. 2. That the official committee reporters may be used at all

hearings held in the District of Columbia unless otherwise engaged.

"SEC. 5. The head of each executive department is hereby requested to detail to said select committee such number of legal and expert assistants as said committee may from time to time deem necessary."

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to and the resolution as amended was agreed to.

KYLE BLAIR

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 3104, for the relief of Kyle Blair, with a Senate amendment thereto, and agree to the Senate amendment. I might say for the information of the House that the bill passed the House with an appropriation of \$3,500. The Senate reduced that amount to \$2,500, and the author of the bill is agree-

The SPEAKER. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill H. R. 3104, with a Senate amendment thereto, and concur in the Senate amendment. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read, as follows:

Page 1, line 6, strike out "\$3,500" and insert "\$2,500."

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

BANKS BUSINESS COLLEGE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 777, for the relief of Banks Business College, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill H. R. 777, with a Senate amendment thereto and concur in the Senate amendment. The Clerk will report the Senate amendment.

The Clerk read, as follows:

Strike out all after the enacting clause and insert:
"That the Banks Business College, a corporation organized in 1885 and existing under the laws of the State of New Jersey and having its principal place of business at Philadelphia, Pa., is hereby authorized to bring suit against the United States of America in the Court of Claims for the number of recognition are alleged departed. of Claims for the purpose of recovering any alleged damages suffered by the said Banks Business College which the Court of Claims may find to be attributable to the United States Government by reason of the said Banks Business College's being evicted on January 1, 1918, from the premises which it occupied.

"Sec. 2. Jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, consider, and determine such action upon its merits, with the view of rendering judgment, if any, in favor of the claimant for any such alleged damages described in

section 1.
"SEC. 3. This act shall not be interpreted as raising any presumption or conclusion of fact or law but shall be held solely to provide for trial upon facts as may be alleged."

The SPEAKER. Is there objection? There was no objection.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to and a motion to reconsider laid on the table.

CLAIMANTS OF DAMAGE BY FLOOD NEAR BEAN LAKE, PLATTE COUNTY, MO.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1693) to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake, in Platte County, and Sugar Lake, in Buchanan County, in the State of Missouri, during the month of March 1934, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill H. R. 1693, with Senate amendments thereto, and concur in the Senate amendments. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 1, line 3, after "That", insert "notwithstanding the lapse of time or any provisions of law to the contrary."

Page 1, line 5, after "judgment", insert "without interest, but with costs, under and in accordance with the same provisions of law as if the United States were a private party."

Page 2, after line 21, insert:

"Sec. 2. The United States district attorney for the western district of Missouri is hereby charged with the duty of defending the United States in any suit instituted under the authority of this

Page 2, after line 21, insert:

"SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to pay judgments under this act. Such amounts shall be paid by the Secretary of the Treasury when the judgment of the district court has become final and on presentation to the Secretary of a duly authenticated copy of the judgment. Such payment shall be in full settlement of all claims against the United States on account of claims arising out of such flood damage." States on account of claims arising out of such flood damage."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were agreed to.

WOMEN'S BOARD OF DOMESTIC MISSIONS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1875) for the relief of the Women's Board of Domestic Missions, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "\$2,500" and insert "\$1,500."

The SPEAKER pro tempore (Mr. RAYBURN in the chair). Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

GEORGE SLADE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2452) for the relief of George Slade, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6, strike out "\$4,500" and insert "\$500, and the additional sum of \$50 per month in an amount not to exceed \$4,000."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

J. MILTON SWENEY

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4260) for the relief of J. Milton Sweney, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "\$2,000" and insert "\$800.90."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

NADINE SANDERS

Mr. KENNEDY of Maryland. Mr. Speaker, I call up the conference report on the bill (S. 1164) for the relief of Nadine Sanders, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1164) entitled "An act for the relief of Nadine Sanders," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments.

AMBROSE J. KENNEDY, EUGENE J. KEOGH, J. PARNELL THOMAS, Managers on the part of the House.

M. M. LOGAN, EDWARD R. BURKE, ARTHUR CAPPER, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1164), for the relief of Nadine Sanders, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The Committee on Claims reported favorably on H. R. 1876, for the relief of the same claimant, in the amount of \$1,500, for damages sustained on account of personal injuries received on February 13, 1937, when the automobile in which she was riding was struck in Santa Fe, N. Mex., by a Soil Conservation Service truck. S. 1164 was substituted for the House bill on the floor of the House and passed with an amendment made on the floor, and ac-House and passed with an amendment made on the floor, and accepted, reducing the amount from \$1,096.40, as reported by the Senate, to \$750. At the conference, the amount of \$1,096.40 was agreed upon.

> AMBROSE J. KENNEDY. EUGENE J. KEOGH, J. PARNELL THOMAS, Managers on the part of the House.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

OKIE MAY FEGLEY

Mr. KENNEDY of Maryland submitted a conference report and statement on the bill (H. R. 875) for the relief of Okie May Fegley.

Mr. Speaker, I ask unanimous consent for present consideration of the conference report on the bill (H. R. 875) for the relief of Okie May Fegley.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KENNEDY of Maryland. I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R.

875) entitled "An Act for the relief of Okie May Fegley" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment and agree to the sum of "\$6,000" to be inserted in lieu of "\$5,000" in line 7, page 1.

AMBROSE J. KENNEDY,
EUGENE J. KEOGH,
J. PARNELL THOMAS,
Managers on the part of the House. H. H. SCHWARTZ. J. G. TOWNSEND, Jr., ALLEN J. ELLENDER, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 875), for the relief of Okie May Fegley, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The Committee on Claims reported the bill in the amount of \$8,500 to compensate the claimant for injuries caused by a post-office truck and the bill passed the House in this amount. The Senate passed the bill in the amount of \$5,000 in lieu of \$8,500, and at the conference the compromise amount of \$6,000 was agreed upon.

Ambrose J. Kennedy, Eugene J. Keogh, J. Parnell Thomas, Managers on the part of the House.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

BARNET WARREN

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2271) for the relief of Barnet Warren, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. Kennedy of Maryland, Mr. Keogh, and Mr. Thomas of New Jersey.

FIVE YEARS OF THE TRADE-AGREEMENTS PROGRAM

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection? There was no objection.

RESULTS FAVORABLE

Mr. COX. Mr. Speaker, heretofore I have briefly set forth some of the reasons why it was necessary for this Nation to reverse the tariff policy of the previous administration in order to improve the conditions of foreign trade. I have pointed out that the method chosen for accomplishing this was a logical and forward step in taking the tariff out of logrolling politics. Today I intend to discuss some of the results of that program.

After 5 years of the reciprocal-trade agreements program, examination of the best statistical and other evidence available, obliges one to conclude that it has been a decided success. Quite naturally the program has not satisfied everyone. Some people were afraid that that which ought to happen might happen under the program, therefore they opposed it from the very outset. Some people believe that they have well-founded grievances against certain action taken in the operation of the program. It was not expected that some of those who had part of their unwarranted and excessive tariff subsidies taken away from them would applaud such action. They were not expected to view the program from a broad national viewpoint.

There are other individuals opposed to trade agreements who believe in taking all without giving anything in return. Some say they believe in reciprocity, but when it comes to reduction of the towering trade barriers they only give lip service to the principle. They would have us gain concessions in trade without giving any in return. Then there are

certain organizations whose very existence depends upon faultfinding and criticism; that is their stock in trade. No difference how convincing the evidence, they would not admit of success. They prophesied that trade agreements would be bad for the country and they would have it so. But it can fairly be said that the Nation as a whole endorses the tradeagreements program and believes that it has been successful in its accomplishments. I believe the results of this program give some justification for rejecting the theory that nations cannot have greater economic harmony. Although no one holds that we have arrived at the millennium since the passage of the Trade Agreements Act, our foreign trade has managed to "ride out the storm in comparative security"; its condition is much better than some other phases of our economy which have not had the advantage of such a constructive and far-reaching program. There is good reason to hold that the United States at last has adopted for itself a realistic tariff and commercial policy which fits its needs. The program goes a long way in adjusting the Nation to world conditions as they actually exist.

MEASURING TANGIBLE RESULTS OF TRADE AGREEMENTS

What then does the record show for 5 years? In the first place, agreements with 20 countries—21 agreements, including 2 with Canada—have been negotiated. The Czechoslovak agreement has been nullified. An agreement with Venezuela is under negotiation and a supplemental agreement is also being negotiated with Cuba. Exploratory conversations are going on with several countries and some other of the present agreements may soon be reopened for revision. All nations are invited to aline themselves with this program of trade betterment. It is not an exclusive program for countries of a particular political ideology. It is comprehensive enough to include all forms of government.

The trade with the countries with which agreements have been concluded represents almost 60 percent of our total foreign commerce. This means that within the framework of the principles of fairness and soundness of the trade agreements the countries with which we carry on more than half of our foreign commerce apparently believe that a reversal of the trend of recent years is necessary, and have accepted our leadership; they have, by their acts, expressed a willingness to cooperate in liberalizing foreign trade. In addition to Canada, our good neighbor to the north and our second largest market, the list of countries includes Great Britain, our largest single market, France, Cuba, the Netherlands, and Brazil, other large markets and important suppliers of raw materials needed in the United States.

Our total trade embraced with these countries amounted in 1937 to over \$2,000,000,000. About 68 percent of this trade has been covered by concessions granted and received, including bindings of present rates of duty and binding items on the free list. These guaranties are of considerable importance in stabilizing commerce which is greatly needed at the present juncture of world events. United States exports have almost doubled since 1932 and 1933, the low years preceding the Trade Agreements Act. It is quite possible that much of this trade would have been regained without any reciprocity program. No one, so far as I know, attributes all this gain in trade to the agreements alone. Many other factors have entered into the picture. Nevertheless, a comparison of exports on a broad 2-year basis, 1934 and 1935, with the last 2 years of trade agreements, 1937 and 1938, shows an increase to agreement countries of about 61 percent; exports to nonagreement countries for the same comparative periods increased by about 38 percent. It has been suggested by opponents of trade agreements that the gains in exports have largely been in war materials. It may be true that considerable quantities of materials which can be used in war have been exported, but this is in no way a result of the trade-agreements program. No two people seem to agree on what constitutes war materials, and in final analysis practically everything which is exported may be utilized during a conflict. Tabulations have been placed in the RECORD, including petroleum products, trucks, and other articles of peaceful commerce as war materials. In any case,

we would have had sales of war materials quite apart from trade agreements. No special efforts are made to gain concessions abroad for our war materials, as some would have us believe.

I submit as part of my remarks a table from the Department of Commerce showing the summary of trade gains under the trade agreements by agreement and nonagreement countries:

United States foreign trade with trade-agreement countries and with all others in 1937 and 1938 compared with 1934 and 1935
[Millions of dollars]

	Comparison of 1937–38 with 1934–35			
Item	Average value		Change	
	1934 and 1935	1937 and 1938	Value	Per- cent
United States exports, including reexports: Total all trade-agreement countries 1 Total, all nonagreement countries.	759. 8 1, 448. 0	1, 224. 8 1, 996. 8	+465.0 +548.8	+61. 2 +37. 9
Total, all countries	2, 207. 8	3, 221. 6	+1,013.8	+45.9
United States general imports: Total, all trade-agreement countries 1 Total, all nonagreement countries	793. 9 1, 057. 4	1, 073. 6 1, 448. 5	+297.7 +391.1	+35. 2 +37. 0
Total, all countries	1, 851. 3	2, 522. 1	+670.8	+36. 2
			The state of the s	

¹ Including the 17 countries (and colonies) with which agreements were in operation during the greater part of the last 12 months. Only 1 of the agreements was in operation throughout 1935, 6 throughout 1936, 12 by the middle of 1936, 15 by the middle of 1937, and 18 by the end of 1938. The agreement with Ecnador only came into force on Oct. 23, 1938, and is therefore not yet included in the above calculations as an agreement country. The new agreement with Canada, and the agreement with the United Kingdom (including Newfoundland and non-self-governing British colonies) which became effective Jan. 1, 1939, brought the number of agreement countries up to 19; an agreement with Turkey went into effect on May 5, 1939, making 20 countries. Source: Records of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Exports represent only one side of a two-way street. Both sides must be open if the street is going to carry anything like a maximum of traffic. So it is with trade; it must move in both directions. Some groups, from a purely selfish viewpoint, would like to have exports without imports. We cannot have, and we may as well reconcile ourselves to the fact, exports without imports. It takes trade in both directions to make healthful commerce. It cannot be repeated too often that we must receive goods and services if we are to send them out.

From the point of view of relative gains in trade, with agreement and nonagreement countries, the import picture is less favorable than that for the exports-that is, the imports from nonagreement countries have increased more than have imports from agreement countries. In a similar broad comparison of a 2-year preagreement and postagreement periods, 1934 and 1935 compared with 1937 and 1938, imports from agreement countries increased by about 35 percent, while imports from nonagreement countries increased by 37 percent. This greater increase of imports from nonagreement countries was largely accounted for by raw materials principally from nonagreement countries. Products such as corn, as well as other agricultural products brought in because of the drought of 1936, happened to have come from nonagreement countries. This smaller increase in imports from nonagreement countries certainly justifies the conclusion that trade agreements have not ruined domestic industries by increasing imports.

If excessive barriers had been lowered, but no increase had been shown in trade we might assume that the removal of trade impediments prevented our foreign commerce from falling still lower. In some instances, a well-deserved victory may be won by merely holding the present position. A mere stabilizing of trade against the return to the desperate conditions of 1932 and 1933 might be considered a substantial measure of success.

The figures which I have just quoted as stated came from the Department of Commerce. I find that an independent study of the results of trade agreements appeared in the summer issue of the Harvard Business Review (p. 486). (Is the United States Losing Its Foreign Trade? Charles A. Bliss, assistant professor of business statistics, Harvard University.)

Opponents of trade agreements cannot say that this analysis is Government propaganda. As a matter of fact, the article was generally unfavorable to the program. I quote the following:

The United States without question has gained an increasing share in the imports of agreement countries since the signing of trade treaties. This observation holds true even when Canada and France, the two largest countries in the agreement group, are excluded from the comparison.

The evidence on exports to the United States is not so clear. It suggests, however, that our importance as a customer has not increased parallel to our importance as a seller.

In other words, export trade has increased more with agreement than with nonagreement countries and imports were down in relation to exports, especially during 1938. With such unbiased evidence, it seems a little farfetched for opponents of trade agreements to maintain that we have lost out in bargaining for trade and that other countries have "gotten the best of us." Viewed in the light of our creditor position, it would seem that we have succeeded almost too well, particularly when it is recalled that our exports in 1938 exceeded imports by more than a billion dollars.

UNITED STATES GAINS IN RELATIVE POSITION IN TRADE WITH WORLD The following figures from the above-quoted article of the Harvard Business Review seem significant:

	American exports as share of world exports	American imports as share of world imports
1934	11. 3 12. 0 12. 2 13. 5 14. 0	9. 0 11. 8 12. 8 13. 3 10. 0

From these figures it is seen that from 1934 to 1938 we improved our position by increasing our exports from about 11 to 14 percent of world exports while imports in 1934 were 9 percent of world total, and, after reaching about 13 percent in 1937, fell back to only 10 percent of the world total in 1938. The preliminary figures of foreign trade for the first 5 months of 1939 show a tendency for the importexport situation to more nearly equalize.

Not only has the trade of the United States been improved absolutely with agreement countries, but also relatively in relation to trade with some other countries. For example, Netherlands imports from the United States increased by 71 percent in 1937 over 1935, while the total increase in Netherlands imports from all countries was only 35 percent. Belgian imports from the United States increased more than 70 percent in 1937 over 1934, while total Belgian imports increased by only 44 percent. Swiss imports from the United States increased in 1937 over 1935 by 28 percent, while total Swiss imports from all countries increased only 1 percent.

EFFECTS OF AGREEMENTS ON AGRICULTURE

There has been a great deal said about the effects of the program in its relationship to agriculture. Many statistics have been placed in the Congressional Record in an attempt to show that trade agreements have operated in such a way as to injure agriculture. Some opponents have been so brash as to suggest that, for some reason or other, those sponsoring the program desire to aid industry to the detriment of agriculture. Of course, any such suggestion is pure imagination.

One method which has been used, in an attempt to mislead farmers, is to show a long list of imports of agricultural products for the depression years in comparison with the relative prosperous years of 1936 and 1937. In most instances there have been increases over the extreme depression low. In presenting the list there is always the implica-

tion, if not direct statement, that the increased imports are the results of trade agreements. In these tables wheat and corn have been shown, the importations of which largely resulted from the drought of 1934 and 1936; these lists include wool, hides and skins, and flaxseed, and other products which have always been imported because we do not produce enough for our own use. None of these items have been subject to a reduction in the general rates of duty in trade agreements.

Now some guarded reductions in duty on agricultural products, such as cattle, cheese, and cream, have been made. Opponents would make a much better case against the agreements if they limited their statistics and statements to those items which have been included; they realize that they are hard-pressed for a case and overstep themselves by padding their lists. Happily, farmers are becoming aware of these tactics of misrepresentation; they are gradually getting the truth of the matter.

Lists of increased imports of certain agricultural products for a few months of 1939 over 1938 have been inserted in the Congressional Record during the present session of Congress with the same misleading implications that the increases resulted from trade agreements. Some of these imports, such as wool and hides and skins, have increased because our economic condition is happily improving over last year and industry is utilizing more raw materials. The duties on these imports have not been reduced; the increased imports are a sign of the business upturn.

Since the trade agreement with Canada went in effect in 1936 there has been a desultory attack by some of the dairy groups because of small imports of dairy products. We have heard criticism because of the reduction in duty on cream. This well illustrates how unwarranted the attack has been against the program. For the first 6 months of 1939 exactly 567 gallons which was 0.04 percent of the annual quota set for imports of cream entered the United States under the reduced duty. Although the rates of duty were lowered the imports of cheese under that trade agreement have never approached the predepression level. As a matter of fact, imports of 1938 were only slightly above those for the emergency period of 1932 and 1933.

The following excerpt from an editorial of the Times, Fairmont, W. Va., illustrates the nature of the attack against the program and gives a substantial answer to the charges:

There is persistent reactionary Republican propaganda to the effect that the trade agreements have "directly resulted in an increasing flood of foreign pork into the United States." This assertion has been made frequently in the past 2 months on postcards broadcast by G. O. P. organizations and their aid societies.

Instead of the trade-agreements program having increased the imports of pork, as the Republicans claim, the figures show that the imports for the year 1934, the year in which the reciprocal trade agreements program was enacted by Congress, exceeded the imports for 1938 by more than half a million pounds.

The best over-all information available does not indicate that agriculture has come out on the short end of this program. The Department of Agriculture has found that the farm exports to the 16 countries with which agreements were in effect during the fiscal year 1937 and 1938 in comparison with the fiscal year 1935 and 1936 increased by \$102,000,000 or 55 percent, while to nonagreement countries the increase was \$20,000,000 or only 3 percent. For the same years of comparison, imports of agricultural products from agreement countries show a minus 3 percent, while imports of such products from nonagreement countries show a plus of 4 percent. The importation of agricultural products shows a result that is somewhat surprising in view of some of the criticisms which have been made in connection with the agreements. I realize that these figures represent an over-all average and that there is a certain weakness in the use of such averages, but these are not mere accidental relationships. I also realize that on a few items such as cattle, an increase in imports over the preagreement period is shown. This has occurred for a number of reasons other than lower rates of duty. This increase in imports of cattle does not necessarily mean that the cattle industry, however, has been seriously injured by the agreement with Canada. The limitation in imports at the reduced duty through the quota, guarantees the domestic producers about 97 or 98 percent of the domestic market.

The gentleman from Pennsylvania [Mr. Rich] has taken the floor of the House on frequent occasions to point out the low levels of exports of cotton; he alleges that this condition is a result of trade agreements. From his expressed interest one might believe that many of his constituents are cotton producers and he is espousing their cause in Congress. One way to aid the cotton farmers is to assist them in obtaining lower tariffs and consequently lower prices on the manufactured products which they purchase and which are effec-

tively protected by the tariff.

To anyone with a rudimentary knowledge of conditions in the world trade in cotton it must be apparent that the principal cotton-using countries of the world depend heavily upon the United States for their supplies of raw cotton, and under such conditions are not likely to establish, and have not established, tariff or other barrier against imports of American cotton. It is not tariff barriers that have checked our exports of cotton, but the systems of blocked exchanges, the shortage of American dollars, and the disparity in prices between American and foreign growths of cotton. To expect trade agreements to lower tariff barriers against American cotton when there were no such barriers is asking a good deal

On the other hand, the trade-agreements program has helped foreign customers to obtain American dollars with which to buy American cotton, it throws its influence against the tangle of currency and exchange restrictions and it has very definitely—especially in the case of the United Kingdom, which is one of the largest foreign customers for cotton—obtained guaranties against future discrimination or barriers to imports of American cotton. Other agreements make a similar guaranty. To assert that the trade-agreements program has been a factor in the decline of the United States foreign market for cotton is to ignore and deny the main facts in the case.

Entirely eliminating cotton from the gains and losses between 1935-36 and 1937-38 we have an increase of \$106,-000,000, or 108 percent, in gains of agricultural exports to agreement countries, and a gain of \$103,000,000, or 58 percent, to nonagreement countries. Of the \$106,000,000 increase in exports of foreign products, excepting cotton, to 16 trade-agreement countries during the period under consideration, the largest part was in our exports to Canada. Practically all of this increase occurred in items upon which Canadian duties were reduced by the trade agreement with that country. Furthermore, the expansion in quantity of exports to Canada of some of the leading commodities on which Canadian duty reductions were granted, was proportionately greater than the expansion of our exports of those same commodities to the rest of the world. These facts seem significant because Canada's economy closely parallels our own. The second largest part of the \$106,000,000 increase occurred in the exports of farm products, other than cotton, to the Netherlands, which rose by \$28,000,000, or by 224 percent. An examination also shows that the increase took place in items upon which the Netherlands duties were reduced by the terms of the trade agreement. Further, the third largest increase occurred in exports to Belgium, which rose by \$19,-000,000, or an increase of 208 percent. These are some examples of the increases in agricultural products to agreement countries which gave us important concessions.

It is readily understood why some trade-agreement countries do not show equally favorable results with respect to agricultural products; several agreement countries themselves are primarily agricultural. Superficially unfavorable situations with respect to individual countries and specific items of trade can and have been found by critics of the program, who are primarily interested in discounting the wholesome effects of increased trade on our economy. I have alluded to some of them.

Literally hundreds of concessions for our agricultural products have been obtained from foreign countries. The list is too long to attempt to enumerate. Those who wish these details are referred to the hearings before the Senate Finance Committee on March 1939, in connection with the proposed oil and fats taxes. A mere listing of these items covers 12 pages in the printed hearings. Now it is realized that not every one of these concessions has worked out 100 percent as was hoped and expected. But many concessions, such as the increased pork quota and removal of duty from lard by the agreement with Great Britain, are of tremendous importance to agriculture.

TRADE AGREEMENTS NOT ENDANGERED BY BILATERALISM

In view of the recent treaty for exchange of agricultural products for critical war materials with the United Kingdom, it has been suggested that the trade-agreements program has "washed-up" and that we are forced to follow the methods of the dictators in order to dispose of our surpluses. To my mind, that is a hasty and not a well-considered conclusion. In the first place, the proposed exchange of cotton for rubber relates to only two products; the arrangement was entered into as an emergency means of reducing surplus cotton and laying up war stores; the matter of forcing blocked exchange, as is the usual practice in barter deals, is not involved in the arrangement with the United Kingdom.

There have been some suggestions that countries trading on the narrow barter or compensation method have gained a greater proportion of trade than the United States: that we cannot cope with their methods. A recent release from the Department of Commerce shows that imports from the United States into 16 countries with which reciprocal-trade agreements were in effect prior to 1938 expanded on an average of approximately 40 percent in value in the years 1936, 1937, and 1938 over the 2 years, 1934 and 1935, while imports into those same countries from Germany increased by an average of about 2 percent in value. In terms of dollars, the release shows that the average annual gain in imports from the United States was approximately \$297,746,000, while that of Germany was only \$12,244,000. After all necessary qualifications in the listing of countries, I believe those figures are significant. The advantage to the United States may be even more pronounced than revealed by statistical results when account is taken of the heavy export subsidies paid by Germany on many commodities. The system of exchange of goods for goods or barter, clearing, compensating, or other similar trade programs upon first trial seem attractive to other countries, but this method of trading in reality limits the expansion of international commerce. One of the main difficulties to be encountered by countries embracing barter agreements is the creation of large blocked balances which can be liquidated only by the purchase of products in the particular country. American concerns at the present time which have done some bartering on their own are having trouble in liquidating their balances in Germany. It has been necessary for some countries to accept inferior merchandise at higher than competitive prices in order to liquidate their balances arising through barter arrangements. This system of trade may also lead to economic domination of smaller countries by the larger trading nations.

To follow that system is to follow a system of further regimentation. The trade-agreements program is the very antithesis of regimentation. It is based upon the fundamental proposition that trade flows more freely with less restrictions. Barter arrangements and bilateral balancing agreements are negotiated under the conditional most-favored-nation principle. This system has been proposed for the United States. It seems rather odd that those who have opposed further regimentation for the United States oppose trade agreements and favor a policy which would regiment our foreign commerce to the *n*th degree.

REPUBLICANS SUPPORT UNREGIMENTED TRADE

I find that numerous Republican papers and leaders understand the difference between freeing trade and regimenting it. Those in favor of less regimentation support the trade-agreements program. In a recent editorial the Toledo Blade (June 19) commented on Secretary Hull's invitation

to the dictator countries to join in his program of unregimenting trade and stated:

If Chancelor Hitler reacts in character, he will spurn Secretary Hull's invitation. However, the world has not forgotten Hitler's recent speech in which he asserted Germany must export or die. The food-ration cards give indisputable evidence of the failure of the Nazi plan of enforced economic self-sufficiency.

Trick currency schemes and subsidies on exports by the Reich do not have much guarantee of permanency. Meantime, the dictators are quick to complain that they are cut off from raw materials. The American reciprocal-trade plan shuts off no nation from any supplies if that country is willing to enter into the plan.

Those in the United States who have been skeptical about the merits of the Hull plan may do well to take a look at the figures. * * *

These figures have arguments which will force attention even in autocracies walled in by propaganda.

While on the question of Republican support, I want to point out that several of my colleagues, Congressmen Rankin, Coffee of Washington, and Kitchens have indicated several of these endorsements in their remarks on trade agreements during the present session of Congress. I do not wish to further burden the Record with these expressions and intend to mention only one or two.

The following excerpts from the Journal-Times of Racine, Wis.—June 23—is typical of the expressions of Republican papers favoring trade agreements:

These trade pacts have been successful. The countries involved—ours, as much as theirs—have experienced mutual benefits and are willing to go further along the same line by lowering a few more of the barriers blocking trade.

Last year, according to the Department of Commerce, we exported 9 percent of our production of movable goods of all sorts. It was the best year since 1930. That may sound like a small market to be concerned about, but it makes the difference between profit and loss for many industries. If the 9 percent can be increased and varied even a little, it will mean benefit to more industries and to the whole country.

The trade pacts are based on the recognition that we must sell abroad if we are to keep up our own standard of living and keep our own production thriving, and also that we cannot keep on selling unless we buy more goods or raw materials from foreign countries.

INTANGIBLE RESULTS OF THE TRADE-AGREEMENTS PROGRAM

There are more or less intangible but important results of the program which cannot be statistically measured. Under this program, policies of retaliation and ill will toward American products have been replaced by policies of good will and commercial cooperation in many parts of the world. The United States, I believe, is today exerting a profound influence in the direction of trade liberalization which is somewhat in keeping with our responsibility. Costly discriminations against American products have been eliminated, and guaranties have been secured against future discrimination not only in the countries with which agreements have been concluded but in countries which are not now in the orbit of these agreements. Through the most-favorednation principle these countries have modified their treatment of our commerce. It would seem evident that the effect of the broad American program must be world-wide and profound in its implications. In the words of Secretary Hull:

The program * * * offers the only practical alternative to a drift toward the anarchy of economic warfare, with all its disastrous consequences for the peace and progress of man. Its workability has been demonstrated beyond a shadow of a doubt. It can be embraced by all nations alike, without exception, and to the benefit of each and all.

As a matter of fact, it might be said that this program holds out the olive branch to all countries which care to engage in fair trade, carried on in accordance with the golden rule of commerce.

An important intangible result of the trade-agreements program is the favorable attention it has received throughout the world. The several conferences among the American countries have generally endorsed the economic principles of the present Secretary of State. The basic principles of the program are being put into operation by countries that have not yet negotiated agreements with the United States.

The International Chamber of Commerce, representing business organizations of many countries, has expressed the desire to follow the leadership of the United States in its efforts to mitigate existing trade barriers. This organization strongly advocates trade agreements with strict observance of unconditional most-favored-nation policy.

It is interesting to note that in his annual report as reported by the New York Times, former Governor Winant, of New Hampshire, Director of the International Labor Office and an outstanding American citizen who has favored the Hull policy, stated:

Economic isolation is not the solution of the problems presented by the unequal distribution of natural resources and by needs for markets unless the workers are prepared to work longer hours, eat less and a lower quality of food, and live in poorer dwellings.

The Economic Intelligence Section of the League of Nations, which incidentally is still performing an important function as a clearing house for information and making important studies relative to economic matters, has endorsed the program and calls attention to the gains in trade derived from its operation.

TRADE AGREEMENTS A PEACE EFFORT

There has been some criticism because sponsors of the present program have maintained that it is related to peace. It has been suggested by the gentleman from New York [Mr. Fish] and others that the peace talk has been brought in order to gain public support of this broad program. It is not a mere coincidence that practically all of the peace organizations of the United States endorse this phase of our foreign policy. The real basis for this program, as it relates to peace, may be found in a speech of the present Secretary of State made in this House more than 20 years ago-February 1919. If one fairly examines the basic principles of this program, the connection is not at all farfetched. Removing the causes of conflict, the basic principle of trade agreements would seem to be a fundamental to world peace. The dangers of the present regime of world trade arise out of systems of special privileges and arbitrary favors. Special bargaining arrangements, arbitrary allotments of quotas, unnatural diversion of trade allotments or markets to special customers all constitute fertile soil for international conflict. The equality of treatment principle tends to remove the preferential trading which is a prime cause of dissatisfaction and conflct between nations. Gen. Hugh Johnson, who is an outstanding critic of the present administration, said of the foreign policy of the United States, November 1938:

It is based on a recognition that a sound trade structure must be restored to the world to appease the handicaps imposed upon less favored nations by the vicious instruments of economic war. This is fundamental. There are few military wars in history that cannot be traced to some economic cause. The World War did not cease at the armistice. It merely changed its form from military war to economic war through the imposition of impossible reparations and the scramble toward economic self-sufficiency by tariffs, quotas, subsidies, currency manipulation, and dumping. Mr. Hull's patient effort to restore economic peace is a necessary prelude to political peace in the world. That is point No. 1 in the foreign policy of the United States, its very foundation.

The unfortunate case of Czechoslovakia has been alluded to by our critics as an example of what a trade agreement permits or does not do. It is said that we had a trade agreement with Czechoslovakia, but that it did not save that country. The point would not be worth answering if it had not been uttered by a leader of the opposition. This, of course, is a short-sighted and superficial position to take regarding the peace angle of trade agreements. Naturally a mere trade agreement with one country, when the people of a third country need markets and has a starving population, will not prevent a march to war if the necessities cannot be obtained by peaceful commerce; when nations, with teeming populations can no longer get access to markets peaceably they will attempt to take them by force; human beings are not willing to starve nor see their offspring suffer from want if they think they can obtain food by conquest or forced trading. With the world divided up into tight tariff compartments we can expect little but freebooting tactics such as have been practiced on Manchuria, Ethiopia, and Czechoslovakia. A statesmanlike trade-agreements program inaugurated 20 years ago might have prevented some of the recent conquests of markets and raw materials. But the world has for at least two decades gone in the wrong direction.

Thomas W. Lamont has endorsed the trade-agreements program as a peace measure in the following language:

As a lifelong Republican I am strongly for the work the present Secretary of State has done. His are distinct and helpful steps in building up the trade which is necessary to peace. We must make sacrifices. We must welcome lower teriffs, so in that way the standard of history will have contact the large trade of his large trade of history will have contact the large trade of history will have contact the large trade of history will have contact the large trade of history will be a large trade of history will be a large trade of the large trade of history will be a large trade of the large trade of history will be a large trade of the large trade of history will be a large trade of the large trade of history will be a large trade of the large trade of the large trade of history will be a large trade of the large trade of ard of living will rise and the threat of war will be lessened.

In spite of the various interpretations placed upon the words of the great Republican President McKinley regarding the particular kind of reciprocity treaties or agreements he advocated, I believe he must have had the peace angle in mind when he said:

Commercial wars are unprofitable; reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not. COMPACTS OR AGREEMENTS AMONG STATES ON THE ATLANTIC OCEAN

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 139) to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MAPES. Reserving the right to object, Mr. Speaker, will the gentleman state just what is proposed by this bill?

Mr. BLAND. When an identical bill was on the Consent Calendar yesterday Mr. Wolcott asked that it be passed over. He has since withdrawn his objection.

All that is proposed is consent to the States bordering on the Atlantic Ocean, for any two or more States to enter into compacts with respect to the fisheries, and particularly dealing with migratory fish, and if they cannot agree upon compacts they have to come back to the Congress for ratification.

Mr. MAPES. I have no objection.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the consent of Congress is hereby given to any two or more of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida to enter into compacts or agreements not in conflict with any law of the United States, for cooperative effort and mutual assistance for the uniform, common, or mutual regulation of fishing or of any species of fish, mollusks, or crustacea in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border or to which their jurisdiction otherwise extends and of anadromous fish spawning in the inland waters of those States.

Sec. 2. The consent of Congress is hereby granted to States other than those specified but which have jurisdiction over inland waters frequented by anadromous fish of the sea to enter into compacts

frequented by anadromous fish of the sea to enter into compacts or agreements authorized by this act.

SEC. 3. The consent of Congress is hereby given to any of the aforementioned States to establish such agencies or authorities, joint or otherwise, as they may deem desirable for making effective

compacts or agreements herein authorized. Sec. 4. Any compact or agreement herein authorized shall become binding or obligatory only upon those signatory States whose legislatures shall have approved such compact or agreement.

Sec. 5. The right to alter, amend, or repeal this joint resolution to hereby expressly recovered.

is hereby expressly reserved.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection? There was no objection.

Mr. SABATH. Mr. Speaker, a few moments ago the gentleman from Kansas [Mr. Lambertson] criticized the Rules Committee for not bringing in a rule on the wage and hour bill.

I want to say to him and to the House that the Rules Committee brought in every rule that a regular legislative committee of this House asked for. I regret very much that the last two rules which the committee brought before the House for consideration, the lending bill and the housing bill, were defeated. That was very important and beneficial legislation, but it got nowhere. And I noted that the gentleman from Kansas voted against both of those bills.

Now, the gentleman from Kansas shows a deep interest in the wage and hour bill, which contemplates the destruction of benefits voted the American wage earner during the past session. Bear in mind that the Labor Committee never asked for a rule on this bill. In my opinion the Rules Committee was exceeding its authority in granting a rule, and although I was bound as chairman of the committee to accept the majority vote to grant a rule, because I feel that such action is against all precedents and rules of the House, I have refused to call same up. If anyone is to be criticized for such action it is me, and not the leaders of the House.

[Here the gavel fell.]

Mr. LAMBERTSON rose.

The SPEAKER pro tempore. The Chair thinks the Chair should recognize the gentleman from Kansas [Mr. Lambert-

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I call the attention of the gentleman from Illinois to the fact that I did not criticize the Rules Committee. I said that the Rules Committee had reported the three proposed bills and that the House had every reason to believe that they would come up before we adjourned, but that the leadership of this House was denying the House the chance in this session of Congress to vote on any amendments aside from this one exempting the rural telephone exchanges; that the House, if it had a chance would pass the Barden amendments. I did not say the Rules Committee had not reported the rule.

Mr. SABATH. Did not the gentleman vote against both rules brought in by the Committee on Rules which would have meant a great deal to agriculture, one, day before yesterday, and one today?

Mr. LAMBERTSON. Yes. Neither the spending nor the housing bill means anything to agriculture-only a drain. What it needs is rain.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection it is so ordered.

Mr. GUYER of Kansas. Mr. Speaker, I have had many requests through the mail for extracts from the writings of ex-Senator John James Ingalls. I ask unanimous consent to extend my remarks and to include therein a eulogy on Ben Hill, of Georgia, paragraphs from Blue Grass and the sonnet Opportunity, and to insert them at this point in the RECORD.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. GUYER of Kansas. Mr. Speaker, the object of this brief sketch is to again call the attention of the Congress and the public to the superlative literary productions of Hon. John James Ingalls, former United States Senator from Kansas, who a half century ago was the most colorful figure in the public life of the Capital and the most eloquent orator of his time as well as a great poet and essayist. I can give only very brief quotations from his most noted productionsone from his eulogies, one from his essays, and one from his poetry.

Upon the death of Senator B. H. Hill, of Georgia, in 1883, Senator Ingalls delivered one of his greatest eulogies, from which I quote:

Ben Hill has gone to the undiscovered country.

Whether his journey thither was but one step across an imperceptible frontier, or whether an interminable ocean, black, unfluctuating, and voiceless, stretches between these earthly coasts and those invisible shores, we do not know.

Whether on that August morning after death he saw a more glorious sun rise with unimaginable splendor above a celestial horizon, or whether his apathetic and unconscious ashes still sleep in cold obstruction and insensible oblivion, we do not know. Whether his strong and subtle energies found instant exercise in another forum, whether his dextrous and disciplined faculties are now contending in a higher Senate than ours for supremacy,

or whether his powers were dissipated and dispersed with his part-

ing breath, we do not know.

Whether his passions, ambitions, and affections still sway, attract, and impel; whether he yet remembers us as we remember

him, we do not know.

These are the unsolved, the insoluble problems of mortal life and human destiny which prompted the troubled patriarch to ask that momentous question for which the centuries have given no answer: "If a man die, shall he live again?"

Every man is the center of a circle whose fatal circumference he cannot pass. Within its narrow confines he is potential, beyond it he perishes, and if immortality be a splendid but delusive dream, if the incompleteness of every career, even the longest and most fortunate, be not supplemented and perfected after its termination here, then he who dreads to die should fear to live, for life is a tragedy more desolate and inexplicable than death.

Of all the dead whose obsequies we have paused to solemnize in this Chamber I recall no one whose untimely fate seems so lamentable, and yet so rich in prophecy of eternal life, as that of Senator Hill. He had reached the meridian of his years. He stood upon the high plateau of middle life, in that serene atmosphere where temptation no longer assails, where the clamorous passions no more distract, and where the conditions are most favorable for noble and enduring achievements. * * *

He was competitive and unpeaceful. He was born a polemic and

no more distract, and where the conditions are most lavorable for noble and enduring achievements. * * *

He was competitive and unpeaceful. He was born a polemic and controversialist, intellectually pugnacious and combative, so that he was impelled to defend any position that might be assailed or to attack any position that might be entrenched, not because the defense or the assault were essential, but because the positions were maintained and that those who held them became by that fact alone his adversaries. This tendency of his nature made his orbit erratic. He was meteoric rather than planetary, and flashed orbit erratic. He was meteoric rather than planetary, and flashed with irregular splendor rather than shone with steady and penetrating rays. His advocacy of any cause was fearless to the verge of temerity. He appeared to be indifferent to applause or censure for its own sake. He accepted intrepidly any conclusions that he reached, without inquiring whether they were polite or expedient.

His oratory was impetuous and devoid of artifice. He * * * His cratory was impetuous and devoid of artifice. He was not a posturer nor phrase monger. He was too intense, too earnest, to employ the cheap and paltry decorations of discourse. He never reconnoitered a hostile position nor approached it by stealthy parallels. He could not lay siege to an enemy, nor beleaguer him, nor open trenches, and sap and mine. His method was the charge and the onset. He was the Murat of senatorial debate.

debate.

But in the maturity of his powers and his fame, with unmeasured opportunities for achievement apparently before him, with great designs unaccomplished, surrounded by the proud and affectionate solicitude of a great constituency, the pallid messenger with the inverted torch beckoned him to depart. There are few scenes in history more tragic than that protracted combat with death. No man had greater inducements to live. But in the long transcripts adverses of an insidiate and mortal struggle against inexorable advances of an insidious and mortal malady he did not falter nor repine. He retreated with the aspect of a victor; and though he succumbed, he seemed to conquer. His sun went down at noon, but it sank amid the prophetic splendors of an eternal dawn.

With more than a hero's courage, with more than a martyr's fortitude, he waited the approach of the inevitable hour, and went to the undiscovered country.

Ingalls has received the admiration of the Englishspeaking world for at least three of his superlative compositions: The inimitable prose poem, Blue Grass; his unsurpassed eulogies; and his incomparable sonnet, Opportunity. Upon the rugged granite boulder which marks his last resting place is a bronze plaque bearing this epitaph, a part of a sentence from his masterpiece of prose, Blue Grass:

When the fitful fever is ended, and the foolish wrangle of the market and forum is closed, grass heals over the scar which our descent into the bosom of the earth has made, and the carpet of the infant becomes the blanket of the dead.

In the limit of this brief and faltering sketch I have time only for one paragraph of Blue Grass, the gem-like, polished beauty of which gives a hint of its character:

Grass is the forgiveness of Nature—her constant benediction. Fields trampled with battle, saturated with blood, torn with the ruts of the cannon, grow green again with grass, and carnage is forgotten. Streets abandoned by traffic become grass-grown like rural lanes, and are obliterated. Forests decay, harvests perish, flowers vanish, but grass is immortal. Beleaguered by the sullen hosts of winter, it withdraws into the impregnable fortress of its subterranean vitality, and emerges upon the first solicitation of

spring. Sown by the winds, by wandering birds, propagated by the subtle horticulture of the elements which are its ministers and servants, it softens the rude outline of the world. Its tenacious fibers hold the earth in its place, and prevent its soluble components from washing into the wasting sea. It invades the solitude of deserts, climbs the inaccessible slopes and forbidding pinnacles of mountains, modifies climates, and determines the history, character, and destiny of nations. Unobtrusive and patient, it has immortal vigor and aggression. Banished from the thoroughfare and the field, it abides its time to return, and when vigilance is relaxed, or the dynasty has perished, it silently resumes the throne from which it has been expelled, but which it never abdicates. It bears no blazonry of bloom to charm the senses with fragrance or splendor, but its homely hue is more enchanting than the lily or the rose. It yields no fruit in earth or air, and yet should its harvest fail for a single year, famine would depopulate the world. the world

Shakespeare did everything better than anyone else-Shakespeare, who opened wide the portals of the human mind and soul and invited all the earth for guest; Shakespeare, who whispered into the vocabularies of the world the sweetest words that ever filtered through the hearts of men. Shakespeare did everything else better than anyone else. until Ingalis wrote Opportunity. Opportunity is the master sonnet of the English tongue. In poetry the sonnet is probably the most mechanical and artificial form of verse. consisting always of just 14 lines, a sort of automatic poem. It is the easiest kind of poem to write, and therefore it is most difficult to write a superior one. There are only a few worth remembering. Shakespeare, Milton, Wordsworth, and Elizabeth Barrett Browning wrote some good ones, but a better judge of literature than myself said that when he looked for one superior to Ingalls' Opportunity he looked in vain. On the walls of my office in Washington I have a facsimile in his own handwriting.

Critics have nagged at this poem as sinister in its gesture to fatalism, and many have attempted to answer Opportunity with another sonnet declaring that every morning opportunity knocks; but their music fades in the splendor of Ingalls' orchestration, for, say what you will of the philosophy of Ingalls' sonnet, the stately march of its majestic music sets all the orchestras of the soul to singing.

OPPORTUNITY

Master of human destinies am I! Fame, love, and fortune on my footsteps wait. Cities and fields I walk; I penetrate Deserts and seas remote, and passing by Hovel and mart and palace—soon or late I knock unbidden once at every gate! If sleeping, wake—if feasting, rise before I turn away. It is the hour of fate, And they who follow me reach every state Mortals desire, and conquer every foe Save death, but those who doubt or hesitate. Save death; but those who doubt or hesitate, Condemned to failure, penury, and woe, Seek me in vain and uselessly implore. I answer not, and I return no more.

ANNOUNCEMENT

Mr. RANDOLPH. Mr. Speaker, on roll call No. 152, I was unavoidably absent from the Chamber on official business. Had I been present I would have voted "nay."

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

CITY OF PIERRE, S. DAK.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6446) amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes."

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, has the bill been reported?

Mr. MUNDT. Yes; the bill has been reported. It was called on the Consent Calendar last Monday and objected to by the gentleman from Indiana [Mr. Schulte]. I have since gone over the bill with the gentleman from Indiana and he has withdrawn his objection.

Mr. COCHRAN. Will the gentleman explain the bill

Mr. MUNDT. This bill simply corrects legislation passed in the last session setting up a game refuge in the Missouri River. That legislation was inadvertently drawn so stringently that it prevented the game wardens from controlling predatory animals. This bill corrects that situation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes", is amended by adding at the end thereof the following: "Nothing herein shall be construed to prohibit the said Island from removing therefrom, by such means as it may deem appropriate or advisable, such wild bird or other animal, except migratory birds, unless authorized by a permit issued pursuant to the Migratory Bird Treaty Act, that may become detrimental to the maintenance of said island as a wild game refuge, park, or forest."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. Johns asked and was given permission to revise and extend his remarks.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection.

There was no objection.

Mr. Speaker, when the gentleman from Georgia asked to have legislation passed by unanimous consent exempting 500,000 employees of telephone exchanges from the Wage and Hour Act, we were led to believe that we were going to have other amendments to the Wages and Hours Act considered. Had we known that it was only going to be the telephone exchange operators who were to be covered and that the administration was only in favor of that kind of legislation, I question very much if that bill would have gone through for the reason if objection had been registered we might have obtained additional legislation so far as amendments to the Wages and Hours Act are concerned. When the majority leader says we will have no such legislation, the majority party is responsible for that kind of action.

[Here the gavel fell.]

INDUSTRIAL RECONSTRUCTION

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. Keller]?

There was no objection.

Mr. KELLER. Mr. Speaker, for the purpose of directing the attention of the public and of the Congress to the need for careful study of the grave problem of mass unemployment, I have this day introduced a bill, H. R. 7480, that may well serve as a working basis for our normal legislative processes of committee consideration, public hearings, amendment, and debate. It is in no sense an emergency measure, although the conditions that call it forth cry out for remedy; but if we have learned anything in the past 5 or 6 years, it is that the unemployment problem is not to be tackled as is a four-alarm fire.

Shortly after the Congress recesses I am sailing for Europe, at my own expense, to acquaint myself with what they are doing over there, especially in Sweden and Norway, in their efforts to deal with this most important problem of unemployment, and I hope to bring back with me some information that may be helpful to the Congress when this bill, and

measures with similar objectives, shall be taken up at the next session of Congress.

The bill for an Industrial Reconstruction Act presents a detailed plan to require American industry to function in the public interest on the basis of an economy of abundance, with employment for all able and willing to work. It provides an administrative body, planning agencies, guarantees of the cost of increased production under expansion programs, credit facilities, and a Federal licensing system applicable directly to the major industries in and touching interstate commerce. It creates a Capital Issues Banking System, paralleling in structure the Federal Reserve Bank System, which will underwrite and market all securities affecting interstate commerce and place a prohibitive tax on private investment banking.

The plan is complete, worked out within the framework of democracy and the present American business system. It is not destructive of capitalism, the profit incentive, and/or individual initiative. It is based upon the findings of economists, industrial engineers, and other experts that a coordinated expansion program under governmental direction is practicable, and that through it we can realize full utilization of our productive capacities, natural resources, manpower, and available credit and capital reservoirs.

The plan is a constructive proposal whereby we may effect a permanent recovery from an era of panic, depression, industrial stagnation, and mass unemployment. Mass purchasing power, through employment for all, with higher wage and salary levels for those in the lower brackets, will keep pace with the controlled, ever-ascending spiral of increased production, with a national income of one hundred and thirty to one hundred and thirty-five billions as an attainable goal. The gradual elimination of Government spending for pump-priming purposes will accompany this development, and the augmented Federal revenues due to the increasing national income will make possible lower taxes, a balanced Federal Budget, and the reduction of the public debt.

There should be no hasty criticism of this plan. Prejudice should not speak prematurely. Let the captains of industry and finance and all others who will instinctively oppose it first make certain that they have a more sound and more workable substitute. Let them be definitely concrete in their counter proposals. The people of the United States are long wearied of specious generalizations about "restoring confidence in the business world," "business appeasement," "starting the flow of investment capital," "Budget balancing," "lowering the tax burden," and all such. The people want to be told exactly how these things are to be done and precisely what results may be expected to follow therefrom.

In the closing days of the first session of this Seventy-sixth Congress we have rejected the recovery-lending program and the increased housing program. We have curtailed the work-relief and direct-relief appropriations to such an extent that it is necessary to drop from relief rolls almost a million people at a time when still another million are certified as eligible and are waiting to get on the rolls if they are to be permitted to live. Of what, in God's name, can we be thinking? Does anybody believe that the way to recovery lies on "Unemployment and Starvation Highway No. 1"?

Obviously there can be found a safe and sound way out of the morass in which we have been struggling for now a decade. To deny that is to indict our civilization and the intelligence of our people, and to admit the utter failure of democratic processes and institutions. And the way out must not be a way by which a fortunate few escape from the morass by trampling the less fortunate under foot. It must be a way that is wide enough for a whole people, available to all, and affording equal security to all.

Such a way, I believe, may be constructed through the bill I have introduced.

ANNOUNCEMENT

Mr. VOORHIS of California. Mr. Speaker, my colleague from California, Mr. Thomas F. Ford, was unavoidably detained. Had he been present this afternoon, he would have

voted "yea" on the consideration of the rule for the so-called housing bill.

EXTENSION OF REMARKS

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record on the subjects of The Farmer Pays the Bill and The Agricultural Merry-Go-Round.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. Murray]?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. Schulte] is recognized for 5 minutes.

Mr. MAPES. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Michigan.

Mr. MAPES. Would the majority leader, who is now occupying the Speaker's chair, care to say what the program for tomorrow will be?

The SPEAKER pro tempore. Unless the bill authorizing a housing census is taken up tomorrow, the Chair knows of no business. The Speaker, who will be here tomorrow, may, of course, recognize someone. It is the intention now to bring up a bill authorizing the housing census, and that is all.

Mr. MAPES. That is the bill that provides for incorporating into the regular census a census of housing utilities, electrical equipment, and so forth?

The SPEAKER pro tempore. That is my understanding.

Mr. MAPES. The Committee on Rules has reported a rule?

The SPEAKER pro tempore. Yes.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the polar exposition bill at the point in the Record where that bill was passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. Rogers]?

There was no objection.

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Sabath] may be granted the privilege of extending and revising the remarks he made today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. Schulte]? There was no objection.

MILK INVESTIGATION

Mr. SCHULTE. Mr. Speaker, some time ago a resolution was introduced in the House by the gentleman from Virginia asking for an investigation of the milk situation and all relations thereto in the District of Columbia and the milk shed surrounding the District. This resolution was referred to the District of Columbia Committee of the House which handles the affairs of the District. It was my privilege to serve as a member of the Subcommittee on Health, that considered the resolution and we went into it very thoroughly and extensively. As is well known, the committee was blocked in its every effort. Various Members tried to do everything they possibly could to throw obstacles in our way. In spite of that, Mr. Speaker, we continued on. At that particular time some of the gentlemen from Virginia were very anxious and very excited about the fact that we were going to bring milk in from other parts of the United States. The claim was made that the District of Columbia belonged to 800 farmers living in Virginia and 635 farmers living in Maryland, that no other farmer had the right to sell his products in Washington. It was claimed that just those patent-leathered, kid-gloved, limousine-riding farmers who occupy the territory adjacent to the District of Columbia should have this privilege, denying the right to all the other farmers in the State of Maryland and in the State of Vir-

ginia. These people virtually said, "No, my friend, you cannot bring your milk in here or your products. We have the sole right. Why, you might contaminate some of the people in the District. They might be poisoned by your milk."

They made the same statement to the farmers of Pennsylvania. They made the same statement to the farmers of Ohio, Indiana, Illinois, and all the other States. They said, "Your milk is not any good."

Let us consider as exhibit A, my good friend the gentleman from Wisconsin? He was raised on Wisconsin milk.

Let us consider as exhibit B, the gentleman from Wisconsin [Mr. Keefe] and my good friend from Illinois [Mr. Dirksen], my good friend from Indiana [Mr. Gille], and myself. Contrast those gentlemen with the gentleman from Virginia. [Laughter and applause.] Which goes to prove, Mr. Speaker, that we produce very good milk in other States, as well as Maryland and Virginia.

Mr. Speaker, I want to make one point. Mr. MURRAY. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Wisconsin.
Mr. MURRAY. Does the gentleman think that the Congressmen from Virginia and Maryland would really have voted for that trade barrier when it came right down to it?

Mr. SCHULTE. I am not able to speak for them, but I know some of the Representatives from Maryland and Virginia resent that trade barrier just as much as you and I.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Wisconsin. Mr. SCHAFER of Wisconsin. A few of those Maryland and Virginia Representatives voted for the million-dollar Eskimo pork project. They did not seem to have any conscience about permitting reindeer mlk to come in here and compete in the Washington milkshed.

Mr. SCHULTE. I do not know anything about their thoughts, but I am quite certain, after talking with several of them, that they had intended to vote for the Schulte milk bill which has as its purpose to break down that most vicious barrier that exists around the District of Columbia.

Just recently one of the national magazines, which is sent all over the United States, carried quite a story about the monopoly that has been developed by the patent-leather farmers around the District and some of the distributors in the District of Columbia. We tried to hurry through the Schulte bill so we could have it enacted into law, but because of certain parliamentary tactics that were used it was impossible to do so. I told you at that time that they were going to try to break several independent distributors. We have that spectacle today. Right now the Maryland-Virginia patent-leather-shoe and limousine farmers are selling it to the Richfield Dairy at 17 cents a gallon. They are selling it to Sylvan Seal for 17 cents a gallon. While these distributors can buy at this price, yet their consumers still pay the same high price. Yet the Embassy-Fairfax Dairy must pay 271/2 cents a gallon. They are out in the fields right now trying to take away from the Embassy-Fairfax the farmers who are supplying them their milk, with the sole intent of breaking the Embassy-Fairfax Dairy because this dairy has the audacity to try to sell milk at a reasonable price to the consumers in Washington. This entire fight came on because Embassy and Fairfax Dairies were selling milk to the people of Washington at reasonable prices, to wit, 12 cents per quart for grade A milk.

[Here the gavel fell.]

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SCHULTE. Mr. Speaker, that is just a part of what is going on. They say, "Oh, we feel sorry for the farmer." This patent-leather farmer that I am talking about, this limousine farmer who drives over his fields in his automobile and does no work, claims that he cannot supply milk unless he gets 28 cents a gallon. He must have at least that. He has proved conclusively that he can manufacture and

produce milk for 17 cents. If not, why is he selling to these particular dairies? The point I am trying to make is that they are getting on an average four and one-quarter cents for the milk sold to Richfield and Sylvan Seal. If the Maryland and Virginia producers, these limousine farmers, can sell milk to Richfield and Sylvan Seal for 41/2 cents a quart, then why can they not sell it to the little children on the streets who are white and anemic? This same group, this same outfit, these same vultures, are denying milk to these little tots right today. They say to them, "You are going to pay 14 cents a quart or we are going to let you rot on the streets."

Mr. Speaker, I hope and feel that the Members of this House are very much in sympathy with me in trying to break down this trade barrier that lies around the District of Columbia. I hope that when we come back next year we can prove to the people that we are sincere, that we realize and appreciate the plight in which they find themselves, and that we will say to the people who live in Washington, "We are going to bring down the price of milk," in spite of the ruthless tactics of Mr. Derrick, who heads the Maryland-Virginia Association, and who has been successful in selling himself and his racket to these producers at the expense of a lot of anemic little children and poor families in the District of Columbia. I do hope the people of Washington will help me in this fight by buying milk only from the independent dairies in Washington, who are giving their assistance to the people in this fight for lower-price milk.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the proceedings on the occasion of the dedication of the radio press gallery.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio broadcast under the auspices of the American Wildlife Institute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. O'CONNOR, Mr. VOORHIS of California, and Mr. SMITH of Ohio asked and were given permission to extend their own remarks in the RECORD.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made earlier in the day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PRICES FOR FARM CROPS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, the tragedy of an attempt by the Federal Farm Board to support farm prices by buying surpluses is history. It now appears that history may repeat that tragedy in the loans of the Commodity Credit Corporation.

It must be apparent that the farm problem will not be solved until we establish a self-creating and self-financing market for surplus farm products. Such a solution is possible. Perishable surplus crops can be converted into fuel alcohol to supply the demands of a motor age for an improved motor fuel-an alcohol-blend gasoline.

In this way oats and corn that horses no longer eat will be consumed by the engines that have replaced them. In this way acres producing surplus cotton can grow sorghums, and sorghums will make motor fuel.

Such a solution will pay its own way and injure nobody. The increased purchasing power of the farmer will increase the demand for motor fuel and offset any shrinkage in gasoline consumption, and at the same time protect our diminishing oil reserves against the increased rate of consumption.

Mr. Speaker, I ask unanimous consent to extend my remarks and include therein the outline of a measure to accomplish this purpose, which I propose to introduce.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GREGORY, for Friday and Saturday, on account of important business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1710. An act to provide for the cancelation of certain notes acquired by the Farm Credit Administration as a result of the activities of the Federal Farm Board; to the Committee on Agriculture.

S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims; to the Committee on the Judiciary.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 6. An act to return a portion of the Grand Canyon Na-

tional Monument to the public domain;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and, subject to the recommendation of the Attorney General of the United States, to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont.;

S. 809. An act for the relief of Jessie M. Durst;

S. 839. An act to amend the Retirement Act of April 23,

S. 891. An act for the relief of J. C. Grice;

S. 1092. An act for the relief of Sigvard C. Foro;

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk;

S. 1429. An act for the relief of Earl J. Reed and Giles J.

S. 1816. An act for the relief of Montie S. Carlisle;

S. 1821. An act for the relief of Harry K. Snyder;

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 2056. An act for the relief of N. F. Clower and Elijah Williams; and

S. 2408. An act for the relief of Russell B. Hendrix.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 543. An act for the relief of Imogene Enley;

H. R. 1177. An act for the relief of Bessie Bear Robe;

H. R. 1436. An act for the relief of William H. Keesey;

H. R. 1881. An act for the relief of Anne Boice;

H. R. 2102. An act for the relief of Ada Fuller:

H.R. 2178. An act to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 2346. An act for the relief of Virgil Kuehl, a minor;

H. R. 2514. An act for the relief of G. E. Williams;

H. R. 2610. An act for the relief of G. W. Netterville;

H. R. 2642. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

H. R. 2738. An act providing for the disposition of certain

Klamath Indian tribal funds;

H. R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H.R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H. R. 2883. An act to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act;

H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency;

H. R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15):

H. R. 3084. An act for the relief of Violet Dewey;

H. R. 3157. An act for the relief of Frank Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased:

H. R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536):

H.R. 3337. An act for the relief of the estate of Arthur Weltner;

H. R. 3345. An act for the relief of Ninety Six Oil Mill, of Ninety Six. S. C.;

H. R. 3569. An act for the relief of J. Aristide Lefevre;

H. R. 3795. An act to provide a right-of-way through the Chilkoot Barracks Military Reservation, Alaska;

H. R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor;

H.R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H. R. 4115. An act for the relief of W. C. and James Latane, and Willie Johnson;

H.R. 4261. An act for the relief of the estate of Frank M. Smith;

H.R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publications:

H. R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia;

H. R. 4609. An act for the relief of Charles Enslow;

H.R. 4638. An act authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm, and for other purposes;

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes;

H. R. 4783. An act to provide a right-of-way;

H. R. 4784. An act to provide a right-of-way;

H. R. 4847. An act for the relief of Leland J. Belding;

H.R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H.R. 5056. An act for the relief of Nicholas Contopoulos; H.R. 5450. An act to extend the time within which applications for benefits under the World War Adjustment Act, as amended, may be filed;

H. R. 5516. An act for the relief of Charlotte E. Hunter;

H. R. 5611. An act to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes";

H. R. 5684. An act amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee, and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

H. R. 5743. An act for the relief of Walter C. Holmes;

H.R. 5764. An act to provide for the establishment of a cemetery within the Crab Orchard Creek dam project, Williamson County, Ill.;

H. R. 5775. An act for the relief of Michael M. Cohen;

H. R. 5912. An act authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H. R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H.R. 6114. An act to authorize postmasters within the Territory of Alaska to administer caths and affirmations, and for other purposes;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H.R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions:

H. R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules;

H.R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry;

H.R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H.R. 6528. An act to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes;

H. R. 6538. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6539. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6540. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6541. An act to amend the Agricultural Adjustment Act of 1938;

H.R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937 and to permit advances of funds in connection with the enforcement of the customs laws:

H.R. 6585. An act to provide for the disposition of certain records of the United States Government;

H.R. 6641. An act for the relief of the Arkansas State Penitentiary;

H. R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U. S. C., title 35, secs. 31, 32, 69, and 73);

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63);

H. R. 6875. An act to amend section 4903 of the Revised Statutes (U. S. C., title 35, sec. 51);

H. R. 6899. An act granting pensions to certain veterans of the Civil War:

H.R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps;

H.R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7093. An act to provide for the rank and title of lieutenant general of the Regular Army;

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939;

H. R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes;

H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. R. 7411. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge;

H.J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture;

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation-construction charges against lands under the San Carlos and Flathead Indian irrigation projects;

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio;

H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics: and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes.

ADJOURNMENT

Mr. WARREN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Friday, August 4, 1939, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. NORTON: Committee on Labor. S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938"; without amendment (Rept. No. 1448). Referred to the committee of the Whole House on the state of the Union.

Mr. BURDICK: Committee on Indian Affairs. H. R. 793. A bill authorizing payment to the Sisseton and Wahpeton Bands of Sioux Indians for certain lands ceded by them to the United States by a treaty of July 23, 1851; with amendments (Rept. No. 1449). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHELCHEL: Committee on the Post Office and Post Roads. H. R. 2665. A bill to provide increases in clerical allowances at certain offices of the third class, and for other purposes; with amendments (Rept. No. 1450). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee of conference. S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad (Rept. No. 1451). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WARREN: Committee on Accounts. House Resolution 291. Resolution providing for the expenses incurred by House Resolution 290 (Rept. No. 1542). Ordered to be

printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee of conference. H. R. 875. A bill for the relief of Okie May Fegley (Rept. No. 1453). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KELLER:

H.R. 7480. A bill to encourage and protect commerce among the States and to regulate its flow in order to assure continuous economic prosperity and security, to promote full and effective utilization of available production capacities and make full employment and economic abundance accessible to all, to increase the national income, promote adequate and ever-rising standards of living limited only by our national resources, and to free business from restraints on production, expansion, and trade; (a) by expanding and licensing production of the major industries engaged in iterstate commerce, uder adequate consumer, labor, business, and public safeguards; (b) by providing the necessary consumer purchasing power for such expanded production through increased employment, assured supplies and flow of credit, better balanced income distributions, increased efficiency, aids in marketing, and reasonable assurances against losses in such expanded production; (c) by making possible under democratic processes such balanced expansion programs and providing the capital funds therefor through the establishment of a National Capital Issues Banking System; and to create the Industrial Reconstruction Commission and other agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. FAY:

H. R. 7481. A bill to amend section 3339 of the Revised Statutes of the United States; to the Committee on Ways and Means.

By Mr. KELLY:

H. R. 7482. A bill to further amend the act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes," approved August 29, 1935, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. FADDIS:

H.R. 7483. A bill to authorize the Secretary of War to furnish certain markers for certain graves; to the Committee on Military Affairs.

By Mr. FLAHERTY:

H.R. 7484. A bill to safeguard and protect the lives of fishermen at sea and to inspect fishing vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. HENDRICKS:

H. R. 7485. A bill to regulate the issuance of commemorative coins; to the Committee on Coinage, Weights, and Measures.

By Mr. KRAMER:

H. R. 7486. A bill to amend paragraph 1798 of the Tariff Act of 1920, as amended (U. S. C., 1934 edition, supp. IV, title 19, sec. 1201, par. 1798); to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 7487. A bill to provide for the promotion of the welfare of displaced labor in relation to the economic effects flowing from scientific and technological developments; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 7488. A bill granting an increase of pension to Anna M. Lewis; to the Committee on Invalid Pensions.

By Mr. BARRY:

H. R. 7489. A bill for the relief of Frederick P. Sell; to the Committee on Claims.

H.R. 7490. A bill for the relief of Florence Conjard; to the Committee on Claims,

By Mr. FAY:

H.R. 7491. A bill for the relief of the alien, James Neohoritis; to the Committee on Immigration and Naturalization.

By Mr. KENNEDY of Maryland:

H. R. 7492. A bill for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service; to the Committee on Claims.

H.R. 7493. A bill for the relief of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior; to the Committee on Claims.

By Mr. KING:

H.R. 7494. A bill for the relief of Robert William Holt; to the Committee on Claims.

H. R. 7495. A bill for the relief of Gloria D. Downing; to the Committee on Immigration and Naturalization.

By Mr. LESINSKI:

H.R. 7496. A bill for the relief of Joseph B. Rupinski and Maria Zofia Rupinski; to the Committee on Immigration and Naturalization.

By Mr. MARTIN of Iowa:

H.R. 7497. A bill granting an increase of pension to Abigail Daughrity; to the Committee on Pensions.

By Mr. MILLER:

H.R. 7498. A bill to provide for the presentation of a medal to Cynthia Chapin in recognition of her valor in saving the lives of 33 of her fellow citizens; to the Committee on the Library.

By Mrs. O'DAY:

H.R. 7499. A bill for the relief of Juda Hersch Katz; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Florida:

H. R. 7500. A bill for the relief of W. P. Richardson; to the Committee on Merchant Marine and Fisheries.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5209. By Mr. HARTER of New York: Petition of 30 citizens of the Forty-first District of New York, opposing the closing of the nursery-school project in Buffalo; to the Committee on Appropriations.

5210. By Mr. MERRITT: Resolution of the Queens County committee of the American Legion, New York, urging the passage by Congress of the bill now pending to establish a 2-cent first-class mail rate throughout the county of Queens; to the Committee on the Post Office and Post Roads.

5211. By Mr. PFEIFER: Petition of N. V. Noyes, commissioner of agriculture, Albany, N. Y., urging passage of Senate bill 2212; to the Committee on Appropriations.

5212. Also, petition of the Laundry Workers Joint Board of Greater New York, concerning the Fair Labor Standards Act; to the Committee on Labor.

5213. Also, petition of James A. Urich, executive director, American Federation of Housing Authorities, Washington, D. C., urging favorable action on Senate bill 591; to the Committee on Banking and Currency.

5214. By Mr. VOORHIS of California: Petition of Earl A. Brown, of Pomona, Calif., and 227 other Work Projects Administration workers of the Twelfth Congressional District to the Congress of the United States, asking for the repeal of the wage-reduction provisions and the 30-day furlough for all workers employed 18 months, and petition against any further reduction in hourly rates; to the Committee on Appropriations.

SENATE

FRIDAY, AUGUST 4, 1939

(Legislative day of Wednesday, August 2, 1939)

The Senate met at 11 o'clock a. m., on the expiration of he recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Thou who are the light of the minds that know Thee, the life of the souls that love Thee, and the strength of the wills that serve Thee: Help us so to know Thee that we may truly love Thee, so to love Thee that we may fully serve Thee, whom to serve is perfect freedom. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Thursday, August 3, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lucas	Sheppard
Andrews	Downey	Lundeen	Shipstead
Austin	Ellender	McCarran	Smith
Bailey	George	McKellar	Stewart
Bankhead	Gerry	Maloney	Taft
Barkley	Gibson	Mead	Thomas, Okla.
Borah	Gurney	Miller	Thomas, Utah
Bridges	Hale	Minton	Tobey
Brown	Harrison	Murray	Townsend
Bulow	Hatch	Neely	Truman
Burke	Hayden	Nye	Tydings
Byrd	Herring	O'Mahoney	Vandenberg
Byrnes	Holt	Pepper	Van Nuys
Capper	Johnson, Calif.	Pittman	Wagner
Chavez	Johnson, Colo.	Radcliffe	Walsh
Clark, Idaho	King	Reed	Wheeler
Clark, Mo.	La Follette	Russell	White
Connally	Lee	Schwartz	
Danaher	Lodge	Schwellenbach	

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Arkansas [Mrs. Caraway], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. Guffey], the Senator from Alabama [Mr. Hill], the Senator from Delaware [Mr. Hughes], the Senator from Illinois [Mr. Slattery], and the Senator from New Jersey [Mr. Smathers] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. Reynolds] are unavoidably detained.

The VICE PRESIDENT. Seventy-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 875) for the relief of Okie May Fegley.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6446. An act amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes";

H.R. 6480. An act to amend the Agricultural Adjustment Act of 1933; and

H. R. 6668. An act to grant the State of North Carolina a right-of-way for the Blue Ridge Parkway across the Cherokee Indian Reservation in North Carolina, to provide for the payment of just compensation for said right-of-way, and for other purposes.

SUPPLEMENTAL ESTIMATE, THE PANAMA CANAL (S. DOC. NO. 122)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Panama Canal, for the construction of additional lock and other facilities for the improvement and enlargement of the capacity of the Canal, fiscal year 1940, amounting to \$15,000,000, which, with the accompanying paper, was referred to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATE, GOVERNMENT IN THE TERRITORIES (S. DOC. NO. 123)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of the Interior, fiscal year 1940, for defraying the deficits in the treasuries of the municipal governments, Virgin Islands, amounting to \$70,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, CLAIMS OF AMERICAN NATIONALS AGAINST UNION OF SOVIET SOCIALIST REPUBLICS, 1940 (S. DOC. NO. 124)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the State Department, adjustment of claims of American Nationals against the Government of the Union of Soviet Socialist Republics, 1940, amounting to \$19,400, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

WATER-POWER PLANTS

The VICE PRESIDENT laid before the Senate a letter from the Acting Chairman of the Federal Power Commission, transmitting, in response to Senate Resolution 164, a report showing the installed capacity, ownership, and kilowatt-hour output for the calendar year 1938, where available, for all water-power plants in the United States having an installed capacity of 100 horsepower or more, together with a list of the 200 largest water-power plants in the United States, which, with the accompanying papers, was referred to the Committee on Commerce and ordered to be printed under the terms of Senate Resolution 164.

PETITION

Mr. WALSH presented the following resolution of the Senate of the Commonwealth of Massachusetts, which was referred to the Committee on Foreign Relations:

Whereas there is pending in the Congress of the United States a bill providing for the presentation to Eire of a statue of Commodore John Barry, known as The Father of the United States Navy: Therefore, be it

Resolved, That the Senate of the Commonwealth of Massachusetts records itself in favor of said bill and respectfully urges the Congress of the United States to enact the same into law: And be it further

Resolved, That the Secretary of the Commonwealth send a copy of these resolutions to the presiding officers of both branches of the Congress and to each Member thereof from this Commonwealth.

REPORTS OF COMMITTEES

Mr. TOBEY, from the Committee on Claims, to which was referred the bill (H. R. 7050) for the relief of certain former disbursing officers for the Civil Works Administration, reported it without amendment and submitted a report (No. 1140) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (H. R. 6099) for the relief of Mrs. S. F. Sewell, reported it without amendment and submitted a report (No. 1141) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 377. A bill to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others"; H. R. 3087. A bill for the relief of Gdynia America Line,

Inc., of New York City, N. Y. (Rept. No. 1142);

H.R. 3363. A bill for the relief of the American Insurance Co. of New Jersey (Rept. No. 1143);

H. R. 3912. A bill for the relief of the heirs of John Cauley,

deceased (Rept. No. 1144);
H. R. 4813. A bill for the relief of the estates of Marie R.
Morkovsky and Alphons Morkovsky, both deceased (Rept.

No. 1145); and H.R. 5369. A bill for the relief of Maj. Noe C. Killian (Rept. No. 1146).

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 3051) for the relief of certain workers performing emergency work at Cairo, Ill., in the Ohio River flood of 1937, reported it without amendment and submitted a report (No. 1147) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 1450) to provide funds for cooperation with school district No. 13, Froid, Mont., for extension of public-school buildings to be available to Indian children, reported it without amendment and submitted a report (No. 1148) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2523) to provide for the construction, extension, equipment, and improvement of public-school facilities at McCurtain, Okla., Haskell County, reported it without amendment and submitted a report (No. 1149) thereon.

He also, from the same committee, to which was referred the bill (S. 1671) to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah, reported it with an amendment and submitted a report (No. 1150) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the joint resolution (S. J. Res. 182) to amend Public Resolution No. 112, Seventy-fifth Congress, reported it without amendment.

He also, from the same committee, to which was referred the resolution (S. Res. 180) continuing the Special Committee on Investigation of Unemployment and Relief and increasing the limit of expenditures (submitted by Mr. Byrnes on the 3d instant) reported it without amendment.

NATIONAL HEALTH PROGRAM (S. REPT. NO. 1139)

Mr. MURRAY, from the Committee on Education and Labor, submitted a preliminary report on the bill (S. 1620) to provide for the general welfare by enabling the several States to make more adequate provision for public health, prevention and control of disease, maternal and child-health services, construction and maintenance of needed hospitals and health centers, care of the sick, disability insurance, and training of personnel; to amend the Social Security Act; and for other purposes, which was ordered to be printed.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. TRUMAN (for Mrs. Caraway), from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolution: On August 3, 1939:

S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.; S. 808. An act for the relief of Calliope Minaca Pilavakis;

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1954. An act for the relief of Joannes Josephus Citron; S. 2410. An act relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2562. An act to facilitate certain construction work for

the Army, and for other purposes; and

S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

On August 4, 1939:

S. 6. An act to return a portion of the Grand Canyon Na-

tional Monument to the public domain;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and, subject to the recommendation of the Attorney General of the United States, to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont.;

S. 809. An act for the relief of Jessie M. Durst;

S. 839. An act to amend the Retirement Act of April 23, 1904:

S. 891. An act for the relief of J. C. Grice;

S. 1092. An act for the relief of Sigvard C. Foro:

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk;

S. 1429. An act for the relief of Earl J. Reed and Giles J. Gentry:

S. 1816. An act for the relief of Montie S. Carlisle:

S. 1821. An act for the relief of Harry K. Snyder;

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 2056. An act for the relief of N. F. Clower and Elijah Williams; and

S. 2408. An act for the relief of Russell B. Hendrix.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 2957. A bill granting a pension to Caroline Danforth (with accompanying papers); to the Committee on Pensions. By Mr. MEAD:

S. 2958. A bill to provide for establishing five regional agricultural research centers, for investigations and demonstrations in self-sufficing farming, the preservation of plant and animal varieties for use in event of outbreaks of new diseases or development of new commercial uses, suburban land use, and the application of power-driven appliances on the self-sufficing farm and in the farm home; to the Committe on Agriculture and Forestry.

By Mr. TAFT:

S. 2959. A bill for the relief of Arrena J. Longman; to the Committee on Claims.

By Mr. BORAH:

S. 2960. A bill to add certain lands to the St. Joe National Forest, Idaho, in order to protect the watershed of the town of St. Maries; to the Committee on Agriculture and Forestry.

By Mr. SHEPPARD:

S. 2961. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. TYDINGS (for himself and Mr. GIBSON):

S. 2962. A bill to confer United States citizenship upon certain inhabitants of the Island of Guam and extend the naturalization laws thereto; to the Committee on Territories and Insular Affairs.

(Mr. Lodge introduced Senate bill 2963, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. MALONEY:

S. 2964. A bill for the relief of Joseph L. Lipsher and Esther Mila Lipsher; to the Committee on Immigration.

By Mr. CLARK of Missouri:

S. 2965. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jennie Polete, Clara Hodges, and August Douez; to the Committee on Claims.

By Mr. O'MAHONEY:

S. 2966. A bill for the relief of John Hlachum; to the Committee on Claims.

By Mr. BURKE:

S. J. Res. 183, Joint resolution to define the status of the member of the United States on the Inter-American Commission of Women, the functions of the Secretary of State relative to the same, and for other purposes; to the Committee on Foreign Relations.

By Mr. THOMAS of Oklahoma:

S. J. Res. 184. Joint resolution to amend the Code of Laws of the United States, title 41, public contracts section 10a; to the Committee on Education and Labor.

HEALTH INSURANCE

Mr. LODGE. Mr. President, I am today introducing a bill to provide health insurance to certain workers in severe economic distress, which I ask to have referred to the Committee on Finance, to which previous proposals affecting health matters have been referred in the past.

Because it is so late in the session I shall not, of course, press for action at this time. The general question of health insurance is one, however, which is being considered by several committees of Congress at the present time, and which is engaging the attention of many persons outside of Washington. This is, therefore, an appropriate time to make a proposal of this sort, so that it may receive the consideration of officials and interested citizens.

The inspiring advance which medical science has made in recent years should not make us unmindful of the fact that every survey reveals a deplorable amount of bad health in the United States. It is true, moreover, that to a marked extent poverty and sickness go hand in hand. In this connection, the President's Technical Committee on Medical Care, a nonpartisan body, has pointed out that one reason why persons of precarious means and small earnings do not receive proper medical care is that they are unable to pay for it.

Whether for reasons of pride or of unfamiliarity with our existing health system, the fact is that there are many who will not take advantage of the generous willingness of American doctors and hospitals to supply medical care free of charge. It is high time that some plan be devised which will, first, enable these persons to help themselves, and, second, reduce the heavy load of free cases which our medical men so uncomplainingly carry.

I am, therefore, proposing an amendment to the Social Security Act which will provide health insurance for those who are in severe economic need. Under the terms of my bill, unemployed workers who have contributed to their own protection through pay-roll taxes are eligible to receive as much as \$100 to pay doctor and hospital charges. The total cost of this plan in 1940 will be less than a million dollars, which is a mere fraction of the tremendous old-age fund from which the payments shall be made.

I hope this measure will be acceptable to the Congress and to all Americans who acknowledge their stake in the development of a healthy America. The needy will receive immediate relief. The taxpayer will not be affected, for there are no new taxes involved. Doctors and hospitals will receive compensation for furnishing medical care to those whose slender resources hitherto have not been able to stand the strain of essential medical assistance.

This measure does not regiment. In all cases the initiative rests with the individual. He himself chooses his own doctor and his own hospital. The Federal Government merely gives full recognition to the work of private enterprise, and simply sets up the machinery whereby the self-respecting man may help himself. Question of medical personnel and hospital standards remain where they now are, in the devoted hands of professional physicians. The part played by the State

and local governments is recognized and enhanced. There is

no invitation to haste and waste.

We have taken important steps looking toward the establishment in recent years of a well-rounded, integrated socialsecurity program. Workmen's compensation for many years has provided financial aid to those who have suffered from injuries sustained during the course of their employment. Unemployment compensation aims to protect the unemployed from loss of wages. Old-age pensions should be developed which will safeguard our people from the hazards of insecurity. A well-conceived health-insurance program should bring measurably nearer the day when the American people will be physically fit.

This bill is a humble first step toward this inspiring goal.

I ask unanimous consent that the bill may be printed in the RECORD and referred to the Committee on Finance, and that there may be also printed in the RECORD, as part of my remarks, a summary of its provisions.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill itself, and the summary referred to by the Senator from Massachu-

setts, will be printed in the RECORD.

The bill (S. 2963) to provide health insurance to certain workers in severe economic distress, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Health Insurance Act of 1939."

SEC. 2. The Social Security Act is amended by adding at the end thereof the following new title:

"TITLE XII-HEALTH INSURANCE "APPROPRIATION

"Sec. 1201. For the purpose of assisting qualified individuals to receive medical services when they require such care but are without means, the Secretary of the Treasury is directed to pay each month from the Old-Age Reserve account the amount estimated by him and by the Chairman of the Social Security Board which will be expended during the month by the Social Security Board and the Treasury Department for the administration of this title.

"QUALIFIED INDIVIDUALS

"SEC. 1202. An individual shall be qualified for health-insurance payments under this title if—

"(a) He has been registered as unemployed for at least 15 consecutive weeks at a public employment office or other agency approved by the Board; and

"(b) He is not receiving an old-age benefit payment under title

"(b) He is not receiving an old-age benefit payment under title II; and
"(c) He has been paid, after December 31, 1936, not less than \$5,000 in total wages (as defined in section 210 (a)) with respect to employment (as defined in section 210 (b)); and

"(d) He has been paid such wages, with respect to such employment on some 3 days after December 31, 1936, and before he attained the age of 65, each day being in a different calendar year;

"(e) He has filed with the Social Security Board (1) an application for health-insurance benefits; (2) a bill for medical or hospital services rendered to him; and (3) the sworn affidavit of the attending doctor or of the medical supervisor of a hospital furnishing assistance to him, that the applicant received medical or hospital treatment from such doctor or such hospital and that the bill rendered is a reasonable charge for such services.

'HEALTH-INSURANCE BENEFIT PAYMENTS

"Sec. 1203. (a) Every qualified individual shall be entitled in any year, upon approval of his application by the Social Security Board, to have forwarded to the doctor or hospital furnishing him with medical or hospital services, in part or full payment, for such services a sum equal to all or to any part of the health-insurance benefit to which such individual is entitled for such year. The health-insurance benefit to which a qualified individual is entitled for any year shall be equal to one-fifth of 1 percent of his total wages, except that such benefit shall not be in excess of \$25 for any year and the total of all such benefits for any individual shall not be in excess of \$100.

"(b) If the Board finds at any time that more or less than the correct amount has theretofore been paid in behalf of any individual under this section, then, under regulations made by the Board, proper adjustments shall be made in connection with subsequent payments under this section in behalf of the same

"REGULATIONS

"Sec. 1204. (a) The Board shall have full power and authority to make rules and regulations and to establish procedures, not inconsistent with the provisions of this title, which are necessary or appropriate to carry out such provisions, and shall adopt reasonable and proper rules and regulations to regulate and provide for the nature and extent of the proofs and evidence and the

method of taking and furnishing the same in order to establish

the right to benefits hereunder.

"(b) The Board is directed to make findings of fact, and decisions as to the rights of any individual applying for benefits

under this title.

"(c) The Social Security Board shall provide for opportunity for a fair hearing before an impartial tribunal for individuals whose claims for health-insurance benefits are denied.

"METHOD OF MAKING PAYMENTS

"Sec. 1205. Upon approval of an application and the bill for medical or hospital services submitted therewith, the Board shall certify to the Secretary of the Treasury the name and address of the doctor or hospital entitled to be paid for medical or hospital services given to a qualified individual, the name and address of such qualified individual, the amount of such payment, and the time at which it should be made, and the Secretary of the Treasury through the Division of Dishursement of the Treasury Depart. ury through the Division of Disbursement of the Treasury Department, and prior to audit or settlement by the General Accounting Office, shall make payment in accordance with the certification by the Board.

"PENALTIES

"SEC. 1206. (a) Whoever in any application for any payment under this title or in any document in connection with such application makes any false statement as to any material fact, knowing such statement to be false, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both.

"(b) Any qualified individual participating in any such false statement shall lose all further rights to health-insurance-benefit naments.

fit payments.

"(c) Any doctor participating in any such false statement shall be reported by the Board to the medical authority which issues and revokes licenses to practice medicine in his State.

"DEFINITIONS

"(a) The term 'hospital', when used in this title, includes health, diagnostic, and treatment centers, institutions, and related facilities, administered by a person licensed to practice medicine in that State and which operates on a nonprofit basis.

"(b) The term 'doctor' when used in this title, includes any medical practitioner licensed in the State in which the beneficiary received treatment."

The summary is as follows:

SUMMARY OF BILL INTRODUCED BY SENATOR HENRY CABOT LODGE, JR., TO PROVIDE HEALTH INSURANCE TO CERTAIN WORKERS IN SEVERE ECONOMIC DISTRESS

I. HEALTH-INSURANCE LENEFIT PAYMENTS

This measure provides from \$10 to \$25 annually to qualified needy persons for medical and health services. The total of all such benefits for any individual shall not be in excess of \$100. Upon approval of a bill for medical or hospital services by the Social Security Board, the Secretary of the Treasury shall make payment to said doctor or hospital in accordance with the certification by the Roard.

II. FINANCIAL PROVISIONS

There will be no new taxes, at the qualified beneficiary will receive payments from the continually increasing old-age reserve account, created by his own and by other workers' pay-roll tax contributions.

III. QUALIFIED INDIVIDUALS

In order to qualify for the receipt of health-insurance benefits, an individual—

1. Must have been unemployed for at least 15 weeks;

2. Must have received not less than \$5,000 in total wages, taxable under title VIII of the Social Security Act, subsequent to December 31, 1936;

3. Must have adequate coverage in an included occupation;

4. Must not receive an old-age benefit payment under title II of the Social Security Act; and

5. Must make application by presenting his medical bill, together with the sworn affidavit of the doctor or medical supervisor of the hospital.

IV. THE COMPUTATION OF THE HEALTH-INSURANCE BENEFIT

The health-insurance benefit to which a qualified individual is entitled for any year shall be equal to one-fifth of 1 percent of his total wages, except that such benefit shall not be in excess of \$25 for any year.

V. DEFINITIONS

1. The term "hospital," when used in this measure, includes health, diagnostic, and treatment centers, institutions, and related facilities, administered by a person licensed to practice medicine in that State and which operates on a nonprofit basis.

2. The term "doctor," when used in this measure, includes any medical practitioner licensed in the State in which the beneficiary received treatment.

received treatment.

VI. PENALTIES

(a) Whoever in any application for any payment under this title or in any document in connection with such application makes any false statement as to any material fact, knowing such statement to be false, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both.

(b) Any qualified individual participating in any such false statement shall lose all further rights to health-insurance benefit

payments.

(c) Any doctor participating in any such false statement shall be reported by the Board to the medical authority which issues and revokes licenses to practice medicine in his State.

(d) The Social Security Board shall provide for opportunity for a fair hearing before an impartial tribunal for individuals whose claims for temporary disability compensation are denied.

Annual health-insurance benefits payable to qualified beneficiaries Total accumulated taxable wages:

\$5,000 \$1 \$7,500 \$10,000 2 \$12,500 2

Minimum annual benefit, \$10; maximum, \$25. Total maximum benefits payable to eligible persons, \$100.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated below:

H. R. 6446. An act amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 6480. An act to amend the Agricultural Adjustment Act of 1933; to the Committee on Agriculture and Forestry.

H. R. 6668. An act to grant the State of North Carolina a right-of-way for the Blue Ridge Parkway across the Cherokee Indian Reservation in North Carolina, to provide for the payment of just compensation for said right-of-way, and for other purposes; to the Committee on Indian Affairs.

REFUND OR CREDIT OF INTERNAL-REVENUE TAX PAID ON CERTAIN SPIRITS—AMENDMENT

Mr. AUSTIN submitted an amendment intended to be proposed by him to the bill, H. R. 1648, an act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations, which was ordered to lie on the table and to be printed.

AMENDMENT OF BANKRUPTCY ACT AS TO AGRICULTURAL COMPOSI-TIONS AND EXTENSIONS—ADDITIONAL COPIES OF REPORT

Mr. McCARRAN. Mr. President, on Calendar No. 1092, Senate bill 1935, which is known as the Frazier-Lemke Bankruptcy Act, the Judiciary Committee has submitted a report (S. Rept. No. 1045). I respectfully request that unanimous consent be accorded that additional copies to the number of 10,000 be printed.

Mr. BARKLEY. Mr. President, is it the committee report to which the Senator is referring?

Mr. McCARRAN. It is the report of the Committee on the Judiciary of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ADDRESS BY SENATOR SHIPSTEAD TO LUTHERAN YOUTH

[Mr. Clark of Missouri asked and obtained leave to have printed in the Record an address delivered by Senator Shipstead to a national gathering of Lutheran youth at the New York World's Fair, Sunday, June 25, 1939, which appears in the Appendix.]

THE PARAMOUNT PROBLEM-ADDRESS BY SENATOR BRIDGES

[Mr. Tobey asked and obtained leave to have printed in the RECORD an address on the unemployment problem delivered by Senator BRIDGES, which appears in the Appendix.]

SENATOR M'KELLAR'S WORK FOR TENNESSEE

[Mr. Stewart asked and obtained leave to have printed in the Record an article from the Nashville (Tenn.) Banner of August 2, 1939, under the headline, Senator McKellar's Work Brings Manifold Benefits to Tennessee, which appears in the Appendix.]

HON. JAMES A. FARLEY-ARTICLE BY JAMES E. DUNNE

[Mr. Wagner asked and obtained leave to have printed in the RECORD an article by James E. Dunne relative to Hon. James A. Farley, which appears in the Appendix.]

GOVERNOR AIKEN OF VERMONT

[Mr. Gibson asked and obtained leave to have printed in the Record an article published in the Bellows Falls (Vt.) Times of July 13, 1939, relative to Governor Aiken of Vermont, which appears in the Appendix.]

MEXICAN OIL PROBE

[Mr. Hatch asked and obtained leave to have printed in the Record two Associated Press dispatches and a newspaper article relative to the action taken by the Foreign Relations Committee of the Senate on resolutions proposing an investigation of the oil situation in Mexico, which appear in the Appendix.]

PRESIDENT ROOSEVELT AND A THIRD TERM

[Mr. Murray asked and obtained leave to have printed in the Record a statement by Senator Guffey on September 16, 1938, and also a statement by him on Monday, December 5, 1938, relative to a third term for President Roosevelt, which appear in the Appendix.]

EQUALIZATION OF LETTER CARRIERS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 2001) for the equalization of letter carriers, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. McKellar, Mr. Hayden, and Mr. Frazier conferees on the part of the Senate.

NADINE SANDERS

Mr. HATCH (for Mr. Logan) submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1164) for the relief of Nadine Sanders, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

M. M. LOGAN,
EDWARD R. BURKE,
ARTHUR CAPPER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
EUGENE J. KEOGH,
Managers on the part of the House.

The report was agreed to.

THE ROAD TO PEACE

Mr. CAPPER. Mr. President, I have received a copy of resolutions adopted by two Kansas Granges in the past month—Chester Grange, No. 23, and Manhattan Grange, No. 748—urging nonintervention in Old World affairs as the best road to peace for the United States to travel.

I desire particularly to direct attention to the final paragraph of the resolutions, which reads as follows:

And finally be it resolved, that we believe the internal difficulties of our country at present are sufficient to occupy the full attention and effort of our Government, without attempting to assume a guardianship over the whole world.

I wish to agree 100 percent with that statement; and also with another statement in the resolutions, that—

We protest most forcibly against adventures in international power politics by our Government.

Mr. President, this session of Congress, in my judgment, has done three things preeminently worth while:

First. Congress refused to approve the Bloom resolution, which would have authorized and directed the President to intervene in Old World disputes at his own pleasure.

Second. Congress took a long step toward cleaning up a very bad political mess by enacting the Hatch bill to prohibit pernicious political activities.

Third. Congress saved the country a lot of grief when it refused to pass the latest lending bill, which would have in

effect taken from Congress and turned over to the Executive purse-string control through authorizing the Executive to raise funds by borrowing instead of having to come to Congress for appropriations.

Mr. President, I ask unanimous consent to have printed at this point, as part of my remarks, the resolutions adopted by

these two Kansas Granges.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Hon. ARTHUR CAPPER, Senator from Kansas,

Washington, D. C. Dear Sir: At their last regular meeting, Chester Grange, No. 23, P. of H., being also convinced, that if the rulers of the other nations can be convinced that the United States cannot be pulled into another world war, the chances of such a war occurring will

be much less, voted to join with Manhattan Grange, No. 748, P. of H.,

whereas certain high officials of our National Government have recently made public statements showing very plainly their intention of involving the United States in an European war, should

one occur; and
Whereas it is plainly evident that the despots which have enslaved the people of Russia are now attempting to precipitate a war between Japan, Germany, and Italy on the one side and England, France, and the United States on the other; a war that would probably leave all six powers exhausted and an easy prey to Russian imperialistic conquest: Therefore be it

Resolved by Chester Grange, No. 23, Patrons of Husbandry, that we protest most forcibly against any such adventures in international power politics by our Government, and that we demand that Congress of the United States exercise its constitutional prerogative and serve notice on the executive branch of the Government, and that we demand that the property of the constitutional prerogative and serve notice on the executive branch of the Government, and that we demand that the property of the constitution of the constituti

ment, in unmistakable terms, that no such adventures will be tolerated; and be it further Resolved. That we protest against the plans already formulated for establishing a dictatorship in this country under pretense of providing for "industrial mobilization," "conscription of wealth," or any other specious pretense. We hold that the history of our country proves that it is not necessary to surrender the republican form of government in order to conduct a victorious war of national defense, and that no other form of war is to be tolerated; and we further hold that our present laws give public officials ample power to prevent profiteering, if they so desire; and, finally,

Resolved. That we believe that the internal difficulties of our country at present are sufficient to occupy the full attention and effort of our Government without attempting to assume a guard-ianship over the whole world.

Adopted July 6, 1939.

W. M. PACKETT, Master. EMMA EBERHARD, Secretary.

Mr. CAPPER. Mr. President, these provisions do not infringe on any citizen's constitutional rights. Instead they protect him in the exercise of his constitutional rights.

The Hatch Act does more than this, however.

It prohibits administrative officers of the Federal Government from-

Threatening, intimidating, or coercing a voter.

From depriving, or threatening to deprive, any one of a W. P. A. job because of poltics, race, color, or creed.

From taking, or allowing to be taken, any money appropriated for relief purposes to use for political purposes.

There, in brief, are the provisions of the Hatch Act, which consider one of the most important pieces of legislation, from the long-range viewpoint, enacted in many years.

May I add that I hope the State governments will enact similar statutes dealing with State and municipal employees. I expect the next session of Congress to bring under protection of the Hatch Act those public employees—such as those in State highway departments—as are paid in part from Federal funds.

If we are to preserve uncorrupted our representative form of government, State highway department employees-all State and municipal employees—must be protected against coercion, intimidation, and enforced contributions to political campaign funds, just as W. P. A. workers and Federal employees.

PURCHASE AND DISTRIBUTION OF SURPLUS PRODUCTS OF THE FISH-ING INDUSTRY

The Senate resumed the consideration of the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

The VICE PRESIDENT. When the Senate took a recess yesterday the RECORD shows that the Senator from Connecticut [Mr. DANAHER] had the floor, and that he had an amendment ready to submit, but that it had not been formally offered. The Chair thinks he should recognize the Senator from Connecticut.

Mr. DANAHER. Mr. President, I offer an amendment to House bill 5681, and ask that the clerk formally state the

amendment.

The VICE PRESIDENT. The amendment will be stated. The CHIEF CLERK. On page 1, line 3, it is proposed to strike out "any part."

On page 1, line 7, after "amended", it is proposed to insert "not to exceed \$1,500,000."

On page 1, line 8, after "surplus", it is proposed to insert "edible fresh, frozen, salted, or dried but not canned."

On page 1, line 9, it is proposed to strike out "shellfish" and insert in lieu thereof "mollusks and."

On page 1, line 9, it is proposed to strike out "and similar forms of aquatic life and."

On page 1, line 10, it is proposed to strike out "byproducts thereof.".

On page 2, after line 7, it is proposed to insert the follow-

SEC. 2. (a) From the fund authorized to be transferred by section SEC. 2. (a) From the fund authorized to be transferred by section 1 hereof, the Secretary of Agriculture is authorized to transfer to the Secretary of Commerce sums as follows to be maintained in a separate fund, \$75,000, which shall be used by the Secretary of Commerce to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service; and \$100,000, which shall be used by the Secretary of Commerce to develop and increase markets for fishery products of domestic origin. domestic origin.

Mr. DANAHER. Mr. President, I take it that the question now is on the pending amendment as stated.

The PRESIDENT pro tempore. That is the pending question

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. PEPPER. Observing this amendment, I inquire whether it is all one amendment. Will it be voted upon all together, as one amendment, or will it be voted upon separately in part?

The PRESIDENT pro tempore. Any Senator has a right to have the amendments voted upon separately if he so requests. Otherwise, they would be voted on en bloc.

Mr. PEPPER. Mr. President, the amendment limiting the amount available to \$1,500,000 has already been adopted by the Senate, so I am sure the Senator does not care to press that amendment any further.

The amendment beginning on page 2, line 2, being section 2, is, I believe, a good amendment, and I have no objection at all to it; but in order that we may vote upon the various parts separately, I request that there be a severance, and that the amendments be voted upon separately.

Mr. WHITE. Mr. President-

Mr. DANAHER. I yield to the Senator from Maine.

Mr. WHITE. May I ask what the second amendment is which has been assented to by the Senator from Florida? I could not hear his statement.

Mr. PEPPER. The amendment which was adopted yesterday afternoon was to limit to not to exceed \$1,500,000 a year the amount of funds that may be made available for these purposes.

Mr. WHITE. I understand that; but I thought there was a second amendment of which the Senator indicated ap-

Mr. PEPPER. No; that is the only amendment I have offered.

Mr. DANAHER. Mr. President, perhaps I can clear up the situation. The Senator from Florida did say-I am sure the Senator from Maine did not hear him—that he would be agreeable now to the acceptance of section 2, which appears on page 2 of the pending amendment. Is not that

Mr. PEPPER. That is correct.

Mr. DANAHER. Mr. President, with that thought in mind I ask that the Chair put the question on agreeing to the amendment on page 2, so that section 2 may be agreed upon, and we may dispense with further discussion of it.

The PRESIDENT pro tempore. The question is on agreeing to the portion of the amendment known as section 2.

The amendment was agreed to.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. PEPPER. I will say to the Senator further that, after conferring with some of my colleagues on this side of the Chamber who are in favor of the bill, I believe we have no objection to the amendment on line 10, page 1, which reads:

On page 1, line 10, to strike out "byproducts thereof."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DANAHER. Mr. President, I will ask the Senator, in order to make the language conform, to agree to the proposal in line 8 of the pending amendment, that is, to strike out the words "and similar forms of aquatic life and."

Mr. PEPPER. I will ask the indulgence of the Senator just

a moment.

Mr. SCHWELLENBACH. Mr. President, will the Senator

Mr. DANAHER. I yield.

Mr. SCHWELLENBACH. Does the Senator mean that he would strike out everything except fish and shellfish? I understood the Senator to mean fish meal and fertilizer, and things of that kind, which are not used for food purposes. I see no reason why the Surplus Commodities Credit Corporation should be buying those particular products. But where fish is used for food purposes, as it seems to me it is used in connection with the products stated in the remainder of the brackets, I do not think the argument in reference to the byproducts applies to those other items.

Mr. DANAHER. Mr. President, to reply to the Senator from Washington, the way the bill was introduced it provides that surplus fishery products will include, in line 8, "fish" and, in line 9, "shellfish, crustacea, and similar forms of aquatic life." I say to the Senator from Washington that the words "and similar forms of aquatic life" should be stricken out in view of the fact that we would then include fish,

shellfish, and crustacea. Is not that obvious?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. PEPPER. Does the Senator think the amendment would have the effect, if it were enacted, of excluding from the benefit of the legislation lobsters, crawfish and oysters? Mr. DANAHER. Of course not. The word "crustacea"

Mr. SCHWELLENBACH. I think perhaps the Senator is correct, and we could very well say "including shellfish and crustacea."

Mr. PEPPER. If the species which I mentioned would not be construed as being excluded, then I would have no objection. I should like to have my colleague express his

Mr. ANDREWS. Mr. President, I would like to ask the Senator from Connecticut if he is sure the word "mollusks" would include shrimp.

Mr. DANAHER. Obviously it would. Shrimp is one of the crustacea.

Mr. ANDREWS. With that understanding, I have no

objection.

Mr. SCHWELLENBACH. Mr. President, having won 99 percent of his amendments, I think the Senator could save much time if he would stop here, having won the victory he wanted. I am not interested in the bill except that I held hearings on it, and reported out the Senate bill, but I have tried, and I know both Senators from Florida have tried, to meet every reasonable request the Senator from Connecticut has made, and I think he might well retire in glory now, as he has won the main portion of the amendments he wanted.

Mr. DANAHER. Mr. President, I am grateful to the Senator from Washington for his interest in the suggestion, but fifty-six one-hundredths of the battle remains, the other 44 percent having no more than narrowed the issue. In order that the record may be made straight, I ask that the amendment with reference to line 8 on page 1 be stated that we may have a record vote.

The PRESIDENT pro tempore. The clerk will state the

amendment.

The CHIEF CLERK. On page 1, line 9, after the word "crustacea", it is proposed to strike out "similar forms of aquatic life and."

Mr. PEPPER. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DANAHER. Mr. President, that resolves the issue into only one thing, that is, whether or not, in the first place, the Federal Surplus Commodities Corporation should be authorized to buy fish at all, and, collateral to that, the kind of fish or fish products it should be authorized to buy, if it is to be authorized to buy any.

It seems to me that the bill as introduced by the Senator from Florida is fatally defective in that it conflicts very vitally with the principle upon which section 32 of the Agricultural Adjustment Act was enacted. The Senator from Washington says he held hearings on the bill and reported it out. Let me point out to the Senator that the bill to which he refers is only one of three which would purport to accomplish the objective sought by the Senator from Florida. Another bill was introduced by the Senator from Florida which would go even to the length of authorizing the purchase of seaweed, and include any fisheries' products or forms of shells and aquatic life of whatever type. Happily, that phase of this matter has been eliminated by the amendments upon which agreement has been reached.

We now come back to the question whether or not we should as a matter of permanent policy authorize a corporation which is an agency of the Department of Agriculture to purchase fish products. The country's greatest fisherman went fishing last week end, and, according to the press, he spent all day Saturday in a school of blue marlin and did not catch one. The press faithfully reported that on Sunday, on the other hand, he caught a 70-pound blue marlin, although it was dutifully recorded that the average size is only 60 pounds. I cite this to show that if he had been in a school of fish on Saturday which had been biting heavily, there was a time of the day when he could have stopped catching fish, after he had caught enough. In other words, a surplus is controllable. It is not like an agricultural crop, in the raising of which a man puts his thought and physical services and money, with the vicissitudes attendant on such endeavor. That is not this situation. A person does not have to fish. One can stop fishing at any time, and therefore not produce a surplus and load onto the United States and the taxpayers of the country the burden of buying the surplus.

When I submitted the amendment, it was with the purpose of limiting the effect of the pending bill to edible fish. The bill, in fact, does not limit the effect to edible fish, but the amendment I submitted would limit it to edible, fresh, frozen, salted, or dried, but not canned fish.

The reason for interpolating the words "but not canned" is that when the Federal Surplus Commodities Corporation undertakes to buy canned products and send them broadcast, perhaps make them available to the holders of blue and orange stamps in this country, the moment those things are put into the marts of trade, the market for everything which is normally sold at a reasonable price is depressed. It is perfectly apparent that if the Government is to take these canned surpluses and introduce them into groceries and markets and at distribution points all over the United States, make them available to those who are eligible under the Federal Surplus Commodities Corporation plan, then the market for the products in which people have legitimate

stock investments will be depressed, and, far from achieving the purpose of liquidating the surpluses, it will produce an additional surplus; far from assisting the fishermen, it will injure their markets.

Mr. ANDREWS. Mr. President, will the Senator yield? Mr. DANAHER. I yield.

Mr. ANDREWS. The object of the original bill (S. 2110) which I introduced was to put fish and edible fish products on the same basis with agricultural products; nothing more and nothing less. As to agricultural products, the law was enacted not only for the benefit of the consumer, but for the benefit of the producer. If the Surplus Commodities Act were not for the benefit to the producer, it would not have been suggested. As a matter of fact, the Surplus Commodities Corporation buys canned surplus products of the farm, the same as it buys other products. This bill would put fish and edible fish products on exactly the same basis as agricultural products. Fish is a very perishable commodity. All kinds, as described in the bill, are very perishable products. There is no reason, I can see, why they should not be put on exactly the same basis as farm products.

As a matter of fact, as the Senator [Mr. Danaher] just stated, one may limit his catch, if he is fishing, perhaps, with a line, but when men go out with a seine, for instance, and there is a run of mullet, they may catch a hundred pounds, or they may catch 300 pounds, or they may catch 3,000 pounds. The catch cannot be controlled. They do not know how many they are going to catch. The result is that the market may become flooded, and the fishermen get nothing or little, unless they are able to store them, and when they place them in cold storage or can them, they have a surplus. That is the only instance in which the Government steps in, and the Surplus Commodities Corporation are very cautious, as the Senator knows, about stepping in and taking up any surplus. Of all the trades or calling of men it seems to me the fishermen are about the only ones who have been forgotten, and they have been forgotten too long. They give us one of the most wholesome and wonderful foods that we enjoy. The object of this bill is an attempt to help them through a crisis, along with others who have been assisted.

Mr. DANAHER. Mr. President, everything the Senator has said would apply with equal force to those who make tin cans in Pennsylvania. There is not a word the Senator says that would not apply to the manufacturer who had hoped to sell an additional supply of tin cans to take care of the surplus fish the Senator from Florida hopes to see sold. This is not a relief bill, this is not a bill introduced with the idea of taking care of merely the fishermen. Why is there not a bill to take care of lawyers or a bill to take care of doctors? Why is there not a bill to take care of people who manufacture too many fish forks, if it is expected the people of the United States are going to buy fish, and hence will need fish forks? Oh, no; nothing like that is proposed. Fishermen can always stop fishing; that much is certainly true. There is no reason in the world why there should be special legislation requiring the taxpayers to spend their money in order to take care of a surplus which is controllable by the fishermen themselves.

Mr. President, let me point out that twice before the Government has experimented with the Federal Surplus Commodities Corporation with respect to fish. It did so in 1937, and at that time approximately 12,057,000 pounds of fish were distributed, at a total cost of \$698,771. In 1938 it was tried again, and at that time there were purchased 3,615,000 pounds of fish, and the Government distributed them at a cost of \$290,000.

When the committee was conducting its hearing in this particular the Acting Secretary of Agriculture wrote a letter to the Senator from North Carolina [Mr. BAILEY], chairman of the Committee on Commerce, dated May 19, 1939, in which he pointed out that holdings of frozen fish as of February 15, 1939, totaled 54,000,000 pounds, which compares with the record holdings of 87,000,000 pounds on January 15, 1937. He said further:

Canned-salmon inventories on the Pacific coast are less than those of a year ago, and present prices for fresh landings of most species of a year ago, and present prices for fresh landings of most species of ground fish in New England area, in most instances, are higher than prices of the surplus season of 1937. This would indicate that a higher level of prices may prevail than when the two previous programs were conducted by the Corporation.

In addition, the Acting Secretary of Agriculture pointed out that the Director of the Bureau of the Budget advised the Department of Agriculture under date of May 11, 1939, that the proposed legislation would not be in accord with the program of the President.

Mr. President, that is the situation which confronts us. We have no right, it seems to me, to take the taxpayers' money and devote it to the absorption of manufacturers'

Whatever merits there may have been in the theory of taking care of this type of surplus which the fisherman himself cannot readily dispose of, on the ground that it is perishable, let me say with reference particularly to the Gulf Coast States, which produce shrimp, that almost all of the shrimp which is transported to the Northern States-and some Senators may not realize it—is in a frozen form. It is brought up in boxes. It comes into my house in boxes. and the shrimp are so solidly frozen that one cannot separate one shrimp from another. If one orders shrimp in the Senate restaurant today that is the sort of shrimp he will get. People do not want canned shrimp; they want fresh shrimp. If it is desired to give relief to the fishermen, Mr. President, the only adequate way in which it can be given is to take the unsalable surplus off the market.

The measure should be limited to something that can be justified on the basis that it is a consumers' bill. If it is on any other basis in principle it cannot be justified.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. WHITE. The bill is not mandatory in its terms. It does not require the Surplus Commodities Corporation to buy a single pound of fish, whether they be current supplies or whether they be surplus fish. It simply gives the authority to do it. I had supposed that we must assume that this authority would be exercised with some degree of intelligence, and that it would be exercised only when there were depressing surpluses upon the market. If that is not so, there is force in what the Senator from Connecticut has been saying. If it is true, then I am not very much impressed with what the Senator from Conencticut has been saying.

Mr. DANAHER. Mr. President, let me answer the Senator from Maine by pointing out that the language of the amendment I have submitted would authorize and make possible a purchase by the Surplus Commodities Corporation of edible surpluses, whether fresh or frozen, salted or dried. Would not the Senator from Maine expect that that authorization normally would include all that type of fish and shellfish and Crustacea which ought to be available to the market?

Mr. WHITE. I do not know what has happened to the amendment in which the term "edible fish" is used.

Mr. DANAHER. That is pending.

Mr. WHITE. The Senator from Connecticut has said that the fishermen could stop fishing when they wanted to. I say that as a practical proposition that is not so. The fishing fleet are fitted out, and they start from the Pacific coast and go up into the Alaskan area, and the fishermen fish for the halibut and the black cod and the salmon of that section. The boats go out from New England ports-Boston, Gloucester, and other ports up and down that coast, as well as from the ports in the southern waters, the South Atlantic. Literally hundreds and thousands of such boats go out every fishing season, and no one knows until the fishing season has been concluded, and all the boats have brought their products to the market, whether there will be a surplus or whether there will be a deficiency of supplies.

Mr. President, they simply cannot stop fishing, because it is a continuous process which is undertaken. The boats are outfitted and sent into the seas; they stay there during the fishing season, and return, bringing back what they have caught, utterly without knowledge as to what other vessels are bringing in as a cargo of fish.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WHITE. No; I sit down.

Mr. DANAHER. Mr. President, I should not like to have the Senator sit down just now. I should like to have him answer a question. Does the Senator know that we have statutes on the books forbidding the taking of halibut above a fixed maximum?

Mr. WHITE. I do not know what statute the Senator from Connecticut has in mind, but I do know that, as a practical matter, when the halibut boats start out from Ketchikan and other Alaskan ports, as well as from ports on the northern Atlantic seaboard and the southern Atlantic seaboard, they go into the various waters and catch what halibut they can.

Mr. DANAHER. And violate the law? Mr. President,

does the Senator mean that?

Mr. WHITE. I would have to be shown the statute before I would know of any limitation put upon the catch of any particular fisherman or any fishing boat. If the Senator has such a statute in mind, I should like to see it.

Mr. DANAHER. Pursuing that line of inquiry just a moment more: is there not a limitation in Maine with reference to the size of chicken lobster, so-called, which may be

taken by the fishermen?

Mr. WHITE. There is a limitation upon the size, but there is no limitation upon the poundage the fisherman may catch and the number of lobsters he may catch. And there is no limitation of law, so far as I know, anywhere upon the number of cod or haddock or halibut that a fisherman may bring in out of the water when he goes out to fish.

Mr. DANAHER. If the fisherman catches lobsters that

are too small, what does he do with them?

Mr. WHITE. He puts them back.

Mr. DANAHER. The Senator does not suppose that he takes them over the line and has them canned in some other country?

Mr. WHITE. If he does that, he does it at his peril, and, in my opinion, he does not do it. Canned lobster, which we are getting in the United States are very largely lobsters which are caught in the Canadian waters and shipped here.

Mr. DANAHER. Mr. President, the Senator from Maine has implied that notwithstanding the existence of statutes which limit the catch of halibut, fishermen go out and indiscriminately catch halibut, and if they bring back a surplus they want to have the United States buy the surplus. Is that the understanding the Senator wishes to convey?

Mr. WHITE. Mr. President, the Senator has not yet quoted me the statute which limits any fisherman with respect to the number of halibut or the poundage of halibut he may catch. I do not know of any such statute and I do not believe there is such a statute.

Mr. DANAHER. I can assure the Senator-

Mr. WHITE. If it exists it only applies to one species of fish.

Mr. DANAHER. To halibut.

Mr. President, of course the whole question as to the honesty of the Maine fishermen arose because of the implication of the Senator from Maine that if there be a statute—never mind whether he is assured as to its existence—if there be a statute, he, nonetheless, would have the United States buy the surplus. Is that it?

Mr. WHITE. No; I did not say that. The Senator knows perfectly well that I did not say that. The Senator is nimble-witted, but not accurate.

Mr. DANAHER. Mr. President, I can assure the Senator that I am at least sufficiently accurate to know that there is such a statute, that I can call it to his attention, and presently will do so.

But to return to the point, Mr. President. There is no longer need for dwelling interminably, it seems to me, on this particular subject. The fundamental of the thing is simply this, that if the United States of America is going to take the funds of the taxpayers and buy what are obviously controll-

able surpluses, there is no reason in the world why we should not take the same money and go into Pennsylvania and buy the surplus-mined coal there. The miners there do not know how much coal people are going to buy, and they sometimes mine too much. The miners in West Virginia do not know how much bituminous coal is going to be needed, and they may sometimes mine too much. As a matter of fact, there is much more justification for buying coal than there is for buying fish, because coal is a vegetable product, and at least would come within the intendment of the A. A. A. which deals with vegetable and farm produce.

Mr. President, I submit that the law should not be extended, and we should not undertake to enter a brand new field of exploitation. The bill would in effect amount to an entering wedge by means of which ultimately the funds of the tax-payers would be devoted to a socialization of distribution. I do not think the Congress should take such a step.

I ask that the amendment be adopted, Mr. President.

Mr. DAVIS. Mr. President, may the amendment be stated? The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 8, after "surplus", it is proposed to insert "edible fresh, frozen, salted, or dried but not canned."

Mr. ANDREWS. Mr. President, I ask that the amendment be rejected. Let us put fish on exactly the same basis as other products, and treat the fisherman in the same way as other producers are treated. Fishing is like farming or any other calling which depends on the weather. No fisherman knows what he can do until he tries, and when he is lucky let us not lay it up against him.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 1, line 8.

The amendment was rejected.

Mr. DANAHER. Mr. President, there is one other amend-

The PRESIDENT pro tempore. Apparently there is an amendment on page 1, line 9.

Mr. ANDREWS. I think all the other amendments have been disposed of.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 9, it is proposed to strike out "shellfish" and insert in lieu thereof "mollusks and."

Mr. DANAHER. Mr. President, that particular language was adopted after a conference between the Senator from Florida, the Chief of the Bureau of Fisheries, and myself. It is claimed that the word "mollusks" is much more accurately descriptive than the word "shelifish"; and the word "crustacea" should have before it the word "and", in view of the elimination to which we agreed this morning.

Mr. ANDREWS. Mr. President, I thought we agreed this morning that the language "including fish, shellfish, and crustacea" included everything.

Mr. DANAHER. I think the Senator is incorrect, and that the Record will so show. The word "mollusks" includes the type of shellfish which the Senator from Florida has not included in the language as drawn. The word "mollusks" actually applies to clams, oysters, and things of that kind.

Mr. ANDREWS. Are they not shellfish?

Mr. DANAHER. The word "shelifish" is commonly synomymous with "crustacea."

Mr. ANDREWS. Mr. President, I am not arguing over the terms. I realize that every amendment added to the bill, which is a House bill, will cause some delay. We are in the last hours of the session, and we are very anxious that the bill be passed. It seems to me those words include everything.

Mr. PEPPER. Mr. President, in order to avoid any possibility of error, is the Senator from Connecticut agreeable not to striking out the word "shellfish", but to adding "mollusks" after the word "shellfish", so that there can be no question about it? If so, I have no objection to the amendment.

Mr. DANAHER. Mr. President, the suggestion of the Senator from Florida is equivalent to saying "left eye and right

eye" instead of "eyes." If it will satisfy the Senator from Florida, I will agree to the modification.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 1, line 9, as modified.

The amendment was agreed to.

The PRESIDENT pro tempore. The question now is on the engrossment of the amendments and the third reading of the hill

Mr. DANAHER. Mr. President, almost everything I have had to say so far applies to the bill itself. I am opposed to the extension of this principle. It should not be done, as the letter from the Department of Agriculture to the Senator from North Carolina [Mr. BAILEY] pointed out. I have read the letter into the RECORD. The bill is outside the recommendations of the Bureau of the Budget. It authorizes a program which should not be undertaken. We should not extend a purely agricultural surplus disposal act to include a controllable surplus such as fish or the fish products enumerated in the bill.

Mr. President, I ask that the bill be rejected.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass?

Mr. DANAHER. Mr. President, I ask for a division.

On a division, the bill (H. R. 5681) was passed.

CONTINUATION OF SPECIAL COMMITTEE ON THE TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate proceed to consider Senate Resolution 172, Calendar 1161, a resolution continuing the Special Committee on the Taxation of Governmental Securities and Salaries. I have discussed the matter with both the majority leader and the acting minority leader. The resolution has been approved by both the Senate Finance Committee and the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. Is there objection to the

request of the Senator from Michigan?

There being no objection, the resolution (S. Res. 172) submitted by Mr. Brown on July 27, 1939, was considered and agreed to, as follows:

Resolved, That Senate Resolution 303, Seventy-fifth Congress, third session, establishing a Special Committee on the Taxation of Governmental Securities and Salaries, agreed to June 16, 1938. is hereby continued in full force and effect until the expiration of the Seventy-sixth Congress, and the time for making the report required by such resolution is hereby extended to such date of

NATIONAL MONETARY AND BANKING POLICY

Mr. BARKLEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1165, Senate Resolution 125.

The PRESIDENT pro tempore. The resolution will be

stated by title.

The CHIEF CLERK. A resolution (S. Res. 125) providing for a study and determination of a national monetary and banking policy, reported from the Committee to Audit and Control the Contingent Expenses of the Senate, with an amendment.

Mr. BAILEY. Mr. President-

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky that the Senate proceed to the consideration of Senate Resolution 125?

Mr. BAILEY. Mr. President, I understand the request is for unanimous consent. I wish to enter an objection to the consideration of the resolution.

Mr. BARKLEY. I move that the Senate proceed to the consideration of the resolution.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider Senate resolution 125 submitted by Mr. WAGNER on April 17, 1939, reported from the Committee on Banking and Currency with amendments on June 15, referred to the Committee to Audit and Control the Contingent Expenses of the Senate and on August 3, reported from that committee by Mr. BYRNES with an additional amendment.

The amendments were on page 1, at the beginning of line 3, to strike out "determine" and insert "consider and recommend"; in line 6, after the word "to", to strike out "determine" and insert "consider and recommend"; and on page 2, line 20, after the word "exceed", to strike out "\$25,000 \$100,000" and insert "\$25,000", so as to make the resolution read:

Resolved, That the Committee on Banking and Currency is authorized to conduct a study and to hold hearings to consider and recommend a national monetary and banking policy by which the monetary and banking authorities of the Federal Government shall be guided and governed, and to consider and recommend the character of governmental machinery best calculated to carry out such policy. The committee shall report to the Senate as soon as practicable the results of its study, together with its recommendation for the enactment of any legislation it

may deem necessary.

SEC. 2. (a) For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-

sixth Congress and subsequent Congresses as it deems advisable.

(b) The committee is likewise authorized to call upon any of the agencies of the Government to present evidence with respect

the agencies of the Government to present evidence with respect to the subject matter of this inquiry, which is within the administrative jurisdiction of such agency under existing law or which may be assigned to such agency by the committee.

(c) The committee or any duly authorized subcommittee thereof is authorized to employ such experts, and clerical, stenographic, and other assistants and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings as may be held shall not be in excess of 25 cents per 100 words. The expenses of the committee which shall not exceed \$25,000 shall be paid from the contingent fund of the Senate upon youghers approved. from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendments were agreed to.

The PRESIDENT pro tempore. Without objection, the resolution as amended-

Mr. BARKLEY. Mr. President, the Senator from North Carolina desires to express some views on the resolution. I do not wish to deprive him of that privilege.

Mr. BAILEY. Mr. President, I am opposed to the resolu-tion and I should like to be heard briefly upon it.

I know of no necessity for investigating the banking and currency situation of this country. I know of no reason for proceeding with such an investigation. On the other hand, all such investigations tend to disturb everybody concerned. I think they all tend to distract the minds of the American people from the real difficulties with which they are confronted.

What will be the effect in this instance? If I may argue from past experience, the effect will be just what it has been in the past. We have had no end of investigations. We had them all last year, all the year before, and all the year preceding that. I do not know that anything has come of them except that business has been disturbed.

If this resolution should be agreed to and the investigation proceeded with, I expect that practically every banker in the United States will wonder what on earth the Senate is up to. It will tend to make him afraid to proceed with his business. It is like the Government of the United States putting a gun upon the mark pointing at him day after day. I do not know anything that could be more disturbing to the banking situation than notice to be given by the Senate that we are going now to proceed to investigate the banks. We will be sending for bankers. They will not know what we are driving at. We may have the very best intentions; but they will have no reason to infer that from past experience; on the contrary they will have some reason to think the intentions are not quite so good.

Mr. President, what is wrong with the banking situation that it should be investigated? Who is bringing an accusation here against the banks?

Mr. WAGNER. Mr. President, will the Senator yield? Mr. BAILEY. Yes; I yield.

Mr. WAGNER. I think the Senator is entirely mistaken in his views with reference to this proposal. This is not a proposal to investigate banks. I may say that I have conferred with the head of the American Bankers Association and other prominent bankers who favor this sort of a study. The resolution does not propose an investigation at all, but a study of proposals which have been before Congress year after year as to what changes should be made in our monetary policy to aid in bringing about recovery and a better functioning of our monetary policy.

The demands by legislators who have asked the committees to act upon monetary legislation proposed by them has culminated in this particular resolution. There was a similar resolution submitted by the Senator from Delaware [Mr. Townsend], another one by the Senator from Kentucky [Mr. Logan], another one by the Senator from Alabama [Mr. Bankhead], and one by another Senator whose name I do not recall at the moment. The Committee on Banking and Currency considered this proposal and reported by unanimous vote. It was clearly understood then and it is clearly understood now that this is not a proposal to call banks before the committee and pry into their business affairs at all; it has no relation to that subject.

During recent sessions of Congress a large number of bills have been introduced that have been referred to the Committee on Banking and Currency, dealing with proposals to overcome the country's economic difficulties by monetary action.

Among the proposals that are currently before Congress, many are based on the belief that our difficulty is in the lack of an adequate supply and control of money. Some would remedy this situation by the issuance of currency, either directly by the Treasury or through the Federal Reserve banks, some would retire Government bonds by issuing paper money and thus not only increase the supply of currency but also reduce or retire altogether the interestbearing public debt. Others believe that the remedy lies in monetization of silver at a high price, and the issuance of silver certificates to add to the supply of money. Still others believe that what is needed is a stimulus to the use of money through some system of stamp script that would result in a penalty on money that is not promptly spent. Another group of measures aims to correct conditions by changing the ownership and management of the Federal Reserve System and by requiring 100-percent reserves against demand deposits. Another proposed remedy would establish a new system of banks to supply intermediate and long-time capital, particularly to small business.

Still others think that the monetary system now in existence should be corrected by the elimination of silver purchases, by the establishment of a fixed price for gold, and by the reintroduction of gold coins into circulation. They contend that the elimination of currency uncertainties would restore confidence and result in economic revival. There are some who believe that the flow of capital into enterprise is retarded by what they consider as an artificially low level of money rates and others who argue that the Government absorbs too large a part of the country's savings through the sale of its own securities.

These opinions and proposals cover a wide range, and seek legislative action on matters of vital importance to the welfare of the Nation.

Mr. BAILEY. Mr. President, let me interrupt my friend to say that I hope and pray to kind heaven that the proposed investigation is not going to open up all the crackpot propositions he is talking about.

Mr. WAGNER. I think we can rely upon the committee

Mr. WAGNER. I think we can rely upon the committee to limit the inquiry and the evidence to be introduced to a well-thought-out plan and to limit the field within proper bounds.

While the objectives are, of course, desirable, and Senators having these proposals have pressed for action, the Banking and Currency Committee is not prepared to act upon them without a more thorough study. We, of course, favor the fullest utilization of the country's human and material resources to bring about a better economic day.

There are those who contend that there is a sufficiently existing supply of money but say its utilization has not been availed of, while others contend the supply is insufficient to bring about a fairer commodity price.

There are those who contend that stabilization and production in employment is the more satisfactory objective in public policy than price stability.

The committee, therefore, has unanimously voted for a study and an examination of this problem to recommend some legislative action if it is needed.

The Federal Reserve Board in its report of 1938 pointed out that our present system of regulation and supervision over money and banking is still defective in many respects. The 15,000 banks today are subject to conflicting and overlapping laws and jurisdictions which result in discriminations against certain groups of banks and in a confusion of duties and responsibilities among different Federal and State authorities. It is stated that Federal supervision of banking itself is distributed among several governmental agencies without clear delimitation of the respective powers and responsibilities of these agencies.

I take it that it is desirable to make our banking and monetary mechanism effective that there be a clear division of responsibility and that there should not be conflicting jurisdiction and supervision over banks through which the monetary system operates. For that reason it is proposed, if this resolution is passed, to study and recommend what objectives should guide our monetary and banking authorities and the validity of the different plans proposed, and if there be a change, what Government machinery would be best calculated to carry out the acts of Congress in this important field.

I think it very important that this study may be made, to the end that Congress may have the benefit of a study of this important subject by one of its standing committees.

I have stated all that is proposed by the resolution. There is not anything, I assure the Senator, in the mind of the committee contemplating an investigation of banks. Otherwise I am sure the bankers would not have offered not only their support but complete cooperation in our efforts.

Mr. BAILEY. Mr. President, it is some relief to know that the broad powers of the resolution are not intended to be used with respect to banks, and I shall rely upon that assurance.

Mr. WAGNER. The Senator may well do so.

Mr. BAILEY. I have no question of faith in the Committee on Banking and Currency; I have a great deal of respect for it.

Now we are told that the whole object is to investigate the monetary system of the United States. What is wrong with the monetary system of the United States? What is there to prevent any Senator here from studying the monetary system without the expenditure of \$25,000? I have been studying it very hard for several years, and, while I do not claim to know anything about it, my studies have not cost anybody anything.

There are Senators here who have been studying it ever since old man "Coin" Harvey founded his "financial school." I sometimes think they started wrong, but that does not matter. I heard a Senator say the other day that he swallowed "Coin's" financial school whole when it was first published. That explains much.

I will not quote what the majority leader has just said to me, but he has made a very apropos remark. What is the idea of studying the monetary system? What is the use of spending \$25,000 on this proposed investigation? The whole theory of investigations by Congress is founded upon the contemplation of legislation. We do not investigate with a view to anything else except to aid ourselves in our function of legislating.

What legislation is to be attempted? What legislation have we had? We have had a very considerable amount and variety of legislation on the monetary question. I know there are a great many people in this country who are complaining that there is something wrong with the monetary system. If cotton goes to 8 cents a pound somebody blames

the monetary system. If wheat goes to 60 cents they always blame the monetary system. Mr. President, that has been the policy of political quackery for at least 200 years. I do not know that anything has ever been done by way of solving the difficulties of a depression by operations on the monetary system.

I get much monetary propaganda through the mail. I understand what the authors of it are driving at. There are a great many people who would like to destroy the monetary system or blow it out with inflation. We would then have very high prices; we would have very high times also, and we would not have a Government when we finished. We have a managed currency now in the United States. We have a first-class Federal Reserve Board. I have rather admired its policies. It has told us in plain language-and I put their statement in the RECORD about 6 weeks agothat we do not need any additional currency; and I think that is true. I think that is true. I know the average man thinks we do. We have more money in circulation today than we have ever had before, except at the bottom of the depression. I think the figures are around \$7,000,000,000, about \$2,000,000,000 more than we had in 1926, which is considered a normal time. The proposition seems to be just to make a general investigation with a view to some legislation about our monetary system. All right; start it. During the 5 or 6 months that we shall be at home-

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. BAILEY. I yield.

Mr. CONNALLY. Suppose we have this study, will any of those who make it know anything more about it when they get through than they now do?

Mr. BAILEY. No; and they will not be any more agreed on the facts; and, what is more, when the report is printed we shall have great difficulty in finding any Senator who ever read it or knew it was printed. That is my experience here about reports.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BAILEY. I yield to the Senator from Idaho.
Mr. BORAH. Is the Senator discussing Senate Resolution

125?
Mr. BAILEY. I am discussing the resolution to appoint a

committee to spend \$25,000 to investigate the monetary system, and the banks, as I understood; but the chairman of the committee says he does not intend to investigate bankers or banks, but does intend to investigate the monetary system.

Mr. BORAH. May I ask the chairman of the committee a question? What is the resolution intended to cover in the way of an investigation?

Mr. WAGNER. Mr. President, I may say to the Senator that it is not to be an investigation at all. The word "investigation" is not used anywhere in the resolution, so far as I recall. It is proposed to be a study. A number of proposals have been made with reference to the management of our monetary policy, and there has been a demand among Senators and outside organizations that some action should be taken upon those proposals. They are different ones. They are in conflict. The American Farm Bureau Federation, for instance, and one other large labor organization, have also urged that this study be made; so if there is anything to the contention that our monetary policy is not properly aiding our recovery program, at least we ought to study the question. A number of resolutions have been introduced by Members of this body who have also urged, rather than having immediate action upon their legislation, that the committee at least study the question, and receive the opinions of those who have specialized in the subject. In addition to that, some legislation has been introduced attempting to cure conflicts of jurisdiction in different agencies over the banks of our country with reference to the examina-tion of their loans and other matters. One of the bankers who talked to me on this subject, the head of the American Bankers' Association, expressed their willingness to cooperate in this particular study. So if there is any conflicting jurisdiction by different agencies, that matter ought to be looked into and remedied; and that is the purpose of this particular resolution.

Mr. BORAH. The resolution says the Committee on Banking and Currency is authorized to conduct a study and to hold hearings to consider and recommend a national monetary and banking policy. Of course, if the resolution properly indicates its purpose, it is the most important resolution that has been submitted to this body in a long time. If there is going to be a study and consideration for the purpose of recommending a monetary policy for the United States, hardly anything more important than that has come before this body. The question which occurs to me is this: Is the resolution broad enough to cover a real study and consideration of the monetary policy of the United States?

Mr. WAGNER. I think it is.

Mr. BORAH. What I mean is, Do we want to enter upon a study of this question and confine the jurisdiction to a committee of the Senate? Ought not a special committee be created for that purpose?

Mr. WAGNER. Of course the Banking and Currency Committee has always had these problems before it, as a standing committee of the Senate.

Mr. BORAH. I am not criticizing the Banking and Currency Committee for the discharge of the duties which properly devolve upon the committee; but, in my judgment, the resolution proposes to enter upon the study of a great national policy which lies at the basis of all questions connected with the return of prosperity in this country. Is it satisfactory to build a committee to study that subject out of Members of the Senate alone? We should have a broad, scientific, nonpolitical committee, a special committee.

Mr. WAGNER. There is something to the Senator's suggestion. I thought, at any rate, the committee might begin its study and investigation. We should have to consider that question.

I may say that the committee, both the Democratic members and the Republican members, was unanimous in its view that this study should be made. They were anxious to have the study made because we have before us constant demands to have hearings upon particular bills, and complaints that we have not acted upon them; and the reason why we have not acted upon them is because we have not had sufficient time to study the questions involved in the proposals so as to make intelligent reports upon them.

I agree with the Senator. I think the study will be a very important one if it is conducted sensibly as a study. This is not the sort of an inquiry that the Senator from North Carolina [Mr. Balley] had in mind at all. It is not a question of self-exploitation, or anything of that kind.

Mr. BAILEY. Mr. President, I wish to assure the Senator that I did not think there was any self-exploitation about it.
Mr. WAGNER. I thought that was implicit in what the Senator said.

Mr. BAILEY. But I think the resolution is sufficiently sweeping to authorize the committee to investigate everything connected with banking and currency. I thought the Senator meant to investigate the banks. He says he does not.

Mr. WAGNER. I assure the Senator that the resolution states just what is intended by it. It is always very difficult to put in a resolution words which will limit it to the particular study we have in mind. I thought, by using the word "study," we were making very clear the intention of the committee.

The Senator from North Carolina says there is nothing the matter with the monetary policy. I may agree with the Senator, but there are others who differ; and I think it is time to study the question, so that we may bring to the Senate for its consideration at least whatever consideration and recommendation we may make as a result of the study.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BAILEY. Mr. President, I should like to conclude. I yielded to the Senator from New York and the Senator from Idaho, and was glad to do so. This is what I have in mind:

What this country needs above all things is a period of relative stability. The Congress, the Senate—I may speak of the Senate, and I do not mean to be critical—for 8 or 9 years, to my certain knowledge, has been the center of no end of alterations and proposed alterations. Men cannot carry on business when a Government, as powerful and farreaching as ours is, is forever changing—changing the currency, changing the taxes, changing the laws, changing the regulations. As the Senator from Georgia [Mr. George] said here the other day, none of us now knows what the law is or is going to be. We passed one recently, and the President comes forth and interprets it. That is well; he has a right, I suppose, to interpret. His duty is to administer it.

When one of our acts is brought before the Supreme Court, and no one here can ever again undertake to say what is constitutional and what is not. I do not expect ever to see the time when a Senator can rise again on this floor and say that a proposed act is constitutional or that it is unconstitutional. The fountainhead has become uncertain. We did have a body of doctrines in the Supreme Court reports upon which we could rely. All of us here have taken pleasure in sitting and listening to the Senator from Idaho [Mr. Borahl, hearing him expound the doctrines laid down in the great decisions. That is all gone. The Senator from Idaho cannot tell us now. The reports have lost much of their value.

I believe I will give my colleagues an instance. Yesterday we adopted an amendment to the tobacco section of the Farm Act. Very few in the Senate knew about it. I suppose most of the Senators did not know it was adopted. The Supreme Court held that the act we passed last year, or the year before, was constitutional. We imposed a penalty by pounds upon the sale of tobacco in interstate commerce in excess of allotments. The Supreme Court said that that was not control of agriculture, that it was control of commerce. But every Senator here who understood the bill knew that it controlled agriculture; every farmer who produced tobacco in North Carolina knew it was controlling agriculture. The Supreme Court did not know that. They said it was control of commerce, and they upheld the act. We had some stability at any rate. But yesterday we adopted another amendment, and we took the whole tobacco program off the basis on which the Supreme Court had held the law to be constitutional. We did have allotments in pounds, but under the new act we have them in acres. One does not ship acres in interstate commerce, one does ship pounds.

We had a penalty in terms of percentages of the amount sold, but now we have a flat penalty of 10 cents, and that is more than confiscatory. The old penalty was 50 percent, and anyone who knows anything about tobacco knows it sells by grade. One grade sells for 6 cents, another for 10 cents, another for 20, another for 25, another for 50. We put a penalty of 10 cents a pound on tobacco regardless of price, which is absolutely prohibitive, and we make allotments in

acres, not pounds.

I am not complaining about that. The bill passed by unanimous consent. This is my point: We utterly changed the whole agricultural set-up so far as tobacco was concerned, and that notwithstanding the fact we had just gotten an opinion from the Supreme Court upholding the law. We so changed it that there will not be a farmer in the whole southern Tobacco Belt who will now know whether the new law is constitutional or not; and I afraid to say.

I would not speak of the Supreme Court disrespectfully. I do not intend as long as I live to do so. I stood here for its independence, and God knows I will stand for its independence until I die. I sometimes think I would rather die than to see its independence destroyed.

Mr. BORAH rose.

Mr. BAILEY. Let me say to the Senator, it was a new Justice of the Supreme Court who spoke of the Supreme Court as being "reconstructed." I would not do so.

Mr. BORAH. Mr. President, in reference to what seems to be the gloomy outlook of the able Senator touching the

decisions of the Supreme Court, I may say that in my opinion the changes which are now supposed to be taking place in the opinions of the Supreme Court and its attitude toward current questions are not greater than the changes which it was charged took place under Marshall. are not greater than they were supposed to be under Taney, who succeeded Marshall, and not nearly so great as changes which took place following the Civil War. Those were really revolutionary periods in the history of constitutional law. I am of the opinion, in the light of subsequent history, that the attitude of Marshall upon the questions before him served really to lay the foundation for permanency in this Government, although they were regarded at that time as revolutionary and destructive. Great and distinguished statesmen declared they were violative of the whole theory of our dual system of government. The changes wrought by Taney in his decisions were of undoubted and transcendent benefit to the people of this country, although they were regarded as in a measure overthrowing Marshall's opinions in many respects and destructive of what had come to be accepted as vital principles. They came in time to fit into the laws as previously announced.

I cannot say so much for the decisions which followed the Civil War. They stand out in some respects rather by themselves. They were tainted in some respects, in my judgment, by the passions and the hatred which existed at that time, and for which there was no remedy except time. But we are all thankful that time has erased some of the mistakes made.

I do not feel that the supposed revolutionary current decisions of the Supreme Court will in the end work to the detriment of this Government. I do not see in them the destructive tendency some do. Frightful errors are being made. That is always true in great economic upheavals.

It would be strange indeed if errors did not creep into the decisions of our highest courts. But may we not hope and may we not believe that under the sway of time and reason all serious errors will be righted and the old Republic will continue its assured course as a government of law. The people are still there, loyal in heart and steady in purpose, and above all they are devoted to our institutions. Let us have confidence in the people and faith in our institutions. The errors which come like scum to the surface in time of storm are not the criterions by which to judge the trend and worth of a nation.

Mr. BAILEY. Mr. President, I thank the Senator, and I do not know that I disagree with him about those matters, I was arguing that we had reached a stage of great uncertainty, and that the Senate has pursued a policy of instability consistently.

The foundation of recovery is stability. The first man who rises in America and gives the American people an assurance of stability in the Government will make the greatest contribution to the deliverance of this country. Those men who forever disturb the country are doing more to prolong the depression than all the other forces combined, foreign or domestic. That is what I had in mind. I was using this recent act to show how we uprooted a constitutional act and laid the foundation for a new series of actions and more uncertainty.

Now let us go back to the main point. It is proposed now that we investigate the monetary system. That is notice to everyone in the United States, everyone who has an insurance policy—and I am told there are 65,000,000 of them—notice to every man who has a bank account, to every man who has an investment, that we are now beginning to look forward to find some justification for some legislation on that subject. All I am saying is that is instability—that is disturbance. I should think that after 8 years of incessant legislating, and alterations and changes, it would occur to us that we might stop a while and see what a little silence would do for the country. After a thousand investigations we might decide to be satisfied with what we have found out and proceed on that, without trying to find something more.

I believe I will give the Senate an illustration. I inherited about a year ago a \$20,000 appropriation from the Congress to investigate labor conditions in the maritime service. Two thousand five hundred dollars of the money had been contracted by my predecessor—and, of course, I speak with the utmost respect of him, and the most affectionate regard for his memory. I think I will pause to say that I believe Dr. Copeland lost his life in the service of his country. My colleagues do not know about that, but I was working alongside of him up until within 40 hours of his death, working on conference controversies. I saw him collapse, not from ill-health but from overwork. So I speak of him with the utmost reverence.

I succeeded to the chairmanship of the Committee on Commerce, and I still have this appropriation to my credit. I could have spent it. I could have plowed a furrow right through the whole labor situation in the maritime industry, and I could have advertised American ships as being in the hands of Communists, and all that. They are not. I could have had a Roman holiday here. I did not have it, and we are doing better by reason of not having it. The situation is ironing itself out. The labor situation is improving. We may make an investigation, but I am not going to spend that money just because I have a right to spend it. It is a small sum, but I am in favor of saving the small sums, as well as the big ones.

But that is not the point. I was just taking in the whole situation. The proposal comes forward in the closing days of the session for an investigation of the monetary situation. It is proposed that we make that uncertain. Everything else is uncertain; we will make that uncertain; and from now until next January the American people will be wondering what sort of monetary system they are going to have.

If one will read the literature which the propagandists are sending out he can see that we would be opening up Pandora's box. I have lived a long time now; I have lived through several depressions; and I have never yet seen a depression come upon us without every crackpot on earth coming forth and blaming the monetary system. I have seen men who were more or less reformed dipsomaniacs blame the monetary system because they were poor.

What are we to do with the monetary system? I have some money to invest, I may say, and I would like to invest it. But am I going to invest it if there is to be an operation on the monetary system? I will wait and see what is to be done with the monetary system before I risk my money, and if I do not do that, I am a fool.

So I take my good friend the chairman of the Committee on Banking and Currency at his word in this matter. I am opposed to any such investigation on the ground that it would be a further contribution to instability in a very unstable situation. Let us just let the thing lie. Let us give the country a little chance. Let us cease the constant attacks upon the existing status.

Perhaps we did need new laws, but heaven knows we have gotten them. It may be we did need new legislation. Heaven knows we have gotten 400 or 500 acts. I think now and then the passage of a law may be a good thing, but I think in order to be a good thing it has to be worked out of human experience. I have no more faith in most of this legislation as a cure for depression than I have in shin plasters as a cure for cancer, and I have no great regard for statesmanship which is reduced to but one remedy for this depression, and that is the appropriations of borrowed public money. That is about what we are reduced to, except to investigate with a view to seeing what more changes can be made.

Mr. President, that is all I have to say about the matter. I am against the resolution on the ground that it makes for instability at a time when the crying need of the country is a little assurance that men who are trying to work and trying to recover and trying to build industries will be allowed to attend to their own business under a situation in which they can have a little faith.

Mr. SHIPSTEAD. Mr. President, what is pending before the Senate?

The PRESIDENT pro tempore. The parliamentary situation is that the Senate, on motion, has taken up for consideration Senate Resolution 125. The question is on agreeing to the resolution as amended.

Mr. KING rose.

The PRESIDENT pro tempore. Does the Senator from Utah desire to discuss the resolution?

Mr. KING. There are Senators who will discuss it.

Mr. ADAMS. Mr. President, I ask if the Senator will yield to permit the reporting of the third deficiency bill from the Committee on Appropriations?

Mr. BARKLEY. Mr. President, if the matter which is pending would take long to dispose of I would not want to interfere with proceedings to consider the appropriation bill, but I thought we were about ready to dispose of the resolution, and if we could do so, then we could proceed to consider the appropriations bill.

Mr. KING. I think we had better take up the appropriation bill, Mr. President.

Mr. BARKLEY. Mr. President, let me say in that connection, supplementing what the Senator from New York has said, that it is not a matter of life and death whether this resolution is adopted or not, but the Committee on Banking and Currency unanimously reported it favorably. It provides only for \$25,000 to enable the committee to make a study. It does not provide and it is not contemplated that junkets will be undertaken in the ordinary sense. It simply provides for the use of the money to make the investigation. The committee will have to have some help in making stenographic reports and probably some research on the subject. It does not represent an extravagant outlay. I think it might be helpful to the Senate to have a consideration of this subject, in view of the fact that there are half a dozen or more bills and resolutions pending in the Senate providing for investigations of various kinds dealing with the monetary question. It might be very valuable and helpful in allaying a good deal of agitation if the committee could indulge in this work between now and the next session. I hope the Senator from Utah will not object to its passage.

Mr. KING. Mr. President, the Senator from Utah feels that this is no time to engage in a survey of the money question. We have surveyed it and studied it. We have all the information that is available. I think we had better proceed to consider the appropriation bill. Otherwise I shall have to take the floor on the resolution.

Mr. WAGNER. Mr. President, may I inquire what the parliamentary situation is?

The PRESIDENT pro tempore. The question is on agree-

ing to Senate resolution 125, as amended.

Mr. WAGNER. Mr. President, if the deficiency bill is taken up for consideration now it simply means that the consideration of the resolution will be temporarily laid aside?

The PRESIDENT pro tempore. If by unanimous consent the resolution is temporarily laid aside, it will not lose its position. It will still be the unfinished business before the Senate.

Mr. PEPPER. Mr. President, what is the position of Senate resolution 125?

The PRESIDENT pro tempore. The Chair has stated that Senate resolution 125, as amended, is before the Senate for adoption or for further amendments. The Senator from Colorado [Mr. Adams] desires to report the third deficiency appropriation bill and to ask for its present consideration.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

THIRD DEFICIENCY APPROPRIATION

Mr. ADAMS. Mr. President, from the Committee on Appropriations I report favorably, with amendments, the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and

June 30, 1940, and for other purposes, and I submit a report (No. 1138) theeron.

The PRESIDENT pro tempore. The report will be received without objection.

Mr. ADAMS. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to consider the third deficiency bill.

The PRESIDENT pro tempore. Is there objection to the

request of the Senator from Colorado?

There being no objection the Senate proceeded to consider the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. ADAMS. Mr. President, in this connection it should be said to the Members of the Senate that in an effort to expedite the closing of the session we are submitting the original copy of the bill. There are not available printed copies of the bill. We have the House bill and the amendments on this copy. I want Senators to understand the

Mr. AUSTIN. Mr. President, the members of the committee who are of the minority of the Senate, who have considered this bill, have indicated to me that under the circumstances that method is satisfactory to them. I am glad to make that statement and to say that I have no desire to interpose an objection to such procedure, under the circumstances.

The PRESIDENT pro tempore. The clerk will state the first committee amendment.

The CHIEF CLERK. On page 2, after line 2, it is proposed to insert-

Mr. KING. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. KING. I ask the Senator from Colorado, if a brief explanation of the changes were submitted, whether it would not facilitate the consideration of the bill?

Mr. ADAMS. I will say to the Senator, if Senators will pardon me for speaking from this place in front of the clerk's desk, that I must stay where I can have contact with the only existing copy of the bill. There is no continuity about the bill-that is, there is a series of changes upon different subjects-and I do not think much would be accomplished by an effort to anticipate. I think rather it would save time to take each amendment, as it is reached and read by the clerk, and make the explanation at that point. There is this general statement to be made: That the House bill appropriated some \$53,000,000 or \$54,000,000. The Senate committee is recommending a very substantial increase. I think the increase recommended by the Senate committee will aggregate \$130,000,000. The major item is \$119,000,000 to restore the capital of the Commodity Credit Corporation.

Mr. KING. Mr. President, I regret very much that that amendment has been reported by the committee.

Mr. SMITH. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. SMITH. As these amendments come up and explanation is given by the chairman of the subcommittee, is it contemplated that we shall vote on them, or what is the proposed

The PRESIDENT pro tempore. The Chair will say that that is the parliamentary practice.

Mr. ADAMS. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDENT pro tempore. Is there objection?

Mr. SMITH. Mr. President, what was the request?

The PRESIDENT pro tempore. That the Senate proceed to the consideration of the committee amendments first, and that the bill will then be open to general amendment.

Mr. DANAHER. Mr. President, reserving the right to object, I seek to ask a question before that motion is acted on. I should like to ask the Senator from Colorado if he will yield to me for the purpose of asking whether or not anything was done with reference to the F. H. A. item?

Mr. ADAMS. The item dealing with the F. H. A. was increased in accordance with the F. H. A. request.

Mr. DANAHER. The reason, of course, was that when the committee restored title 1 to the F. H. A. bill the appropriation bill had already been reported.

Mr. ADAMS. The F. H. A. asked for one and a half million dollars-\$500,000 under title 1 and \$1,000,000 under title 2.

The PRESIDENT pro tempore. The committee amendments will be stated.

Mr. PEPPER. Mr. President, may we have order in the Chamber, and will Senators speak loud enough so those of us who have places in the back of the Chamber may hear?

Mr. LA FOLLETTE. Mr. President, I not only wish to second the request made by the Senator from Florida for order in the Chamber, but I also wish to request that the clerks and the Senate proceed reasonably slowly with the amendments on this bill, because Senators not members of the committee are under the disadvantage of not having a printed copy of the bill showing the committee amendments.

The PRESIDENT pro tempore. There is disorder both in the Chamber and in the galleries. The Chair has been trying for some time to stop conversation in both places so the Chair may hear fully the request of Senators, which he cannot now do.

Mr. AUSTIN. Mr. President, will the Senator from Colorado yield for a question?

Mr. ADAMS. I yield.

Mr. AUSTIN. Does the House committee print form a basis for following the amendments to be now stated?

Mr. ADAMS. It will be an accurate basis.

Mr. BYRNES. Mr. President, I wanted to suggest to Members of the Senate that if they would secure copies of the House bill they would be enabled more easily to follow the amendments which are now to be read by the clerk. The bill is H. R. 7462.

The PRESIDENT pro tempore. The clerk will state the first committee amendment.

The first committee amendment was on page 2, after line 2. to insert:

Clerical assistants to Senators: Ninety-six additional clerks at \$1,800 per annum each, one for each Senator (in lieu of the assistant clerks now authorized by S. Res. 144, agreed to August 15, 1935, which resolution is repealed as of January 1, 1940) for the period January 1, 1940, to June 30, 1940, \$86,400.

The amendment was agreed to.

The next amendment was, under the heading "Title I-General appropriations-legislative", on page 2, after the amendment just agreed to, to insert:

SENATE

Ninety-six additional clerks at \$1,500 per annum each, one for each Senator, for the period January 1, 1940, to June 30, 1940, \$72,000.

Twenty-four additional clerks at \$1,500 per annum each, one for each Senator from each State which has a population of 3,000,-000 or more inhabitants, for the period January 1, 1940, to June 30, 1940, \$18,000,

Office of Sergeant-at-Arms and Doorkeeper: For an amount required to increase the compensation of the clerk to the secretary of the majority and the clerk to the secretary of the minority

\$480 each per annum, fiscal year 1940, \$960.

For 21 pages for the Senate Chamber at the rate of \$4 each per day during the month of August, 1939, \$2,604.

Contingent expenses: For miscellaneous items, exclusive of labor, fiscal year 1939, \$30,000.

The amendment was agreed to.

The next amendment was, under the subhead "Government Printing Office," on page 3, after line 17, to insert:

For payment to Preston L. George, William S. Houston, John G. Nalley, and William H. Wannall, messengers on night duty during the first session of the Seventy-sixth Congress, \$900 each; in all, \$3,600, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1940.

The amendment was agreed to.

The next amendment was, under the heading "Executive—Independent Establishments—Civil Aeronautics Authority", on page 4, line 25, after the words "in all", to strike out "\$3,000,000" and insert "\$5,675,000"; so as to read:

Civilian pilot training: For all necessary expenses of the Civil Aeronautics Authority during the fiscal year 1940 in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the Civilian Pilot Training Act of 1939 (Public, No. 153, approved June 27, 1939), including personal services and rentals in the District of Columbia and elsewhere; traveling expenses; purchase and exchange, operation, maintenance, repair, and overhaul of aircraft; purchase and exchange, hire, maintenance, repair, and operation of passenger-carrying automobiles; purchase and exchange of professional and scientific books, books of reference, atlases, maps, and periodicals; in all, \$5,675,000:

The amendment was agreed to.

The next amendment was, under the heading "Federal Loan Agency", on page 5, line 24, after the word "exceed", to strike out "\$333,000" and insert "\$500,000" and in line 25, after the word "and", to strike out "\$667,000" and insert "\$1,000,000"; so as to read:

FEDERAL LOAN AGENCY FEDERAL HOUSING ADMINISTRATION

Administrative expenses: In addition to the funds made available to the Federal Housing Administration for administrative expenses by the Independent Offices Appropriation Act, 1940, not to exceed \$500,000 of the mutual mortgage insurance fund and \$1,000,000 from the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I, of the National Housing Act, as amended by the act of June 3, 1939, are hereby made available for administrative expenses of said Administration for the fiscal year 1940, including the same objects specified under this head in the Independent Offices Appropriation Act, 1940.

The amendment was agreed to.

The next amendment was, under the heading "Public Health Service", on page 7, after line 12, to insert:

Grants to States for public health work: For an additional amount for the purpose of assisting States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate public health services, including the same objects specified under this head in the Treasury Department Appropriation Act, 1940, \$3,000,000: Provided, That the amount specified herein shall not be available for expenditure unless and until the increased authorization for grants to States for the purposes of section 601 of the Social Security Act, contained in H. R. 6635 Seventy-sixth Congress is enacted into law.

for the purposes of section 601 of the Social Security Act, contained in H. R. 6635, Seventy-sixth Congress, is enacted into law.

Disease and sanitation investigations: For an additional amount for carrying out the purposes of section 603 of the Social Security Act and section 1 of the act of August 14, 1912, including the same objects and subject to the same limitations specified under this head in the Treasury Department Appropriation Act, 1940, and including the pay and allowances of not to exceed five additional regular active commissioned officers, \$81,000: Provided, That the amount specified herein shall not be available for expenditure unless and until the increased authorization for grants to States for the purposes of section 601 of the Social Security Act, contained in H. R. 6635, Seventy-sixth Congress, is enacted into law.

The amendment was agreed to.

The next amendment was, on page 8, under the heading "Social Security Board", to insert:

Salaries and expenses: For an additional amount for salaries and expenses, Social Security Brard, fiscal year 1940, including the same objects and subject to the same limitations specified under this head in the Independent Offices Appropriation Act, 1940, \$2,500,000: Provided, That the Board may expend not to exceed \$100,000 of the sums appropriated for the procurement of information relating to the death of individuals entitled to benefits, receiving benefits, or upon whose death some other individual may become entitled to benefits, under title II of the Social Security Act, as amended, from proper State and local officials, including officials of the District of Columbia, Alaska, and Hawaii, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5): Provided further, That employees of the Bureau of Old-Age Insurance when engaged in the investigation of claims or the furnishing or securing of information concerning claims or wage records under title II of the Social Security Act, as amended, may be reimbursed for official travel performed by them in privately owned automobiles within the corporate limits of their official stations at a rate not to exceed 3 cents per mile: Provided further, That the amount specified herein shall not be available unless and until the amendments to title II of the Social Security Act contained in H. R. 6635, Seventy-sixth Congress, are enacted into law.

The amendment was agreed to.

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Mr. KING. Mr. President, I should like to ask the Senator from Colorado [Mr. Adams] a question. Does the Senator believe that this additional \$2,000,000 plus is required, in view of the fact that the bill itself carries \$12,500,000?

Mr. ADAMS. I will say to the Senator that my own information is very scanty. As one member of the committee, I have relied upon the recommendations of the Budget Director and upon the representations of those like the Senator, who are members of the Finance Committee. The social-security bill is in conference, and these provisions are all conditioned upon the approval of the conference report and the final enactment of the bill. I cannot answer as to the details and facts, because I, as well as the committee, have largely had to accept the recommendations which came from those who were supposed to know.

Mr. KING. I might add to the statement the Senator has just made that the conferees upon the social-security bill, which has been in conference for approximately 20 days, have signed the report, and the bill will be reported to the House, probably this afternoon.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 8.

The amendment was agreed to.

The next amendment was, under the heading "Federal Works Agency," on page 8, after line 19, to insert:

Construction of public buildings outside the District of Columbia: For further carrying out the program for the acquisition of sites and construction of public buildings authorized by the paragraph under the caption "Emergency construction of public buildings outside the District of Columbia," contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 772), and increased by the Federal Public Buildings Appropriation Act of 1938, approved June 21, 1938, \$1,000,000.

The agreement was agreed to.

The next amendment was, on page 9, after line 7, to insert:

PUBLIC ROADS ADMINISTRATION

Inter-American Highway: For the continuation of cooperation with the several governments, members of the Pan-American Union, in connection with the survey and construction of the inter-American highway as provided in Public Resolution No. 104, approved March 4, 1929 (45 Stat. 1897), as amended or supplemented, and for performing engineering service in Pan-American countries for and upon the request of any agency or governmental corporation of the United States, the Public Roads Administration is hereby authorized to expend not to exceed \$40,000 to pay all costs incurred for such work from the administrative funds provided under the act of July 11, 1916 (23 U. S. C. 21), as amended or supplemented, or as otherwise provided.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Colorado, with regard to the various increased authorizations which were made by the Senate in the amendments to the Social Security Act, with relation to public health, increased grants for the care of maternal and child health, and for vocational rehabilitation, whether or not the committee in all instances incorporated in the bill the Budget recommendations with regard to the items I have mentioned, contingent upon the enactment of those amendments into law?

Mr. ADAMS. I believe that in each instance the Budget estimate was incorporated in the bill literally as it came to us from the Bureau of the Budget.

Mr. McKELLAR. Without any change whatsoever.

Mr. LA FOLLETTE. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 9, after line 7.

The amendment was agreed to.

The next amendment was, on page 9, after line 25, to insert:

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE WRITING OF THE STAR-SPANGLED BANNER

To provide for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, as authorized by Public Resolution No. —, approved August —, 1939, fiscal year 1940, \$5,000.

The amendment was agreed to.

The next amendment was, on page 10, after line 21, to insert:

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

For an additional amount for each and every purpose requisite for and incident to the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of the act entitled "An act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park parkway and play-Virginia requisite to the comprehensive park, parkway, and play-ground system of the National Capital," approved May 29, 1930; personal services, including real estate and other technical services, at rates of pay to be fixed by the Commission and not exceeding those usual for similar services and without reference to civilservice rules and the Classification Act of 1923, as amended; travel expenses; expenses of surveys and searching of titles, purchase of options, and all other costs incident to the acquisition of land; operation and maintenance of passenger-carrying vehicles for official use; fiscal year 1940, \$150,000, to be expended in carrying out the provisions of section 1 (a) of said act, and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 10, after the amendment just agreed to, to insert:

SECURITIES AND EXCHANGE COMMISSION

For an additional amount for five Commissioners and other personal services in the District of Columbia, and for all other authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by or in pursuance of law, including the employment of experts when necessary, fiscal year 1940, \$110,000, including the same objects specified under this head in the Independent Offices Appropriation Act, 1940.

The amendment was agreed to.

The next amendment was, on page 11, line 12, under the heading "United States Coronado Exposition," to strike out "\$175,000" and insert "\$250,000" so as to read:

For all expenses necessary to carry out the provisions of the act entitled "An act authorizing Federal participation in the commemoration and observance of the four-hundredth anniversary of the explorations of Francisco Vasquez de Coronado," approved July 17, 1939, including personal services in the District of Columbia and elsewhere without reference to the Classification Act of 1923, as amended, and printing and binding, \$250,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 11, to strike out lines 14 to 25 and lines 1 to 5, both inclusive, on page 12, as follows:

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

United States constitutions sesquicentennial commission

For compiling and publishing a history of the formation, the signing, the ratification, and the establishment of the Constitution, including such historical facts and data as the Commission may deem pertinent relative to the commencement of the First Congress of the United States under the Constitution; the proceedings and ceremonies in connection with the inauguration of George Washington as the first President of the United States under the Constitution; the adoption and ratification of the Bill of Rights, and the first meeting of the Supreme Court of the United States; including therein also a final report of the activities of the Commission during the Nation-wide observance of the one hundred and fiftieth anniversary of the formation, ratification, and establishment of the Constitution, fiscal year 1940, \$40,000.

Mr. KING. I inquire if further on in the bill there is any appropriation carried for this item.

Mr. BYRNES. No; there is nothing else in the bill about it. Mr. KING. Is there any reason for this item being elimi-

Mr. BYRNES. The committee was of the opinion that at sometime, somewhere, the appropriation for this purpose should come to an end.

Mr. KING. I agree with the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment last stated.

The amendment was agreed to.

The next amendment was, on page 20, after line 12, under the subhead "Settlement of Claims", to insert:

For the payment of the claim of M. M. Kite, a private in the Metropolitan Police Department, District of Columbia, covering pay for the period in which he was under suspension—namely, March 1 to May 31, 1939, inclusive, under authority of the act of February 11, 1929, as amended by the act of June 5, 1930, \$600.

The amendment was agreed to.

The next amendment was, on page 22, after line 24, to insert the heading:

Department of Agriculture.

The amendment was agreed to.

The next amendment was, on page 22, after line 24, after the amendment last agreed to, to insert:

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Mormon-cricket control research activities: For an additional amount for Mormon-cricket-control research activities at the cricket research laboratory at Bozeman, Mont., fiscal year 1940, \$6,500.

The amendment was agreed to.

The next amendment was, following the amendment last agreed to, to insert:

AGRICULTURAL MARKETING SERVICE

United States Warehouse Act: For an additional amount to en-United States Warehouse Act: For an additional amount to enable the Secretary of Agriculture to carry into effect the provisions of the United States Warehouse Act, fiscal year 1940, \$35,000, of which not to exceed \$3,200 may be expended for personal services in the District of Columbia, and not to exceed \$6,500 for the purchase of passenger-carrying vehicles.

The amendment was agreed to.

The next amendment was, on page 28, to strike out lines 1 to 8 inclusive, as follows:

Purchase of land for Colville Indians, Washington (tribal funds): For the purchase of land and improvements thereon for the Colville Indians, Washington, fiscal year 1940, to remain available until June 30, 1941, \$100,000, payable from funds on deposit to the credit of the Colville Indians: *Provided*, That title to any land and improvements so purchased shall be taken in the name of the United States in trust for the Colville Indians.

The amendment was agreed to.

The next amendment was, on page 30, to strike out lines 1 to 19, inclusive, as follows:

CONSERVATION AND HEALTH

Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable, of reindeer, abattoirs, cold-storage plants, corrals and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), \$720,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, \$75,000; in all, fiscal year 1940, \$795,000; Provided, That under this appropriation not exceeding an average of \$4 per bend shell be not for expenses of the provided of \$4 per head shall be paid for reindeer purchased from nonnative owners: Provided further, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island.

The amendment was agreed to.

The next amendment was, under the subhead "General Support and Administration," on page 31, after line 21, to

Western or Old Settler Cherokees: For the relief of the Western or Old Settler Cherokees, as authorized by the bill S. 2261, entitled "An act for the relief of the Western or Old Settler Cherokees, and for other purposes," Seventy-sixth Congress, fiscal year 1940,

The amendment was agreed to.

The next amendment was, on page 34, under the subheading "Bureau of Reclamation," to insert:

Operation and maintenance administration: For an additional amount for general administration of reclamation projects, \$20,000, from the reclamation fund, special fund, fiscal year 1940, to be expended for the same purposes and under the same conditions specified under this head in the Interior Department Appropriation Act, 1940.

The amendment was agreed to.

The next amendment was, on page 37, after line 2, to insert:

NATIONAL PARK SERVICE

Hot Springs National Park: For an additional amount to carry out the purposes of the act of June 15, 1936, as amended (relating to the extension of the boundaries of the Hot Springs National Park, Ark.), fiscal year 1940, \$8,000.

The amendment was agreed to.

The next amendment was, after the last amendment agreed to, to insert the following:

Kennesaw Mountain National Memorial Military Park: For the acquisition of additional lands for the Kennesaw Mountain National Memorial Military Park as authorized by the act entitled "An act to amend the act approved June 26, 1935, entitled 'An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes," approved August —, 1939, fiscal year 1940, \$55,000.

The amendment was agreed to.

The next amendment was, after the amendment last agreed to, to insert the following:

National military parks, battlefields, monuments, and cemeteries: For an additional amount for national military parks, monuments, and cemeteries for the construction of an administration-museum building in the Kings Mountain National Military Park in South Carolina, including the purchase of furniture and museum cases, the preparation of exhibits for installation therein, and the construction of other necessary administration buildings or residences, fiscal year 1940, \$40,000.

The amendment was agreed to.

The next amendment was, on page 38, line 25, under the heading "Department of Labor, Office of the Secretary", to strike out "\$15,500" and insert "\$21,750."

Mr. BRIDGES. Mr. President, I ask to what does that item refer in the office of the Secretary of Labor?

Mr. ADAMS. It refers to contingent and miscellaneous expenses of the Labor Department as specified in the Department of Labor Appropriations Act.

Mr. BRIDGES. Does the Senator mean by the "Department of Labor Act" the Wage and Hour Act, or does he refer to the various other activities of the Labor Department?

Mr. ADAMS. I suggest that the clerk read the provision. The legislative clerk read as follows:

Contingent expenses: For an additional amount for contingent and miscellaneous expenses of the offices and bureaus of the Department, including the same objects and under the same conditions specified in the Department of Labor Appropriation Act, 1940, \$21,750.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 39, line 9, to strike out "\$227,000" and insert "\$339,500", so as to read:

Traveling expenses: For an additional amount for traveling expenses, except traveling expenses incident to the deportation of aliens under the Department of Labor, fiscal year 1940, \$339,500.

Mr. BRIDGES. Does that item have reference to the wage and hour law?

Mr. ADAMS. It has reference to the Wage and Hour Act. It is a provision for additional traveling expenses, which it is felt is required in enforcing the act

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 39, after line 17, under the subhead "Immigration and Naturalization Service," to

Transporting Filipinos to the Philippine Islands: The unexpended balance of the appropriation of \$150,000 contained in the First Deficiency Appropriation Act, fiscal year 1937, for all authorized expenditures necessary to enable the Secretary of Labor to administer the provisions of the act of July 10, 1935 (49 Stat. 478), as amended, and continued available for the same purposes during the fiscal year ending June 30, 1938, and to and including December 31, 1939, but the First Deficiency Appropriation Act, 1939, in the First Deficiency Act, 1 1938, by the First Deficiency Appropriation Act, 1938, is hereby further continued available during the fiscal year ending June 30, 1940, and to and including December 31, 1940, to enable the Secretary of Labor to administer the provisions of the act of July 27, 1939.

Mr. BRIDGES. Mr. President, do I understand from the chairman of the subcommittee that this provision will allow the department to send back to the Philippines Filipinos who are here illegally? Why should we pay their expenses?

Mr. ADAMS. No. They are in part here legally, and under this provision Filipinos in the United States are being returned to their homes. The policy has been carried on for several years, and this item makes available the existing appropriation for the current year. It does not increase any appropriation or change the purpose of the law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. SMITH. Mr. President, I ask the chairman of the subcommittee what is the total increase in the Senate bill over the appropriations contained in the bill as passed by the other House?

Mr. ADAMS. Roughly, I think the increase is \$131,000,000. Mr. SMITH. That is the increase over the appropriations provided by the House?

Mr. ADAMS. Yes, sir. Mr. SMITH. Including all items?

Mr. ADAMS. That is correct.

Mr. McKELLAR. I will say to the Senator from South Carolina that of that amount \$119,000,000 are for the Commodity Credit Corporation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 39, under the subhead "Children's Bureau," to insert the following:

Salaries and expenses, maternal and child welfare, Children's Bureau: For an additional amount for all authorized and necessary administrative expenses of the Children's Bureau in performing the duties imposed upon it by title V of the Social Security Act, approved August 14, 1935, as amended, including the same objects specified under this head in the Department of Labor Appropriation Act, 1940, fiscal year 1940, \$15,000.

The amendment was agreed to.

The next amendment was, after the amendment last agreed to, to insert the following:

Grants to States for maternal and child-health services, Children's Bureau: For an additional amount for grants to States for the purpose of enabling each State to extend and improve services for promoting the health of mothers and children, as authorized in title V, part 1, of the Social Security Act, approved August 14, 1935, as amended: Provided, That an allotment to a State pursuant to section 502 (b), as amended, shall not be included in computing for the purposes of subsections (a) and (b) of section 504 an amount expended or estimated to be expended by the State, fiscal year 1940, \$1,510,000.

The amendment was agreed to.

The next amendment was, following the amendment last agreed to, to insert:

Grants to States for services for crippled children, Children's Bureau: For an additional amount for the purpose of enabling each State to extend and improve services for crippled children, as authorized in title V, part 2, of the Social Security Act, approved August 14, 1935, as amended, fiscal year 1940, \$760,000.

The amendment was agreed to.

The next amendment was to insert, following the amendment last agreed to, the following:

Grants to States for child-welfare services, Children's Bureau: For an additional amount for grants to States for the purpose of enabling the United States, through the Children's Bureau, to cooperate with State public-welfare agencies in establishing, extending, and strengthening public-welfare services for the care of homeless or neglected children, or children in danger of becoming delinquent, as authorized in title V, part 3, of the Social Security act (42 U. S. C., 721), as amended, fiscal year 1940, \$5,000.

The amendment was agreed to.

Mr. KING. Mr. President, is the same condition annexed to this appropriation as well as to the preceding one?

Mr. ADAMS. There is a blanket condition referring back to three or four of these items. I ask the clerk to state the amendment.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. Following the amendment last agreed to, it is proposed to insert the following:

The foregoing items of appropriations for the Children's Bureau shall not be available for expenditure unless and until the proposed amendments to title V of the Social Security Act, as contained in H. R. 6635, are enacted into law.

In the administration of title V of the Social Security Act, as amended, for the fiscal year 1940, payments to States for any quarter of the fiscal year 1940 under parts 1, 2, and 3 may be made quarter of the fiscal year 1940 under parts 1, 2, and 3 may be made with respect to any State plan approved under such respective parts by the Chief of the Children's Bureau prior to or during such quarter, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan is submitted to the Chief of the Children's Bureau for approval.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 40, under the subhead "Wage and Hour Division", in line 19, to strike out "\$762,-500" and insert "\$1,143,750", so as to read:

Salaries: For an additional amount for all personal services for the Wage and Hour Division in performing the duties imposed upon it by the Fair Labor Standards Act of 1938, fiscal year 1940, \$1,143,750.

Mr. PEPPER. Mr. President, I ask the chairman of the subcommittee to state the amount which the Senate committee added to the amount appropriated by the House.

Mr. ADAMS. Approximately \$400,000. Mr. PEPPER. May I ask the chairman a further question? In order to offer an amendment to appropriate the amount of the Budget estimate—that is, \$2,000,000—what should be the variation of the figure? I desire to offer an amendment for that purpose.

Mr. ADAMS. I think the fact is that the bill as reported appropriates the entire \$2,000,000. When the different items are cumulated, I think the Senator will find that the \$2,000,000

is included.

Mr. McKELLAR. That is true.

Mr. PEPPER. I do not want to have any misunderstanding about the matter. Of course, I will accept the assurances of the very able Senators from Colorado and Tennessee. The Senators know what happened. Two million dollars was requested by the Budget Bureau, but only \$1,000,000 of the \$2,000,000 requested by the Budget Bureau was allowed by the House. Then the witnesses came before the Senate Appropriations Committee and asked for the remaining \$1,000,000. Do the Senators say that that request was granted and is embodied in the bill?

Mr. ADAMS. That was the intention of the Senate committee, and I think it is the fact.

Mr. PEPPER. I thank the Senator.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment of the Committee on Appropriations was, under the heading "Navy Department, Office of the Secretary", on page 41, line 12, after the word "in", to insert "Senate Document Numbered 103, and"; and in line 13, after the word "Congress", to strike out "\$341.93" and insert "\$4,183.93", so as to read:

Claims for damages by collision with naval vessels: To pay claims for damages adjusted and determined by the Secretary of the Navy under the provisions of the Act entitled "An act to amend the act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels," approved December 28, 1922, as fully set forth in Senate Document Numbered 103, and House Document Numbered 413, Seventy-sixth Congress, \$4,183.04.

The amendment was agreed to.

The next amendment was, on page 41, after line 13, to insert:

The applicable appropriations provided for the naval establishment for the fiscal year 1940 are hereby made available for expenditure, in the discretion of the Secretary of the Navy, for chartering and commissioning the S. S. Bear as a vessel of the United States Navy for the purposes of the survey of the Antarctic regions to be made by the United States Antarctic Service as authorized by the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939, Public No. 160, 76th Congress: Provided, That such expenditures shall be in addition to the amounts appropriated for this purpose for the Department of the Interior under the head of purpose for the Department of the Interior under the head of "Expenses, Division of Territories and Island Possessions" in the Second Deficiency Appropriation Act, fiscal year 1939, approved May 2, 1939, and the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939.

The amendment was agreed to.

The next amendment was, on page 43, after line 5, to strike out:

BUREAU OF AERONAUTICS

Aviation, Navy: For an additional amount for aviation, fiscal year 1940, as follows: Toward the construction of a rigid airship authorized by the act approved May 17, 1938 (52 Stat. 401), \$300,000, and, in addition, the Secretary of the Navy is hereby authorized to enter

into obligations for this purpose to an amount not in excess of \$1,700,000.

The amendment was agreed to.

The next amendment was, under the heading "Marine Corps", on page 43, after line 20, to insert:

Alterations to naval vassels: For an additional amount under this Anterations to havai vassels: For an additional amount under this appropriation title, as contained in the Naval Appropriation Act for the fiscal year ending June 30, 1940, to acquire and convert two motor vessels, as authorized by section 2 of the act approved July 25, 1939 (Public, No. 212, 76th Cong.), fiscal year 1940, \$2,500,— 000, to remain available until expended.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. I yield. Mr. KING. Was any additional evidence adduced before the Senator's committee which was not brought before the committee in the House when it considered this item?

Mr. ADAMS. The Acting Secretary of the Navy, Mr. Charles Edison, appeared in advocacy of the amendment.

Mr. BYRNES. Mr. President, the matter arose after the House passed the bill. That was the reason for the action that was taken.

Mr. KING. I will state to the able Senator from South Carolina that I assume that most of these augmentations were the result of evidence which was not brought before the House committee.

Mr. BYRNES. And because it was shown that the necessity had arisen after the House acted. I will add that many requests were refused because those making them could not make such a showing.

Mr. ADAMS. I will say to the Senator that the committee sat long hours and heard many, many individuals who came before it in reference to the various matters. It was really a more extensive hearing than is often had, and no one was denied an opportunity to come.

The PRESIDENT pro tempore. The question is on agree-

ing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 46, line 1, after the heading "Department of State," to insert:

OFFICE OF THE SECRETARY

Claims for personal injury and death arising in foreign countries, act of February 13, 1936, Department of State: To pay a claim for injury and death adjusted and determined by the Secretary of State under the provisions of the act entitled "An act to provide for the adjustment and settlement of personal injury and death cases arising in certain foreign countries," approved February 13, 1936, as fully set forth in Senate Document No. 104, Seventy-sixth

The amendment was agreed to.

The next amendment was, on the same page, after line 16, to insert:

Payment to Government of Panama: For payment to the Government of Panama for the fiscal years 1934 to 1940, both inclusive, in accordance with the provisions of the treaty signed between the United States and Panama on March 2, 1936, \$2,010,000, together with the unexpended balance of \$250,000 for this purpose for each of the fiscal years 1939 and 1940, and the amount of \$250,000 from each of the accounts "Outstanding Liabilities, 1937," and "Outstanding Liabilities, 1938." Checks drawn on the Treasurer of the United States for payment to the Government of Panama dated February 24, 1934, February 26, 1935, February 26, 1936, February 26, 1937, February 26, 1938, and February 27, 1939, Nos. 27530, 34602, 48769, 63123, 67232, and 70612, respectively, shall be canceled and the amount of check No. 70612 shall be credited to the appropriation from which drawn.

The amendment was agreed to.

The next amendment was, under the heading "Miscellaneous", on page 46, line 24, after the word "fiscal", to strike out "year" and insert "years 1939 and", so as to read:

Agrarian Claims Commission, United States and Mexico: For the expenses of participation by the United States in the settlement of claims of citizens of the United States against the Government of Mexico on account of expropriations of agrarian properties since August 30, 1927, as authorized by and in accordance with the act of April 10, 1939, fiscal years 1939 and 1940, \$85,000.

Mr. KING. Mr. President, that item, as I recall, refers to the so-called Agrarian Claims Commission.

Mr. ADAMS. That is correct.

Mr. KING. May I ask the Senator, what has become of the two commissions which were set up a number of years ago? My understanding is that both of those commissions have ceased to function and that no other commission is now in existence. Am I right in that?

Mr. ADAMS. I understand that a new commission was

created by the present Congress.

Mr. KING. What claims were they to consider-the ex-

propriation of oil lands as well as farm lands?

Mr. ADAMS. I do not think the jurisdiction of the commission included oil lands. I think it was intended to include just agrarian lands—that is, farm lands and grazing lands. I am speaking without any recent familiarity with the statute.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 46, after line 24, to insert:

Second Inter-American Radio Conference, Santiago, Chile: For the expenses of participation by the United States in the Second Inter-American Radio Conference, to be held at Santiago, Chile, in 1940, including personal services in the District of Columbia or elsewhere, without regard to the Classification Act of 1923, as amended; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); communication service; rent; travel expenses; local transportation; transportation of things; hire, mainpenses; local transportation; transportation of things; hire, mainpenses; local transportation; transportation of things; fire, mantenance, and operation of motor-propelled passenger-carrying vehicles; purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; equipment; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal year 1940, \$16,000.

The amendment was agreed to.

The next amendment was, on page 46, after the amendment just agreed to, to insert:

ment just agreed to, to insert:

Meeting of Treasury Representatives, Guatemala, Guatemala: For the expenses of participation by the United States in the Meeting of Treasury Representatives, to be held at Guatemala, Guatemala, in 1939, including personal services in the District of Columbia or elsewhere, without regard to the Classification Act of 1923, as amended; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); communication service; rent; travel expenses; local transportation; transportation of things; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; purchase of necessary books, documents, newspapers, and periodicals; stationery; equipment; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal year 1940, \$2,750.

The amendment was agreed to.

The next amendment was, under the head "Treasury Department, Office of the Secretary", on page 47, after line 2, to insert:

Restoration, capital impairment, Commodity Credit Corporation: To enable the Secretary of the Treasury, on behalf of the United States, to restore the amount of the capital impairment of the Commodity Credit Corporation as of March 31, 1939, by contribution to the Corporation as provided by the act approved March 8, 1938 (Public, No. 442, 75th Cong.), fiscal year 1940, \$119,599,918.05.

Mr. VANDENBERG. Mr. President

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Michigan?

Mr. ADAMS. I do.

Mr. VANDENBERG. Can the Senator give me a general estimate of the total appropriations made at this session for agricultural purposes?

Mr. ADAMS. The Senator cannot.

Mr. VANDENBERG. Will the Senator just make a stab at it? It is a very large subject, and a stab might hit it.

Mr. ADAMS. Notwithstanding the fact that it is a large subject

Mr. VANDENBERG. It is a large sum. I would like to know about what it is.

Mr. ADAMS. I am going to ask the Senator to excuse me from making an estimate.

Mr. KING rose.

Mr. VANDENBERG. Is the Senator from Utah prepared to testify?

Mr. KING. It is over \$1,460,000,000.

Mr. VANDENBERG. I understood it was about a billion and a half dollars.

Mr. KING. That does not include, as I recall, perhaps a hundred million or a hundred and fifty million dollars which will accrue to the fund from customs duties, which automatically will be transferred to this department.

Mr. ADAMS. The Agricultural Appropriation bill I think

carried roughly a billion and a quarter dollars.

Mr. VANDENBERG. Do I understand that, although the distinguished Secretary of Agriculture has a billion and a half dollars to spend on his divers and sundry schemes for saving the farmer, he asserts that unless he has this final \$113,000,000 he cannot possibly save them?

Mr. ADAMS. I do not believe I am quite qualified to relate to the Senator what the Secretary of Agriculture may have said. He has said before the committee that unless this appropriation were made, he was apprehensive there would be a very serious decline in agricultural commodities.

Mr. VANDENBERG. That is what I understood he said. What I want to know is, if he is going to use this \$119.000,000 to sustain prices, what is he going to use the other billion and a half for?

Mr. McKELLAR. Mr. President, it is provided by Congress what he must do with it, and this amount is necessary in order to hold up the prices of wheat, corn, and cotton under acts of Congress which he is required to execute.

Mr. VANDENBERG. I thought he was going to hold those

prices up by making loans.

Mr. McKELLAR. No; it was not that way at all. I am not sure but that the Senator voted for the bill in 1938.

Mr. VANDENBERG. It does not make the slightest difference what I voted for; I am trying to find out what is going

Mr. McKELLAR. The loans were for the purpose of stabilizing the prices of cotton, corn, and wheat.

Mr. VANDENBERG. I have not sufficient evidence to enable me to say that that will not work, or whether the problem will have to be met through this device, or this \$119,000,000.

Mr. McKELLAR. There were no appropriations made previously, in the general bill, for this purpose, to give the Commodity Credit Corporation the money with which to operate on the new crop.

Mr. VANDENBERG. What I want to know is, do we find ourselves in the position that the Secretary of Agriculture is going to say to the country that if he does not get this final \$119,000,000 the responsibility rests at that point for the failure of his agricultural program?

Mr. ADAMS. Mr. President, I do not know that the Secretary said it was a final \$119,000,000; but this was the statement, as I recall. He said that the Commodity Credit Corporation, created for the purpose of making loans which were mandatory under the agricultural acts upon certain crops, in accordance with formulas included in those acts, upon either three or four major crops, made loans, which were not compulsory, in order to maintain the market prices of other crops, but in making the loans on the major crops, which I think were cotton, corn, and wheat, they had lost the capital of the Commodity Credit Corporation, which was originally \$100,-000,000. Then under an act of Congress \$94,000,000 was restored some time ago, and they are now \$119,000,000 short, so that in order to restore the capital the \$119,000,000 appropriation is required.

They have, in addition to the capital, as the Senator doubtless knows, a lending capacity of \$900,000,000. It was originally \$600,000,000 and Congress has increased it to \$900,000,-000. Loans have been made until practically all the lending capacity has been either exhausted or has been committed. There was some confusion in the statements before the committee. At one point we were told that there were \$131,000,-000 not yet committed, but accompanying that was a statement that there was some kind of a quasi commitment which really had consumed all but \$9,000,000. The Secretary said that there were certain other loans, notably on cotton and corn, which could not be made unless the capital was replaced: that if it were not replaced there would have to be a prorating of the lending capacity among various crops, which would leave most of them deficient.

I am giving the Senator simply a summary of the statement, as I recall it, from the Secretary and from the President of the Commodity Credit Corporation, who also appeared

before the committee.

Mr. VANDENBERG. Mr. President, I thank the Senator for his statement. I was merely trying to find out precisely what was meant by the quotations attributed to the Secretary in the news reports. As I interpreted those quotations, they left the impression that this final hundred-odd-million dollars appropriation is the sine qua non of the success of his entire agriculture program. I did not want to be put in the position of voting against an appropriation of \$119,000,000 and providing him with an alibi.

Mr. ADAMS. I do not think that is quite an accurate statement. What he did say was that he was very positive that unless this money was provided there might be a very serious decline, if not a crash, in agricultural products.

Mr. VANDENBERG. Does that work both ways; if he gets the money, do we have another assurance that there will not be a crash?

Mr. ADAMS. That was not included in the statement.

Mr. LA FOLLETTE. Mr. President, in all fairness to the Secretary of Agriculture, I think the situation which confronts him should be made clear to the Senate.

There is a statutory provision which requires that on a certain date each year there must be an evaluation of the assets of various governmental corporations, including the Commodity Credit Corporation.

Mr. McKELLAR. On the 31st of March.

Mr. LA FOLLETTE. And that Congress thereupon must replace or restore the capital of any one of these corporations in case its operations are estimated to have impaired such

The loans in question upon certain commodities are mandatory and were so made by the Congress in the Agricultural Adjustment Act of 1938. Therefore, the loans have been made in accordance with that act. However, the Secretary feels that unless Congress acts upon the requirement to replace the capital of this corporation estimated to be impaired he is, therefore, no longer justified in continuing to make any loans in the future.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I will yield in a moment. Many farmers have come into this program for this year upon the assumption that Congress would provide for the mandatory loans, and I do not think that the Secretary of Agriculture, in all fairness to him, is to be criticized if he directs the attention of Congress to a situation which confronts him under statutes enacted by Congress.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Is it not a fact that under the lending program of the Commodity Credit Corporation great benefits have been received by the growers of wheat, growers of cotton, wool growers, and others who are engaged in the production of agricultural commodities?

Mr. LA FOLLETTE. With the permission— Mr. O'MAHONEY. Will not the Senator answer the question? That is a fact, is it not?

Mr. LA FOLLETTE. Yes. I now wish to take the time to read a letter which the Secretary of Agriculture addressed to me, at my request, when I became alarmed over the situation which seemed to have been produced by the House of Representatives failing to provide the necessary appro-

Mr. O'MAHONEY. Before the Senator puts the letter into the Record, may I ask just one other question? Does it

not follow, from the situation which has been described-and I am very happy the Senator from Wisconsin has described it—that if the capital of this corporation were not restored, it would be impossible for the Secretary properly to continue to make loans?

Mr. LA FOLLETTE. As I understand the Secretary's position, it is that unless Congress restores the capital of the Commodity Credit Corporation as provided by law he must then assume that Congress has, in effect, by negative action, disapproved any further activity in this direction.

Mr. O'MAHONEY. I think the Senator is exactly correct. Mr. LA FOLLETTE. And I personally believe that the Secretary, instead of being criticized for taking this position, should be praised for the meticulous manner in which he regards his responsibilities under the law.

Mr. O'MAHONEY. As a matter of fact, he came before the committee and made a perfectly frank and accurate statement of the financial condition of this corporation.

Mr. McKELLAR. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. The Senator has stated with great accuracy exactly the position the Secretary of Agriculture took before our committee. The Congress passed this law, the Secretary is faithfully and earnestly and sincerely trying to carry it out. The Congress passed the act which required that this fund be replaced. The Secretary told the committee just what was necessary to be done, and he has

carried out the act of Congress-our act-first.

Mr. VANDENBERG. Mr. President, will the Senator yield? Mr. LA FOLLETTE. In a moment. I desire to read a few excerpts from the letter of the Secretary, and then I shall ask to have the letter incorporated in the RECORD as a part of my remarks. The Secretary states in the letter:

My responsibility with regard to the Commodity Credit Corporation and commodity loans is derived from the Agricultural Adjustment Act of 1938, the Commodity Credit Act of 1938, and the fact that the Congress, under the President's Reorganization Order No. 2, transferred the Commodity Credit Corporation to the Department of Agriculture on July 1, 1939. Because this transfer was so recent I, as Secretary of Agriculture, did not have an operativity for the President Secretary of Agriculture, and not have an operativity for the President Secretary of Agriculture, and an adversarial Secretary of Agriculture, and adversarial Secretary of Agriculture, and adversarial Secretary of Agriculture, an portunity to appear before congressional committees before July 1 so as to emphasize the importance of the activities of the Cor-

of the Commodity Credit Corporation is vitally necessary to the success of the farm program. At present only \$9,000,000 is available for new loans on agricultural commodities. This appropriation able for new loans on agricultural commodities. This appropriation is neither for the purpose of embarking upon any new undertaking nor for financing any transactions other than those already authorized and directed by the Congress. Moreover, these funds would not be expended but would be used for making loans with farm commodities as collateral. In other words, the appropriation is merely to restore the capital of the Corporation in order that it may continue to carry out the program specifically assigned to it

by existing legislation.

The Agricultural Adjustment Act of 1938 makes it mandatory the Agricultural Adjustment Act of 1938 makes it mandatory under certain circumstances for the Corporation to offer loans to producers of corn, wheat, and cotton. In accordance with this requirement, a loan program has already been announced with respect to the 1939 wheat crop. Wheat is now being marketed and, largely as a result of the loan, the price of American wheat is very substantially above world prices.

As a matter of fact, Mr. President, the other day when the Finance Committee was considering the amendments to section 22 of the Agricultural Adjustment Act, which provide for action by the President after the Tariff Commission has made an investigation, to prevent commodities coming in over the tariff wall and destroying domestic programs, the committee was informed that for certain types of hard wheat the prices are now within 2 cents of being at the point where wheat of those particular types, will start to come in in large quantities.

Unless the \$119,000,000 appropriation is made, the wheat loan probably could not be continued through this season. If the loan on wheat should be discontinued, a precipitate drop in American wheat prices is almost certain to follow.

In the case of corn, arrangements for a loan normally would be made in September, and it is virtually certain that a loan on the 1939 crop will be mandatory. Moreover, if lack of funds should make it impossible to provide a loan on the 1939 corn crop, the effect would have widespread and disastrous results on the whole of agriculture. The extremely low corn prices which would follow such action would in turn bring about sharp reductions in the prices of hogs, beef cattle, poultry, and dairy products, cottonseed, other feed grains, and fats and oils.

So, Mr. President, in my opinion, the Secretary was fully justified in making the statement that unless the appropriation were made there would result not only a serious decline in prices of commodities upon which loans under certain circumstances are mandatorily made by the Corporation, but, because of the interrelation of many of these prices and products, a precipitate decline in the price of those products would affect practically the whole structure of the agricultural situation in the United States.

Under conditions as they are at present, a loan on cotton is not mandatory. But inability to make such a loan, through lack of funds, could easily contribute to a price decline which would, under ordinary circumstances, make the loans mandatory.

Mr. President, without taking further time to read from the letter, I ask unanimous consent that the entire letter be incorporated in the RECORD at this point.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF AGRICULTURE, Washington, August 3, 1939.

Hon. Robert M. La Follette, Jr., United States Senate.

United States Senate.

Dear Senator La Follette: In accordance with your request, I am sending you the following information with respect to the item for the restoration of the capital of the Commodity Credit Corporation that was omitted from the third deficiency bill as approved by the House of Representatives.

My responsibility with regard to the Commodity Credit Corporation and commodity loans is derived from the Agricultural Adjustment Act of 1938, the Commodity Credit Act of 1938, and the fact that the Congress, under the President's Reorganization Order No. 2, transferred the Commodity Credit Corporation to the Department of Agriculture on July 1, 1939. Because this transfer was so recent I, as Secretary of Agriculture, did not have an opportunity to appear before congressional committees before July 1, so as to emphasize the importance of the activities of the Corporation to the general farm program.

The appropriation of \$119,000,000 requested to restore the capital of the Commodity Credit Corporation is vitally necessary to the success of the farm program. At present, only \$9,000,000 is available for new loans on agricultural commodities. This appropriation is neither for the purpose of embarking upon any new undertaking nor for financing any transactions other than those already authorized and directed by the Congress. Moreover, these funds would not be expended but would be used for making loans with farm commodities as collateral. In other words, the appropriation is merely to restore the capital of the Corporation in order that it may continue to carry out the program specifically assigned to it by existing legislation.

priation is merely to restore the capital of the Corporation in order that it may continue to carry out the program specifically assigned to it by existing legislation.

The Agricultural Adjustment Act of 1938 makes it mandatory under certain circumstances for the Corporation to offer loans to producers of corn, wheat, and cotton. In accordance with this requirement, a loan program has already been announced with respect to the 1939 wheat crop. Wheat is now being marketed and, largely as a result of the loan, the price of American wheat is very substantially above world prices. Unless the \$119,000,000 appropriation is made, the wheat loan probably could not be continued through this season. If the loan on wheat should be discontinued, a precipitate drop in American wheat prices is almost certain to follow.

In the case of corn, arrangements for a loan normally would be

certain to follow.

In the case of corn, arrangements for a loan normally would be made in September, and it is virtually certain that a loan on the 1939 crop will be mandatory. Moreover, if lack of funds should make it impossible to provide a loan on the 1939 corn crop, the effect would have widespread and disastrous results on the whole of agriculture. The extremely low corn prices which would follow such action would in turn bring about sharp reductions in prices of hogs, beef cattle, poultry and dairy products, cottonseed, other feed grains, and fats and oils. Under conditions as they are at present, a loan on cotton is not mandatory. But inability to make such a loan through lack of funds could easily contribute to a price decline which would, under ordinary circumstances, make the loans mandatory.

During the past 6 years the Commodity Credit Corporation has made loans on these commodities: Cotton, corn, wheat, butter, wool, mohair, tobacco, rosin, turpentine, figs, peanuts, rye, prunes, raisins, pecans, and hops.

raisins, pecans, and hops.

The existing loans, and estimated commitments now outstanding, leave only \$9,000,000 available to the Corporation for additional programs, including loans on the 1939 crops of corn, cotton, and several other commodities whose producers will undoubtedly be in serious need of loans this year.

In planting their crops this year, the farmers naturally had reason to believe that at least all the loans which Congress made mandatory under the Agricultural Adjustment Act of 1938 would be made available. To fail to provide for these loans would be regarded by the producers, and rightly so, as a breach of faith.

It would appear difficult, if not impossible, for the Secretary of Agriculture to take responsibility for incurring additional commitments on loans, even though such loans are mandatory under the Agricultural Adjustment Act, if the Congress should fail to make Agricultural Adjustment Act, if the Congress should fail to make the appropriations contemplated under the Commodity Credit Corporation Act to make such commitments secure. The Commodity Credit Act of 1938 makes it clear that Congress must replenish the capital stock of Commodity Credit as of March 31 each year if it expects Commodity Credit to remain active. This view is substantiated by the hearings in the Senate Committee on Banking and Currency on February 14 and February 21, at which time the Commodity Credit Corporation was severely criticized for making an emergency arrangement last year with Reconstruction Finance Corporation so that in case of need it could make loans beyond its capital and authorized borrowing power. I do not believe that the Members of Congress expect or desire a Cabinet officer to take a responsibility that properly belongs to the Congress.

Abandonment of the farm-loan programs would remove an im-

Abandonment of the farm-loan programs would remove an important part of the entire farm program, cause a sharp decline in farm prices, seriously impair the credit resources of farmers, and greatly reduce their ability to pay outstanding debts to banks and Government agencies. The impact of such a blow to American agriculture could be expected to have repercussions on the economy of the entire Nation. I do not think it would be an exaggeration to say that inability to continue and make loans on agricultural commodities for the remainder of 1939 would be a national calamity. Sincerely yours,

H. A. WALLACE, Secretary.

Mr. LA FOLLETTE. I now yield with pleasure to my distinguished friend, the Senator from Michigan.

Mr. VANDENBERG. Mr. President, the Senator suggested that I have been criticizing the Secretary. It was not in that spirit that I presented my interrogatory at all. I think the Secretary is living scrupulously within the law. and I think the Secretary is a very scrupulous administrator always. I have a very high regard for him. I was simply challenged by the repeated statements I have received from the Secretary that this final, comparatively small appropriation was necessary in order to keep the entire agricultural-relief situation from bogging down, and I was trying to find out how he could keep it from bogging down with \$119,000,000 if he could not keep it from bogging down with one and one-half billion dollars which he already has.

Mr. President. I was seeking a little light rather than heat; and, so far as the technical status of the amendment is concerned, I thank the Senator from Wisconsin for fully vindicating it.

Mr. LA FOLLETTE. I thank the Senator from Michigan for making his statement, and if the reference to heat was to anything that I said, Mr. President, I think the Senator is mistaken. All I have tried to do is to speak above the hubbub, the confusion and conversation which emanates from the floor and the galleries of this Chamber. Let the Senator rest easy. Nothing was intended except a desire on the part of the Senator from Wisconsin to be heard.

Mr. DANAHER. Mr. President, will the Senator yield? Mr. ADAMS. I yield to the Senator from Connecticut.

Mr. DANAHER. Bearing on the observations of the Senator from Wisconsin [Mr. LA FOLLETTE] and in order that the fact may appear, I should like to read from the report of the committee:

The first appraisal to determine the net worth of the Corpora-The first appraisal to determine the net worth of the Corporation was made upon the basis of prices prevailing on March 31, 1938, which indicated that during the period of operation of the Corporation its capital had been impaired to the extent of \$94,-285,404.73. That amount was restored by an appropriation contained in the Second Deficiency Appropriation Act, 1938, approved June 25, 1938. The pending estimate is in consequence of an appraisal upon the basis of prices obtaining 1 year later, March 31, 1939, and represents a further impairment of \$100,134,-474 owing to depreciated values, and an amount of \$19,465,444 resulting from commodities taken over and disposed of adminisresulting from commodities taken over and disposed of, administrative expenses, and other nonrecoverable outlays. The three amounts named represent a total impairment of \$213,885,322 which the Congress has been asked to make good within the space of about 12 months.

Mr. President, while it is perfectly apparent that to an extent of \$213,000,000 funds have been paid to farmers as a result of these loans, the fact remains that if we may call them benefits, they have been obtained at the expense of all the taxpayers. I think that should be clearly understood.

I should like to ask the Senator from Colorado if there was anything in this figure of \$119,000,000 which represented a subsidy on exports, so far as the Senator knows?
Mr. ADAMS. I think not. I think this amount of encour-

agement may be offered to the Senator, that the appropriation of \$119,000,000-fixing that as a deficit in the capitaldoes not represent the situation today. There has been an increase of approximately \$50,000,000 in assets; so that the actual deficit today would be \$50,000,000 less than that, though the statute which we passed required the appraisement to be taken on the 31st of March. So the figures they bring to us are of that day, but their actual financial condition today is \$50,000,000 better than it was on the 31st of

Mr. DANAHER. May I observe by way of reply, then, that, as of March 31, the Secretary advised the House committee that he had \$157,000,000 available for making or underwriting additional loans upon commodities, and if his position is, as the Senator says, \$50,000,000 better as of this date than as of March 31, he has \$207,000,000 available.

Mr. ADAMS. Of course, they have made some commitments since that time.

Mr. DANAHER. I am taking the Senator's figure of \$50,000,000.

Mr. ADAMS. Let us not become confused between unconsumed loaning capacity and capital. I was talking to the Senator about the capital of the Corporation; that the capital on the 31st day of March was impaired by \$119,000,000. That is the official figure. Since that time the capital assets, or, rather, the commodities upon which they are loaning, have increased in value, so that if there were an appraisement as of today the deficiency would be \$69,000,000, not \$119,000,000. But the law which we passed required the restoration of capital to be made as of the appraisement of the 31st of March. The loaning capacity of \$900,000,000 in addition to the capital, whether it be much or little, and the available unconsumed capacity varies as loans are made and loans are paid. I understand there have been some loans paid.

Mr. DANAHER. Or as losses are taken. Is that not a proper interpolation?

Mr. ADAMS. Yes; but the amount available for loans on a certain day may increase or decrease without affecting the capital structure.

Mr. DANAHER. I thank the Senator.

Mr. KING. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. KING. I should like to observe that I have given some little attention to these loans, and my understanding is that the loans which we have made have resulted in great loss to the Treasury, and have not only impaired the capital of the Corporation to the extent of approximately \$213,000,000, but losses have been sustained from the loans which have been made under the authorization of \$900,000,000.

So it is obvious that the taxpayers of the United States, because of the operations of the Commodity Credit Corporation, to say nothing of other operations of the Department of Agriculture, will be required to pay, not \$213,000,000 but perhaps two or three times that amount.

In reply to the statement made by my friend the Senator from Colorado [Mr. Adams], I wish to say that the prices of the farm commodities upon which loans have been made are fluctuating in value. I do not think that there has been an accretion in value of fifty-odd-million dollars, as indicated by my friend, since the appraisal which was made some time

Mr. ADAMS. That is the statement that was made to us on yesterday by the Commodity Credit Corporation officials.

Mr. KING. But, assuming that there has been an advance in the prices of commodities, with the fluctuations and

Mr. ADAMS. That was in cotton largely.
Mr. KING. Yes, but we are told now that the price of cotton will fall; that unless a further stimulation is given by loans from the Federal Treasury the cotton losses will increase and, of course, that will involve the Government of the United States perhaps to the amount of millions or tens of millions of dollars.

Mr. ADAMS. Of course, the Senator knows that the responsibility for that situation rests upon the 435 Members in the House and the 96 Members in the Senate. Perhaps there are some exceptions in each body, among them the Senator from Utah.

Mr. KING. Mr. President, I may say that I regret very much that we have embarked upon a policy something like that upon which Brazil embarked. Brazil and other countries began to stimulate prices, and made loans upon rubber and coffee. The result was that she lost money. So the loans which we are making under what I regret to term the improvident policies of the Department of Agriculture will aggregate hundreds of millions of dollars, which will add to the debts of the United States and increase the burden of taxation upon the American people.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. DANAHER. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator spoke of the uncommitted fund of \$131,000,000. I should like to explain that position as it is explained by the vice president of the Commodity Credit Corporation.

Some time ago the total funds not committed were \$131,-000,000, less additional wheat payments-\$100,000,000 had already been committed for wheat-plus funds for the corn program of \$20,000,000, plus \$2,000,000 for delivery of cotton to England under the act of Congress which was passed a few days ago, under which we exchanged cotton for rubber, making a total of \$122,000,000 which must be subtracted from the \$131,000,000 not committed. So the balance in the hands of the Commodity Credit Corporation and uncommitted is \$9,000,000. That is why this sum has to be

Mr. DANAHER. I thank the Senator.

Mr. President, I should like to ask the Senator from Colorado a question. Within the past week or 10 days the Commodity Credit Corporation has set up within its own organization a revolving fund in order that the Commodity Credit Corporation may cause those who borrow against crops to self-insure by means of the revolving fund. As a result, a certain percentage has been charged on each of the commodities deposited, whether it be corn, wheat, or some other commodity. Particularly has this revolving-fund insurance plan been made applicable to corn. Does the Senator from Colorado know of any authority previously granted by Congress to the Commodity Credit Corporation under which such a step could be taken?

Mr. ADAMS. I do not pretend to be well enough advised as to the Commodity Credit Act to answer the Senator's question. I should not want to say that I do not know in the sense of conveying the impression that such authority does not exist. I simply cannot answer the question.

Mr. DANAHER. Does the Senator know whether or not, in appropriations for the Commodity Credit Corporation, an amount has been allocated for any such purpose, to permit the Corporation to insure?

Mr. ADAMS. There has been no specific allocation for that purpose. The appropriations have been in lump sums to carry out the purposes of the Commodity Credit Act.

Mr. DANAHER. Let me ask the Senator one further question, if it is a fair question. Does the Senator believe that the Commodity Credit Corporation should be given authority to create an insurance fund within its own operations?

Mr. ADAMS. Does the Senator think the result of that insurance fund will be for the benefit of the Government?

Mr. DANAHER. I think very definitely, "No"; on the basis of the fact that we have been making up impairments of capital, or, as I interpret them, losses.

Mr. ADAMS. Who is being insured?

Mr. DANAHER. It seems to me that what we are doing is very definitely using Government funds, through a Government agency, once more to compete with private business. Hitherto, that business has been written by agents all over the United States, in the State of the Senator as well as in the farm States generally. Their business is being cut into in that fashion.

Mr. ADAMS. There is one part of the business with respect to which I do not think private industry would object to competition. I refer to making loans upon property for more than the property is worth, and without any obligation on the part of the borrower to pay back the loan. The Government takes the risk, and the lender has the benefit, if there is any. I do not think any private industry is being cut out. If so, it is a benefit to the private industry to be cut out.

Mr. DANAHER. I know there has been widespread complaint, and for that reason I bring up the matter at this time. I am certain that the Senator answered my question when he stated that to his knowledge no part of the funds is being used to restore losses which occur by reason of any such program. Is that correct?

Mr. ADAMS. The Senator will have to make the obser-

vation as a statement rather than as a question.

Mr. DANAHER. I said, so far as the Senator knows.

Mr. ADAMS. The Senator may make it as a statement. I do not wish to assume the responsibility.

Mr. BYRNES. Mr. President, the Senator from Kentucky [Mr. BARKLEY] is unavoidably absent from the Chamber at this moment. I desire to have the clerk read a letter addressed to him by the Secretary of Agriculture with reference to the question of what amount is available for the purpose of loans, and the lending capacity of the Corporation.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Chief Clerk read as follows:

Hon. Alben W. Barkley,

United States Senate.

Dear Senator Barkley: Various inquiries now being received by the Department of Agriculture for information with respect to the lending capacity of the Commodity Credit Corporation indicate the necessity that an effort be made to clarify this somewhat complex and technical subject. This letter is being addressed to you with the hope that you may be able to use it for the purpose of meeting the need for a readily understandable explanation of the situation. the situation.

The lending power of the Commodity Credit Corporation is not definitely fixed by statute; but the capital of the Corporation, and the amount which it can borrow on the credit of the United and the amount which it can borrow on the credit of the United States, are fixed by law. The statutes pertaining to the Commodity Credit Corporation, however, make no reference to the power or lack of power of the Corporation to borrow on its own credit. Under the provisions of the Commodity Credit Act of 1938, the Corporation's capital is fixed at \$100,000,000 and its maximum borrowing power on the credit of the United States is limited to \$900,000,000. Consequently, and aside from major questions of policy, the Commodity Credit Corporation lacks definite congressional authorization to make loans, or guarantee loans made by banks to farmers, in a total amount in excess of the Corporation's unimpaired capital and authorized power to borrow on the credit of the United States.

on the credit of the United States.

Last year the Corporation, in carrying out the mandatory loan provisions of the Agricultural Adjustment Act of 1938, made or guaranteed loans in excess of its unimpaired capital and authorized borrowing power on the credit of the United States. In order to keep itself in a position in which in case of need the Corporation could meet all its obligations fully and promptly, it made a temporary arrangement with the Reconstruction Finance Corpoa temporary arrangement with the Reconstruction Finance Corporation under which it could, if necessary, obtain such additional funds as might be required to liquidate its obligations—which are callable on demand by the lending banks—by the sale to the Reconstruction Finance Corporation of \$150,000,000 of the loans held by Commodity Credit Corporation.

Subsequently, there was severe criticism in various committee hearings and on the floor of the Senate, not only of the Commodity Credit Corporation for making and guaranteeing a total amount of loans that was in excess of its unimpaired capital and

amount of loans that was in excess of its unimpaired capital and its authorized borrowing power on the credit of the United States, but also of the Reconstruction Finance Corporation for making it financially safe for the Commodity Credit Corporation to so extend

nnancially safe for the Commodity Credit Corporation to so extend its lending power by agreeing, in case of need, to purchase up to \$150,000,000 of Commodity Credit Corporation loans.

In order, therefore, under the existing circumstances, for the Corporation to remain in a position to meet its obligations promptly and fully, and to conform to what has been interpreted by some Members of Congress as an intent on the part of Congress that the Corporation shall not incur total obligations in excess of its unimpaired capital and authorized borrowing power on the credit of the United States, it would be necessary for the Corpo-

ration to discontinue making loans whenever the sum of its total obligations became equal to its unimpaired capital and authorized borrowing power on the credit of the United States.

The present situation with respect to the Commodity Credit

The present situation with respect to the Commodity Credit Corporation's financial position may be summarized as follows: In keeping its books, the Corporation follows the practice of making an allocation of an estimated amount of the loan that will be incurred under each commodity program at the time a loan is authorized. At the present time the records of the Corporation show unallocated funds of \$131,000,000. This takes into account various allocations, including an item of \$50,000,000 originally estimated for wheat loans. Since this wheat-loan allocation was made, however, it has been estimated that, primarily on account of improved crop prospects and declining prices, an additional made, however, it has been estimated that, primarily on account of improved crop prospects and declining prices, an additional \$100,000,000 would be required in order to complete the loan program on wheat. It is also estimated that two other items which have not yet been recorded on the books of the Corporation (namely, the contemplated program for the rescaling of the 1938 corn and the expense to be incurred for the delivery of cotton and acceptance of rubber under the British exchange agreement recently retified by the Separal would require an edditional \$22,000,000. acceptance of rubber under the British exchange agreement recently ratified by the Senate) would require an additional \$22,000,000 of funds. Consequently, when the current book figure of \$131,000,000 of unallocated funds is adjusted for the sum of the three items noted above—that is, \$122,000,000—there remains at the present time a balance available to the Corporation of only \$9,000,000 with which to make various loans on 1939 crops, including the 1939 crops of cotton and corn on which, under certain circumstances, commodity loans are mandatory under the Agricultural Adjustment Act of 1938 of 1938.

It is clear, therefore, that if the commodity loans, which are a It is clear, therefore, that if the commodity loans, which are a basic foundation in the farm program, are to be carried out in 1939, it is necessary either for Congress to restore the impaired capital of the Commodity Credit Corporation or increase its borrowing power, or for the Corporation to proceed, despite the questions that have been mentioned with respect to both financial policy and the intent of at least some Members of Congress, to incur obligations in excess of its unimpaired capital and its authorized borrowing power on the credit of the United States.

As the responsible Cabinet officer under the law for the activities of the Commodity Credit Corporation. I should be extremely reluc-

As the responsible Cabinet officer under the law for the activities of the Commodity Credit Corporation, I should be extremely reluctant, in view of the considerations to which attention has been called, to direct the Corporation to incur obligations in excess of its unimpaired capital and its authorized borrowing power on the credit of the United States. However, in a letter addressed to the Honorable Robert M. La Follette, Jr., on August 3, 1939, a copy of which is enclosed, I undertook to set forth the disastrous effects that an abandonment of the farm-loan programs could be expected to have on both American agriculture and the economy of the to have on both American agriculture and the economy of the entire Nation.

Sincerely yours,

HENRY A. WALLACE, Secretary.

Mr. McKELLAR. Mr. President, if no other Senator desires to speak, I wish to suggest the absence of a quorum, so that we may have a yea-and-nay vote on the amendment.

Mr. ADAMS. Mr. President, there has not been any question raised about it; no Senator has objected to the amendment.

Mr. McKELLAR. I understand that, but I think we had better have a yea-and-nay vote, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The question is on the amendment reported by the committee, which will be stated. The CHIEF CLERK. On page 47, after line 1, under the heading "Treasury Department", it is proposed to insert:

Restoration, capital impairment, Commodity Credit Corporation: To enable the Secretary of the Treasury, on behalf of the United States, to restore the amount of the capital impairment of the Commodity Credit Corporation as of March 31, 1939, by contribution to the Corporation as provided by the Act approved March 8, 1938 (Public, No. 442, 75th Cong.), fiscal year 1940, \$119,599,918.05.

The PRESIDING OFFICER. The Senator from Tennessee demands the yeas and nays.

The yeas and nays were ordered.

Mr. McKELLAR. I now make the point of order that there is not a quorum present.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bridges	Clark, Mo.	Gibson
Andrews	Brown	Connally	Gurney
Ashurst	Bulow	Danaher	Hale
Austin	Burke	Davis	Harrison
Bailey	Byrnes	Downey	Hatch
Bankhead	Capper	Ellender	Hayden
Barkley	Chavez	George	Herring
Borah	Clark, Idaho	Gerry	Johnson, Calif.

Johnson, Colo.	Miller	Schwartz	Truman
King	Minton	Schwellenbach	Tydings
La Follette	Murray	Sheppard	Vandenberg
Lee	Neely	Shipstead	Van Nuys
Lodge	Nye	Smith	Wagner
Lucas	O'Mahoney	Stewart	Walsh
Lundeen	Pepper	Taft	Wheeler
McCarran	Pittman	Thomas, Okla.	White
McKellar	Radcliffe	Thomas, Utah	
Maloney	Reed	Tobey	
Mead	Russell	Townsend	

The PRESIDING OFFICER. Seventy-three Senators having answered to their names, there is a quorum present.

The question is on the amendment reported by the committee restoring the capital of the Commodity Credit Corporation. On that question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. Glass]. I transfer that pair to the junior Senator from Oregon [Mr. Holman] and will vote. I vote "yea."

Mr. TOBEY (when his name was called). On this vote I have a pair with the junior Senator from Pennsylvania [Mr. Guffey]. If he were present and privileged to vote, he would vote "yea." If I were free to vote, I should vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I understand that, if present, he would vote as I am about to vote. I am therefore at liberty to vote, and vote "yea."

Mr. NYE. I announce that my colleague [Mr. Frazier] is unavoidably absent. If present, he would vote "yea."

Mr. HAYDEN. I announce that my colleague the senior Senator from Arizona [Mr. Ashurst] is detained because of illness in his family. If present, he would vote "yea."

Mr. HARRISON (after having voted in the affirmative). I transfer my pair with the senior Senator from Oregon [Mr. McNary] to the junior Senator from Alabama [Mr. Hill] and permit my vote to stand.

Mr. BANKHEAD. My colleague [Mr. Hill] is necessarily absent. If present, he would vote "yea."

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. Barbour] has a general pair with the Senator from Utah [Mr. King].

The Senator from Oregon [Mr. Holman], if present, would vote "yea."

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Arkansas [Mrs. Caraway], the Senator from New Mexico [Mr. Chavez], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. Guffey], the Senator from Alabama [Mr. Hill], the Senator from Delaware [Mr. Hughes], the Senator from Kentucky [Mr. Logan], the Senator from Illinois [Mr. Slattery], and the Senator from New Jersey [Mr. Smathers] are unavoidably detained. I am advised that if present and voting, these Senators would vote "yea."

The Senator from Virginia [Mr. Byrd] is detained in one of the Government departments on matters pertaining to the State of Virginia.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from West Virginia [Mr. Holt], the Senator from Utah [Mr. King], the Senator from Louisiana [Mr. Overton], the Senator from North Carolina [Mr. Reynolds], and the Senator from Massachusetts [Mr. Walsh] are also unavoidably detained. I am not advised how these Senators would vote if present and voting.

The Senator from Rhode Island [Mr. GREEN] has a general pair with the Senator from Wisconsin [Mr. Wiley].

The result was announced—yeas 61, nays 7, as follows:

YEAS-61

Adams Andrews	Borah Brown	Clark, Idaho Clark, Mo.	Ellender
Austin	Bulow	Connally	Gibson
Bailey	Burke	Danaher	Gurney
Bankhead	Byrnes	Davis	Harrison
Barkley	Capper	Downey	Hatch

Hayden Herring Johnson, Calif. Johnson, Colo. La Follette Lee Lucas Lundeen McCarran McKellar	Maloney Mead Miller Minton Murray Neely Nye O'Mahoney Pepper Pittman	Radcliffe Reed Russell Schwartz Schwellenbach Sheppard Shipstead Smith Stewart Thomas, Okla.	Thomas, Utah Truman Tydings Vandenberg Van Nuys Wagner Wheeler
Bridges	Hale	Taft	White
Gerry	Lodge	Townsend	
	NOT	VOTING—28	
Ashurst	Donahey	Holman Holt Hughes King Logan McNary Norris	Overton
Barbour	Frazier		Reynolds
Bilbo	Gillette		Slattery
Bone	Glass		Smathers
Byrd	Green		Tobey
Caraway	Guffey		Walsh
Chavez	Hill		Wiley

So the amendment of the committee was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims; and

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States.

The message also announced that the House had passed the bill (S. 1042) for the relief of the Epes Transportation Corporation, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 821. An act for the relief of Charles L. Kee;

S. 1448. An act for the relief of Anna H. Rosa;

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

H.R. 777. An act for the relief of Banks Business College; H.R. 875. An act for the relief of Okie May Fegley;

H.R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934;

H. R. 1875. An act for the relief of the Women's Board of Domestic Missions;

H. R. 2452. An act for the relief of George Slade;

H. R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States;

H.R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

H. R. 3104. An act for the relief of Kyle Blair;

H. R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.;

H. R. 3375. An act to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio;

H. R. 3409. An act to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes;

H. R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4260. An act for the relief of J. Milton Sweney;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes";

H. R. 4998. An act to amend the Packers and Stockyards Act. 1921:

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes;

H.R. 5747. An act to authorize the addition of certain

lands to the Wenatchee National Forest;

H. R. 6049. An act authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa:

H. R. 6353. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.;

H. R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl;

H.R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes;

H. R. 6479. An act amending section 2857 of the Internal Revenue Code:

H. R. 6546. An act for the relief of Benno von Mayrhauser and Oskar von Mayrhauser;

H. R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes;

H. R. 6614. An act to amend the Government Losses in Shipment Act:

H. R. 6634. An act amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes;

H.R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade:

H. R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 edition, title 33, sec. 763), as amended, apply;

H. R. 6874. An act to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78);

H. R. 6878. An act to amend section 4894 of the Revised Statutes (U.S.C., title 35, sec. 37);

H. R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation;

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481);

H.R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464); and

H. J. Res. 283. Joint resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

PAYMENT OF ATTORNEY'S FEES FROM OSAGE TRIBAL FUNDS

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. THOMAS of Oklahoma. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Thomas of Oklahoma, Mr. Wheeler, and Mr. SHIPSTEAD conferees on the part of the Senate.

THIRD DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee, on page 47,

after line 2.

The amendment was agreed to.

The next amendment was, under the heading "Coast Guard", on page 50, after line 2, to insert:

The appropriations for the Coast Guard, fiscal year 1940, for fuel and water, outfits, rebuilding, and repairing stations, repairs to vessels, communication lines, and contingent expenses, and such

vessels, communication lines, and contingent expenses, and such portion of the appropriation for the Lighthouse Service, fiscal year 1940, for general expenses as the Director of the Bureau of the Budget with the approval of the President may determine shall be transferred and consolidated into an appropriation "General expenses, United States Coast Guard, 1940."

The appropriation for salaries, Office of the Commandant, United States Coast Guard, for the fiscal year 1940, and such portion of the appropriation for salaries, Bureau of Lighthouses, fiscal year 1940, as the Director of the Bureau of the Budget with the approval of the President may determine, shall be transferred and consolidated into an appropriation "Salaries, Office of Commandant, United States Coast Guard, 1940."

dated into an appropriation "Salaries, Office of Commandant, United States Coast Guard, 1940."

The appropriation for civilian employees, United States Coast Guard, fiscal year 1940, and such portions of the appropriations for the Lighthouse Service, fiscal year 1940, for salaries, lighthouse vessels; salaries, keepers of lighthouses; and salaries, Lighthouse Service, as the Director of the Bureau of the Budget with the approval of the President may determine, shall be transferred and consolidated into an appropriation "Civilian employees, United States Coast Guard, 1940."

Each of the foregoing consolidated appropriations shall be available.

States Coast Guard, 1940."

Each of the foregoing consolidated appropriations shall be available for all the purposes of the several individual appropriations transferred and consolidated therein, but shall be subject to the limitations on expenditures for particular objects contained in the texts of such individual appropriations: Provided, That whenever civilian employees of the Coast Guard shall acquire, during the fiscal year 1940, a military status in the Coast Guard, funds for their pay and allowances may be transferred from the consolidated appropriation "Civilian employees, United States Coast Guard, 1940," with the approval of the Director of the Bureau of the Budget, to the appropriation "Pay and allowances, United States Coast Guard."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 70, after line 8, to insert the following:

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. the provisions of section 5 of the act of June 20, 1874 (31 U.S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1936 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1834 (5 U.S. C. 266), as fully set forth in Senate Document Numbered 114, Seventy-sixth Congress, there is appropriated as follows:

Legislative: For contingent expenses, Library of Congress, \$150.

Independent Offices: For Federal Civil Works Administration,

For salaries and expenses, Federal Communications Commission, \$47.70.

For maintenance of air-navigation facilities, Civil Aeronautics Authority, \$12.31.
For maintenance, National Institute of Health, \$20.60.

For maintenance, National Institute of Health, \$20.00.

For salaries and expenses, public buildings, outside the District of Columbia, National Park Service, \$2.

For Army and Navy pensions, \$40.

For medical and hospital services, Veterans' Bureau, \$1.

For salaries and expenses, Veterans' Administration, \$75.70.

Department of Agriculture: For salaries and expenses, Forest Service, \$45.60.

For salaries and expenses, Bureau of Agricultural Economics,

For salaries and expenses, Soil Conservation Service \$2.25. For salaries and expenses, Bureau of Entomology and Plant Quarantine, 95 cents.

For plant reserve stations, Soil Conservation Service, \$36.65.

For grasshopper control, \$7.50.

For working fund, Agriculture, Animal Industry (Agricultural Adjustment Administration), \$116.13.

For loans and relief in stricken agricultural areas (transfer to Agricultural) \$1.56.00.

Agriculture), \$1,506.90.

For loans to farmers in drought- and storm-stricken areas, emergency relief, \$13.42.

For conservation and use of agricultural land resources, Department of Agriculture, \$56.09.

For elimination of diseased cattle, Department of Agriculture,

\$315.

For exportation and domestic consumption of agricultural commodities, Department of Agriculture, \$255.38.

For National Industrial Recovery Resettlement Administration, submarginal lands (transfer to Agriculture), \$2,403.40.

Department of Commerce: For air-navigation facilities, \$92.25.

For National Industrial Recovery, Commerce, Aeronautics, \$88.80. District of Columbia: For Freedmen's Hospital, District of Columbia, \$234.

lumbia, \$234.

Emergency relief: For emergency relief, Agriculture, Soil Conservation Service, flood control, and other conservation, \$33.36.

For emergency relief, Resettlement Administration, sanitation, prevention of soil erosion, etc., \$3,698.70.

For emergency relief, Navy, yards and docks, \$5.56.

For emergency relief, Works Progress Administration (non-Federal projects approved prior to June 22, 1936), \$78.58.

For emergency relief, Works Progress Administration, assistance for educational, professional, and clerical persons, \$122.10.

For emergency relief, Emergency Conservation Work, War, Civilian Conservation Corps, \$630.90.

For emergency relief, Emergency Conservation Work, Interior, Indians, miscellaneous projects, Indian reservations, \$75.

For emergency relief, War, rivers and harbors, flood control, etc., \$3.55.

\$3.55.

For emergency relief, Works Progress Administration, grants to States, etc., \$110.82.

For emergency relief, Works Progress Administration, highways, roads, and streets, \$141.03.

For emergency relief, Works Progress Administration, public building \$24.20

buildings, \$24.30.

For emergency relief, Works Progress Administration, public utilities, etc., \$164.40.

Department of the Interior: For salaries and expenses, Bureau of Biological Survey, \$9.48.

For salaries, General Land Office, \$70.

For National Industrial Recovery, Interior, National Park Service, recreational demonstration projects, \$54,320.24.

For irrigation, Indian reservations \$117.09.

For Indian school support, \$2,001.85.

For Indian school buildings, 38 cents.

For support of Indians and administration of Indian property,

\$7.98.

\$7.98.

For conservation of health among Indians, \$91.41.

For Indian agency buildings, \$19.58.

Department of Justice: For salaries, fees, and expenses of marshals, United States courts, \$159.62.

For fees of jurors and witnesses, United States courts, \$15.78.

For support of United States prisoners, \$239.

For salaries and expenses, Bureau of Prisons, \$3.

For miscellaneous expenses, United States courts, \$21.36.

Department of Labor: For salaries and expenses, Immigration and Naturalization Service, \$38.35.

Navy Department: For pay, subsistence, and transportation, Navy,

Navy Department: For pay, subsistence, and transportation, Navy, \$19,430.44.

For pay of the Navy, \$216.83.

For pay of the Navy, \$216.83.
For maintenance, Bureau of Supplies and Accounts, \$146.96.
For pay, Marine Corps, \$17.63.
For general expenses, Marine Corps, \$16.65.
For aviation, Navy, \$62,159.71.
For increase of the Navy, emergency construction, \$119,223.65.
For organizing the Naval Reserve, \$3.92.
For miscellaneous expenses, Navy, \$1.84.
For ordnance and ordnance stores, Bureau of Ordnance, \$126,-15.04 515.04.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), \$60.45.

Treasury Department: For collecting the internal revenue, \$3.51. For fuel and water, Coast Guard, \$6. For compensation of employees, Bureau of Engraving and Print-

ing. \$2.72.

For increase of compensation, Treasury Department, 81 cents.

For salaries and expenses, Bureau of Engraving and Printing, \$4.83.

For collecting the revenue from customs, \$3.30. War Department: For general appropriations, Quartermaster Corps, \$4.685.49.

For pay of the Army, \$972.61.

For pay of the Army, \$784.80.
For arming, equipping, and training the National Guard, \$6.60.
For Army transportation, \$121.23.
For National Guard, \$112.68.
For increase of compensation, Military Establishment, \$56.11.
For barracks and quarters, \$21.86.
For Reserve Officers' Training Corps, \$18.77.
For Organized Reserves, \$4.95.
For ordnance service and supplies, Army, \$8.15.
For travel of the Army, \$5.52.
For clothing and equipage, \$3.45.

For clothing and equipage, \$3.45.
For clothing and equipage, \$3.45.
For emergency conservation fund (transfer to War, act March \$1, 1933), \$198.16.
For emergency conservation fund (transfer to War, act June 19, 1924)

1934), \$281.18.

1934), \$281.18.
For emergency conservation work (transfer to War, act June 22, 1936), \$2,256.02.
For emergency conservation work (transfer to War, act February 9, 1937), \$4,451.47.
For loans and relief in stricken agricultural areas (transfer from emergency conservation work to War, act June 19, 1934), \$1.68.
Post Office Department—Postal Service (out of the postal revenues): For city-delivery carriers, \$24.68.
For indemnities, domestic mail, \$30.63.
For rent, light, and fuel, \$450.
For Rural Delivery Service, \$1.85.
For transportation of equipment and supplies, \$80.69.

For transportation of equipment and supplies, \$80.69. For vehicle service, \$11.96. For village-delivery service, \$4.90.

Total, audited claims, section 204 (b), \$410,297.84, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.

Mr. ADAMS. Mr. President, I ask that the judgments and audited claims may be treated as one amendment, and passed upon en bloc.

The PRESIDING OFFICER. The Senator from Colorado makes a request for unanimous consent that the amendments covering judgment claims be agreed to en bloc. Without objection, it is so ordered, and without objection, the amendments are agreed to en bloc.

Mr. McCARRAN. Mr. President, have all the committee amendments been agreed to?

The PRESIDING OFFICER. The committee amendments have all been acted on.

Mr. McCARRAN. Mr. President, I send to the desk an amendment and ask for its adoption.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Notwithstanding the provisions of any other law, the rates of pay for persons engaged upon any projects financed in whole or in part by moneys of the United States of America shall not be less part by moneys of the United States of America shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Government agency having charge of or which has advanced moneys for such project.

Mr. McCARRAN. Mr. President, I move the adoption of the amendment.

Mr. ADAMS. Mr. President-

The PRESIDING OFFICER. The Senator from Colorado. Mr. McCARRAN. I yield to the Senator.

Mr. ADAMS. I did not ask the Senator to yield.

Mr. McCARRAN. I move the adoption of the amendment.

Mr. ADAMS. Mr. President-

The PRESIDING OFFICER. The question is on the amendment of the Senator from Nevada [Mr. McCarran]. The Senator from Colorado [Mr. ADAMS] is recognized.

Mr. ADAMS. Mr. President-

Mr. McCARRAN. I do not yield.

Mr. ADAMS. The Senator cannot have an amendment submitted to the Senate and keep the floor.

The PRESIDING OFFICER. When the question was presented, the Senator from Colorado addressed the Chair, and he now has the floor.

Mr. McCARRAN. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. I offered the amendment, and I certainly have the right to address the Senate on my amendment.

The PRESIDING OFFICER. The Senator offered the amendment, then asked that the question be stated. The Chair stated the question. When the Senator took that step, he surrendered the floor, and the Senator from Colorado immediately claimed the floor, and was recognized by the Chair.

Mr. ADAMS. Mr. President, did the Senator from Nevada desire to address the Senate? If so, I will ask recognition after he concludes.

Mr. McCARRAN. Mr. President, if the Senator from Colorado has a rule to invoke, I ask him to invoke it now, otherwise I am going to ask that the Senate immediately proceed to the consideration of this amendment. I ask for the yeas and nays, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams Downey McKellar Shipstead George Gerry McNary Andrews Smith Austin Maloney Stewart Bailey Bankhead Gibson Mead Taft. Miller Minton Thomas, Okla. Thomas, Utah Gurney Barkley Hale Murray Tobey Townsend Borah Harrison Bridges Hatch Neely Truman Tydings Vandenberg Van Nuys Brown Bulow Hayden Herring Nye O'Mahoney Overton Pepper Pittman Johnson, Calif. Burke Johnson, Colo. Byrnes King La Follette Lee Capper Wagner Chavez Clark, Idaho Radcliffe Reed Walsh Wheeler Russell Schwartz Clark, Mo. Lodge Lucas White Connally Danaher Lundeen Schwellenbach Davis McCarran Sheppard

The PRESIDING OFFICER (Mr. Truman in the chair). Seventy-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCarran].

Mr. McCARRAN. Mr. President, I have held the attention of the Senate on many occasions on this particular subject. I shall ask for the attention of the Senate for but a few minutes in the concluding hours of this the first session of the Seventy-sixth Congress. I hope I may have the attention of the Senate to a proposal the adoption of which, to my mind, is vital to the lowly and the humble in the United States today. That I am right in my idea has been emphasized by events which have happened during the past few months.

Mr. President, the toilers of this country builded a structure, and they built it out of their own experience. That structure I choose to call, and American life has chosen to call it, the wage structure of this country. The wage structure of America has been builded out of experience in which the lives of the workers of this country have been expended for more than half a century.

During the first debate on this subject a very able Senator interrupted me to say, "Would you insist on the plumbers of this country receiving \$12 a day for their wage?" The answer to that was, "Yes; because the annual average wage for the average journeyman plumber in this country, as disclosed by the records of the Department of Labor, is from twelve to fifteen hundred dollars a year." So when we battle for an hourly wage, when we battle for a standard wage, when we battle for a wage in keeping with that which has been worked out by the workers of this country, we are battling for something which is, perhaps, far less than any one of us in the Senate of the United States would consider worth while working for. Yet the journeyman plumber of today not only supports himself upon an annual average wage of between twelve and fifteen hundred dollars, but he supports the boys and girls who are dependent upon him, his own children, his own dependents.

Mr. President, my amendment proposes to sustain that which has been worked out by the toilers of America through half a century of experience, and prevent tearing down the wage structure of this country, but to maintain it so that American life—and when I say American life, I mean the life

of the average worker of this country—shall be sustained in keeping with that struggle which has been made by the toilers of America during all of this period.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WAGNER. I should like to ask the Senator whether it is not his view that if the Government, upon projects identical with those which may be constructed by private industry, pays a wage for similar work which is one-half, or even less than one-half, of the prevailing rate of wage, it will not in time drag down the wages set by years of struggle by the workers in private industry?

Mr. McCARRAN. I am very grateful to the Senator for the question. I propose to answer it somewhat at length, because I had the thought in mind and I desire to follow it up.

Mr. WAGNER. Since the Senator has the thought in mind, let me give him a specific case, so that we will not be talking merely about surmises.

It may very well be that one school project is being built by a municipality under the regular contract system, which requires the payment to bricklayers or carpenters of the prevailing rate of wage, and that a few blocks away another schoolhouse is being constructed under Works Progress, and yet, in spite of the fact that it is built so close to the other project, and that both projects, in a sense, are built for the municipality, in one case the wages may be one-half or even less than one-half the wages being paid on the other school project. I am sure the Senator agrees with me that such a situation cannot be allowed to exist without eventually affecting the wages which private industry pays, and dragging down the standards fixed after years of struggle by the workers in the particular industry.

Mr. McCARRAN. Mr. President, I wish to express my sincere gratitude to the able senior Senator from New York not only for propounding the question and thus shedding light on the thought, but for his suggestions. His mind and mine have run along this channel together for many years. We worked together when we first started on this great movement to sustain the prevailing wage in America. I know we shall work together in the effort to have it sustained on projects constructed with Government aid.

Mr. President, let me go a little further than the thought which has been suggested by the able senior Senator from New York. The Government of the United States is today and will be for some time to come, the greatest employer of labor in the world. I am not taking in too much territory when I say that it is the greatest employer of labor in the world. If the greatest employer of labor on all the earth is about to step in and even inferentially to tear down the wage structure which has been builded out of blood and brawn and determination for half a century, then what will become of private industry? Of course private industry, the minor factor, as compared with labor, the major factor, will immediately say, "Well, if the Government will not pay this wage why shall we pay it? If the Government will not pay a dollar an hour to plumbers in America why should private industry pay it?" Notwithstanding the fact that the jour-neyman plumbers in America may be only earning the meager sum of \$1,500 per year.

Mr. President, I appeal to the Senate today to say that none of the excuses which have heretofore been offered shall prevail against the amendment because now we are confronted with a question which requires two-thirds of the Senate to set aside a rule.

Mr. President, in the name of America, in the name of the toilers of the country, in the name of the greatest glory of those who work, let two-thirds of the Senate set aside the rule, so that the amendment may be adopted by the Senate of the United States, even though at this time I realize that there is scarcely more than a quorum of the Senate present. Many Senators, I am sorry to say, for one reason or another, have gone. The session has been long. But, be that as it may, is it not time for those who are here to respond to this call of labor, that America may announce to the world that labor in this country, which has struggled

for over half a century to establish a wage in keeping with the American standard of living, shall not be voted down by the Senate of the United States even under a rule?

Mr. ADAMS. Mr. President, the Senator from Nevada has made a motion. He also accompanied his motion originally with a motion to suspend the rule. I ask whether or not that motion to suspend the rule is the matter before the Senate.

The PRESIDING OFFICER. The motion before the Senate is the motion on the amendment made by the Senator from Nevada.

Mr. ADAMS. Mr. President, the Senator by filing his notice of intention to suspend the rule has given notice to the Senate that he knows that his amendment is not proper unless the rule is suspended.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McCARRAN. Mr. President, the only matter pending before the Senate is my amendment.

The PRESIDING OFFICER. The Chair so rules.

Mr. ADAMS. That is what the Chair ruled. Now, Mr. President, I am on the floor today as the servant of a great committee, of which the Senator from Nevada is an eminent member. That committee has given orders to those who appear upon the floor in charge of the bill as to what they shall do. The rule of the Appropriations Committee is as follows:

Any member or ex-officio member of the Committee on Appropriations of the Senate who has in charge an appropriation bill is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate rules on the floor of the Senate to such appropriation bill.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. ADAMS. No, Mr. President; I cannot yield at this time.

Mr. BARKLEY. Mr. President, may we have better order? The PRESIDING OFFICER. The Chair has been trying diligently to obtain order, but there cannot be order in the Senate so long as Senators are to have conferences all over the floor and the occupants of the galleries engage in conversation.

Mr. ADAMS. Mr. President, there is no one in the Senate more skillful in parliamentary procedure than is the Senator from Nevada. There is no one better informed as to his rights. No one knows better than he the embarrassment which he causes the chairman of the subcommittee when he presents an amendment which he knows conflicts with the rule and compels the chairman of the subcommittee to take the floor.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. ADAMS. No; I wish to finish the statement if I may. It is a very brief statement.

Mr. President, I have voted as frequently and as earnestly and as consistently for prevailing-wage provisions as has the Senator from Nevada. I think I voted with him when he made his first motion, and I have since continued to do so. I voted with him when the relief bill was before the Senate a few days ago.

Mr. McCARRAN. Mr. President, I wish to agree in the statement just made by the Senator from Colorado, if I may do so in his time.

Mr. ADAMS. And I propose to vote with the Senator to suspend the rule. If the rule is suspended, I propose to vote for his amendment. But I am here under orders from him and from 22 other members of the Appropriations Committee. I have the option to surrender my position as the chairman of the subcommittee, to decline to present the bill on the floor as the representative of the committee, or to follow the orders of the committee.

Mr. President, the Senator from Nevada recognizes the propriety and the necessity of suspending the rule by having filed his notice.

Mr. President, there was one way in which the Senator from Nevada could have met the situation. He could have come before the Appropriations Committee and asked that committee to change its rule so as to exempt the chairman

of the subcommittee from making his point of order. That is a thing which has been done with some frequency.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McCARRAN. Is it not true that yesterday I filed this very motion and notice of a motion to suspend the rule with the subcommittee and asked that I might be permitted to present the matter to the Senate?

Mr. ADAMS. The Senator was present in the subcommittee and had ample opportunity. The Senator was present this morning in the full committee. The Senator knows that never at any time has he received anything but the fullest hearing and been shown the utmost courtesy on the part of the members of the committee.

Mr. McCARRAN. Mr. President, the able Senator does not answer my question. Is it not true that yesterday I presented myself before the subcommittee and presented my amendments and asked that I might be permitted to present them to the Senate?

Mr. ADAMS. Of course, the Senator has that privilege. The Senator did not ask that the Senate Committee on Appropriations should instruct its chairman not to make the point of order.

Mr. CLARK of Missouri. Mr. President, will the Senator vield?

Mr. ADAMS. I yield.

Mr. CLARK of Missouri. Is it not a fact that there is a rule of long standing in the Appropriations Committee of the Senate which requires either the chairman of the full committee or the chairman of the subcommittee in charge of the bill, whenever an amendment may be presented which is subject to a point of order, to make the point of order?

Mr. ADAMS. There is such a rule.

Mr. CLARK of Missouri. The only option left to the chairman of the full committee or the chairman of the subcommittee, as the case may be, is either to make the point of order or to resign his position as chairman of the committee.

Mr. ADAMS. There is no doubt about that.

Mr. CLARK of Missouri. Let me ask one further question. As I understand—and the Senator from Colorado can correct me if I am mistaken—no matter what his views may be upon any amendment to the bill reported from his subcommittee, he has no option except to make the point of order, if an amendment is subject to a point of order, or to resign his position as chairman of the subcommittee.

Mr. ADAMS. The Senator is absolutely correct.

Mr. CLARK of Missouri. Or to violate the plain rule of the committee.

Mr. ADAMS. Or to be unfaithful to a great committee of the Senate which has honored him by that chairmanship.

Mr. CLARK of Missouri. It has been the custom on occasion for a member of the committee, or for any other Senator, or for the chairman of the subcommittee himself, to request the committee not to require him to make the point of order personally. As I understand the practice of the committee, of which I am not a member, in the absence of such permission by the committee the chairman of the subcommittee or the Senator in charge of the bill is bound by the rule of the committee. Is that correct?

Mr. ADAMS. That is correct, and he is bound by every

obligation of good faith to his committee.

Mr. McCARRAN and Mr. PEPPER addressed the Chair. The PRESIDING OFFICER. Does the Senator from Colorado yield, and if so to whom?

Mr. ADAMS. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I wish to address an inquiry through the Senator from Colorado, who has the floor, to the able Senator from Missouri.

Mr. CLARK of Missouri. I shall be glad to answer the question if the Senator from Colorado will yield and I can answer it.

Mr. McCARRAN. If a member of the Appropriations Committee to whom the rule applies should appear before the committee and submit in writing his proposed amendment and ask that he be permitted to offer the amendment and that the rule be waived in that respect, would the Senator say that the rule had been complied with, so that the able chairman of the subcommittee need not invoke the rule?

Mr. CLARK of Missouri. Mr. President, although I do not profess to be an authority on the subject, I should consider that to be a case in which the Senator appearing before the committee had discharged his full obligation by asking leave to offer the amendment. However, unless the committee itself had absolved the chairman of the subcommittee from the rule he certainly would not be absolved from it.

Mr. McCARRAN. I should like to ask one further question.

Mr. CLARK of Missouri. I shall be glad to answer it if the Senator from Colorado will yield.

Mr. ADAMS. Certainly.

Mr. McCARRAN. Is it not true that the rule is that any matter of legislation attached or attempted to be attached to an appropriation bill must be objected to, and that the chairman must first declare it to be a matter of legislation? I contend that this is not a matter of legislation.

Mr. CLARK of Missouri. Mr. President, that is a question to be passed upon first by the Chair, and ultimately by the Senate. I should say that in any situation in which the chairman of the committee or of the subcommittee bound by such a rule felt that an amendment proposed legislation, he would be in honor bound to make the point of order, unless he desired to resign his chairmanship.

Mr. McCARRAN. Through the able Senator from Colorado I should like to ask another question of the able Senator from Missouri, who is one of the outstanding parliamentarians of this body and of the Congress of the United States.

Mr. CLARK of Missouri. I thank the Senator for his kind remarks.

Mr. McCARRAN. Having presented my amendment to the Committee on Appropriations, was it not then for the Committee on Appropriations to instruct either one way or the other?

Mr. CLARK of Missouri. Mr. President, I can speak only for myself in that connection in response to such a question. If I were the chairman of a subcommittee bound by such a rule as the Appropriations Committee undoubtedly has, and a member of the committee were to propose an amendment and give notice of a motion to suspend the rule, unless the committee itself relieved me of my responsibility to make the point of order, I should feel bound to make it. I can speak only for myself. There is no parliamentary rule about such matters. They are matters of judgment. I can tell the Senator only what I myself would do. No matter what my own attitude toward such an amendment might be, unless I were relieved by specific authority of the committee, if I were chairman of the subcommittee I should feel bound to make the point of order.

Mr. ADAMS. Mr. President, would it be proper for me to make a parliamentary inquiry as to whether or not the amendment submitted is legislation?

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The Chair will rule that it is.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. PEPPER. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Would it be possible for the Senator from Colorado to ask unanimous consent of the Senate that the chairman of the subcommittee, the Senator from Colorado [Mr. Adams], be excused from making the point of order on the amendment? If so, will the Senator yield for the submission of that request?

The PRESIDING OFFICER. In the opinion of the Chair that is a matter entirely within the jurisdiction of the Com-

mittee on Appropriations.

Mr. PEPPER. Mr. President, am I to understand that the committee is not the creature of the Senate, and that the Senate does not have superior authority? The PRESIDING OFFICER. The Senate may set aside the rules of the committee if it so chooses.

Mr. PEPPER. Mr. President, I ask unanimous consent that the Senator from Colorado be excused by the Senate from making the point of order on the amendment.

Mr. MILLER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ADAMS. Mr. President, in view of the statement from the Chair that the pending amendment is legislation, notwithstanding my holding views which are in favor of the amendment, and notwithstanding my previous votes for it and my intention to vote for the suspension of the rule, I am compelled, under the direction of the committee which I represent, to make the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. McCARRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following
Senators answered to their names:

Adams	Danaher	Lucas	Sheppard
Andrews	Davis	Lundeen	Shipstead
Ashurst	Downey	McCarran	Smith
Austin	Ellender	McKellar	Stewart
Bailey	George	Maloney	Taft
Bankhead	Gerry	Mead	Thomas, Okla.
Barkley	Gibson	Miller	Thomas, Utah
Borah	Gurney	Minton	Tobey
Bridges	Hale	Murray	Townsend
Brown	Harrison	Neely	Truman
Bulow	Hatch	Nye	Tydings
Burke	Havden	O'Mahoney	Vandenberg
Byrd	Herring	Pepper	Van Nuys
Byrnes	Johnson, Calif.	Pittman	Wagner
Capper	Johnson, Colo.	Radcliffe	Walsh
Chavez	King	Reed	Wheeler
Clark, Idaho	La Follette	Russell	White
Clark, Mo.	Lee	Schwartz	Marriero
Connally	Lodge	Schwellenbach	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution:

S. 628. An act to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years;

S. 1617. An act for the relief of John Nicholas Chicouras; and

S. J. Res. 160. Joint resolution to provide for the maintenance for public use of certain highways in the Shenandoah National Park.

The message returned to the Senate, in compliance with its request, the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2) authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes, and it was signed by the President pro tempore.

THIRD DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

Mr. McCARRAN. Mr. President, I now move to suspend paragraph 4 of rule XVI for the purpose of proposing an amendment to House bill 7462, known as the third deficiency appropriation bill for the fiscal year 1939.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

Mr. McCARRAN. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada to suspend paragraph 4 of rule XVI.

Mr. McCARRAN and other Senators asked for the yeas and navs.

Mr. RUSSELL. Mr. President-

The PRESIDING OFFICER. The Senator from Georgia-Mr. McCARRAN. Mr. President, may I have a ruling as to whether the yeas and nays are ordered?

The PRESIDING OFFICER. The year and nays are ordered.

Mr. RUSSELL. Mr. President, I hope Members of the Senate will listen to me for about 3 minutes, in order that I may give them my views as to what this amendment will

This amendment does not repeal any provision of existing law. It is to be applied in conjunction with the provisions of section 15 of the Relief Act and in my opinion will wreck the entire W. P. A. program and create a preferred class of workers. There has been more confusion about the question of the prevailing wage and the monthly wage than any other matter that I know of that has been before the Congress. There are over 4,000 different schedules of wages that have been paid heretofore under the prevailing-wage provision. There have been three different scales of monthly compensation that are paid in the three areas. The Nation has heretofore been divided into three areas. In the act which passed this year, and which is in effect at the present time, there will be found this language:

The Commissioner shall require that the hours of work for all persons engaged upon work projects financed in whole or in part funds appropriated by section 1 shall (1) be 130 hours per

If we adopt this amendment it will require the payment of the prevailing wage for each hour of the 130 hours in the month. Skilled workers under the old law, did not, in many cases, work more than 40 or 50 hours. I had not seen this amendment until a few minutes ago and I have not had an opportunity to prepare all the figures, but, taking as an illustration a brick mason in New York City, under the old law he was making \$1.88 an hour, and he worked 46 hours a month for a monthly wage of \$86.48. If this amendment should be adopted, which, in connection with the present law, will require the payment of the prevailing wage for 130 hours a month, the wages of the brick mason in New York City, working on Work Projects Administration projects, will be \$244.40 a month.

If Senators want to vote to cut the W. P. A. rolls down to about one-fourth of what they are at the present time, they can adopt this amendment, because it will require the Administrator to give every person on the roll 130 hours a month and require him to pay each worker the prevailing wage. This will increase tremendously the pay of all skilled workers and result in reducing the total number of persons we can help.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield. Mr. BARKLEY. In what respect will that situation differ from the condition that prevailed at June 30, under the prevailing-wage provision of the Relief Act?

Mr. RUSSELL. Perhaps I did not go fully enough into that. Under conditions that obtained prior to July 1, the Commissioner fixed a sufficient number of hours so that each of the skilled craft earned the monthly security wage. In other words, the bricklayer in New York City was only allowed to work 46 hours a month. If this amendment be adopted, he will be required to work 130 hours a month, and he will be paid \$1.88 an hour for each of those hours worked.

Mr. BARKLEY. The question I ask is pertinent to me in this respect: When the amendment was offered on the bill of which I had charge a few days ago, I opposed the adoption of the amendment on that bill, but rather encouraged the

Senator from Nevada and others who were interested in that proposal to believe that it would be possible to offer it on this bill. I have been under the impression that what the amendment sought to do was to restore the wage situation which existed on W. P. A. projects prior to July 1.

Mr. RUSSELL. The Senator from Kentucky had better investigate the amendment offered by the Senator from Nevada, because it does not undertake to do so. The amendment which is now pending is wholly different from the amendment which the Senator from Nevada offered to the so-called spend-and-lend bill.

Mr. BARKLEY. I was going to ask the Senator to explain, briefly, in what respect the amendment now pending differs from the one offered the other day. Because of that amendment, I feel myself personally obligated to vote to suspend the rule, for I stated on the floor that I was favorable to the original prevailing-wage provision of the Relief Act, and I had voted for it when the Relief Act was under consideration. Now, if the amendment has been changed from what I thought it was, I should like to know in what respect it has been changed.

Mr. RUSSELL. The Senator from Nevada, of course, can answer that question better than can the Senator from Georgia. But this amendment is not the same amendment which the Senator from Nevada offered to the spend-andlend bill. The amendment offered to the spend-and-lend bill gave the Administrator of the W. P. A. the discretion to fix the number of hours which any person might work within a month, but did require him to pay the prevailing wage for each hour of employment. This amendment-

Mr. BARKLEY. Does this amendment require him to fix 130 hours?

Mr. RUSSELL. No: but the present law does. This amendment does not undertake to strike out that provision from the present law.

Mr. BARKLEY. So that this amendment, in conjunction with the relief act itself-

Mr. RUSSELL. The Senator has used the identical language I used, namely, that this amendment, in conjunction with existing law, will compel the Administrator to require members of skilled crafts to work 130 hours per month and to pay them the prevailing wage for each hour of employment, whereas now very few of the members of the skilled craft work over 80 hours a month, and many of them work as few as 40 a month.

The amendment will have the effect, I may say, under the provisions of the law which requires the relief appropriation to be apportioned over a 12-month period, to cut the number of people on the W. P. A. to fewer than one-third of the number on the roll at the present time.

Mr. BARKLEY. If the Senator will permit a word there, I have been laboring under the impression that what was desired by the Senator from Nevada was to restore the situation precisely as it existed prior to July 1. I thought that was satisfactory to everybody; that is what I thought I was voting for on the relief bill, and that is what I thought we had before us the other day when the bill of which I was the author was before the Senate. If there has been a change in the proposal I should like to know what effect it will have.

Mr. BYRNES. Mr. President, will the Senator yield? Mr. RUSSELL. I yield.

Mr. BYRNES. It is a confusing and very technical ques-There was nothing in the bill reported by the House, and which became a law, specifically referring to the prevailing hourly rate, but the bill as reported by the House which became a law provided that every person should be required to work at least 130 hours a month.

Mr. BARKLEY. That has never before been in the law. Mr. BYRNES. It has never before been in the law. The law provides, too, that the Administrator shall fix the monthly earning schedule, which is what we call the security wage. When the monthly earning schedule is fixed for the various regions-\$70 or \$72.50, for instance, in the city of Washington for skilled workers-and then they are required to work 130 hours, automatically the prevailing hourly wage is | reduced.

The Senator from Georgia is correct in saying that so long as the law requiring a man to work 130 hours remains on the statute books it does affect, as the Senator will see, the amount of money that can be paid for the hourly wage. There is not any question about it. We may as well understand that whatever confusion there may be in the minds of some, the controversy arises out of the provision that a man must work 130 hours; and in the case given, instead of receiving \$72.50 he would receive more than that amount. Up to July 1 a plumber in the city of Washington worked 42 hours, earned \$72.50, and then knocked off for the month. Now he has got to work 130 hours. That is where the difficulty comes in.

Mr. BARKLEY. May I ask the Senator from Georgia or the Senator from South Carolina or both to advise the Senate how many skilled workers affected by this amendment there are in the country out of the total, say, of 3,000,000 men working on W. P. A.?

Mr. RUSSELL. It not only affects the skilled workers but it affects every worker; it affects the unskilled worker as well. Take, for an example, those employed in the sewing rooms in this country. Under the system which obtained prior to July 1, in the city of Minneapolis, by way of illustration, the women employed in the sewing room, worked 100 hours per month for \$55 a month. Under this amendment they would be required to work 130 hours per month, and their compensation would be increased to, in the neighborhood of, \$70 a month. If the W. P. A. has to pay \$70 from a certain amount of money for a month's work, whereas under the condition that obtained before it paid only \$55, it stands absolutely as an incontrovertible fact that it will be necessary to reduce the total number of those on W. P. A.

Mr. BARKLEY. As I understand the Senator, under the law as it now is, all those on relief work are required to work 130 hours in order to obtain a certain wage?

Mr. RUSSELL. Yes; since the 1st of July. Mr. BARKLEY. That is what I mean, under the law as it is now.

Mr. RUSSELL. That is correct.

Mr. BARKLEY. So, unless we change that provision, the W. P. A. will be compelled to give them 130 hours work per month, but the workers will do that 130 hours work at the wage provided under the amendment offered now, not, of course, under the security wage.

That difference will be, then, that heretofore the W. P. A. has had discretion to decide how many hours any group might work at the prevailing wage, but under the law as it will exist under this amendment, if adopted, they will still be required to give them 130 hours' work per month, and they will have to pay them at the rate carried by the

Mr. RUSSELL. The Senator from Kentucky has stated the case substantially correctly. However, as I have said, the Work Projects Administration has created three different areas. Within each of those areas they pay the same compensation for a month's work. It might be that in one city of 50,000 people, within region No. 1, a skilled worker would receive \$70 per month and might be required to work 70 hours a month, while in another city in the same county another skilled worker would draw the same monthly wage, but if the prevailing hourly wage was \$1.25 he would work 25 percent fewer hours than the one in the other city.

The wage scale of the Work Projects Administration is a tremendously confusing thing. The only thing that has been standard about it has been the monthly security wage which has been fixed in the 3 areas depicted on the chart which the Senator from Nevada had placed upon the desks of Senators when this question was before the Senate some weeks ago. But there are over 4,000 different prevailingwage scales for different types of work in the different cities and counties of the United States. However, there are only 3 different areas, and they are divided into 5 classifications of monthly compensation, depending upon the size of the city within the county where the wage scale is fixed.

Many Senators do not appear to be clear in their minds as to all the difficulties we have had on the works progress projects. What have been commonly called strikes have grown out of the fact that the Government changed the terms of the conditions of employment. Under the old system, these persons were employed on an hourly basis. They were paid an hourly wage. The skilled crafts in most cases did not work over 60 hours a month. The unskilled workers in most cases worked as much as 100 hours a month, and in many cases as much as 144 hours a month, particularly in the Southern States, where the hourly wage scale and the monthly wage scale were the lowest.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. RUSSELL. As soon as I complete this statement.

On the 1st of July the Government changed from a basis of hourly compensation to a basis of monthly compensation, and required every person employed on Works Progress projects to work 30 hours a week, or a total of 130 hours a month. The strikes grew out of the fact that the hours of labor for the skilled crafts were lengthened from 40 or 50 hours a month to 130 hours a month without increasing the monthly compensation. The same monthly compensation was paid.

Mr. PEPPER and Mr. BYRNES addressed the Chair. The PRESIDENT pro tempore. Does the Senator from

Georgia yield, and, if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Florida. Mr. PEPPER. Mr. President, in view of the very clear explanation which the Senator from Georgia has given. would his objections be met if this amendment were amended by the addition of words which would eliminate the requirement that the Administrator give all the W.P.A. workers 130 hours' work a month? In other words, his objection would be met if that requirement in section 15. as it now exists, were deleted; would it not?

Mr. RUSSELL. The objection I have outlined up to this time would be eliminated; but I certainly should want to see the amendment in writing before accepting it merely on a brief explanation of that kind. I should want to know what effect it is going to have on other phases of existing law.

Mr. PEPPER. The question apparently has to be decided now, because it is before the body; but is not the Senator aware of the fact that section 15 is not affected at all by this amendment, other than that its general effect might be in antithesis to the provisions of section 15?

Mr. McCARRAN. Mr. President, will the Senator from Georgia kindly yield that I may discuss the matter in keeping with the question propounded?

Mr. RUSSELL. I yield.

Mr. McCARRAN. We now have before the Senate one question; namely, the suspension of the rule. If the rule is suspended, then I may offer my amendment as a substitute for section 15, or the body may amend my proposal as it may see fit; but until we suspend the rule we can do nothing. If we suspend the rule, then I am willing to try to conform to many of the suggestions.

All that I have in mind is that the prevailing rate of wage per hour in America shall be sustained. I am entirely content that the administration may fix a ceiling which it will call the security wage per month. That is all right. No one is objecting to that so far as I am concerned. It is the prevailing wage per hour that has been established by labor that I am trying to sustain. If the rule is suspended, then I may offer my amendment as a substitute for section 15; and, if I do. I take it that with such corrections as the able Senator from Georgia and other Senators may suggest, we may get by with the perplexing question.

Mr. BARKLEY. Mr. President, will the Senator yield in order to enable me to propound a parliamentary inquiry?

Mr. RUSSELL. I yield. As I understand, though, I do not have to yield for that purpose. I have always held, from the parliamentary standpoint, that any Member of the Senate

has a right to interrupt any other Member of the Senate to propound a parliamentary inquiry.

Mr. BARKLEY. The parliamentary inquiry is this:

The Senator from Nevada and other Senators have offered amendments which are subject to a point of order, in order to avoid which notice of a motion to suspend the rules has been given; and the notice of suspension and the motion to suspend set out the amendment which is sought to be considered. If the rule is suspended on the basis of the amendment offered by the Senator from Nevada, will he then be permitted under the rules so to perfect his amendment by modification or amendment as to make it possible for the Senate to pass on the modified amendment, or will the Senate have to vote on the specific amendment offered without change?

The PRESIDENT pro tempore. It is the opinion of the Chair that if the Senate sets aside the rule so as to permit an amendment of this kind to be offered to an appropriation bill, and the amendment is therefore placed before the Senate, the amendment will be subject to amendment, provided the amendment to the amendment is germane. If the question is raised that it is not germane, under the rules that question must be submitted to the Senate without debate.

Mr. BARKLEY. I thank the Chair. In other words, when the Senate suspends its rules in order to make an amendment which otherwise would be subject to a point of order, the consideration of that amendment is subject to the same rules that would apply if the amendment were in order in the first instance?

The PRESIDENT pro tempore. Except as to the question of being germane. If the objection is raised that an amendment to the amendment is not germane, that question must be submitted to the Senate immediately, and decided by the Senate without debate.

Mr. BARKLEY. I thank the Chair. Mr. RUSSELL. Mr. President, I am somewhat disturbed by the statement of the Senator from Nevada that he might offer this amendment as a substitute for section 15. It so happens that some of us here have been very much concerned for 5 years to stand by and see existing in this country a condition under which a wage scale has been fixed in 11 States that was approximately one-half of that which was paid in a number of other States. For 5 years here I have made efforts, on practically every appropriation measure that has been presented to the Senate carrying relief funds, to do something to eliminate the unfair, the unjust, the indefensible discrimination against those employed upon works-progress projects in the Southern States in the matter of their monthly compensation.

Since the adoption of the present provision in the Work Relief Act of 1940 I have seen Senators rise on this floor and have heard them complain, and complain, with some justice, that the compensation of works-progress employees in their States would be reduced on the 1st day of September. How do you suppose those of us feel from the 11 States where our people have been paid in many cases a wage scale of only one-half that which your people have received

throughout all of this 5-year period?

When the Works Progress Administration was initiated. the monthly wage scale in some counties of the Southern States was \$19 a month to the head of a family, whereby he was supposed to support and feed his family for a period of 30 days. Time after time here I have offered amendments to seek to remedy that condition. Until the present law went into effect, which wiped out any differential other than that based on differences in the cost of living, I never was able to get a single one of my colleagues from any of the States, other than the ones where this low-wage scale prevailed, to stand on the floor of the Senate and say that it was un-American to pay \$60.50 to a man rolling a wheelbarrow in New York City for a month's work, and to pay \$19 a month to a man doing similar work in a country town in

Mr. WAGNER. Mr. President, will the Senator yield? Mr. RUSSELL. I yield.

Mr. WAGNER. I agree with the Senator that that differential cannot be justified. It should not exist. I desire to ask the Senator, however, whether so low a wage as that would be the prevailing rate of wage in that com-

Mr. RUSSELL. I have undertaken to show that the prevailing rate of wage has nothing to do with the monthly compensation.

Mr. WAGNER. I am now speaking of the wages to which the Senator refers as being paid in the Southern States. which he says are so low, and I agree that they are low. They are paid on an hourly basis, too; are they not?

Mr. RUSSELL. They are. Mr. WAGNER. Are those hourly wages below the prevailing rate of wage in those communities?

Mr. RUSSELL. The hourly rate is not. For example, in the city of Atlanta a person employed on a Works Proggress project who is a bricklayer, would receive \$1.25 an hour, and he would be allowed 57 hours a month. But when it came to his monthly wage, he was entitled to draw only \$73 a month, as compared with \$94 for the same type of work in the city of New York.

Mr. WAGNER. If both of them are being paid the prevailing rate of wage, how could that differential exist? I am sure that much of a differential does not exist in the prevailing wages generally between North and South.

Mr. RUSSELL. Mr. President, I have undertaken to explain that the prevailing rate of pay applies only to the hourly wage.

Mr. WAGNER. Exactly, and I am referring to that. Mr. RUSSELL. The monthly wage, of which I complain, is fixed arbitrarily by the Work Projects Administration. It has no relation to the hourly wage, except insofar as it regulates the number of hours a man works for his monthly

Mr. WAGNER. I do not see what is inconsistent in providing that the workers upon these projects shall be paid the prevailing rate of wage, and also providing by legislation against such rate discrimination. I am sure there should be sufficient ingenuity in this body to cure that, and it can be done by the amendment the Senator from Nevada has

Mr. RUSSELL. It cannot be done if the Senator from Nevada offers it as a substitute for section 15.

Mr. WAGNER. If we suspend the rule, which I hope we will, we can argue that point and certainly agree upon something.

Mr. RUSSELL. I wish to have some assurance in this matter before the rule is suspended. We are in a somewhat better position when it requires a two-thirds vote than when it requires a majority.

Mr. WAGNER. The only assurance I can give the Senator is my own vote, and it certainly will be in support of the contention of the Senator from Georgia that that kind of a differential is not justified and should not exist.

Mr. RUSSELL. I thank the Senator from New York, and I hope he will vote that way if that question is raised, and I am sure he will.

Mr. LUNDEEN. Mr. President, so far as I am concerned-and I am sure many other Senators agree with me-I do not favor this un-American unfairness toward one section of the country in favor of another. We do not want to be unfair to any section of the country; and if we are short of money, as one Senator has stated, as I understood him, if we have not appropriated a sufficient sum we have ample time and can remain here and increase the appropriation, so that American workmen will have a just return for the work they perform.

Mr. McCARRAN. Mr. President, in order that I may relieve the mind of the able Senator from Georgia as to one expression I made just a little while ago, I have conferred with the Senate Parliamentarian, and I am advised that I would not be permitted, under the rule, to offer this amendment as a substitute for section 15. So, with that in mind, I wish to set the Senator right, lest perchance I might be

causing him some apprehension.

Mr. RUSSELL. In that case, if the Senator's amendment be adopted, it would require 130 hours of work each month at the prevailing hourly rate of pay. This would so increase the monthly pay that with the limited funds available it would work to reduce by approximately two-thirds the number who can be taken care of on the W. P. A. rolls. It will make a preferred class of the few fortunate enough to be kept on the roll.

Mr. BYRNES. Mr. President, will not the Senator state the number of skilled workers affected by the law as it now stands? The number is 225,000 out of two and a half million

on the W. P. A. rolls.

Mr. BARKLEY. Mr. President, I should like to propound a parliamentary inquiry, because it may have some effect on the vote.

The PRESIDENT pro tempore. The Senator will state it. Mr. BARKLEY. The Senator cannot offer his proposal as a substitute for section 15 of the present Relief Act, but would the Senator, or any Senator, be permitted to offer as an amendment to the amendment the Senator has now proposed, on which we are basing the motion to suspend the rules, an amendment modifying or changing the requirement of the present law that W. P. A. workers must be given 130 hours of work a month?

The PRESIDENT pro tempore. If the Senate decided that

it was germane, it would be in order.

The question is on the motion of the Senator from Nevada [Mr. McCarran] to suspend paragraph 4 of rule XVI, so that he may offer his amendment. The yeas and nays have been ordered and the roll will be called.

The legislative clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my general pair with the senior Senator from Oregon [Mr. McNary] to the junior Senator from Delaware [Mr. Huches] and vote "nay." I am not advised how the Senator from Delaware would vote if present.

Mr. STEWART (when his name was called). I have a pair with the junior Senator from Oregon [Mr. Holman]. I transfer that pair to the Senator from Mississippi [Mr. Bilbo]

and vote "nay."

Mr. TOBEY (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. Guffey]. If he were present, I understand he would vote "yea." If I were permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. SHIPSTEAD. Mr. President, I have a pair with the senior Senator from Virginia [Mr. Glass], who, if present, I am informed would vote "nay." I transfer that pair to the senior Senator from North Dakota [Mr. Frazier], who, if present, I am informed would vote "yea." So I am free to vote. I vote "yea."

Mr. DAVIS (after having voted in the affirmative). I have a pair with the junior Senator from Kentucky [Mr. Logan], who I understand if present would vote "nay." I transfer that pair to the junior Senator from New Jersey [Mr. Barbour], who would vote "yea" if present, and allow my vote to stand.

Mr. CONNALLY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.
Mr. CONNALLY. Regarding the pair just announced by
the Senator from Pennsylvania, does it not require two
affirmative pairs?

The PRESIDENT pro tempore. It does.

Mr. CONNALLY. Then I make the point that the Senator from Pennsylvania cannot vote.

Mr. LA FOLLETTE. Mr. President, there is no recognition of pairs in the rules of the Senate, and it seems to me that a point of order does not lie. It is purely an arrangement between individual Senators.

Mr. MINTON. Mr. President, if the point of order urged by the Senator from Texas against the pair of the Senator from Pennsylvania is to prevail and be sustained, then I make the same point of order against the vote of the Senator from Tennessee [Mr. Stewart]. The PRESIDENT pro tempore. It has always been held by the Chair in the case of a treaty, where a two-thirds vote is required, that when a Senator desires to cast his vote by an exchange of his pair, he must exchange it with two on the other side.

Mr. LUCAS. My colleague [Mr. SLATTERY] is unavoidably detained on important business. I am advised that the Senator from New Jersey [Mr. SMATHERS] is also detained unavoidably on important business. If these Senators were present, they would both vote "yea." It is my understanding that the Senator from Louisiana [Mr. Overton], who is also absent from the Senate, if present would vote "nay." The Senator from New Jersey and the Senator from Illinois are paired with the Senator from Louisiana.

Mr. MINTON. Mr. President, I announce the pair of the senior Senator from Washington [Mr. Bone] and the senior Senator from Iowa [Mr. Gillette] with the junior Senator from Alabama [Mr. Hill]. If at liberty to vote, the Senator from Washington and the Senator from Iowa would vote "yea," and the Senator from Alabama would vote

"nay."

I also announce that the Senator from Washington [Mr. Bone], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. Guffey], the Senator from West Virginia [Mr. Holt], the Senator from Illinois [Mr. Slattery], and the Senator from New Jersey [Mr. Smathers] are detained on important public business. I am advised that if present and voting, these Senators would vote "yea."

The Senator from North Carolina [Mr. Reynolds] is unavoidably detained. If present and voting, he would vote

"yea."

The Senator from Mississippi [Mr. Bilbo], the Senator from Virginia [Mr. Glass], the Senator from Alabama [Mr. Hill], and the Senator from Louisiana [Mr. Overton] are unavoidably detained. I am advised that if present and voting, these Senators would vote "nay."

The Senator from Arkansas [Mrs. Caraway], the Senator from Ohio [Mr. Donahey], the Senator from Delaware [Mr. Hughes], the Senator from Oklahoma [Mr. Lee], the Senator from Kentucky [Mr. Logan], and the Senator from Maryland [Mr. Tydings] are necessarily detained.

The Senator from Rhode Island [Mr. GREEN] has a general pair with the Senator from Wisconsin [Mr. WILEY].

The result was-yeas 40, nays 31, as follows:

	YE.	AS-40	
Adams Ashurst Barkley Borah Brown Capper Chavez Clark, Idaho Danaher Davis	Downey Gerry Gibson Johnson, Calif. Johnson, Colo. La Follette Lodge Lucas Lundeen McCarran	Maloney Mead Minton Murray Neely Nye O'Mahoney Pepper Pittman Schwartz	Schwellenbach Shipstead Thomas, Okla. Thomas, Utah Truman Vandenberg Van Nuys Wagner Walsh Wheeler
-	NA	YS-31	
Andrews Austin Bailey Bankhead Bridges Bulow Burke Byrd	Byrnes Clark, Mo. Connally Ellender George Gurney Hale Harrison	Hatch Hayden Herring King McKellar Miller Radcliffe Reed	Russell Sheppard Smith Stewart Taft Townsend White
THE CHARL OF	NOT VO	OTING—25	
Barbour Bilbo Bone Caraway Donahey Frazier Gillette	Glass Green Guffey Hill Holman Holt Hughes	Lee Logan McNary Norris Overton Reynolds Siattery	Smathers Tobey Tydings Wiley

The PRESIDENT pro tempore. On this vote the yeas are 40, and the nays are 31. Two-thirds of the Senators present not having voted in the affirmative, the motion to suspend the rule is rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House

had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes,

The message also announced that the House had passed the following bills and joint resolution, in which it re-

quested the concurrence of the Senate:

H.R. 5118. An act for the relief of the State of Ohio; H. R. 7235. An act to prohibit the maintenance of gambling establishments within the admiralty and maritime jurisdiction of the United States, and for other purposes;

H.R. 7246. An act for the relief of Madeline Vera

Bucholz:

H.R. 7294. An act to provide for the establishment of terms of the District Court of the United States for the Southern District of New York at Poughkeepsie, N. Y.; and

H.J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 882. An act to authorize the Postmaster General to contract for certain power boat service in Alaska, and for other purposes:

S. 1164. An act for the relief of Nadine Sanders;

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938";

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as

Assistant to the Surgeon General;

S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes:

S. 2133. An act authorizing the conveyance of certain lands to the State of Nevada;

S. 2427. An act authorizing the naturalization of John Ullmann, Jr.;

S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad;

S. 2893. An act to provide for the local delivery rate on certain first-class mail matter;

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation; and

S. J. Res. 139. Joint resolution to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 7246. An act for the relief of Madeline Vera Bucholz; to the Committee on Immigration.

H. R. 5118. An act for the relief of the State of Ohio; and H. R. 7294. An act to provide for the establishment of terms of the District Court of the United States for the Southern District of New York at Poughkeepsie, N. Y.; to the Committee on the Judiciary.

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; to the calendar.

THIRD DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

Mr. McCARRAN. Mr. President, I now offer an amendment, of which notice has been given, and ask that it be

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following new section:

proposed to insert the following new section:

SEC. —. Section 15 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is amended to read as follows:

"SEC. 15. (a) The Federal Works Administrator (hereimafter referred to as the 'Administrator') shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section I. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less urbanized areas, and (3) shall increase the monthly security wage in region 3 to con-(3) shall increase the monthly security wage in region 3 to con-

(3) shall increase the monthly security wage in region 3 to conform to the monthly security wage rate in region 2.

"(b) The rates of pay for persons engaged upon projects financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938."

Mr. McCARRAN. Mr. President, I take it that the Senator from Colorado [Mr. ADAMS], the chairman of the subcommittee of the Committee on Appropriations of the Senate, would undoubtedly do what he has stated he would be compelled to do, as I admit he is compelled to under the rule, to invoke the rule that this is legislation on an appropriation bill. So with that in mind I ask, under my notice, as it has been printed in the RECORD, the rule that paragraph 4 of rule XVI be suspended so that the amendment may be considered. and I ask for the yeas and nays on that question.

The yeas and nays were ordered.

Mr. CLARK of Missouri. Did the Senator file a separate notice in connection with this amendment?

Mr. McCARRAN. Yes, Mr. President.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada to suspend paragraph 4 of rule XVI so that he may present his amendment.

The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a pair with the junior Senator from Kentucky [Mr. Logan]. On this vote I transfer my pair with the Senator from Kentucky [Mr. Logan] to the Senator from New Jersey [Mr. BARBOUR], and the Senator from North Carolina [Mr. Rey-NOLDS], and will vote. I vote "yea."

If present the Senator from North Carolina and the Senator from New Jersey would vote "yea," and the Senator

from Kentucky would vote "nay."

Mr. HARRISON (when his name was called). Making the same announcement as before with reference to my general pair with the Senator from Oregon [Mr. McNary] and its transfer, I vote "nay."

Mr SHIPSTEAD (when his name was called). Making the same announcement concerning my pair as before, I vote

"yea."

Mr. STEWART (when his name was called). I have a pair with the Senator from Oregon [Mr. Holman]. I transfer

that pair to the junior Senator from Mississippi [Mr. Bileo] and will vote. I vote "nay."

Mr. TOBEY (when his name was called). On this vote I have a pair with the junior Senator from Pennsylvania [Mr. GUFFEY] and the senior Senator from West Virginia [Mr. NEELY]. If the Senator from Pennsylvania and the Senator from West Virginia were at liberty to vote, they would vote "yea." If I were at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Washington [Mr. Bone], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the senior Senator from West Virginia [Mr. NEELY], the Senator from Illinois [Mr. SLATTERY], the Senator from New Jersey [Mr. SMATHERS], and the junior Senator from West Virginia [Mr. Holt] are detained on important public business. I am advised that if present and voting, these Senators would vote "yea."

The Senator from North Carolina [Mr. REYNOLDS] is unavoidably detained. If present and voting, he would vote

"yea."

The Senator from Mississippi [Mr. Bilbo], the Senator from Virginia [Mr. Glass], the Senator from Alabama [Mr. HILL], and the Senator from Louisiana [Mr. Overton] are unavoidably detained. I am advised that if present and voting, these Senators would vote "nay."

The Senator from Arkansas [Mrs. Caraway], the Senator from Ohio [Mr. Donahey], the Senator from Delaware [Mr. HUGHES], the Senator from Kentucky [Mr. Logan], and the Senator from Maryland [Mr. Typings] are necessarily de-

tained.

The Senator from Rhode Island [Mr. Green] has a general

pair with the Senator from Wisconsin [Mr. WILEY].

Also I announce the pair of the senior Senator from Washington [Mr. Bone] and the senior Senator from Iowa [Mr. GILLETTE] with the junior Senator from Alabama [Mr. HILL]. If at liberty to vote the Senator from Washington and the Senator from Iowa would vote "yea," and the Senator from Alabama would vote "nay."

Mr. LUCAS. My colleague [Mr. SLATTERY] and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained. If present and voting, they would vote "yea." They are paired with the Senator from Louisiana [Mr. Overton1, who is also unavoidably detained. I am advised that if present and voting, he would vote "nay."

The result was announced—yeas 40, nays 31, as follows:

YEAS-40 Adams Downey Gerry Gibson McCarran Maloney Schwellenbach Shipstead Thomas, Okla. Thomas, Utah Ashurst Barkley Mead Minton Johnson, Calif. Borah Johnson, Colo. La Follette Murray Brown Truman Nye O'Mahoney Vandenberg Van Nuys Capper Chavez Clark, Idaho Lee Pepper Pittman Lodge Wagner Walsh Danaher Lucas Davis Lundeen Schwartz Wheeler NAYS-31 Byrnes Clark, Mo. Connally Hatch Andrews Austin Russell Hayden Sheppard Bailey Bankhead Herring Smith King McKellar Stewart Taft Ellender George Bridges Bulow Gurney Miller Townsend Burke Radcliffe White Reed Harrison Byrd NOT VOTING-25 Logan McNary Glass Smathers Barbour Bilbo Green Tobey Guffey Tydings Bone Norris Wiley Caraway Hill Holman Holt Overton Reynolds Donahey Frazier Slattery Hughes

The PRESIDENT pro tempore. On this vote the yeas are 40 and the nays are 31. Two-thirds of the Senators present not having voted in the affirmative, the motion to suspend paragraph 4 of rule XVI is rejected.

Mr. McCARRAN. Mr. President, in behalf of the senior Senator from West Virginia [Mr. NEELY], who has been called away from the Chamber on important business, I desire to

announce, if it has not been announced, that had he been present he would have voted in the affirmative.

Mr. President, I ask unanimous consent that the amendment stated by the clerk, on which the last vote was taken for a suspension of the rule, be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? Chair hears none, and the amendment may be printed in the

The amendment intended to be proposed by Mr. McCarran is as follows:

At the proper place in the bill insert the following new section:

"Sec. — Section 15 of the Emergency Relief Appropriation Act of
1939, approved June 30, 1939, is amended to read as follows:

"'Sec. 15. (a) The Federal Works Administrator (hereinafter
referred to as the "Administrator") shall fix a monthly earning
schedule for persons engaged upon work projects financed in whole
or in part from funds appropriated by section 1. Such monthly
earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less able under such schedule to any class of workers shall not be less than the monthly earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less urbanized areas, and (3) shall increase the monthly security wage in region 3 to conform to the monthly security wage rate in region 2.

"'(b) The rates of pay for persons engaged upon projects financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938.'"

Mr. MURRAY. Mr. President, I have on the desk a notice of a motion to suspend the rule in order that I may offer an amendment. I should like to have my amendment stated at this time.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, at the end of the bill, to insert the following new section:

SEC. . Subsection (b) of section 16 of the Emergency Relief Appropriation Act of 1939 is hereby amended to read as follows: "(b) Employable persons who have been certified as in need of employment for a period of 3 months or more shall have preference in employment over persons who have had active employment status on such works projects continuously for 18 months or more: *Provided*, That this shall not result in the discharge of a person employed on works projects where he has made a reasonable effort to find suitable private employment nor where project operations would suffer from his discharge nor where unusual hardship would result from such discharge.

Mr. MURRAY. Mr. President, I wish to call attention to the fact that my amendment does not vitally affect the act. It merely undertakes to modify the harshness of the rule or provision in the relief act which would require the Administrator summarily to discharge 650,000 employees who have been continuously on the rolls of W. P. A. for 18 months.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. CLARK of Missouri. Is the Senator offering his amendment or is he making a motion to suspend the rule?

The PRESIDENT pro tempore. The motion is to suspend the rule so that the Senator from Montana [Mr. MURRAY] may offer the amendment.

Mr. RUSSELL. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state it. Mr. RUSSELL. If the rule were to be suspended by the Senate for the purpose of permitting the amendment of the Senator from Montana to be offered, would the amendment offered by the Senator from Nevada [Mr. McCarran] be in order as an amendment to the amendment of the Senator from Montana?

The PRESIDENT pro tempore. The Senate will decide the question of whether or not it is germane.

Mr. RUSSELL. Upon a vote of the majority?

The PRESIDENT pro tempore. A majority vote will determine the question of germaneness of the amendment. Mr. MURRAY. Mr. President, I should like to call attention to the effect of the amendment I am presenting.

The amendment has been before the Senate on several previous occasions; and on each occasion it has been agreed to. The last occasion was when the so-called lending bill (S. 2684) to provide a program of public expenditures which are recoverable was before the Senate. At that time it was agreed to by a vote of 43 to 32. Inasmuch as that bill was lost in the House it now becomes necessary to undertake to have the amendment attached to the pending bill in order to remedy the condition referred to and prevent the harsh results flowing from the arbitrary enforcement of the Relief Appropriation Act.

The Administrator of W. P. A. has written a letter in which he expresses approval of the amendment I am proposing and points out that it is necessary in order to permit him to handle the situation with some measure of discretion. I shall read only the closing paragraph of his letter, which was read into the RECORD at the time the matter was previously before the Senate for consideration. The Admin-

istrator says:

The amendment which you propose to section 16 (b) of the Emergency Relief Appropriation Act of 1939 would modify that section, which now requires the mandatory dismissal of workers who have been continuously employed on the W. P. A. for a period of 18 months or more. Under the present wording of the act, all certified workers, except veterans, who have been employed continuously for 18 months or more must be dismissed by August 31, 1939. This means that by that date the employment of approximately 650,000 persons must be terminated, which will impose severe hardships on many individuals and adversely affect the efficiency of project operations. Although the law provides that workers dismissed under this provision may be reinstated after a 30-day period if they have been recertified, it will be very difficult to accomplish such reinstatement without very considerable delays, especially as the total employment will be diminishing during this period. The amendment which you propose to section 16 (b) of the

ing this period.

I believe that it is desirable to give preference in employment to persons who have been certified and awaiting assignment to Work Projects Administration jobs for some time over those who have been employed continuously for long periods. My testimony to this effect appears on pages 22 and 23 and 28 to 30 of the hearings on this appropriation before the subcommittee of the Committee on Appropriations of the House of Representatives. Specifically, I suggested that employable persons who had been certified as in need for a period of 6 months or more and had not been given employment should have preference in employment over persons who had been on the W. P. A. for a period of 3 years or more. In this connection I made the following statement:

"There has been discussed here in the committee and in debate the greater workers as they are called the

the question of W. P. A. career workers, as they are called, the idea being that the benefits of W. P. A. employment might be rotated. But at the outset, I think the approach to it should be a very careful one, the suggestion I make is only the first step.

be a very careful one, the suggestion I make is only the first step in what might eventually evolve out of this thing, and that is, a preference provision as to employment."

I believe that the amendment which you propose accomplishes the primary purpose of giving preference in employment to persons who are awaiting assignment over those who have been employed continuously for a long period, and at the same time allows sufficient administrative discretion so that the application of the policy would not result in the disruption of the program and the individual hardships which will come about under the present

Following the adoption of this amendment on the previous occasion the Administrator temporarily suspended the instructions which had been issued to lay off W. P. A. workers; and the result of the vote on this occasion will determine whether or not a change is to be made in order to protect innocent and destitute persons who would otherwise be arbitrarily removed from the pay roll of the W. P. A. and denied work.

As I have stated, I have filed a notice of intention to move for a suspension of the rule in order that this matter may be taken up. I now move that the rule be suspended for that purpose.

The PRESIDENT pro tempore. The question is on agree-ing to the motion of the Senator from Montana to suspend the rule in order that he may offer the amendment which has been stated.

Mr. BYRNES. Mr. President, when the relief measure was pending before the Senate I agreed with the proposal which, I think, was offered by the Senator from Kentucky IMr. BARKLEY] and which was substantially the same as what the Senator from Montana now proposes. It was a milder amendment and, according to my view, was a better approach to the problem. In the conference committee the conferees on the part of the House were insistent upon the provision adopted by the House, which is now the law. Since that time there has been considerable criticism of the provision. Even though I did not agree to it when it was first proposed, and agreed only as the hour of midnight approached and the conferees on the part of the Senate were forced to agree or decide that there would be no bill, I wish to say a word about the criticisms which have been directed against the action of the Congress and the provision proposed by the House at that time.

When we speak of innocent people who suffer because they are removed under the provisions of the existing law. we must remember certain facts. Last winter a representative of my committee interviewed 8,000 men in five of the great cities of the country. Of the total number interviewed 81 percent had been on the pay roll continuously from January 1, 1937, until that time. At the time the 81 percent were on the pay roll and had been on the pay roll continuously for 18 months there were thousands and thousands upon the eligible lists who had received no opportunity to

be employed at any time during the 18 months. Under the law, as it exists today, men have been removed from the pay roll after they have been continuously on the roll for 18 months. My good friend from Montana, in his generous and charitable spirit, says that that is a hardship on those removed from the roll. But remember that those who take their places have not been on the pay roll. They have been without any help at all; and when the Congress does not appropriate any more money than the President asked for this year, and we are forced to determine what course we shall pursue, I cannot agree that the Congress is properly subject to criticism for saying that after a man has had a job for 18 months he should step aside for 30 days and allow another man, who has never held a job, and who is as much entitled to it as any one else, to come forward and have an opportunity to work on W. P. A. After 30 days the men who are now removed will be eligible to get back on the eligible list.

Difficult as is the problem, we must agree that whenever a man is removed after having been on the roll for 18 months, we are giving the job to a man who needs it and who has never had the opportunity which the other man has had.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. BYRNES. Yes.

Mr. PEPPER. If the amendment of the Senator from Montana were agreed to, then, would it not be possible for those who are on W. P. A., and are found to be needy, to continue there, and also for the others to have a chance to go on, too, if application were made and granted in January for additional funds?

Mr. BYRNES. If there were sufficient funds for all of them on the pay roll, yes; that is undoubtedly true; but, Mr. President, and I make this statement only in justice to the position the House of Representatives have taken, and, though I disagree with them, I think the position of the House and of the Congress as the Congress finally agreed to the bill should be presented—here is the situation: If the rule should be suspended in this instance, of course, the amendment of the Senator from Montana would be in order. I am going to vote against it for the reason I will now state. I have served on conferences with House conferees on relief bills heretofore. We were in conference in the hours preceding June 30, and we know the attitude of the House on this proposal. We should be fair and say this amendment proposes legislation, and those of us who have through the years served on conference committees know that when the House conferees say they will consider appropriation items but not legislation on an appropriation bill, and they refuse to yield, it simply means that the conference will extend indefinitely, and I could see no hope of agreeing upon any bill for a long time.

Mr. PEPPER. One more question. Does the Senator agree that it is a sad prospect which will face several hundred thousand of people in the United States if this amendment should not prevail?

Mr. BYRNES. I agree that it would be, but it would be no sadder than the prospect facing men and women who have been seeking for years to get on the pay roll and have not been able to do so. It is an exceedingly difficult problem. I sympathize with the plight of the man who has been on the roll for 18 months, but I also sympathize with the other man who has not been able to get on the roll. It does not affect the total number on the pay roll. It does affect individuals.

Mr. PEPPER. Is it not a fair statement of the case to say that we know if the amendment of the Senator from Montana prevails the effect will be that additional funds will be requested and probably provided by the Congress consistent with the amendment of the Senator from Montana, so that, perhaps, neither of the classes referred to shall be deprived of

a decent opportunity to make a security wage.

Mr. BYRNES. I cannot agree with that. I do not think the Senator will disagree with my statement. He must recall that there never has been a time since W. P. A. was established that every man eligible for a job has been given a job. Today and for the last 18 months there have been hundreds of thousands, in fact, more than a million, on the rolls of the various States of the country eligible for a job who have never been given a job. We have never taken the position that the Congress was appropriating funds sufficiently to give every man a job. That would be doing something the Congress has not heretofore done, no matter how desirable it might be in the opinion of the Senator.

Mr. PEPPER. Mr. President, if we were to adopt the amendment of the Senator from Montana, would it not, in substance, be a reversal of the congressional policy by which a very large depletion in the number of W. P. A. employees was required by the last enactment of Congress on the

subject?

Mr. BYRNES. No: I submit to the Senator that he has been misinformed about that. There has not been a reduction in the number of persons on the W. P. A. jobs by reason of the section of the law referred to, as the Senator will see from reading it. What has happened is there has been a

Mr. PEPPER. I am not talking about section 15. Mr. BYRNES. We have been considering this matter, and we know that the amendment of the Senator from Montana would accomplish the purpose the Senate had first in mind, but it would not add a man to the rolls.

Mr. PEPPER. I did not have in mind the section to which the Senator is referring, but that the amendment, if adopted, would affect the appropriations to be made.

Mr. BYRNES. The Senator means that the Congress would have to appropriate more money.

Mr. PEPPER. Yes; it would be a reversal of the action in reducing the appropriation which was taken by Congress.

Mr. BYRNES. What the Senator would do would be to restore the status that existed prior to July 1, as I under-

Mr. MURRAY. Mr. President, if I may interrupt the Senator, of course, he recognizes that my amendment gives preference to those who have been on the certified relief list for a period of 3 months or more over those who have been employed on W. P. A. for 18 months or more. So the argument the Senator has just made with reference to the hardship which is imposed on those who are certified and who have been unable to get on the list is answered by this amendment, because it expressly gives them preference.

Mr. BYRNES. It gives them preference whenever, under the provision put in the law by the House, a vacancy is created. That is about all the difference.

Mr. MURRAY. It will require the Administrator to remove those who are on the rolls for a period of 18 months or more and to give preference to those who are certified on the relief list. It merely gives some discretion to the Administrator, which is necessary if we are going to have an efficient, intelligent, and common-sense administration of the W. P. A. It seems to me that this amendment is entirely reasonable and just and would remedy a situation that will obviously create much misery, distress, and confusion in this country.

Mr. LA FOLLETTE. Mr. President, I desire to say a few words on this amendment. I realize that the question has been debated again and again, and the Senate has passed upon it at least on one occasion during the present session. In all probability, the time has passed when debate can have any effect upon the vote which is about to be taken. Nevertheless, I wish to say that, in view of the inadequate amount of the appropriation, it is inevitable that there will be discharges from the W. P. A. rolls during the ensuing months which are not justified on any basis of fairness and decency to those who are now employed upon the works program.

Under the amendment adopted to the joint resolution passed prior to the end of the last fiscal year the provision there incorporated will result in the wholesale discharge of approximately 600,000 persons in the immediate future, regardless of what their condition of need may be. So it seems to me the issue is very clear. Unless the rule shall be suspended, unless Congress shall adopt the pending amendment and it shall become law, the Congress of the United States will become responsible for the arbitrary dismissal of 600,000 persons in the near future. In addition to those who will be discharged, because the funds Congress has provided are not adequate to take care of those who are in need and are certified for employment.

So far as I am concerned, Mr. President, I do not want to assume any share of that responsibility; I do not want to assume any share of the hardship and cruelty which will be inflicted upon the 600,000 people who will be thrown off the relief rolls without any discretionary power for the Administrator to alleviate or to take care of those hardship cases. Therefore I intend to vote for the motion to suspend the rule. [Manifestations of applause in the gallery.]

The PRESIDENT pro tempore. The Chair will admonish the occupants of the gallery that it is contrary to the rules of the Senate for the occupants of the gallery to indulge in

any manifestation of approval or disapproval.

Mr. PEPPER. Mr. President, I merely wish to say that every Senator on this floor has seen the newspaper announcement that, had it not been for the amendment of the Senator from Montana, which was adopted a few days ago, hundreds of thousands of those whom the Senator from Wisconsin describes would already have been let off the rolls. It is owing to the discretionary power of the Administrator in holding up those discharges, pending final congressional action on the amendment of the Senator from Montana, that those people are kept on the rolls today, and if this amendment shall be defeated this afternoon. I see no alternative but that the Administrator will revoke that order, and then these 600,000 people tomorrow will be removed from the rolls.

Mr. MEAD. Mr. President, I shall not delay very long a vote on this amendment. I merely desire to point out that unless this amendment shall be adopted great difficulty will be encountered in the administration of the various changes in personnel and management which have resulted from the enactment of legislation during the present session of the Congress.

Mr. President, already, as the result of a drastic curtailment of W. P. A. appropriations, we have made it compulsory for the Administrator to reduce the W. P. A. rolls from approximately three million to one million and a half. This cannot be done hurriedly and without disrupting the W. P. A. set-up. While that is being carried on, in the course of the administration of that drastic curtailment, to require, as the result of subsequent legislation, the removal from the rolls of approximately 600,000 additional workers, merely because they have served faithfully for 18 months, is, in my judgment, jeopardizing the efficient administration of the Works Progress Administration.

No time is given to study the problem. No opportunity for moderate and safe reductions in personnel is possible. It will be costly. It will be expensive. It will be cruel. I trust in the interest of better administration, I hope because of the economies that will result, I believe because of the better judgment of Members of the Senate, the amendment offered by the Senator from Montana will prevail.

Here is the very heart and center of the philosophy contained in the Senator's amendment, and I appropriate for my argument in behalf of his amendment the words of the Administrator of W. P. A.:

I believe-

Said the Administrator-

that the amendment which you propose accomplishes the primary purpose of giving preference in employment to persons who are awaiting assignment over those who have been employed continuously for a long period, and at the same time—

He continues-

it allows sufficient administrative discretion so that the application of the policy would not result in the disruption of the program, and the individual hardships which will come about under the present law.

Therefore, Mr. President, by reason of the fact that it will not cost an additional dollar, because it will result in improved administration, and for the further reason that it will give the Administrator of W. P. A. time and opportunity to make needed and necessary and compelling adjustments, I trust that the amendment offered by the Senator from Montana will prevail.

Mr. SCHWELLENBACH. Mr. President, I think there has been, both now and the last time this amendment was up, a sufficient discussion of the amendment itself. I desire to discuss a very practical question involved in the present parliamentary situation.

A few moments ago a parliamentary inquiry was propounded as to the result if the present motion of the Senator from Montana to suspend the rule should be adopted; if it would be possible to amend his amendment by a majority vote, and have certain other matters attached to the amendment and voted upon under the suspension of the rule. The ruling of the Chair was that it would be possible.

We all know that there are a number of Members of the Senate who are in sympathy with this amendment, but who, because of the situation in reference to the different rates of pay in one part of the country as compared with another part of the country, were necessarily compelled to vote against the suspension of the rule on the last two votes.

I have voted twice today to suspend the rule. I would have voted for the amendments proposed by the Senator from Nevada [Mr. McCarran]. I have voted for the prevailing-wage amendment on every occasion that I have had an opportunity to do so since I have been here. I believe in it. Nevertheless, we are faced with the very practical situation that some Senators are fearful that if they vote for the suspension of the rule in the case of this amendment, which they actually favor, they will bring about a situation in which it will be possible, by amendment of the Murray amendment, to include something which they oppose, and include it upon a majority vote.

I should like, if it were possible, in some way to see the McCarran amendments adopted, or either one of them; but we have had two demonstrations that it is not possible to suspend the rule for those amendments. We know as a practical fact that if this situation is not cleared up, we shall not get the two-thirds vote necessary to suspend the rule upon this amendment. If that situation is cleared up I think there is a very great possibility that there will be a two-thirds vote to suspend the rule upon this amendment. I appeal to those who may be interested to give assurance upon the floor of the Senate at the present time that if the Murray amendment is permitted to be voted upon under a suspension of the rule, that amendment will be voted upon singly, and no amendments will be offered to it.

Mr. MURRAY. Mr. President, I have made a promise to a number of Senators who have discussed the matter with me that I would not accept any amendments to the amendment which I am proposing, and that if any amendments are offered and attempted to be attached to my amendment I will withdraw my amendment, so that it may be possible for the amendment to be voted upon separately.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.
The PRESIDENT pro tempore. The Senator from Tennessee will state it.

Mr. McKELLAR. After an amendment is presented, and a motion to suspend the rules to permit it to be considered is voted upon and agreed to, may the Senator proposing the amendment withdraw it?

The PRESIDENT pro tempore. Not after the amendment has been presented.

Mr. McKELLAR. So the Senator from Montana could not withdraw it. He would have no right to do so. Amendments could be offered to it.

Mr. BANKHEAD. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Alabama will state it.

Mr. BANKHEAD. In the event the motion of the Senator from Montana is adopted, and the rule is suspended, will that make the bill subject to any other amendments that may be offered on any subject?

The PRESIDENT pro tempore. If the Senate sets aside the rule and permits the offering of an amendment—for instance, the amendment of the Senator from Montana—it will be open to amendment just as any other amendment would be open to amendment. If the question is raised as to whether or not the second amendment is germane, the Senate will decide that question without debate.

Mr. BANKHEAD. By a majority vote?

The PRESIDENT pro tempore. By a majority vote.
Mr. SCHWELLENBACH. Mr. President, I submit a unanimous-consent request.

The PRESIDENT pro tempore. The Senator will state it. Mr. SCHWELLENBACH. I ask unanimous consent that in the event the Senate adopts the present motion of the Senator from Montana [Mr. Murray] and suspends the rule and permits a vote upon his amendment as read by the clerk, no amendments to the amendment submitted by the Senator from Montana shall be in order.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Washington?

Mr. SMITH. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. MURRAY. Mr. President, I understand from the Senator from Nevada [Mr. McCarran] that he has no intention of offering any amendment to my amendment. He does not intend to offer any such amendment.

Mr. McCarran. Mr. President, I exceedingly regret that the Senator from Montana should impose such a matter on the junior Senator from Nevada. I desire, frankly, to say that I stood on my amendments, and that I expect the able Senator from Montana to stand on his; but if amendments should be proposed here which are germane, under the ruling of the Chair, I cannot see why I should be bound against them.

Mr. SMITH. Mr. President, my reason for voting as I have voted was not entirely because I did not think there was some merit in the request to suspend the rule, but if this question is opened I have given a solemn promise that I would attempt to bring up some matters which are just as urgent as this one. The committee have gone into all these matters, however, and have worked out the best program they could find, and the Senate has practically adopted it. Now, here comes an urgent deficiency bill which opens up debate on the floor of the Senate as to matters which have been settled by the committee.

Now open the door, suspend the rule, and we go back into a regular session of the Senate.

It may be that these things are vitally important, which I do not concede and do not believe. I know how anxious men are to serve their constituents, but it does seem to me that the entire United States are not so vitally in need of these things that we could not wait 5 months. It will be only 5 months before we will be back here, and I do not think any one will starve to death or any one will die from the lack of sustenance. I hope that we may in order obey the behest and acknowledge the work of the committee, and let us not suspend the rule, but consider the matter that is before us.

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. SMITH. I yield.

Mr. SCHWELLENBACH. I do not know whether or not the Senator understood fully the unanimous consent request I made. I was not seeking to limit anyone else except upon this one amendment. The Senator from Montana has asked for a suspension of the rule on his amendment. All I was seeking to do by my unanimous consent request was to see that upon that question we would have a discussion and a vote, and upon that alone. It would not stop any one else from moving a suspension of the rule.

Mr. SMITH. The Senator has been a Member of the Senate long enough to know that, once the rule is suspended, it is not possible to stop any one from offering an

amendment. That is our privilege.

Mr. SCHWELLENBACH. That is the reason why I asked upon this particular vote the suspension be limited to this one particular question.

Mr. SMITH. Exactly; and make a favorite out of this one amendment to the exclusion of other amendments which are as important, and perhaps more important than

Mr. SCHWELLENBACH. I was not trying to get it to the exclusion of anything else. Anyone else, after this motion was disposed of, could move to suspend the rule on any matter.

Mr. SMITH. We would not have to move to suspend the

Mr. MALONEY. Mr. President, I have no desire to delay the Senate long. I had not expected to speak on this question, but I am prompted to by the attitude of the senior Senator from South Carolina [Mr. SMITH], which I am certain is quite sincere.

If I understood the Senator correctly, he expressed the thought that no one would starve in the next 5 months, or during the Senate recess. I do not expect anyone will starve, but there will be very serious hardship inflicted upon a great many hundreds of thousands of people if the proposal which the Senator from Montana is seeking to put into the bill is denied.

The Senate has admitted its mistake in connection with this proposal. The Senate was warned, at a time of excitement, when the relief bill was being considered, that the infliction-and it is an infliction-of this part of the law would create a serious hardship. The Senate, in a period of a few weeks, came to realize that that was true: it voted to correct the mistake. This is the last chance we have to prevent the throwing off of the relief rolls, and placing under the stigma of charity, hundreds of thousands of people.

Mr. President, I do not mean to bring up the matter of sectionalism, but this bill more particularly affects the industrial part of the country than it does other parts of the country, and I should like to point out, with some feeling of pride and satisfaction, that the industrial part of the country has not turned its back at all upon the farming and agricultural sections of the country. We have been voting for the most generous farm bills. There are not industrial problems or employment problems in the South or the West as there are in the North and the Northeast. I am very hopeful that the unanimous-consent request submitted by the Senator from Washington may prevail, and that we may have a chance to vote on this seriously important question.

Mr. SMITH. Mr. President, just a word in reply to the Senator from Connecticut. He takes for granted that his section is the only industrial section. In my State there is as much industry of the character affected by the proposed law as in any other State. That is true of North Carolina. as well as of South Carolina. Even were it not true, what right has anyone to make a difference in the same character of work, as is evidenced in the wage scale?

Mr. President, that was not the question I rose to discuss. I have been here for a long time, but I never expect to see the time when the "bloody shirt" is not waved. When a man desires to appeal to the lower principles which characterize us all, he begins to draw the distinction between

sections.

Mr. MALONEY. Mr. President, will the Senator yield to

Mr. SMITH. Not now. I am worn thin, and I am irritable over this eternal distinction between what will go South and what will go North. I know we paid the penalty for insisting on our right to interpret the Constitution, and I am proud of it. I am proud that we had the grit to appeal to the court of arms. We lost like brave men; we were punished like villains, and have been punished.

Mr. MALONEY. Mr. President-

Mr. SMITH. Mr. President, we might just as well call a spade a spade. With great glee and satisfaction I saw in this hour of transition real Americans, without regard to party or party advantage, march shoulder to shoulder to sustain the principles they love-no North, no South, no East, no West, no Republicans, no Democrats, but real Americans standing for what they believe in.

Mr. TOBEY. Mr. President, will the Senator yield?
Mr. SMITH. I yield.
Mr. TOBEY. I agree with much that the Senator has

said, but he made one statement to which I object. He spoke of the lower principles which characterize us all. I wonder if he will accept an amendment, and make it "the lower principles which are dormant in us all." [Laughter.]

Mr. SMITH. I leave the Senator to interpret it as he sees fit. There is a great deal more than appears on the surface

in a good many remarks that are made.

Mr. President, I merely rose to say that I am not one who would oppress the poor or deny men the kind of relief that can be extended in accordance with the law and the Constitution. I am not one who comes here and sheds great gobs of brine over starving humanity, and I guarantee there is not a Senator on this floor who can give us a list of those in his State who are starving. We know what it is for; all of us know what it is for-the ballot box. Everyone here knows that, and we understand all these pleas to the effect, "I hope the boys back home will hear me and remember me on election day." [Laughter.]

We are not worthy of being Senators if we cannot rise above the impelling feeling that we have to come here and put in the RECORD the fact that the people are starving. The constituents of any man who does that ought to rise up and denounce him for belittling his State in that way. There is no one hungry in South Carolina, and no one is going to be hungry there, but someone is hungry here for votes from South Carolina. Oh, that is a different song.

Let us relieve distress where we find it, and where it is open. and we all know it. But to come here and throw out a dragnet of billions of dollars without regard to who comes inthat is different. So long as one is a voter, he can come in.

I have had something to say about this before, and I have sat here and watched my colleagues. I dare say I am moved by the same impulses that move them, but the God whom I will have to meet soon will bear me witness that I have never voted for the imposition of a tax on the American people in order to gain a vote, and, God help me, I will never do it.

We know what is going on. A rather significant thing appeared today in the vote to suspend the rules. I do not charge anyone with regard to it, indeed, I do not, but it did look rather odd that every candidate for a certain office voted to relieve the poor boys.

I believe it was Daniel Webster who said that if he were playing dice and his opponents threw the double six or the double seven, or whatever it is, once, that would be his luck; if he threw it the second time, and the same thing occurred, it would be extraordinary luck. If he threw it a third time, it would be rather suspicious. If he threw it the fourth time, the dice were loaded, and he was a son of a gun. [Laughter.] If these references to the people were made just one time, we would think a man's heart was moved by his appreciation of the merits of the bill, but twice, three times-one can draw his own conclusion.

Mr. President, on account of conditions over which I have no control, I have recently had to be absent from this body, and perhaps it was well I had very little to do with the formation of the legislation, nor did I get the comments, pro and con, and I have not had an opportunity of studying these measures carefully in the light of their possible benefit or injury to the American people, and whether or not supporting them would mean a violation of my oath, as I took it, that I would sustain the Constitution against all enemies both foreign and domestic, without any mental reservation as to how many votes it would affect. I have had very little to say, and possibly I should not have said the little I have said: but the truth is refreshing now and then.

Mr. President, every Senator knows I have spoken the truth. Now let us go on with the bill as the committee has already framed it, and if the millions who are walking down the dark roads to oblivion and starvation do not disappear by next January, let us enumerate them and do the best we can to get them to vote for us next November.

Mr. MALONEY. Mr. President, I am not going to permit the RECORD to show that I waved the bloody shirt. I had no such intention. And I do not believe that I made a distinction between the North and the South. I think I did make some reference to the difference between the agricultural and farming section of the country and the industrial section of the country. It was not in an attempt to stir anyone's passions or emotions. It was trying to point out that the people most seriously affected, and affected in the greatest numbers by this proposal, were the people in the industrial part of the country, where unemployment is greatest.

Mr. President, a few days ago the Senate voted upon a works-financing bill, so-called, but most Senators know that in its final form it was a farm bill. I was glad to vote for that proposal. I was glad to vote for the very magnified farm bill that the Senate passed this year, although I disagreed with portions of that measure.

I dislike very much to have even one Senator assume that I would raise the issue of sectionalism, and I do not want to leave here today or tomorrow with the impression prevailing that that was in my mind. I do not believe the Senator from South Carolina himself sincerely believes that it was. I think he used a figure of speech. The bloody shirt was entirely out of my mind. The last time I heard of it— the bloody shirt or the red shirt—it seems to me, was on election eve in South Carolina, when the Senator himself wore a

red shirt. [Laughter.]

Mr. President, I am very hopeful that the Senator, in whose sincerity I believe, will withdraw the objection he has made, because the proposal is not an appeal for votes. I am certain the Senator would not say in a serious moment that he believed that at any time since I came here I cast a vote with the intention of catching votes. It so happens that I have been compelled to vote in favor of his constituents more often than my own. I will do so cheerfully so long as I remain in the Senate, but I hope he will give the stricken, distressed people living in the thickly settled parts of the country a chance to obtain a security wage.

Mr. MURRAY. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. ADAMS. Mr. President, I wish to suggest one matter that I think is faulty mathematics. Personally, I am not in sympathy with the work-relief bill which the Senator from Montana seeks to amend. I prefer the modified form which the Senate adopted. I wish to make a point, however, with respect to the contention that the 18-month provision is going to put off the rolls a large number of people. Colonel Harrington wrote to the Senator from Montana and said the number would be over 600,000, and he wrote to the committee and said it would be 175,000. That difference does not matter at the moment for the purpose of the discussion. There will be some taken off the rolls. But will there not be as many put on? Is it not simply a question as to the personnel on the rolls? Under the 18-month provision those who have been on the rolls for 18 months are taken off, but, on the other hand, those who have not previously been on the rolls are put on. I think we should not make a mistake in the view we take of that matter.

So it cannot be charged that by taking off those who have been on the roll for 18 months and putting others on the rolls who have not been there before, we are not taking care of an equal number on the rolls. There has been that implication. I am interested, as is the Senator from Montana. in having the Administrator do the best he can with the amount of money available, and be allowed to do all he possibly can for the needy of the United States.

Mr. MURRAY. Mr. President, my amendment seeks to prevent hardship and to prevent gross injustice being done. It gives preference to those who are on the waiting list, but permits the Administrator to exercise some discretion, so as not to disrupt the work which is going on by W. P. A., and not work any great hardship on those who may be removed under the arbitrary rule requiring the removal of the entire number of 600,000 persons from the rolls.

Mr. ADAMS. That is exactly the principle on which the Senate committee operated, but when one place existed and two persons applied for it, preference was to be given to the one who seemed to be most deserving, and we felt that, as between someone who had been on the roll for 18 months and someone who had not been on the roll at all, perhaps the one who had been on for 18 months should be removed to make room for the one who had not been on, assuming that there was not money enough to take care of both.

Mr. MURRAY. My amendment does not do otherwise. It merely allows the Administrator some discretion, so as to maintain the efficiency of the administration.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. CLARK of Missouri. If the pending motion to suspend the rule to permit action on the amendment of the Senator from Montana should prevail, then that amendment would be subject to any amendment that might be offered on the floor, would it not?

The PRESIDENT pro tempore. It would be subject to any amendment which might be offered from the floor ex-

Mr. CLARK of Missouri. Subject only to the provision of the rule that a point of order might be made against it on the ground that it is legislation on an appropriation measure or on the ground that it is not germane?

The PRESIDENT pro tempore. That is correct.

Mr. CLARK of Missouri. May I further inquire from the Chair, in that event, the matter would be submitted to the Senate without debate, and it would be decided by majority

The PRESIDENT pro tempore. That is correct.

Mr. CLARK of Missouri. Mr. President, in view of that situation, may I request the Senator from Washington [Mr. SCHWELLENBACH] again to submit his unanimous-consent request to try to limit this matter so that the real vote may be had on this subject without the injection of any other ques-

Mr. McCARRAN. Mr. President, in order that my position may be made clear I will say that I tried to clarify it by way of an answer to a question propounded to me, as I recall, by the Senator from Montana. I wish to make a statement so my position may be thoroughly understood. My college training was not very extensive, but my athletic training was in football, and when playing in the backfield I was

trained to take advantage of every opening in the line. So I want to say that I shall persist and shall take advantage of every opportunity so long as I may have a chance to secure the prevailing wage for America. Any opportunity that is afforded me here by any amendment I shall take

advantage of to the best of my ability.

Mr. SCHWELLENBACH. Mr. President, I fully agree with the position of the Senator from Nevada. I want him so far as the prevailing amendment is concerned to take advantage of every opening in the "line," but we all know that there will not be any opening in the "line" if the motion of the Senator from Montana, as submitted, should prevail without some limitation being placed on the amendment. I, therefore, as suggested by the Senator from Missouri [Mr. Clark], renew my unanimous-consent request.

The PRESIDENT pro tempore. The Senator will please

restate his unanimous-consent request.

Mr. SCHWELLENBACH. Mr. President, I ask unanimous consent that if the motion of the Senator from Montana to suspend the rule is adopted, then no amendment may be offered to the amendment which has been read by the clerk, which is an amendment involving the question of the discharge of W. P. A. employees.

Mr. McCARRAN. Mr. President, I suggest that under that request there be involved the ruling of the Chair, namely, on the question of the germaneness of that which may be offered.

The PRESIDENT pro tempore. The Chair cannot pass on the question of germaneness.

Mr. SMITH. I object.

The PRESIDENT pro tempore. The Senator from South Carolina objects to the unanimous-consent request of the

Senator from Washington. The question is on the motion of the Senator from Montana to suspend paragraph 4 of rule XVI so he may offer the amendment which was read at the desk. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I transfer that pair to the junior Senator from New Jersey [Mr. Barbour], who would vote "yea" if present. I do not know how the junior Senator from Kentucky would vote. I vote "yea."

Mr. HARRISON (when his name was called). Making the same announcement as before with reference to my general pair with the Senator from Oregon [Mr. McNary], I vote

"nay."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I understand the senior Senator from Virginia, if present, would vote "nay." On this question the senior Senator from North Dakota [Mr. FRAZIER], who would vote "yea," and I have a pair with the senior Senator from Virginia. If at liberty to vote, I should vote "yea."

Mr. TOBEY (when his name was called). On this question I have a pair with the junior Senator from Pennsylvania [Mr. Guffey] and the senior Senator from West Virginia [Mr. NEELY]. I am advised that if they were present they would vote "yea." If I were at liberty to vote I should vote "nay."

The roll call was concluded.

Mr. LUCAS. I am authorized to announce that my colleague [Mr. SLATTERY] and the Senator from Alabama [Mr. HILL are paired with the Senator from Oregon [Mr. Hol-MAN]. I am advised that if the Senator from Alabama and the Senator from Illinois were present they would vote "yea," and that the Senator from Oregon would vote "nay."

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Arkansas [Mrs. Caraway], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Alabama [Mr. Hill], the Senator from West Virginia [Mr. Holt], the Senator from Illinois [Mr. SLATTERY], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maryland [Mr. Typings] are absent on important public business.

The Senator from West Virginia [Mr. NEELY] is detained in one of the Government departments.

The Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Delaware [Mr. Hughes], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. OVERTON], and the Senator from North Carolina [Mr. REYNOLDS], are unavoidably detained.

Mr. AUSTIN. The senior Senator from Oregon [Mr. Mc-NARYl is necessarily absent. His general pair with the Senator from Mississippi [Mr. Harrison] was announced by that Senator.

The Senator from Wisconsin [Mr. WILEY] has a general pair with the Senator from Rhode Island [Mr. GREEN]. I am not advised how either Senator would vote on this

The result was announced—yeas 39, nays 31, as follows: VEAS 90

	IL	no-09	
Adams Andrews Ashurst Barkley Brown Capper Chavez Clark, Idaho Danaher Davis	Downey Ellender Gibson Johnson, Calif. Johnson, Colo. La Follette Lee Lodge Lucas Lundeen	McCarran Maloney Mead Minton Murray Nye O'Mahoney Pepper Pittman Schwartz	Schwellenbach Thomas, Okla. Thomas, Utah Truman Vandenberg Van Nuys Wagner Walsh Wheeler
	NA	YS-31	
Austin Bailey Bankhead Borah Bridges Bulow Burke Byrd	Byrnes Clark, Mo. Connally George Gerry Gurney Hale Harrison	Hatch Hayden Herring King McKellar Miller Radcliffe Reed	Russell Sheppard Smith Stewart Taft Townsend White
	NOT VO	OTING—26	
Barbour Bilbo Bone Caraway Donahey Frazier Gillette	Glass Green Guffey Hill Holman Holt Hughes	Logan McNary Neely Norris Overton Reynolds Shipstead	Slattery Smathers Tobey Tydings Wiley

The PRESIDENT pro tempore. Two-thirds of the Senators present not having voted in the affirmative, the motion of the Senator from Montana [Mr. Murray] to suspend paragraph 4 of rule XVI is rejected.

Mr. HAYDEN. Mr. President, I offer an amendment which is supported by a Budget estimate, but which was received too late to be considered by the committee.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, at the proper place, to insert the following:

Defraying deficits in treasuries of municipal governments, Virgin Islands: For an additional amount for defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1940, municipality of St. Thomas and St. John \$30,000 and municipality of St. Croix \$40,000; in all, \$70,000, to be paid to the said treasuries in monthly installments.

Mr. BRIDGES. Mr. President, may I inquire if it is the policy of the Government to pay the deficits of the communities referred to in the amendment?

Mr. HAYDEN. The Government has done so in the past. The municipalities cannot function unless they have this money. The Senator understands the situation in the Virgin Islands, which President Hoover described as a "poorhouse." That is what we have to contend with there.

Mr. BRIDGES. Am I to understand that the situation in the Virgin Islands has reached such a point that municipalities cannot pay their own bills and we have to go into the United States Treasury to make up the deficits?

Mr. HAYDEN. We are doing it to the extent of \$70,000.

Mr. BRIDGES. For how many communities?

Mr. HAYDEN. For the two communities, St. Thomas and St. Croix.

Mr. BRIDGES. I ask the Senator whether or not this action would establish a precedent which may mean that we would have to dip into the Treasury for deficits in communities in other possessions of the United States?

Mr. HAYDEN. The Virgin Islands is a "horrible example." I do not know that it has ever been done anywhere else.

Mr. BRIDGES. Mr. President, undoubtedly this administration, if it sets out to put this thing through, has the votes to do so. I am probably talking against a blank wall. It seems to me to be a very bad precedent. Personally I am opposed to it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, pursuant to a notice given under the rule, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

To remove the depressing economic effects of excessive farm-mortgage debts, and prevent the further increase of farm tenancy due to mortgage foreclosures, the Secretary of Agriculture shall be authorized, out of any funds of the Federal Farm Mortgage Corporation as he finds available, to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service. Such loans shall be subject to titles I and IV of the Bankhead-Jones Farm Tenant Act, but may be made without regard to the provisions of section 4 of said act. The Secretary of Agriculture shall administer the provisions of this section and all repayments on account of such loans shall be credited to the account of the Federal Farm Mortgage Corporation.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that in case the motion to suspend the rule should prevail, no other amendments than the one which has just been read shall be in order.

Mr. ADAMS. Mr. President, may I make an inquiry of the Senator?

Mr. LA FOLLETTE. I yield.

Mr. ADAMS. The Senator has filed a motion to suspend

Mr. LA FOLLETTE. I do not intend to force the Senator from Colorado, for no good purpose, to make the point of order.

I gave the notice; and I recognize that the amendment proposes legislation on an appropriation bill. I shall not go through the form of asking the Senator to make the point of order, because I realize that, as chairman of the subcommittee and responsible to the Appropriations Committee for the conduct of the bill on the floor, he is bound to make the point of order.

Mr. ADAMS. I appreciate the Senator's attitude.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that in case the motion to suspend the rule shall prevail by the proper majority of two-thirds, no other amendment than the one which I have tendered be considered in order.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

Mr. SMITH. I object. Mr. KING. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. LA FOLLETTE. Mr. President, my purpose in requesting unanimous consent was in order to allay the apprehensions of those who might be concerned that the amendments to section 22 of the Agricultural Adjustment Act of 1938, which are pending in the form of a bill, would be offered to my amendment. Personally I do not think they are germane; and if such amendments should be offered I would join in voting that they were not germane to my amendment.

Mr. President, I am sure it is not necessary for me to debate this amendment at great length. It was amply debated when the lending bill was under consideration in the Senate, and it prevailed at that time by a vote of 74 to 8 on a yea-and-nay vote.

No Member of this body who has any farmers in his State will fail to take cognizance of the critical situation confronting the farmers who are being foreclosed because of the fact that their mortgages were made at a time when farm values and farm prices were high. In practically every State in the Union, as demonstrated by statistical data placed in the RECORD by the senior Senator from Montana [Mr. Wheeler] and myself while this amendment was under discussion, the foreclosures upon farms in the United States are continually rising. This amendment would make available to the Secretary of Agriculture in his discretion the unutilized authorization for the issuance of securities by the Farm Mortgage Corporation. That corporation has an unutilized provision for the issuance of securities, with the approval of the Secretary of the Treasury, amounting to more than \$600,000,000. This amendment leaves it in the discretion of the Secretary of Agriculture to utilize so much of that authorization as he finds available for this purpose.

The loans which would be made to farmers who are threatened with foreclosure would be on exactly the same terms as are provided in the Jones-Bankhead Farm Tenant Act. In short, by this amendment, if it were adopted, we would provide for the refinancing of existing farm mortgages, in order that the farmers who live upon those farms today could continue to live upon them, in the same way that we are now providing for those who are being rehabilitated and established upon farms in order that they may become farm owners under the Jones-Bankhead Act.

Mr. President, I desire again to summarize for the Senate what those provisions are.

First. Section 1 of title I of the Jones-Bankhead Act would prohibit refinancing loans to any person who is not a citizen of the United States, and would prohibit any loans to be made for the acquisition of any farm unless such farm is of a size sufficient to constitute "an efficient farm-management unit and to enable a diligent farm family to carry on successful farming in the locality."

Second. Section 2 of title I of the Jones-Bankhead Act would prohibit any farmer from being refinanced unless a county committee consisting of three farmers residing in the locality find that by reason of his character, ability, and experience he is likely successfully to carry out his undertakings, and that the farm with respect to which the loan is made is such that there is a reasonable likelihood that repayment will be made. The committee would also be required to certify the reasonable value of the farm. No refinancing loan could be made with respect to any farm in which any member of the committee, or any person related to such member within the third degree of consanguinity or affinity has any property interest.

Third. Section 3 (a) of title I would require that the refinancing loans be repaid within a period of not more than 40 years; contain covenants to protect the security and assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented; provide that, upon the borrower's disposition of the farm without the approval of the Government, the unpaid balance may be declared immediately due and payable.

In the fourth place, section 42 of title IV provides for the appointment of a county committee composed of three farmers residing in the county.

Section 48 of title IV authorizes the Secretary "to provide for the payment of any obligation or indebtedness to him under this act under a system of variable payments under which a surplus above the required payment will be collected in periods of above-normal production or prices and employed to reduce payments below the required payment in periods of subnormal production or prices."

In short, the effect of the reference in the amendment to titles I and IV of the Bankhead-Jones Farm Tenant Act is to give to farmers who are now farm owners an opportunity to retain their farms upon the same basis that we are already extending assistance under the Jones-Bankhead Act to farm tenants in order to establish them as farm owners in this country.

Mr. President, I think all those who are familiar with the rural and agricultural areas will agree with me when I say that the most menacing thing, so far as the maintenance of democracy in the agricultural areas is concerned, is the alarming increase of farm tenancy. Families that have lived upon farms in some instances for two or three generations are being foreclosed upon: they are being stripped of everything they have; and then, under this inconsistent policy of government, they become eligible to secure a loan under the Jones-Bankhead Farm Tenant Act in order that they may again become farm owners; or they may be picked up by the Farm Security Administration and rehabilitated upon a farm. In many instances the lending agencies of the Government which have these mortgages are foreclosing them and taking a reduction in the principal of the mortgage at the foreclosure sale which, if extended to the present owner, would enable him to fulfill his obligation, make his interest and principal payments, and keep himself and his family upon the farm.

Recently a survey of this situation has been made in my own State by a number of the State agencies. I want to read from it:

However, there are data available showing that the number of farms being foreclosed in the State of Wisconsin is growing at an alarming rate. These foreclosures are in large measure the result of indebtedness to the Federal land bank and the land bank commissioner. Statements are made to us daily that the practices of these quasi governmental agencies are more rigid and practices of these quasi governmental agencies are more rigid and unsympathetic than those of the majority of private creditors. We know many instances wherein the Federal land bank has sold foreclosed farm property for less than the face value of its mortgage without being willing to offer the advantages of this type of mark-down to the indebted farmer, who may have shown satisfactory evidence of ability to conduct a farm by virtue of learn years of overstion. long years of operation.

Citations of such incidents are in several of the attached exhibits. Such practices seem to us in conflict with the stated rehabilitation purposes of other Federal farm agencies, such as the Farm Security Administration, and to evidence a hard-boiled unconcern with the general deflation in values which has set in since the farmer undertook his loan, which lends little more than legal right to the foreclosure, rather than social justice or economic

Mr. President, I do not wish to detain the Senate long; but let me give a few examples.

Here is a farmer in Barron County, one of the best dairy counties in the State of Wisconsin. The farm consists of 120 acres, nearly all of which is under cultivation. The buildings are fair. The fences are good. The property is located on a lake shore. This man bought the farm 34 years ago. At that time the land was all wild. He paid \$3,500 for the land. Then he cleared the land, put up the buildings, and so forth. In 1922 he obtained a Federal land-bank loan in the amount of \$7,500. For 12 years he paid interest, taxes, and insurance. In 1934 he lost the property by foreclosure and was forced to apply for relief. Later on he was given old-age assistance. After 1934 the Federal land bank sold the farm for \$3,500.

I wish I had the ability to picture the reactions of a farmer and his family who have cleared wild land from the wilderness, who have built up their home from a shack into a respectable farm residence, who by their labor have secured sufficient funds to build farm buildings upon it, and then, after living upon that land for 34 years, have it foreclosed, are deprived of it, and then have the humiliating experience of having to accept public assistance. I say that that sort of thing does not have to happen.

That was a rural community. Do that to just one deserving farm family in a county, and you tend to undermine the confidence and respect of the entire community in and for the policies and activities of government.

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield.

Mr. LUNDEEN. I was wondering what the approximate interest rate was that the farmer paid on his mortgage.

Mr. LA FOLLETTE. Mr. President, I have only this information which came to me this morning. I have not anything further. These are brief summaries of the farm experience of a few of these examples that have been investigated

Mr. LUNDEEN. If the Senator will permit me, I should like to say that I think it will be found that the interest rate was somewhere around 5 percent or more; but during that period we were permitting loans to foreign nations at one-tenth of 1 percent, and that fact is in the RECORD. We had better revise our policies in America, and I think of our own American people and our own American farmers.

Mr. LA FOLLETTE. Here is another farmer in the same county. He had lived on this property for over 40 years. He had purchased the land when it was all wild. Through his efforts the land was cleared, and buildings put up. He obtained a Federal land-bank loan in the amount of \$4,000. Because of drought conditions and low farm prices he lost the farm, and the Federal land bank resold the farm to another party for \$1,300.

Here is another 40-acre farm in the same county. Twenty years ago this farmer paid \$4,500 for the farm. He cleared and plowed 20 acres of the land and put up all the buildings. The buildings cost him over \$2,000. His total investment was about \$7,000. In 1934 it became necessary to obtain a loan in the amount of \$2,000, of which \$1,000 was obtained from the Federal land bank and \$1,000 from the Federal land bank commissioner. He lost the farm through foreclosure in 1938. In 1939 the bank sold the farm to someone else for \$1,500. This farmer is 56 years old. He has today no property whatever.

Here is another farm. The family are old settlers in the community. They owned an 80-acre farm, 40 acres of which was under cultivation. The land is good. The buildings are fair. Years ago the farmer paid \$5,500 for this place. In 1933 he obtained a Federal land-bank loan in the amount of \$3,000. Because of the depression and drought the place was lost by foreclosure. Later on, the Federal land bank sold the farm to someone else for \$1,800.

I could continue almost indefinitely citing such tragic and appealing cases; but I say to the Senate in all seriousness that this amendment will provide relief. It will provide a new opportunity for farmers—good farmers, hard-working farmers-to obtain a refinancing of their farms under the terms of the Jones-Bankhead Act, and thus enable them to retain their farms, to work out their principal and their interest upon the readjusted basis, and to remain what they are today, self-respecting, hard-working citizens of the United States.

Mr. President, I appeal for votes to suspend the rule, and to enable us to provide this relief, for which the Senate has twice voted under amendments offered by the Senator from Vermont [Mr. Austin], and voted for on the lending bill by a vote of 74 to 8.

Mr. WHEELER. Mr. President, I know that the Senate is not in any mood to listen to any long argument with reference to this proposed legislation at this time. I appreciate the fact that a vote upon the measure at this late hour may not indicate the interest of Members of the Senate in the proposed legislation, and I do not wish to take a great deal of time with reference to the matter. Probably nothing I can say will be as eloquently or as ably said as has been the argument made by the Senator from Wisconsin [Mr. LA FOLLETTE].

I wish to call attention to the farm situation, and when I speak of it as a farm situation I do not mean a farm situation as it relates to the State of Montana, or to the State of Wisconsin, or the State of California, but I call attention to it as a farm situation as it relates to the State of New York, the State of Connecticut, and to every other State in the Union.

We have been passing measures, and eloquent speeches have been made in behalf of labor, and I have voted for the prevailing wage scale. I voted originally for it, and I fought for an increase in the wages of railway workers and others. But I call attention to the fact that a great many of the farmers of this country are not making as much upon their farms at the present time and getting as much money as the Government is paying out to some of the relief workers in the United States.

Some of the farmers upon farms in the most fertile valleys in the country, some of the farmers in Illinois, some of the farmers in Iowa, some in Wisconsin, some in the Connecticut Valley, notwithstanding the fact that they have investments of from \$5,000 to \$10,000 in their farms, are not making as much in the way of net income as the man who is on relief is receiving.

City and county and national taxes have been increased, and the cost of everything the farmer buys has risen. He has a mortgage upon his property, perhaps, and the rates of interest have not come down. The railroads of the country can borrow money at the banks at 2 percent, but the farmers are, in some instances, paying as high as 6 or 7 percent, and in others as high as 8 percent, for the money they must borrow.

Unless we do something to keep the farmers upon their farms, and make it possible for them to stay on them, we will have a chaotic condition in this country in the not very distant future.

I know of the prejudice which exists in the minds of some Members of the Senate with reference to attaching this kind of an amendment to an appropriation bill, but I think the Senate and the Congress should set aside their prejudices in considering this particular bill, and suspend the rule, and permit the amendment to be placed upon this appropriation bill. I believe the House of Representatives will accept the amendment if it goes to conference.

Mr. President, I do not believe the Members of the House could go back home and face their constituents and acknowledge that they had refused to vote to relieve the great farming interests, which are the very foundation and the very backbone of this Government, if they had failed to vote for legislation which would help keep the farmer and his wife and his children upon their farm. It is inconceivable to me that that should happen, and I appeal to the Members of the Senate, who voted a few days ago by 74 to 8 on the amendment offered by the Senator from Wisconsin and myself to the spending-lending bill, that they vote to suspend the rule and place this amendment upon the pending bill.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. I suggest the absence of a quorum.
The PRESIDENT pro tempore. The clerk will call

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams Davis Sheppard Andrews Ashurst Downey Ellender Lundeen McCarran Shipstead Smith Austin Bankhead George McKellar Stewart Gerry Gibson Mead Taft Miller Minton Thomas, Okla. Thomas, Utah Barkley Borah Bridges Gurney Murray Tobey Townsend Harrison Brown Bulow Neely Nye O'Mahoney Truman Burke Hayden Van Nuys Herring Byrd Byrnes Pepper Wagner Johnson, Calif. Johnson, Colo. Pittman Walsh Capper Chavez Clark, Mo. Radeliffe King La Follette Reed Russell White Lee Lodge Connally Schwartz Schwellenbach

The PRESIDENT pro tempore. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. LA FOLLETTE. Mr. President, speaking for myself, I wish to make the statement that if the rule is suspended I shall vote against any amendment which may be tendered to the amendment under discussion, because I believe that the other amendments have had their opportunity, and I do not think that one amendment should be denied its right to be considered on its merits because of apprehension by Senators that other amendments which have had their opportunity will be offered to my amendment.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield. Mr. WHEELER. I wish to say that I concur fully in what the Senator from Wisconsin has stated. I would not only vote against any amendment such as he suggests, but certainly I would speak against attaching other amendments to his amendment. I think it would not be fair to the farmers of this country for anyone who is interested in these other amendments whatever they may be, to try to tack them to this amendment.

Mr. MEAD. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. MEAD. I believe that the amendment presented by the able Senator from Wisconsin is one which contains considerable merit, and it should receive the approval of this body. I agree with the statement which has just been made by the Senator from Montana, and I for one shall oppose vigorously any further amendment to the amendment now at the desk. I believe it should stand or fall on its own merits. Therefore, while supporting the amendment, I will object to any amendment to the amendment being offered.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. MURRAY. I wish to say that I consider this a very meritorious amendment, and at this time I desire to state that I will not offer the amendment I presented a short time ago, and I will vote against any amendment which may be proposed which might embarrass the adoption of the Senator's amendment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. PEPPER. I wish to subscribe to the sentiments expressed by other Senators. I do not think we should lose a little of the good we may get because we cannot get all we would like to have.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McCARRAN. I shall support the amendment, I shall vote for it, but I return to the expression I made not long ago in the Senate, that whenever I have an opportunity I shall endeavor to break through the line so that we may have the prevailing wage amendment presented, and if this amendment affords me such an opportunity, I will take advantage of it.

Mr. LA FOLLETTE. Mr. President, I did not know the Senator was going to "run interference" for the Committee on Appropriations, or I would not have yielded to him.

Mr. AUSTIN. Mr. President, I reaffirm my belief in the principle involved in the amendment. It is the same principle that was expressed in two amendments which the Senate saw fit to attach to different bills which were offered some time ago. My views have been thoroughly expressed for the Record, and I will not weary Senators by repeating them.

I do, however, wish to make this comment, that while this is in the nature of an appropriation, it does not call for new money, but it does authorize the use of Federal credit for a purpose I think is of a very fundamental character, that is, to give to agriculture, and particularly that part of agriculture which is the most needy at the present time, a stabilizing factor, that is, time. Agricultural products are not turned over with the same velocity which characterizes the turn-over of industrial products, and that is one reason why agriculture gets behind industry and commerce.

It has long been my opinion that if we put the economy of agriculture on a timing basis that harmonized with the timing of nature, that synchronized with the annual development and turn-over of agricultural products, we would afford to agriculture more substantial and permanent benefits than we could possibly do by regimenting agriculture or by granting it bounties.

This measure, if carried out according to the spirit of the Bankhead-Jones Farm Tenant Act, as stated in the amendment, carries with it the principle of security for farmers in respect of two things. One is the reduction of the cost of carrying the debt, and the other is the extension of time in which to amortize and retire the debt.

Time is of the very essence of this amendment, and time is what the farmers need in order to retire and pay off their debts. There is no question about their honesty. There is no question that it is the supreme desire of the farmer, and the farmer's wife and the farmer's children, to pay off the mortgage on the farm. This affords the shield and protection of the credit of the Government for this purpose, and I hope the rule will be suspended so that amendment may be voted upon, and I hope the amendment will be adopted by as large a majority as that by which it was agreed to when last presented.

Mr. REED. Mr. President, no one knows better than I that the Senate does not care to listen to a long discussion, and I promise to limit myself to 2 minutes. I merely wish to call attention to the fact that we are doing a very inconsistent thing. We are furnishing means by which a tenant may buy a farm, but we are putting farmers who own their farms and live on their farms, off their farms. The only purpose of the amendment is to remedy that situation.

The Senate has twice adopted this principle. It calls for no new appropriation. As the distinguished Senator from Vermont has said, it authorizes the Secretary of Agriculture to use credit, and that is all. If there ever was a meritorious case which is not inconsistent with a thing that has been done here today, this is that case, and I earnestly hope the Senate will vote to suspend the rule. I join with the Senator from Wisconsin, the senior Senator from Montana, and the junior Senator from Montana, and say that I will oppose any attempt to add anything to the amendment if the Senate votes to suspend the rule.

Mr. SMITH. Mr. President, I believe I am about as simon-pure a farmer as there is in this body. I doubt whether the condition which is being described is brought about by natural causes. If time would allow me I should like to outline what has brought about the present deplorable condition of the farmer. We are not going to cure it by appropriating public funds when we are perpetuating laws which produce that effect. It is just a vicious circle.

I am not here opposing the Government coming in to aid, but I think it ought to start at the right place. I deplore the fact that this amendment comes up at the time it does and in the form it does. I wish it had been offered at the time when all the forces that brought about this condition were at work. But, as I said before, if the rule is to be suspended for the benefit of those who will be provided for under the proposed amendment, then the rule should be suspended so that those who would be affected by the amendment proposed by the Senator from Nevada would also be benefited. That is not all. The minute the Senate opens the door we shall have a flood of amendments the purpose of which is to relieve a condition that may be horribly disastrous within 5 months. We will be back here in 5 months, and then we should legislate in sanity, and not be taking a lot of piecemeal bites at the thing. I as a farmer and a representative of that class of wonderfully worthy people am going to vote against the suspension of the rule, not because I would not like to see this relief handed out, but because I do not believe the time and place and circumstance warrant it. We may take the action contemplated under the amendment, but also we may take action on other things not now contemplated. Despite the fact that such eloquent pleas have been made for it, and although I am perhaps more personally interested in the effect temporarily than is any other Senator on the floor, I urge that the rule not be suspended.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Wisconsin [Mr. La Follette] to suspend paragraph 4 of rule XVI so that he may offer his amendment. On that question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia, who is absent.

If present he would vote "nay." The senior Senator from North Dakota [Mr. Frazier] and myself are paired with the senior Senator from Virginia. If the senior Senator from North Dakota were present he would vote "yea," and if I were at liberty to vote I should vote "yea."

Mr. STEWART (when his name was called). I am paired with the Senator from Oregon [Mr. Holman] and the Senator from Washington [Mr. Bone], both of whom if present would vote "yea." I transfer that pair to the Senator from New Jersey [Mr. Smathers] and will vote. I vote "nay."

Mr. TOBEY (when his name was called). On this question I have a pair with the junior Senator from Pennsylvania [Mr. Guffey] and the junior Senator from Illinois [Mr. Slattery]. I understand each of these Senators if present would vote "yea." I transfer my pair to the senior Senator from Maryland [Mr. Tydings] and will vote. I vote "nay." I am advised that if present, the Senator from Maryland would vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I do not know how he would vote if he were present. I transfer my pair to the junior Senator from New Jersey [Mr. Barbour]. I do not know how he would vote if he were present. I allow my vote to stand.

Mr. CONNALLY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. CONNALLY. The Senator from Pennsylvania just stated that he had a pair with some other Senator and that he did not know how he would vote if he were present. Then he transferred his pair to another Senator and announced that he did not know how that other Senator would vote if present. How can that be done? How can a transfer of pairs be made unless there is some understanding as to how the Senators would vote if present? I make a point of order that that vote cannot stand.

The PRESIDENT pro tempore. The Senator from Pennsylvania wishes to relieve himself of the pair on a question the decision of which requires an affirmative vote of two-thirds of the Senators voting. If he were voting in the negative it would only require the transfer to one Senator. If he were voting in the affirmative, it would require the transfer to two Senators who would not vote as he would if they were present and voting.

The Senator has transferred his pair, so the Chair understands, to some other Senator. It is a matter with the Senator as to whether or not he believes that the other Senator is on the other side of the question.

Mr. MINTON. I announce that the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Michigan [Mr. Brown], the Senator from Arkansas [Mrs. Caraway], the Senator from Idaho [Mr. Clark], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. Guffey], the Senator from Alabama [Mr. Hill], the Senator from Delaware [Mr. Hughes], the Senator from West Virginia [Mr. Holt], the Senator from Connecticut [Mr. Maloney], the Senator from Illinois [Mr. Slattery], the Senator from New Jersey [Mr. Smathers], and the Senator from Maryland [Mr. Tydings] are absent on important public business.

The Senator from Ohio [Mr. Donahey], the Senator from Kentucky [Mr. Logan], the Senator from Virginia [Mr. Glass], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. Reynolds] are unavoidably detained.

Mr. HARRISON. Making the same announcement with reference to my general pair with the Senator from Oregon [Mr. McNary], I vote. I vote "nay."

Mr. AUSTIN. The Senator from Oregon [Mr. McNary] is necessarily absent. His pair with the Senator from Mississippi [Mr. Harrison] has been stated.

The Senator from Wisconsin [Mr. WILEY] has a general pair with the Senator from Rhode Island [Mr. Green].

The result was announced—yeas 38, nays 30, as follows:

	YE.	AS-38	
Andrews Ashurst Austin Barkley Borah Bulow Capper Chavez Danaher Davis	Downey Gibson Herring Johnson, Calif. Johnson, Colo. La Follette Lee Lucas Lundeen McCarran	Mead Minton Murray Neely Nye O'Mahoney Pepper Pittman Reed Schwartz	Schwellenbach Sheppard Thomas, Okla. Thomas, Utah Truman Van Nuys Wagner Wheeler
	NA'	YS-30	
Adams Bailey Bankhead Bridges Burke Byrd Byrnes Clark, Mo.	Connally Ellender George Gerry Gurney Hale Harrison Hatch	Hayden King Lodge McKellar Miller Radcliffe Russell Smith	Stewart Taft Tobey Townsend Walsh White
	NOT V	OTING-28	
Barbour Bilbo Bone Brown Caraway Clark, Idaho Donahey	Frazier Gillette Glass Green Guffey Hill Holman	Holt Hughes Logan McNary Maloney Norris Overton	Reynolds Shipstead Slattery Smathers Tydings Vandenberg Wiley

The PRESIDENT pro tempore. Less than two-thirds of the Senators present having voted in the affirmative, the motion of the Senator from Wisconsin [Mr. LA FOLLETTE] to suspend paragraph 4 of Rule XVI is rejected.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the yea-and-nay vote and the announcements in connection therewith appearing on page 10295 of the Con-GRESSIONAL RECORD of July 28, 1939, be printed in the RECORD at this point.

The PRESIDENT pro tempore. Is there objection? Mr. BURKE. I object.

Mr. LA FOLLETTE. Mr. President, I have the floor and will read it into the RECORD. An amendment identical to that just offered by me on which the Senate has just voted not to suspend the rule, in order that I might offer it, was offered on July 28, 1939. It occurred to me that the constituents of Senators who do not have the privilege of having a complete file of the Congressional Record might be somewhat confused, having read that the amendment was adopted by a vote of 74 to 7 in connection with the lending bill, to find that subsequently there had been a different vote. I read:

The Presiding Officer. The question is on agreeing to the amendment offered jointly by the Senator from Wisconsin [Mr. La Follette] and the Senator from Montana [Mr. Wheeler]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. Harrison (when his name was called). On this question I am paired with the senior Senator from Oregon [Mr. McNary]; but I understand that if present he would vote as I intend to vote. I vote "yea."

The roll call was concluded.

Mr. Davis (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I understand, however, that if he were present he would vote as I have already voted; so I will let my vote stand.

Mr. Green. I have a general pair with the Senator from Wisconsin [Mr. Wiley]. I transfer that pair to the senior Senator from Arkansas [Mrs. Caraway], and will vote. I vote "yea."

Mr. Minton. I announce that the Senator from North Carolina [Mr. Reynolds] is detained from the Senate because of illness in his family.

The Senator from Arkansas [Mrs. Caraway] is absent on im-

port public business

port public business.

The Senator from North Carolina [Mr. Balley], the Senator from Ohio [Mr. Donahey], the Senators from Virginia [Mr. Glass and Mr. Byrd], the Senator from Utah [Mr. King,] the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], the Senator from Nevada [Mr. PITTMAN], the Senator from Oklahoma [Mr. Thomas], and the Senator from Massachusetts [Mr. Walsh] are unavoidably detained.

The result was announced—yeas 74, nays, 7, as follows:

Adams, Andrews, Ashurst, Austin, Bankhead, Barbour, Barkley, Bilbo, Bone, Borah, Brown, Bulow, Burke, Byrnes, Capper, Chavez, Clark, Idaho, Clark, Mo., Connally, Danaher, Davis, Downey, Ellender, Frazier, George, Gibson, Gillette, Green, Guffey, Gurney, Harrison, Hatch, Hayden, Herring, Hill, Holman, Holt, Johnson,

Colo., La Follette, Lee, Lodge, Lucas, Lundeen, McCarran, McKellar, Maloney, Mead, Miller, Minton, Murray, Neely, Norris, Nye, O'Mahoney, Pepper, Radcliffe, Reed, Russell, Schwartz, Schwellenbach, Sheppard, Shipstead, Slattery, Smathers, Smith, Stewart, Thomas, Utah, Townsend, Truman, Tydings, Vandenberg, Van Nuys, Wagner,

Bridges, Gerry, Hale, Hughes, Taft, Tobey, White.

NOT VOTING-15

Bailey, Byrd, Caraway, Donahey, Glass, Johnson, Calif., King, Logan, McNary, Overton, Pittman, Reynolds, Thomas, Okla., Walsh, Wiley.
So the amendment offered jointly by Mr. La Follette and Mr.

WHEELER was agreed to.

Mr. PEPPER. Mr. President, I wish to offer a word of explanation. The Senate will recall that earlier in the day I asked the chairman of the subcommittee [Mr. ADAMS] whether or not the request submitted by the Wage and Hour Administration for \$2,000,000, which had been approved by the Budget, had been approved by the committee. The chairman of the subcommittee, the Senator from Colorado and the able Senator from Tennessee [Mr. McKellar] were both of the opinion, in the announcement they made to me at that time, that the Senate had granted the entire request of the Wage and Hour Administration as approved by the Budget.

Since that time we have checked back with the clerical force of the committee and we find that there must have been some confusion or error because, as the amendment actually was adopted in the committee and is actually contained in the bill, only \$500,000 instead of \$1,000,000 was allowed by the Senate Committee on Appropriations.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McKELLAR. All I can say is that I understood that both the subcommittee and the full committee had voted \$1,000,000 additional. I do not know what the record shows.

Mr. PEPPER. I will say that that was also the stated understanding of the chairman of the subcommittee, the Senator from Colorado [Mr. ADAMS] earlier in the day.

Mr. President, having checked carefully with the clerk of the Senate Appropriations Committee, in the presence of the able Senator from Utah [Mr. Thomas], the chairman of the Committee on Education and Labor, we find that there will have to be a correction of the record if I correctly understand the intention of the committee.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Colorado. Mr. ADAMS. The Senator is quite correct as to the response I made to him earlier in the day. I have talked with the Senator from Arizona [Mr. HAYDEN] and with the clerk of the committee. They tell me that my response was in error, and that a motion was made in the committee to put in the \$1,000,000, which motion was lost, and that a motion was then offered by the Senator from Georgia IMr. Russell to put in \$500,000, which motion was carried. I am sorry that my recollection was in error, as it obviously was in view of the statements of those who have kept close track of the matter.

Mr. McKELLAR. Mr. President, I was under the wrong impression about it. I thought the amendment went through as requested.

Mr. PEPPER. I am sure the Senator thought so.

Mr. McKELLAR. I shall be very glad to support the request for \$1,000,000.

Mr. PEPPER. I appreciate the Senator's attitude. Mr. McCARRAN. Mr. President, will the Senator yield in order that I may take up a matter foreign to that which he is discussing, provided he does not lose the floor?

Mr. PEPPER. Will the Senator be kind enough to allow me to conclude this matter? I shall then be glad to yield to the Senator.

Mr. McCARRAN. Very well.

Mr. PEPPER. Mr. President, the situation is this: A short time ago the Wage and Hour Administration submitted to the Bureau of the Budget a request for a defi-ciency appropriation of \$4,600,000. The Bureau of the Budget, after carefully considering the request, reduced the amount requested to \$2,000,000. The Bureau of the Budget therefore submitted to the Congress the figure \$2,000,000 for additional funds for the enforcement of the Wage and Hour Act. That was done, Mr. President, in view of the fact that there are 20,000 complaints in the files of the Wage and Hour Administration, and they have a total force of inspectors of only 210. They have only eight field lawyers for the purpose of servicing those complaints in litigation.

When the matter went to the House the Appropriations Committee recommended nothing; but the House, upon the amendment of Mr. Woodrum, included \$1,000,000. So the matter came to the Senate with \$1,000,000 of the \$2,000,000 recommended by the Bureau of the Budget. The Senator from Utah [Mr. Thomas], the chairman of the Committee on Education and Labor of the Senate, personally appeared before the Senate Appropriations Committee. I happened to be present. Officials from the Wage and Hour Administration and some Members of the House were present, and pointed out the need for funds to make possible at least a reasonable enforcement of the wage and hour law.

As Senators have indicated today, many Senators agreed that a reasonable amount of money should be available to the Wage and Hour Administration for the enforcement of the law. However, as the Senate has heard today, only \$500,000 was put in by the Senate committee instead of \$1,000,000, which would have been necessary to have brought the total appropriation up to the amount recommended by the Bureau of the Budget.

Mr. President, I was one of the Senators from the South who supported the wage and hour law. Other Senators opposed that law. However, I think we are all agreed that if the law is to be on the statute books it is entitled to a reasonable and fair enforcement. Those who have tried to observe the law are being victimized by the "chiseler" who is not willing to try to observe it. Therefore a great injustice is being done by the Congress to the law-abiding citizen who has tried to observe the law of his country in the payment of a reasonable wage and in the observance of the reasonable hour standards laid down by the law. With 20,000 complaints in the files of the Wage and Hour Administration and a total force up until the 1940 appropriation was made available of only 104 inspectors for the whole country, and no trial lawyers, and with a total force at present of only 210 inspectors and 8 trial lawyers, every Senator knows that it is humanly impossible to give any decent enforcement to the terms of the law. Consequently I am sure Senators and Representatives are flooded with complaints. The Wage and Hour Administration is simply bogged down with inability to enforce the law. As a result respect for the law all over the country has broken down. The effect in the long run will be so to discredit the law that nobody will be its champion; and the courts will be filled with litigation when eventually the Government may stir itself from its inertia to begin the enforcement of the law.

I think the least we can do is to allow the amount recommended by the Bureau of the Budget, which was only 40 percent of the amount requested by the Administrator and his staff. In order to bring the matter before the Senate I believe the proper procedure would be to move to reconsider the vote by which the Senate Appropriations Committee amendments were adopted.

I give notice that if the motion to reconsider the vote prevails I shall move to make the appropriate changes in the figures to make possible an additional allowance of \$500,000. In that way the sum recommended by the Bureau of the Budget and so much needed by the Administration would be made available.

Mr. ADAMS. Mr. President, will the Senator yield? Mr. PEPPER. I yield. Mr. ADAMS. In view of the unintentional misinformation given to the Senator when the amendment was before us. I hope his request for reconsideration will be granted. I think it should be.

Mr. PEPPER. I thank the chairman of the subcommittee.

PROTECTION AGAINST UNLAWFUL USE OF INSIGNIA OF VETERANS' ORGANIZATIONS

Mr. McCARRAN. Mr. President, will the Senator from Florida yield for the consideration of a matter not germane to the subject matter he is discussing, and which I hope will not take him off the floor?

Mr. PEPPER. I yield.

Mr. McCARRAN. Mr. President, some days ago the Senate passed Senate bill 2365, for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof. When that bill was passed by the Senate the House passed an almost identical bill, except for some amendments which were offered by the Senate Committee on the Judiciary. In some way the House bill was returned to the House.

We then asked for the return of the House bill, and it has now been returned and is in the possession of the clerk. I now ask that the House bill be laid before the Senate and be considered, so that we may offer amendments in keeping with the amendments which were incorporated in the

The PRESIDENT pro tempore. The Chair lays before the Senate a bill coming over from the House of Representatives

The bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, was read twice by its title.

Mr. McCARRAN. Mr. President, if it be in order, I wish to offer the amendments which have been suggested in the House bill.

The PRESIDENT pro tempore. The Senator should first ask unanimous consent for the reconsideration of the vote by which Senate bill 2365 was passed.

Mr. McCARRAN. I ask unanimous consent for the reconsideration of the vote by which Senate bill 2365 was

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote is reconsidered.

Is there objection to the present consideration of House bill 5982?

There being no objection, the Senate proceeded to consider the bill.

Mr. McCARRAN. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. On page 1, line 3, after the word "the", it is proposed to strike out "manufacturing, wearing, purchase, or sale, either separately or appended to, or to be appended to, or the reproduction on any article of merchandise manufactured or sold," and insert "manufacture or sale in interstate commerce", and in line 7, before the word "of", to insert "or the reproduction thereof for commercial purposes."

Mr. DANAHER. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. Certainly.

Mr. DANAHER. Does the amendment as proposed cause the House bill to be brought into conformity with the measure recommended by the Judiciary Committee?

Mr. McCARRAN. I will say to the able Senator from Connecticut that the amendment I have offered is the one adopted by the Judiciary Committee of the Senate. It is now being incorporated into the House bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed, as follows:

Be it enacted, etc., That the manufacture or sale in interstate commerce of the badge, medal, emblem, or other insignia or any colorable imitation thereof, or the reproduction thereof for commercial purposes, of any veterans' organization incorporated by act of Congress, or the printing, lithographing, engraving, or other like reproduction on any poster, circular, periodical, magazine, newspaper, or other publication, or the circulation or distribution of any such printed matter bearing a reproduction of such badge, medal, emblem, or other insignia, or any colorable imitation thereof, of any such veterans' organization, is prohibited except when authorized under such rules and regulations as may be prescribed by such organization so incorporated. Any person who knowingly offends against any provision of this act shall on conviction be punished by a fine not exceeding \$250 or by imprisonment not exceeding 6 months, or by both such fine and imprisonment.

Mr. McCARRAN. I ask that Senate bill 2365 be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, Senate bill 2365 is indefinitely postponed.

THIRD DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

Mr. PEPPER. Mr. President, in view of the statement made by the Senator from Colorado, I ask unanimous consent that the Senate reconsider the votes by which the following committee amendments were adopted:

The amendment inserting \$7,750 in place of \$15,500 on page 38, line 25.

The amendment inserting \$113,500 in lieu of \$227,000 on page 39, line 9.

The amendment inserting \$381,250 in lieu of \$762,500 on page 40, line 19.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the votes are reconsidered. Now the question before the Senate is on agreeing to the amendments of the committee which have just been stated.

Mr. PEPPER. Mr. President, I now move that on page 38, line 25, "\$15,500" be stricken out, and in lieu thereof "\$31.000" be inserted.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Utah will state it.

Mr. KING. Would it not be possible to add the various figures together, and submit the amendments at one time? I understand that the Senator is asking for half a million dollars more.

Mr. PEPPER. That is correct.

Mr. KING. And when the Senator proposes to do it in small doses, we do not know what the aggregate is.

Mr. PEPPER. Mr. President, I ask unanimous consent for the privilege of stating the amendment in this way:

That the sum of \$500,000 be added to the sum allowed by the Appropriations Committee, and that the clerk make an appropriate distribution of that sum of money in line 25, page 38; line 9, page 39; and line 19, page 40.

Mr. CLARK of Missouri. Mr. President, will the Senator vield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. It is possible that the Senator explained the matter before I came into the Chamber a moment ago; but will the Senator explain what the difference is between his figures, the figures of the Senate Appropriations Committee, and the bill as sent over from the House.

Mr. PEPPER. Yes, Mr. President. I am sorry the Senator

Mr. PEPPER. Yes, Mr. President. I am sorry the Senator from Missouri was not in the Chamber when I discussed the matter before.

Mr. CLARK of Missouri. I am sorry, too; but I should like to know that before I vote on the Senator's amendments.

Mr. PEPPER. I will say to the Senator from Missouri that the Wage and Hour Administration submitted to the Budget Bureau a request for \$4,600,000 of additional funds in this deficiency appropriation bill. The Budget Bureau, after ex-

amining the request, reduced the figure to \$2,000,000, and the Budget Bureau request then came to the Congress asking for that amount. The House Committee on Appropriations cut out any sum whatever for this item; but the House itself, in the consideration of the bill, added \$1,000,000; so the item came to the Senate carrying \$1,000,000, or one-half of the Budget Bureau request. The Senate Appropriations Committee added \$500,000 more, leaving an additional \$500,000 requested by the Budget Bureau but not granted by the Senate Appropriations Committee. What I am now offering is an amendment to grant the additional \$500,000 requested by the Budget Bureau and not allowed by the Senate Appropriations Committee.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. In other words, this proposition is an increase of \$1,000,000 over the House figures, and an increase of \$500,000 over the figures reported from the Senate committee?

Mr. PEPPER. That is exactly correct.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. PEPPER. Have I unanimous consent to offer the amendment in the form in which I have stated it?

Mr. AUSTIN and Mr. DANAHER addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Vermont desire to be recognized now?

Mr. AUSTIN. No; after the request has been stated.

The PRESIDENT pro tempore. The Chair does not think he can state the request.

Mr. AUSTIN. That is the trouble with the Senator from Vermont; he does not understand the request.

Mr. PEPPER. Very well, Mr. President; a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. PEPPER. In offering the amendment I suppose it will be necessary to take up the three items, because there are three items in the bill over which this money is distributed. Therefore, I cannot offer the amendment all in one item, because the bill is not drawn in that way. The \$500,000 will have to be distributed over the following items: On page 38, the last figures in line 25; on page 39, the last figures in line 9; and on page 40, the only figures in dollars appearing in line 19. I can offer the amendment item by item, or I can offer it in the way in which I presented it a moment ago, to let the \$500,000 increase which I propose be distributed by the clerk over those three items. I was merely trying to save the time of the Senate by offering the amendment in that way.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HAYDEN. What are the figures that the Senator had on line 25, page 38? I have here a proposal to increase that amount to \$31,000.

Mr. PEPPER. That is what the figure should be.

Mr. HAYDEN. Very well. What should the figure be in line 9, page 39?

Mr. PEPPER. It should be \$454,000; and on page 40, in line 19, the figure should be \$1,525,000.

Mr. HAYDEN. If the Senator will offer the three amendments and ask that they be voted on en bloc, we can have one vote.

Mr. PEPPER. Mr. President, I offer the three amendments as I have just identified them, and ask that they be voted upon en bloc.

Mr. AUSTIN. I object.

The PRESIDENT pro tempore. The Senator from Vermont objects.

Mr. HAYDEN. Then let us vote on the first one.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. PEPPER. Mr. President, I offer the first amendment separately. On page 38, line 25, I move to strike out "\$15,500" and insert in lieu thereof "\$31,000."

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams Davis Sheppard Downey Andrews Lundeen Shipstead Smith Ashurst Austin McCarran McKellar George Stewart Bailey Bankhead Gerry Maloney Taft Gib Thomas, Okla. Barkley Guffey Miller Thomas, Utah Gurney Tobey Townsend Minton Murray Bridges Harrison Hatch Neely Truman Vandenberg Nye O'Mahoney Burke Hayden Herring Byrd Van Nuys Wagner Walsh Byrnes Pepper Pittman Capper Johnson, Calif. Chavez Clark, Idaho Clark, Mo. Connally Johnson, Colo. Radcliffe Wheeler White Reed Russell Schwartz King La Follette Danaher Lodge Schwellenbach

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Seventy-three Senators having answered to their names, a quorum is present.

Mr. BYRNES and Mr. DANAHER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. BYRNES. Mr. President, if the Senator from Connecticut desires to make some remarks, I will yield the floor

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Con-

Mr. PEPPER. Mr. President, will the Senator yield to me for just a moment?

Mr. DANAHER. I yield to the Senator from Florida.

Mr. PEPPER. I desire to state that I am not altogether responsible for the confusion which prevails in this matter. The way the Senate Committee on Appropriations acted on the matter the money is distributed among three items. That is the reason why I had to offer the amendment in the form of three items instead of one, but it is all for the purpose of enforcing the wage and hour law.

Mr. BYRNES. Mr. President, will the Senator yield to me? Mr. DANAHER. I yield to the Senator from South Carolina,

Mr. BYRNES. There is not any doubt that there is a misunderstanding as to what took place in the committee. The Senate committee added \$500,000 to be apportioned to the three items. The Budget estimate was \$1,000,000.

Mr. PEPPER. Two million dollars.
Mr. BYRNES. That is going back to the original amount. I ask the Senator from Colorado [Mr. ADAMS], the chairman of the subcommittee, if he will not accept the amendment, which I understand increases the amount \$500,000, to be apportioned to the three items, and let the matter go to conference.

Mr. McKELLAR. Mr. President, I hope the Senator from Colorado will do that. That was my understanding.

Mr. ADAMS. Mr. President, I am in an embarrassing situation.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. DANAHER] has the floor.

Mr. DANAHER. Mr. President, I wish the Senator from Colorado would be kind enough to tell us for what purposes these particular funds would be used. We have heard how a million dollars was added by the House, and another half-million dollars by the Senate Committee on Appropriations, and there is a proposal pending for yet an additional halfmillion dollars. Will the Senator from Colorado please explain the purposes of the proposed additional half-million

Mr. ADAMS. Yes; as far as I understand them.

The statement which was made to us was that as we had imposed the various obligations of the wage and hour law, there were throughout the country many institutions which in good faith wished to observe the requirements of the law, and that there were other institutions which were seeking to evade the law. The result was that those who were evading the law were having a temporary advantage over those who, in good faith, were complying with the law. The wage and hour authorities came before us and said they needed the amount in order that there might be a genuine enforcement of the law, so as to prevent a violation of the law by certain groups to the disadvantage of those who were trying to live up to the law. They said it would involve, at least during the initiation of the law, a large number of inspectors and a considerable number of attorneys to prosecute cases of law violation. As you know, the members of the committee had no information about the matter other than as it came to them from the wage and hour authorities.

We know that they asked for \$4,000,000, and the House committee gave them no increase. On the floor of the House they were given a million dollars. The Budget recommended \$2,000,000. The House gave them half of that, and the Senate committee gave them half of the remaining amount, that is, a million and a half. I was embarrassed this morning because my recollection was faulty, but we had just come from a long, rather detailed committee hearing, and I was in error about the matter. I have been embarrassed by reason of that, because I do not like to give erroneous information about any matter. That is the situation as I see it.

Mr. DANAHER. Mr. President, I thank the Senator from Colorado, but when the Senate Committee on Appropriations recommended the additional half million dollars, was the Senator satisfied that a sufficient appropriation was

being recommended for these purposes?

Mr. ADAMS. My recollection, as refreshed, is that the Senate committee voted against increasing the amount in the committee, and the Senator from Georgia then offered a motion to make it half a million dollars. So that the obvious inference is that the Senate committee thought a half million dollars was sufficient, and that a million dollars was too much. That was the conclusion of the committee.

Mr. DANAHER. I thank the Senator. Mr. BARKLEY. Mr. President, I trust that Senators will remain in the Chamber, because when the pending bill has been disposed of, I hope we may take up and dispose of the conference report on the social-security bill.

Mr. RUSSELL obtained the floor.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HATCH. The Senator from Georgia has very graciously yielded to me at this point, and I desire to be recognized just now, while the Senator from Wisconsin [Mr. LA FOLLETTE] is acting as Presiding Officer of the Senate and the Senator from Utah [Mr. Thomas] is sitting here by my side, as he has been throughout the session of the Congress.

I am reminded that the Senator from Wisconsin took occasion just a few minutes ago to read certain matters into the RECORD. Following his example, I desire to read into the RECORD at this time an editorial from the Washington Daily News which has just been called to my attention and which relates to a matter upon which the Senate will presently vote. The editorial is entitled, "Funds for LA FOLLETTE," and reads:

FUNDS FOR LA FOLLETTE

The Senate Audit and Control Committee has finally recommended that the Senate grant \$50,000 for continuing the work of the La Follette Civil Liberties Committee. We think the Senate should, and will, accept the recommendation.

The civil-liberties inquiry as conducted by Senator La Follette, of Wisconsin, and his committee colleague, Senator Thomas, of Utah, has been a model of patient, painstaking, scholarly search for facts.

It has covered much ground and exposed many shocking abuses. But there is still a great deal to be done in showing how the Bill of Rights has been kicked around, especially by such antilabor groups as the self-called Associated Farmers.

The mere action of the Senate in voting to prolong the committee's life should serve to restrain many offenders against human rights by putting them on notice that if they go too far the La Follette committee's agents will be knocking at their doors.

I thank the Senator from Georgia.

Mr. ADAMS. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. ADAMS. The Senator from New Mexico has given to the Senator from Wisconsin a fine example of heaping coals of fire, after the Senator from Wisconsin in a way pilloried the Senator from New Mexico for his inconsistent vote. I have risen just to say one thing in reference to the item the Senator from Wisconsin put into the Record, that there were some of us who voted for the Senator's amendment when it came before the Senate on its merits, but I think the apparent conflict shows that the Senate does vote upon measures according to merit, and I think that was a genuine vote. I do not believe the Senator is justified in pilloring Senators for inconsistency because they believe that appropriation bills should be protected, in accordance with the rules, against the inclusion of general legislation in amendments. I do not think the Senator is justified in seeming to make it appear that Members of the Senate who voted against the suspension of the rule were therefore voting against the proposal which was embodied in his amendment. They were voting against placing it in this particular bill.

Mr. BYRNES. What the Senator means is that he is indebted to the Senator for having placed the vote in the

Mr. ADAMS. Yes.

Mr. BYRNES. We all are.

Mr. HATCH and Mr. LA FOLLETTE addressed the Chair. The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Georgia yield, and if so, to whom?

Mr. RUSSELL. I will yield first to the Senator from New Mexico, then I will yield to the Senator from Wisconsin.

Mr. HATCH. Mr. President, I want the Senator from Wisconsin to understand that there was no intention on the part of the Senator from New Mexico to heap coals of fire upon the head of the Senator from Wisconsin. The heading of the editorial which I read struck me, and I wanted to place the editorial in the Record. I thought it was a well-deserved tribute to two fine Senators of the United States, and I was glad to put it into the Record.

Mr. LA FOLLETTE. Mr. President, will the Senator rield?

Mr. RUSSELL. I yield.

Mr. LA FOLLETTE. The remarks which I made at the same time I placed the roll call on the Wheeler-La Follette amendment to the lending bill in the Record will show that I made no comment upon the matter. If Senators find themselves in an inconsistent position it is no responsibility of the Senator from Wisconsin. It is one which they can explain to their constituents according to the lights which dictated action to them when they cast votes in conflict.

Mr. BYRNES. Mr. President, the Members of the Senate can explain that matter to their constituents without the consent of the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, the point I want to make, if the Senator from Georgia will permit me, is that I made no statement as to whether or not Senators had voted inconsistently. I said that I thought that those who were interested in the amendment, and farmers who would be benefited by it, might find it difficult to understand why the amendment had carried 74 to 8 on a previous vote, and had not obtained a two-thirds majority later, and therefore I asked to have the previous roll call placed in the Record. I assume full responsibility for that, but I did not make any statement such as I understood the Senator from Colorado to impute to me.

Mr. BURKE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. BURKE. The Senator from Wisconsin may disclaim any intention to put in an unfavorable light those Senators who voted for the Wheeler-La Follette amendment when it

came before the Senate on its merits, and voted today against suspending the rule in connection with the pending bill, and opening up the whole matter for new debate. But, explain as he will, there can be only one inference drawn from it, and that is that he wanted the farmer constituents of those Senators to look with disfavor upon the Senators who cast those votes. I see no other inference to draw from it.

Mr. LA FOLLETTE. Mr. President, if the Senator from Georgia will yield, I will say, in response to the Senator from Nebraska, that the Senator from Wisconsin has always believed that the constituents of every Senator and every Representative were entitled to know how their Representative voted, and the Senator from Wisconsin placed the roll call in the Record so that the constituents of Senators could ascertain how it happened that this amendment carried 74 to 8 when it was offered to the lending bill, and did not secure a two-thirds majority when it was offered to the appropriation bill.

Mr. HATCH. Mr. President, if the Senator will yield—Mr. RUSSELL. I yield.

Mr. HATCH. I am very sorry that I provoked this discussion. It was not my intention at all. I am one of the Senators who have perhaps been placed in an inconsistent position by the roll call inserted in the Record by the Senator from Wisconsin. I voted for the amendment on the previous occasion. I voted against it today, that is, in a measure voted against it, by voting against the motion made by the Senator from Wisconsin.

I am perfectly willing to explain to my constituents the votes, and am perfectly willing that the roll call on this or any other vote which I may cast be inserted in the Record, or published in the newspapers at any time.

Mr. BYRNES. Mr. President, if the Senator from Georgia will yield, the Senator from New Mexico has expressed my view, and does the Senator know of any other Senator on this side of the aisle who objects to the printing of the record? Certainly I do not. I am delighted that the Senator from Wisconsin placed the roll call in the RECORD. I have not heard anyone objecting.

Mr. BURKE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. BURKE. I would have to say that I objected to the unanimous-consent request, not because I had any objection to having blazoned across the prairies of Nebraska how I voted on both of these matters, but because it seemed to me that the implication contained in the request was a very unfair one, very unusual coming from the Senator from Wisconsin. I did not like it, and I objected to the unanimous-consent request. The Senator then proceeded, as he had a perfect right to do, to read the matter into the RECORD. I would feel about the matter just the same as if, when we come to vote soon on a new appropriation for the Civil Liberties Committee, I were then to say, "I ask at this particular point to have inserted in the RECORD the solemn promise made by the senior Senator from Wisconsin that he would ask for no further funds for this investigation." I would not do that in that connection, because it would seem to me to carry an unfair implication.

That was the reason why I objected to the unanimous-consent request. Beyond that, I have no objection whatever. I think it is a very good thing that the record vote appears in the Record. I think that if the Senator from Wisconsin had gone a little further, and had explained at that point that the two votes came under totally different circumstances, matters which would not be easily understood by the ordinary citizen; that in one case the Senate was voting on the matter on its merits, and in the other case, which he insisted upon calling to their attention, that the vote came up in a totally different way, with other implications and many other things involved, there could have been no objection to it at all.

Mr. LA FOLLETTE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. LA FOLLETTE. I wish to say that, so far as the statement which the Senator from Wisconsin made when the last appropriation was provided for the Senate committee under Resolution 266 is concerned. I personally placed that statement in the RECORD when the matter was under discussion here, and when it comes up again I intend to place it in the RECORD a second time, and each Senator can make whatever explanation he desires. I think that the constituents of Senators are entitled to their records, and if other Senators think otherwise, they are entitled to that privilege.

MATO, MILJENKO, BOZO, AND AUGUSTIN CIBILIC-CONFERENCE REPORT

Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: as follows:

That the House recede from its amendments numbered 1 and 2.

RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON,
WILLIAM H. KING,
Managers on the part of the Senate. SAMUEL DICKSTEIN,
WM. T. SCHULTE,
N. M. MASON,
Managers on the part of the House.

The report was agreed to.

EMIL FRIEDRICH DISCHLEIT-CONFERENCE REPORT Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the The committee of conference on the disagreeing votes of the two Houses on the amendments of the House of the bill (S. 1269) for the relief of Emil Friedrich Dischleit, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1 and 2

RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON,
WILLIAM H. KING,
Managers on the part of the Senate. SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House.

The report was agreed to.

KONSTANTINOS DIONYSIOU ANTIOHOS (GUS PAPPAS) -CONFERENCE REPORT

Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas), having met, after full and free conference, have agreed to recom-

end and do recommend to their respective Houses as follows: That the House recede from its amendments.

RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate. SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON,

Managers on the part of the House.

The report was agreed to.

MRS. PACIOS PIJUAN-CONFERENCE REPORT Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1654) for the relief of Mrs. Pacios Pijuan, having met, after full and

free conference, have agreed to recommend and do recommend to their respective Houses as follows.

That the House recede from its amendment.

RICHARD B. RUSSELL, FRANCIS T. MALONEY, WILLIAM H. KING, Managers on the part of the Senate. SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House.

The report was agreed to.

DAUMIT TANNAUS SALEAH (DAVE THOMAS) -CONFERENCE REPORT Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING,
Managers on the part of the Senate. Samuel Dickstein,
WM. T. Schulte,
N. M. Mason,
Managers on the part of the House.

The report was agreed to.

THIRD DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

Mr. RUSSELL. Mr. President, I desire to make a very brief statement on the pending amendment offered by the Senator from Florida [Mr. PEPPER]. The subcommittee which has handled the bill, as every Senator knows, has been working under very great pressure. There were pending before the committee Budget estimates in excess of \$250,000,-000, broken down into hundreds of items, and all of those were considered in connection with the House bill which appropriated only approximately \$53,000,000.

When I came to the floor of the Senate today the Senator from Florida asked me as to what had been done with this specific item, and for the time being I could not recall it. It had slipped my mind. I did not think that the full amount had been allowed, but that the Senate committee had allowed some increase. Later I refreshed my recollection. The amendment was not agreed to by the Senate committee. I therefore moved that the amount be increased by one-half of the amount that was sought by the Senator from Utah. and the Senator from Florida and the officials of the Wage and Hour Division. I understand this morning on the floor a statement was made that the entire amount had been allowed.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. RUSSELL. I yield.

Mr. PEPPER. Does the Senator have any objection to the increase?

Mr. RUSSELL. I merely rose and secured recognition before the question of the consistency of Senators became involved in the discussion. I think it is always out of order to indulge in debate upon the question whether any Senator ever was or should be consistent on all measures. So I arose to join in the request that the matter be taken to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Pepper 1 to the committee amendment, on page 38, line 25.

Mr. LODGE. Mr. President, I should like to ask the Senator from Florida whether I am correct in my understanding that these three amendments can be regarded as a unit, and

that their purpose is to restore the Budget estimate and give the Wage and Hour Division what it requested for the adequate and efficient enforcement of the law.

Mr. PEPPER. The Senator is correct in his understanding. All this money is for the purpose of enforcement of the wage and hour law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the committee amendment on page 38, line 25.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question now is on the amendment offered by the Senator from Florida to the committee amendment on page 39, line 19.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.
The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida [Mr. PEPPER] to the committee amendment on page 40, line 19.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BARKLEY. Mr. President, I wish to make an inquiry of the Senator from Colorado. The President made a recommendation of \$69,000 for the Securities and Exchange Commission in order to carry out the duties imposed upon it by the Trust Indenture Act, which became a law on the 21st day of July. I have here some information with reference to that matter. I understand the committee did not grant the full amount, but did grant a part of it. Will the Senator explain that situation?

Mr. ADAMS. The committee considered it. The problem was to make preparation for the date when the bill goes into effect. The Trust Indenture Act, of which the majority leader was the author, does not go into effect for some months.

Mr. BARKLEY. About February 1.

Mr. ADAMS. About February 1. And we were told by Mr. Jerome Frank of the Securities and Exchange Commission that certain studies should be made of trust indentures, and certain forms prepared, so they would be in position to operate when the law goes into effect. The Commission thought that with \$25,000 they could obtain a sufficient amount of legal help, together with their regular staff, to do that. Part of the regular staff drew the bill, or at least were very active in connection with it.

Mr. BARKLEY. Did the committee take into consideration that there would probably have to be some personnel trained for that particular work between now and the 1st of February? In addition to the printing of forms, and things of that sort, there will be special qualifications required of those who are to enforce the trust-indenture law, which, as the Senator knows, is very complicated and difficult to understand.

Mr. ADAMS. We had a rather full statement from Mr. Jerome Frank, and we feel that the amount would be adequate when the Commission's regular staff is considered. The Securities and Exchange Commission has rather liberal appropriations, and has a large legal staff, and we believed it could accomplish the purpose. We had in mind, I will say to the Senator, that the House rejected the request entirely, and we thought we would be more apt to accomplish what was desired if we were reasonable in our appropriation.

Mr. BARKLEY. I have no purpose to change the figure now. The amendment has already been agreed to. But I hope that when this matter goes to conference the Senate conferees will endeavor to retain that amount, because I think it is necessary.

Mr. ADAMS. We will make every effort to do so.

Mr. BARKLEY. Whether it is a sufficient amount, I cannot say.

Mr. ADAMS. I think there is adequate cause to justify its retention.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. MEAD. I offer an amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to insert at the end of the bill a section, as follows:

PUBLIC BUILDINGS ADMINISTRATION

CONSTRUCTION OF PUBLIC BUILDINGS, ACT AUGUST 25, 1937

Construction of public buildings outside the District of Columbia: The total amount authorized to be appropriated for the 3-year program for the acquisition of sites and construction of public buildings by the paragraph under the caption "Emergency construction of public buildings outside the District of Columbia." public buildings by the paragraph under the caption "Emergency construction of public buildings outside the District of Columbia," contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 772), and increased by the Federal Public Buildings Appropriation Act of 1938, approved June 21, 1938, is hereby further increased from \$130,-000,000 to \$180,000,000, and the period of said program is hereby extended to 5 years. All applicable provisions and authority contained in such authorizations shall be operative with respect to the enlarged authorization provided herein except that the Federal Works Administrator shall be substituted for the Secretary of the Treasury where mentioned therein, and that the list from which projects are to be selected by the Postmaster General and the Federal Works Administrator, acting jointly, shall be House Document No. 177, Seventy-sixth Congress, first session, dated February 20, 1939: Provided, That the Federal Works Administrator and the Postmaster General may also select for prosecution under this program such projects not included in such document as in their judgment are economically sound and advantageous to the public service. Toward such increased program there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000. The appropriations heretofore made under the authority of such acts, together with the appropriation contained herein, shall be consulted into a street fund and be available toward the consulted into a street fund and be available toward the consulted into a street fund and be available toward the consulted into a street fund and be available toward the consulted into a street fund and be available toward the consulted into a street fund and herein and the posture the consulted into a street fund and herein and the posture the consulted into a street fund and herein and the posture to a street fund and here gether with the appropriation contained herein, shall be con-solidated into a single fund and be available toward the consummation of the entire authorized program (52 Stat. 818; 53 Stat.

Mr. MEAD. Mr. President, this amendment, I am informed by the proper authorities, is in order on the bill and will not require a two-thirds vote.

The amendment extends from 3 to 5 years the period of time during which the public-building program will be in order. It increases from \$130,000,000 to \$180,000,000 the authorization for funds which may be made in the future by the appropriate committee for the carrying forward of this program. It now merely appropriates \$1,000,000, so far as this bill is concerned, for this program. Early in the session, in keeping with established custom, the Post Office Department submitted the regular request to the Appropriations Committee of the House, and for the first time in a number of years the deficiency bill came over to the Senate without carrying within the bill provision for the carrying on of this program.

The program is a popular one. It is an economical program. It is a program that has enhanced the efficiency of the Postal Service. It has given ample room and facility all over the United States, not only for the post-office service but for all the other services that are housed in Federal buildings.

Some few years ago when the program was initiated there were contained in the entire program some 760 projects, located in cities where the postal receipts were in excess of \$10,000 per annum.

So far 250 of those public-building projects are either finished or are on the way to completion. In 460 cases the plans and specifications have been completed, and arrangements for the construction of the buildings consummated. Only 50 of the buildings are awaiting the selection of sites.

It is a popular program, I say, because it embraces every congressional district in the United States, and because it has resulted in an annual saving in rental of upward of \$3,000,000 in the conduct of the postal service. It has resulted in better facilities for this important agency of Government. Never once in all the history of this program has there been a word of criticism of it. In no single instance that I recall have the men in charge of the prosecution of the program been criticized. On the other hand, every Member of the Senate will agree with me when I say that the men who had the handling of the program discharged their duty in an exemplary manner, so as to win the acclaim of the country and the confidence of the Congress.

I am sure that everyone within range of my voice knows the Honorable Smith W. Purdum, the Fourth Assistant Postmaster General, who with Admiral Peoples and Mr. Reynolds of the Procurement Division have had the duty and the authority and the responsibility to carry forward this program.

I know that every Senator will agree that whenever a new building was constructed in his district or in his State, it met with popular acclaim. A spirit of pride could be found in the hearts of the people when such a building was completed and the American flag was raised over it. It was a project which I know won for the Representative and the Senator, who had much to do with making the program and the project a possibility, the approval of the people.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McKELLAR. I wish to express my very cordial approval of all the distinguished Senator from New York has said concerning this program and concerning the splendid manner in which it has been conducted by the Post Office Department. It has done a wonderful job. I think it has not only resulted in better housing of the great postal activities of the Government, but it has resulted in a more economical administration of the post-office affairs especially.

I may say to the Senator that I presented the matter to the committee this morning, and my recollection is that it was defeated by a tie vote. The vote in the committee was

very close, if it was not a tie vote.

Notwithstanding the action of the committee, inasmuch as I am a member of the committee and also chairman of the Committee on Post Offices and Post Roads, I think it is proper for me to say that I intend to vote for the Senator's amendment because I believe he has described a wonderful program, and I believe it is to the best interests of the people of America that the program be completed. I am thoroughly in sympathy with the amendment and expect to vote for it.

Mr. MEAD. Mr. President, I appreciate the splendid contribution made by the able Senator from Tennessee. I know that he is thoroughly familiar with the program, because as chairman of the Committee on Post Offices and Post Roads

he is very close to it.

He knows the good work that is being accomplished. I am willing to rest my case on the arguments which have been advanced in favor of the amendment by the Senator from Tennessee; and I trust that the capable chairman of the subcommittee [Mr. Adams] and all the other members of the committee who handled this matter will permit the amendment to go to conference.

Mr. ADAMS. Mr. President, this matter was before the committee, and the committee decided it was not an appropriate time to make an increase in prospective building appropriations of \$50,000,000. We increased the amount of the deficiency bill over the amount which came from the House. from \$53,000,000 to \$130,000,000; and it seemed to a decided majority of the committee that the proposal ought not to be

accepted.

I wish to say something in reply to one of the first comments made by the Senator from New York, to the effect, in substance, that the amendment is not subject to a point of order. As I read the amendment it is an amendment of a statute; and I should like to inquire of the Chair as to whether or not it is legislation.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The present occupant of the Chair would prefer

not to rule on a hypothetical question.

Mr. ADAMS. This is not a hypothetical question. A definite amendment is submitted.

The PRESIDING OFFICER. Is the Chair to understand that the Senator is making a point of order against it?

Mr. ADAMS. Yes. I suggest the point of order. I was really asking for the advice of the more skilled presiding officer, who has the advice of the Parliamentarian available to him.

Mr. HAYDEN. Mr. President, a point of order. The PRESIDING OFFICER. The Senator will state it. Mr. HAYDEN. I understand that under the rules of the Senate a proposal must either be authorized by law or submitted in a Budget estimate. I am sure the chairman of the subcommittee will agree with me that this item is covered by a Budget estimate.

Mr. McKELLAR. I am quite sure it is.

Mr. MEAD. I have a copy of the Budget estimate before me if the Chair desires to see it.

Mr. ADAMS. I am inquiring on the phase of legislation.

The PRESIDING OFFICER. It is the opinion of the present occupant of the Chair that the amendment as now drawn contains legislation, because it amends existing law. Even a Budget estimate would not justify the amendment of existing law. In the opinion of the present occupant of the Chair the amendment could be remedied by eliminating from it the substantive legislation which it contains.

Mr. MEAD. Mr. President, a parliamentary inquiry The PRESIDING OFFICER. The Senator will state it.

Mr. MEAD. If I understand the suggestion proffered by the Chair, the removal of reference to the statutes which have heretofore carried the authorization would make the amendment in order.

The PRESIDING OFFICER. In the opinion of the present occupant of the chair, who has read the amendment only hastily, there is legislation contained in it. For example:

All applicable provisions and authority contained in such authorization shall be operative with respect to the enlarged authorization provided herein, except that the Federal Works Administrator shall be substituted for the Secretary of the Treasury where

Obviously that is an amendment of existing law, and, therefore, in the opinion of the present occupant of the chair, would make the amendment subject to a point of order in case the point were made that it is legislation on an appropriation bill.

Mr. ADAMS. Mr. President, I desire to make the point of order that there is legislation in the amendment.

The PRESIDING OFFICER. The Chair feels constrained to sustain the point of order.

Mr. MEAD. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. MEAD. In view of the fact that there is a Budget estimate at the desk, I am wondering if that has any bearing upon decisions of this character?

The PRESIDING OFFICER. In the opinion of the present occupant of the chair, under rule XVI, if a Budget estimate is submitted, obviously there must be legal authorization for it. The present occupant of the chair is of the opinion that anyone reading the amendment would find general legislation

Mr. MEAD. Mr. President, under the circumstances I ask for a vote.

The PRESIDING OFFICER. Does the Senator appeal from the decision of the Chair?

Mr. MEAD. No; but as I understand-

The PRESIDING OFFICER. The Chair will state that the Senator from Colorado [Mr. ADAMS] made a point of order that the amendment contained general legislation. The Chair sustained the point of order. Two courses are open to the Senator from New York. One is to appeal from the decision of the Chair. The other is to revise his amendment so as to eliminate the legislative provisions therein and conform to the Budget recommendation.

Mr. MEAD. Mr. President, I shall not appeal from the decision of the Chair. What I had in mind was to ask for a vote to make the amendment in order; but I shall take the second suggestion of the Chair, and attempt to revise the amendment.

The PRESIDING OFFICER. If the Senator will offer an amendment in conformity with the Budget estimate, obviously it will not be subject to a point of order.

Mr. MEAD. I shall withdraw the amendment temporarily.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. SHEPPARD. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 53, line 25, after the word "thereto" and the period, it is proposed to insert a new section under the head of "Finance Department", to read as follows:

FINANCE DEPARTMENT

Pay of the Army, 1939: Not to exceed \$60,000 of the unexpended balance of the appropriation under this head in the Military Appropriation Act, 1939, is hereby made available until June 30, 1940, for the construction and installation of a sewage treatment plant on Fort Niagara Military Reservation, N. Y., as authorized by the act of June 20, 1939 (Public, No. 136, 76th Cong.).

Mr. SHEPPARD. Mr. President, this amendment is supported by a Budget message. It carries out existing law and utilizes the fund now in the possession of the War Department.

The reason for the need of the measure at this time is that if the Government should erect a sewage-disposal plant, at present the adjoining city of Youngstown would make use of the plant and thereby furnish the Government a substantial source of revenue. If the Government should not build it now, the city of Youngstown must go ahead and build its own plant, and the War Department must later of necessity erect its own plant, and the Government would lose the opportunity for revenue. I ask the Senator from Colorado [Mr. Adams] if he will not accept the amendment and let it go to conference.

Mr. ADAMS. Mr. President, I cannot do so. The matter was submitted to the committee, and the committee rejected the amendment. The committee did not feel that the Government should undertake this particular enterprise, which is apparently a combination enterprise between the Federal Government and the city. While there might be some saving involved, the amendment contemplates a partnership between the Government and the city, the War Department building a sewage-disposal plant adequate not only for itself but for the city. We were not satisfied that it was the wise thing to do.

Mr. SHEPPARD. I will say that there is no partnership beyond the erection by the city of a pipe line across the reservation to the plant.

Mr. ADAMS. And a rental.

Mr. SHEPPARD. The same machinery would supply the Government's necessities as well as those of the city. It is really a measure in the immediate interest of the Government.

Mr. ADAMS. The Senator said there would have to be a contract to insure the income.

Mr. SHEPPARD. No. The law now in existence authorizes this arrangement. The amendment would merely carry out existing law.

Mr. ADAMS. We doubted the wisdom of the project.

Mr. SHEPPARD. I trust the Senate will adopt the amendment. It means a substantial saving.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. Sheppard].

The amendment was agreed to.

Mr. PEPPER. Mr. President, I have on the desk at this time notice which was properly given of a motion to suspend the rules so as to permit the addition to the bill of an amendment which would cure a very grave injustice which was done in the Emergency Relief Appropriation Act of 1939, namely, to forbid any theater project from being a part of the Work Projects Administration program.

I shall not go into that matter extensively, Mr. President, except to call the attention of the Senate to a statement to which I referred when the matter was last being considered. The statement was made by Lieutenant McGilicuddy, of the Juvenile Aid Bureau of the Crime Prevention Bureau of the

New York City police department. In that splendid statement this man, who is interested in the youth of the city of New York and of America, pointed out the very great contribution which the Federal theater project was making in the edification and instruction of the youth of that great city. He deplored any eventuality which might deprive the youth of this country of that very effective and advantageous instrumentality.

In addition, I have two or three statements from eminent school authorities of the country to the same effect. One authority, Mary P. Eaton, of the English department of Wadleigh High School, states as follows:

Our students counted it a real privilege to see Macbeth at an admission price which was possible for them, and they were genuinely enthusiastic about the entire performance. * * * We were gratified over the appreciation which was shown by students of all ability levels, from the ablest and brightest down to those whose interest in a great classic was scarcely to be expected. * * * I am happy to write of similar satisfaction with regard to the recent performance of She Stoops to Conquer.

Another high-school department sends in the following testimony:

The performances that the Federal theater has given in this school have not only been much enjoyed by the pupils, but * * * have added greatly to their appreciation of the drama. It has been a remarkable opportunity for them to see such good plays so adequately produced at such a low rate.

That statement was from the English department of a girls' commercial high school.

I also have before me a very strong testimonial in behalf of the virtue of the theater project by Dr. James S. Green, of the National Hospital for Speech Disorders, of 126 East Thirtieth Street, New York City, in which the doctor points out the great aid which was given by the Federal theater project to the work which his institution was carrying on. He, too, expressed the most earnest hope that nothing should ever occur to impair the effective instrumentality of the theater project.

I happen also to have a statement of Colonel Harrington, the Work Projects Administrator, stating that 2,500 persons who had been employed upon the Federal theater project had given such an excellent example of their ability that they were absorbed in private enterprise. So that these people had not only been cared for when they had no chance to work otherwise in their chosen profession, but they had been rehabilitated, and through the Federal theater they found the avenue to reenter the stage, which was their life vocation, in a creditable private way.

I have a statement which indicates that the governments of five European countries sent representatives to this country to study the Federal theater project. Brazil, after a thorough study of the Federal theater project, created its own national theater and used the Federal theater project as a model. Can you imagine the amazement with which these visitors received the news that the present Congress, in the face of the Federal theater project's record of achievement, voted to wipe it cut completely?

In the past 3 years two small units of the Federal theater traveled 50,000 miles through the most remote sections of one of the States of this country, giving performances to 250,000 children and adults who never before had had an opportunity to experience the thrill of the theater. These loyal American theater workers traveled in trucks on back country roads tirelessly and loyally to bring to the lives of these people a few moments of the theater's beauty and romance, and they traveled without any allowance either for mileage or for expenses. The recognition, Mr. President, which the American Congress has given to that kind of sacrificial devotion to public duty has been to castigate them, of all people who are engaged in artistic pursuits, as not being deserving of the consideration of the Federal Government.

A program of summer activities of the W. P. A. Federal theater was announced before the enactment of the prohibition against its existence by the Congress, in which were listed for performance some of the most eminent dramatic

pieces of all the literature of the world, such as the performance which has been given down in North Carolina, The Lost Colony; such as Sand in Your Shoes, a dramatization of Florida's history from the landing of De Soto; and then A Drama Festival, in conjunction with the University of Chicago summer session, presenting two ballets, City Legend and Camp Meetin'; a Shakespeare comedy, As You Like It; and a revival of The Swing Mikado in the locality where it made its first hit.

It might be interesting to observe statements from some of the critics relative to the excellence of the Federal theater program.

John Gassner, Forum drama critic, had this to say:

There is no question but that the Federal theater has represented the greatest advance in the American theater since the early days of the Provincetown Theater and the Theater Guild. By making a low-priced theater available to the American people it has galvanized theatrical activities throughout the country. By providing an outil to the plenitude of talent in our midst it has rendered a distinct service to the many artists who would otherwise have knocked in vain at the gates of the commercial stage. By producing plays of distinction and significance it has counteracted the poisonous trash which goes under the name of entertainment.

Another statement by Alfred Harding, editor of Equity Magazine:

For two and a half years we have been witnessing the progress of an experiment in the theater unlike anything we have ever tried before—the Federal theater project of the Works Progress Administration.

We have watched what it has done for the people employed upon it; have seen it put new life and hope and heart into them; have seen it afford new scope to creative faculties which we believe are too precious to be dissipated in the general turmoil of a protracted

depression.

And we have also watched its effect upon the lives of a great many other people who had never previously known the theater, who, in the ordinary course of events, would never have known it, who are too poor to go to the commercial theater, or even to go to the neighborhood picture theater, to own a radio, or buy books and magazines and papers. That it should have given birth to the one real innovation of the stage in years, namely, the living newspaper, a form packed with valuable material that should be made available to every self-respecting citizen, and with native American humor that has hitherto served, for the most part, only the most menial uses in cheap comedies.

Again, Frank Gillmore, international president, Associated Actors and Artists of America, says:

The Federal theater project has meant a great deal to the profession of acting. It has enabled the players to bridge over many years of depression, and has given them—which is far more important—the opportunity to practice their art and to keep it at its highest point, so that when they return to the commercial theater they will in many cases be far more skillful than they were before.

I desire to read two or three newspaper comments. This is from the Oregonian, Portland, Oreg.:

As W. P. A. activities go, these [art projects] have been among the best. They merely happen to be articulate, to come under the public eye and ear. And so they have accumulated enemies who have now arranged for vengeance. The committee should have shown a little backbone. The members know well enough that the charges of radicalism are in general poppycock.

A statement from the mayor of Cleveland, Ohio:

It would be a great loss to the children of Cleveland if this project were not continued.

Another statement from the Buffalo Evening News, of Buffalo, N. Y.:

For the past several years the Buffalo division of the Federal theater has faithfully served the Americanism program of the Erie County American Legion: Therefore be it

Resolved, That the Eric County Committee of the American Legion in convention assembled earnestly petitions its congressional representatives, requesting them to favor legislation relative to the continuance of this splendid Americanism project.

Mr. President, that was a resolution by the American Legion Post, of Buffalo, N. Y. Those who castigate the Federal theater program as having been an agency infected with communistic tendencies have castigated the loyal, patriotic Americans of this country who patronized and supported with their money and their time and effort the

theater program as it has been conducted all over this great country.

Mr. President, what have we done in recognition of the virtue of this performance? We have forbidden the W. P. A. to make any contribution whatever to the Federal theater program. We have not forbidden the musicians to get the benefit of the program. We have not forbidden the artists to get some benefit from it. We have not forbidden other segments of the cultural arts to have a chance to get a job under the W. P. A. when they did not have one otherwise, when a project was properly sponsored by local authority.

Under the law as it existed prior to the Emergency Relief Appropriation Act of 1939, the W. P. A. could sponsor a project wholly upon its own initiative without any contribution from the local government. Under the Emergency Relief Appropriation Act of 1939 this can no longer be done. Art projects have to be sponsored by political subdivisions and public agencies, just as building and construction projects have to be sponsored. They are in no different category with respect to the requirements of sponsorship from all projects which are available for W. P. A. aid.

Mr. President, if that is the rule, if that is the law of the matter, is it fair to say to the theater project, "You are the only one of the arts which cannot be sponsored by local authority, and cannot be the recipient of W. P. A. aid"?

I know that Senators know from numerous experiences. which have come to their attention in the most eloquent way that there has never been a distress that afflicted the public, there has never been a great catastrophe that has afflicted the people, but that the artists upon the stage of America have come forward and offered their services in benefit performances more generously, I believe, than any other class of the people, in an effort to render aid to those who were in need. I know it is not the sentiment of the American people that the 7,000 artists who were upon this program should be considered so unworthy that when they cannot get jobs otherwise they may not appeal to the W. P. A., and, if their project is properly sponsored by a political subdivision, as all other projects must be, then be the recipients of some help from the funds made available to the Works Progress Administration to give the jobless of America a chance to work like honorable, self-respecting American citizens.

Therefore, Mr. President, all we have to do to remove that injustice is to strike out subdivision (a) of section 15 of the Emergency Relief Appropriation Act of 1939. The amendment does not affect any other part of the bill. No other subject could be related to it, I think, in such a way as to be the subject of an amendment at this time to this bill. So all we have to vote on, if the motion to suspend the rule is granted, is whether or not we want to remove the prohibition that is now in the law from the theatrical people of America, and put them upon an equality with the other artists of the United States who do not have private jobs and who apply to the W. P. A. for relief.

SEVERAL SENATORS. Vote! Vote!

Mr. GERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Sheppard Shipstead Smith

Stewart Taft Thomas, Okla. Thomas, Utah

Townsend Truman

Wheeler

Vandenberg Wagner Walsh

Adams	George	Lundeen
Ashurst	Gerry	McKellar
Austin	Guffey	Mead
Bailey	Gurney	Miller
Bankhead	Hale	Minton
Barkley	Harrison	Murray
Bulow	Hatch	Neely
Burke	Hayden	Nye
Byrd	Herring	O'Mahoney
Byrnes	Johnson, Calif.	Pepper
Capper	Johnson, Colo.	Pittman
Chavez	King	Radcliffe
Clark, Mo.	La Follette	Reed
Connally	Lee	Russell
Davis	Lodge	Schwartz
Ellender	Lucas	Schwellenbach

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, a quorum is present.

Mr. ADAMS. Mr. President, we have before us another motion to suspend the rules. If the rules are suspended, the same opportunity will be afforded which the Senate has shown itself unwilling to have extended heretofore. The theater project is one with which some of us had sympathy. It was eliminated as a result of the attitude of the House of Representatives, and, following the conference, the Senate receded.

I think it very unwise to set ourselves up as a court of review to endeavor to reverse the decisions made at previous times, regardless of whether we were right or wrong, as a practical matter. I have had many dealings with conference committees of the other body, and I have never seen a conference committee so set, so determined, so unanimous, as the House conferees were in their opposition to the theater project. I think we would be utterly helpless, and it would simply be a means of providing a reason for staying in Washington some time if we put this amendment in the bill.

Mr. HAYDEN. Mr. President, what the Senator from Colorado has referred to is a practical matter. If there was one thing in the conference on the relief bill on which the House insisted it was the elimination of the theater project. and regardless of the merits of the proposal, if the Senate wants to be here a long time, it should adopt this amend-

Mr. WAGNER. Mr. President, is it not a fact that the question in the conference was somewhat different from the amendment offered by the Senator from Florida? As I understand the amendment, he merely asks that the theater projects which may be undertaken by the W. P. A. shall be subject to all the conditions to which every other project which may be undertaken is subject, namely, that it must be sponsored locally, and there must be a 25 percent contribution by the locality before it can be undertaken.

The amendment which the conferees rejected provided for a certain sum to be used for purely Federal projects, and that the theaters might be operated without the requirement of 25 percent contribution by the localities. Mr. HAYDEN. The Senator is mistaken. It was the firm

determination of the House utterly, completely to eliminate the theater projects under any and all conditions. Mr. BYRNES. Mr. President, will the Senator from Ari-

zona vield?

Mr. HAYDEN. I yield to the Senator. Mr. BYRNES. I should like to say that when the unemployment committee made a recommendation with reference to this matter, we recommended the proposal to which the Senator from New York now refers, that the theater project and all other art projects should be put on the basis of all the projects of W. P. A. requiring the contribution of a sponsor. The Senate adopted the proposal when we originally acted upon the W. P. A. bill.

When we went to conference I spent about 3 hours trying to sustain the Senate's position, in which I believed, and in which the Senator from New York believed. I know of no more hopeless fight, because the House of Representatives, through its conferees were determined to sacrifice everything else in the bill rather than agree to this project.

The next morning I went over to the House of Representatives when it was considering the conference report. and the chairman of the subcommittee of the House conferees, the gentleman from Virginia [Mr. Woodrum], presented to the House the agreement, and when he referred to the theater project he received more applause than he received at any other point in his statement when he assured them that he had succeeded in destroying it.

Their position is that theater buildings in some of the cities have been rented and have been used for rehearsals, that the owners of some theaters have been bailed out at great expense to the taxpayers, and that there is no good reason for continuing the project. Their position was that they feared, that notwithstanding the language of the Senate amendment, which I approved, ways would be found by the United States Government to put up the sponsor's con-

tributions, because the sponsor's contribution was not required in cash, it could be put up in services and materials, They believed that the Department would find some way of getting around the law. We made as good a fight as we ever did for any measure and could not succeed, and I have no hope that we could succeed again.

Mr. McKELLAR. We had no chance in the world.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The Senate will please be in The Senator from Arizona has the floor.

Mr. WAGNER. Mr. President, in spite of the impatience, I am going to ask the Senator from Arizona to yield for just one further question.

Mr. HAYDEN. I yield.

Mr. WAGNER. Irrespective of the attitude of the House toward the theater project generally, am I correct in stating that the present proposal of the Senator from Florida is not the amendment which was considered by the conference when it met? It so happened that I offered the amendment to continue the Theater Project by providing three-fourths of 1 percent out of the total appropriation to be used for Federal projects, thus giving the W. P. A. an opportunity to continue in a very limited way the theater project without any requirement of sponsorship or local contribution.

Mr. HAYDEN. The Senator is correct as to what was taken to conference. But this identical proposal was argued by the hour in conference. The Senate conferees urged that the project be treated the same as any other project, but we found the House conferees practically adamant, and it was impossible to get anywhere. I think it is due to the Senate to say that it would mean long delay in the final enactment of the bill if this amendment were adopted.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The Chair desires to make a statement. There is nothing before the Senate at the moment upon which to vote, therefore the Chair cannot respond to the cries of "Vote."

Mr. NEELY. Then I demand the regular order.

The PRESIDING OFFICER. The regular order is that the bill is open to amendment.

Mr. PEPPER. Mr. President, I made a motion, I thought, to suspend the rule so as to permit the offering of this amendment.

The PRESIDING OFFICER. The Senator from Florida made the statement, if the Chair understood him, that he had such a motion, but he did not make it. Does the Senator from Florida desire to make the motion?

Mr. PEPPER. I move to suspend the rule, in accordance with the notice which is on the desk, so as to permit the offering of the amendment which is included in the notice, namely, to strike out subdivision (a) of section 25 of the Emergency Relief Appropriation Act of 1939.

The PRESIDING OFFICER. The question is on the motion of the Senator from Florida [Mr. Pepper] to suspend paragraph 4 of rule XVI.

Mr. PEPPER and other Senators demanded the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a pair with the junior Senator from Kentucky [Mr. Logan]. Not knowing how he would vote, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote as I shall vote. I vote "nay."

Mr. STEWART (when his name was called). I have a pair with the Senator from Oregon [Mr. Holman]. I transfer that pair to the Senator from New Jersey [Mr. SMATH-ERS] and will vote. I vote "nay."

The roll call was concluded.

Mr. AUSTIN. I announce the following general pairs: The Senator from Oregon [Mr. McNary] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN];

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Nevada [Mr. McCarran]:

The Senator from Vermont [Mr. Gibson] with the Senator from Indiana [Mr. VAN NUYS].

The Senator from New Hampshire [Mr. Tobey] would vote "nay" if present. He is paired with the Senator from Michigan [Mr. Brown] and the Senator from Connecticut [Mr. Maloney], who if present would vote "yea."

Mr. MINTON. I announce that the Senator from Florida [Mr. Andrews], the Senator from Idaho [Mr. Clark], the Senator from Ohio [Mr. Donahey], the Senator from California [Mr. Downey], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senator from Delaware [Mr. Hughes], the Senator from Kentucky [Mr. Logan], the Senator from Nevada [Mr. McCarran], the Senator from Louisiana [Mr. Overton], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Indiana [Mr. Van Nuys] are unavoidably detained.

The Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. Hill], the Senator from West Virginia [Mr. Holt], the Senator from Illinois [Mr. SLATTERY], the Senator from New Jersey [Mr. Smathers], and the Senator from Maryland [Mr. Typings] are absent on important public business.

The Senator from Michigan [Mr. Brown] and the Senator from Connecticut [Mr. Maloney] are necessarily detained. I am advised that if present and voting, they would vote "yea." The result was announced—yeas 18, nays 42, as follows:

	YE	AS-18	
Ashurst Chavez Guffey La Follette Lee	Lodge Lundeen Mead Murray Neely	Pepper Schwartz Schwellenbach Sheppard Thomas, Okla.	Thomas, Utah Wagner Walsh
	NA'	YS-42	
Adams Austin Bailey Bankhead Barkley Bulow Burke Byrd Byrnes Capper Clark, Mo.	Connally Ellender George Gerry Gurney Hale Hatch Hayden Herring Johnson, Calif. Johnson, Colo.	King Lucas McKellar Miller Minton Nye O'Mahoney Pittman Radcliffe Reed Russell	Shipstead Smith Stewart Tatt Townsend Truman Vandenberg Wheeler White
	NOT V	OTING-36	
Andrews Barbour Bilbo Bone Borah Bridges Brown Caraway	Danaher Davis Donahey Downey Frazier Gibson Gillette Glass	Harrison Hill Holman Holt Hughes Logan McCarran McNary Meloney	Norris Overton Reynolds Slattery Smathers Tobey Tydings Van Nuys Wiley

The PRESIDING OFFICER. Two-thirds of the Senators present not voting to suspend paragraph 4 of rule XVI, the motion of the Senator from Florida is rejected.

Mr. MEAD. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

CONSTRUCTION OF PUBLIC BUILDINGS OUTSIDE THE DISTRICT OF COLUMBIA

For further carrying out the program for the acquisition of sites and construction of public buildings authorized by the paragraph under the caption Emergency Construction of Public Buildings Outside the District of Columbia, contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 772), and increased by the Federal Public Buildings Appropriation Act of 1938, approved June 21, 1938, \$1,000,000.

Mr. MEAD. Mr. President, the amendment which has just been read by the Clerk does not increase the authorization for the construction of additional public buildings, nor does it extend the limit of time for the construction of these public buildings. It merely adds \$1,000,000 to the funds already appropriated for the construction of public buildings already authorized.

I am informed that the Congress has authorized \$70,000,-000 on one occasion and \$60,000,000 on another occasion, or a total of \$130,000,000, but that the Congress has appropriated only \$89,000,000 for that building program. This amendment therefore merely adds \$1,000,000 to that already appropriated, and for which there is already ample authorization. Therefore, Mr. President, I trust that the chairman of the subcommittee and the members of the committee will permit this matter to go to conference.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BARKLEY. In addition to the elimination of the legislative matter in the Senator's former amendment, what is the difference between this amendment and the one he introduced a while ago?

Mr. MEAD. The amendment I offered a while ago increased the authorization for public buildings from \$130,-000,000 to \$180,000,000, and it extended the period of time for the construction of these buildings from 3 years to 5 years, and it substituted the Federal Works Administrator and the Postmaster General for the Secretary of the Treasury and the Postmaster General, which is existing law.

Mr. BARKLEY. I understand what was in that amendment. Now, this amendment, I understand, increases the appropriation for public buildings by how much?

Mr. MEAD. One million dollars. It merely appropriates \$1,000,000 for the continuation of this program already authorized.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. MEAD. I yield. Mr. BURKE. This amendment increases the appropriation by \$1,000,000?

Mr. MEAD. No; it adds \$1,000,000 to appropriations heretofore made prior to this session of Congress.

Mr. BURKE. Will the Senator take us into his confidence and tell us why it is important that at this time we add \$1,000,000 to that amount?

Mr. MEAD. If the Senator assumes that that is taking him into my confidence, I shall be very glad to give him what information I have on the subject for what good it may develop.

The Congress of the United States authorized the Public Buildings Commission to construct public buildings under certain conditions. They have been carrying on that work, which necessitates the acquirement of sites, the issuance of bids, the drafting of specifications, the awarding of contracts, and the construction of these buildings. The Commission will require about \$1,000,000 in order to carry forward their program until the next Congress assembles. It has been the practice of the Congress-a practice for which the Buildings Commission is not responsible—to have this item carried in the last deficiency bill, and in conformity with the precedents and the existing custom the Buildings Commission submitted its report and made its request to the Appropriations Committee in the House as early as February of this year. The committee, in keeping with custom, put off the consideration of that request until the deficiency bill was before it for consideration, and then decided to put it off until some later date.

This money is needed. It is needed for a program which the Congress has already authorized, and it is being presented for consideration in connection with the appropriation bill that has always been the bill to carry it.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. MEAD. I yield. Mr. BURKE. The Senator's explanation has completely satisfied my inquiry, and I am heartily in favor of his proposal and think it ought to be adopted.

Mr. MEAD. The Senator from New York takes great pride in making a convert to a worthy cause.

Mr. RUSSELL. The amendment merely provides continuity of plans for the post-office building program.

Mr. MEAD. Yes.

Mr. RUSSELL. And the item has the advantage of the Budget estimate which was submitted by the President and the Bureau of the Budget to the Congress for its approval.

Mr. MEAD. That is true. I appreciate the contribution of the Senator from Georgia.

Mr. BYRNES. The Budget estimate was for an increased authorization of \$50,000,000 and provision for an appropriation for \$1,000,000. Where is that \$1,000,000 to be spent?

Mr. MEAD. For a continuation of the program already authorized by Congress, for which there has been only \$89,-000,000 appropriated, but for which there has been \$140,000,-000 authorized. In view of the fact that we do not specifically appropriate money as the Budget requests directly for an expansion of this program, it will be used for the program already authorized by the Congress. It cannot be used for any other purpose.

Mr. BYRNES. Has the Senator any information as to why this \$1,000,000 is asked for when \$50,000,000 is not to be

appropriated?

Mr. MEAD. The \$1,000,000 is necessary for a continuation of the program already authorized by Congress, which, when completed, will entail an appropriation of \$130,000,000, there being only \$89,000,000 of that appropriated so far, but as the program proceeds to its fulfillment there will be other appropriations called for. Only \$1,000,000 is necessary to carry out the program until the next session of Congress assembles.

Mr. TAFT. I read from the House report, which refers to

the \$50,000,000 increased authorization as follows:

Joined with the proposal is an estimate of \$1,000,000 for defraying preliminary expenses.

Incident to the proposed expansion.

Does the Senator propose now to use this \$1,000,000 for some other purpose than the purpose provided in his original amendment?

Mr. MEAD. No; the Senator does not. The language of the amendment and of the existing law clarifies that question and makes the added \$1,000,000 applicable only to that portion of the program already authorized by the Congress. Of course, they could not use a dollar of the \$1,000,000 contained in my amendment for a program not yet authorized. They could use it only for that portion of the program already authorized by the Congress.

Mr. TAFT. However, they did not ask for anything to carry out the program. There was no such request. As I understand, the Budget estimate is for \$1,000,000 for the new program.

Mr. MEAD. Yes; but the Senator will readily realize that the program already authorized, entailing a cost eventually of \$130,000,000, for which there has been appropriated only \$89,000,000, will of necessity, as it is being carried out, require further appropriations. This appropriation would be used until the next session of Congress in prosecuting the program now under way.

Mr. TAFT. But there is no evidence in the hearings that any money is needed to carry out the existing program until next July. They have sufficient money, as I understand, to run the present set-up until next July.

Mr. MEAD. I will say to the Senator that in conference with one of the representatives of the Building Commission I am told that \$1,000,000 will be adequate to carry them until the next session of Congress. The hearings from which the Senator is reading are the hearings in which the Building Commission appeared before the House committee and recommended that the House committee increase and expand the program. I tried to do that, but the amendment was ruled out of order, so I am merely suggesting the appropriation of \$1,000,000 for the continuance of the present program until the next session of Congress, when the whole matter will be referred to the proper legislative committee; and after the legislative committee acts we shall know—

Mr. TAFT. But the Building Commission is not asking for \$1,000,000 to carry on the present program. It has an existing force. It is prepared to carry on the present program. The \$1,000,000 was asked for only in connection with an expansion, which the Senator has now abandoned. So I do not see why we should appropriate \$1,000,000.

Mr. MEAD. I will repeat that I am told by a representative of the Building Commission that it needs \$1,000,000 to carry on the existing program until the next session of Congress.

Mr. TAFT. I can only say that they did not so testify before the House committee.

Mr. MEAD. I will say that they were testifying before the House committee on a different subject.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MEAD. I shall be glad to yield.

Mr. MILLER. Suppose the Congress should not make any additional appropriation for the construction of any more buildings under the authorized program. Would the \$1,000,000 be needed?

Mr. MEAD. Oh, yes. Not only would the \$1,000,000 be needed, but \$40,000,000 would be needed before it was completed.

Mr. MILLER. Suppose the Congress should not make any further appropriations under the authorized program—in other words, should not authorize the construction of any new buildings under the authorized program. Would the \$1,000,000 then be needed?

Mr. MEAD. The \$1,000,000 would be needed for the completion of the projects under way.

Mr. MILLER. The projects now under way?

Mr. MEAD. And for the acquirement of sites for which plans have been drawn.

Mr. MILLER. And for which money has been appropriated?

Mr. MEAD. No; the money has not been appropriated.

Mr. MILLER. That is the point I am making.

Mr. MEAD. We are making the appropriation, but the authorization has already been made.

Mr. MILLER. I know the authorization has been made; but the point I was getting at was this: Unless the Congress should appropriate money to erect the buildings, the \$1,000,000 would not be needed. Assuming that the Congress makes future appropriations to carry out the authorized program, then the \$1,000,000 will be needed. That is correct, is it not?

Mr. MEAD. That is correct. However, unless we make appropriations there are buildings which might be considered to be under way which would not be completed.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. Meap].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. WAGNER. Mr. President, I offer an amendment to increase the appropriations by \$2,500,000 so as to provide employment in the Brooklyn Navy Yard, and also to do very necessary work on Diesel engines in connection with the modernization of three submarines.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

ALTERATION TO NAVAL VESSELS

The Naval Appropriation Act, 1940, Public, No. 90, Seventy-sixth Congress, is amended by inserting, on page 23 thereof, line 5, after "(52 Stat. 688)", the following:

"And the U. S. S. Argonaut, Narwhal, and Nautilus authorized by the act entitled, 'An act to authorize alterations and repairs to certain naval vessels, and for other purposes,' approved April 20, 1939, Public, No. 37, Seventy-sixth Congress"; and by substituting for "\$4,000,000" in the fifth line "\$6,500,000."

Mr. WAGNER. Mr. President, I hope the committee will accept the amendment. I think it is a very desirable increase in the appropriations.

Mr. BYRNES. Mr. President, the Senator from New York has discussed this matter with me on several occasions within the past day or two. I wish the committee could see its way clear to agree to the proposal, as it would like to agree to many proposals. However, Mr. President, the

amendment is legislation; it is a request for which there is no Budget estimate; and I feel constrained to make a point of order against the amendment.

The Navy Department has not presented to the committee any request for this appropriation. Therefore, I do not know the merits of it from the standpoint of the Department.

I make the point of order against the amendment; first, on the ground that it is legislation; and, second, on the ground that there is no Budget estimate for it.

Mr. WAGNER. There is no Budget estimate. I had hoped I might persuade the committee to accept the increased appropriation, because I am sure the Navy Department favors the appropriation, and the work is very necessary work, and will eventually have to be done. I think the appropriation at this time would be particularly desirable in view of the unemployment situation in that section of the country. In the first place, it would absorb some of the unemployed, and would accomplish a modernization work which eventually will have to be done anyway.

I shall have to accept the decision of the Chair as to whether or not the amendment is legislation.

The PRESIDING OFFICER. The Chair feels constrained to rule that it is legislation. It amends the existing law. The point of order is sustained.

Mr. WAGNER. I shall have to accept the ruling of the Chair.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 7462) was passed.

Mr. ADAMS. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Adams, Mr. McKellar, Mr. Hayden, Mr. Byrnes, Mr. Russell, Mr. Hale, Mr. Nye, and Mr. Townsend conferees on the part of the Senate.

STUDY AND DETERMINATION OF A NATIONAL MONETARY AND BANKING POLICY

Mr. BARKLEY. Mr. President, the unfinished business is Calendar No. 1165, Senate Resolution 125.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the resolution (S. Res. 125), providing for a study and determination of a national monetary and banking policy.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 1815. An act for the relief of Evelyn Mary Locke; and S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1802. An act authorizing construction of water-conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States; and

S. 2240. An act to provide for a national census of housing. The message further announced that the House had agreed to the reports of the committees of conference on the dis-

agreeing votes of the two Houses on the amendment of the House to each of the following bills of the Senate:

S. 1708. An act to amend the Employers' Liability Act; and S. 2271. An act for the relief of Barnet Warren.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 3959. An act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes; and

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 5835. An act to authorize the President to render closer and more effective the relationship between the American republics; and

H. R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 35), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Seventy-sixth Congress, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly enrolled.

INVESTIGATION OF VIOLATIONS OF RIGHT OF FREE SPEECH. ETC. INCREASING LIMIT OF EXPENDITURES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1164, Senate Resolution 126.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 126) increasing the limit of expenditures for the investigation of violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, reported from the Committee to Audit and Control the Contingent Expenses of the Senate, with an amendment.

Mr. JOHNSON of California. Mr. President—

Mr. BARKLEY. Mr. President, the Senator from Washington [Mr. Schwellenbach] is the author of the resolution, and I yield to him.

Mr. SCHWELLENBACH. Mr. President, I wish to say first, before the motion to proceed to the consideration of the resolution is voted upon, that so far as I am concerned, when we come to the consideration of the resolution itself I shall have no objection to a motion to amend it by striking from it all the "whereases" which precede the resolution proper.

Mr. JOHNSON of California. It is my intention, Mr. President, to move the elimination from the resolution of the various recitals, beginning with the first "whereas" and continuing down to the words "Therefore be it resolved."

I move that the "whereases" be eliminated from the resolution.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The question is on the motion of the Senator from Kentucky to proceed to the consideration of the resolution.

Mr. JOHNSON of California. Mr. President, I am willing that that motion be first agreed to. Then I shall make my motion.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 2, line 10, after the word "by", to strike out "\$100,000" and insert "\$50,000", so as to make the resolution read:

Whereas a subcommittee of the Committee on Education and Labor, acting pursuant to Senate Resolution 266, authorizing an investigation of violations of the rights of free speech and assembly and undue interference with the right of labor to organize and bargain collectively, initiated an inquiry of vital concern to the people of the State of California, Oregon, and Washington, which it was unable to complete because of lack of funds; and

Whereas there has been widespread public demand for the continuance of the work of said subcommittee as evidenced by action taken by the National Grange, the American Federation of Labor, the Congress of Industrial Organizations, and numerous other

organizations, urging an appropriation of additional funds for the use of the said subcommittee; and
Whereas the Associated Farmers of California, Inc., in a telegram to Senator Hiram Johnson, dated April 4, 1939, inserted in the Congressional Record on that date, asked for an opportunity to be heard concerning any charges affecting it which might arise out of such inquiry: Therefore be it

Resolved, That the limit of expenditures under Senate Resolution

266, Seventy-fourth Congress, second session, agreed to June 6, 1936; under Senate Resolution 70, Seventy-fifth Congress, first session, agreed to February 17, 1937; under Senate Resolution 154, Seventy-fifth Congress, first session, agreed to August 12, 1937; and under Senate Resolution 266, Seventy-fifth Congress, third session, agreed to May 18, 1938, to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively is hereby increased by \$50,000.

Mr. JOHNSON of California. I now move to amend the resolution by striking out the recitals in the preamble of the resolution, beginning with the first "whereas" on the first page thereof, and extending down to the words, "Therefore be it resolved," on page 2, leaving only the resolution itself, without any of the recitals.

The PRESIDING OFFICER. The Chair is advised that the motion of the Senator is not in order until after the resolution itself has been acted upon.

Mr. JOHNSON of California. I thought we had just acted

Mr. BARKLEY. Mr. President, I thought the motion to proceed to consider the resolution had been agreed to.

The PRESIDING OFFICER. The motion to proceed to consider the resolution was agreed to; but before the motion of the Senator from California is in order there is a committee amendment pending, which the clerk will state.

The CHIEF CLERK. On page 2, line 10, after the word "by", the committee proposes to strike out "\$100,000" and insert

"\$50.000."

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. LA FOLLETTE. Mr. President, I should like to have just a few moments of the attention of the Senate to make a statement.

The question before the Senate is on the amendment recommended by the Committee to Audit and Control the Contingent Expenses of the Senate to reduce from \$100,000 to \$50,000 the amount for the continuation of the subcommittee of the Senate Committee on Education and Labor under Senate Resolution 266.

When the last appropriation was made by the Senate for this subcommittee at the last session of Congress I stated that, in my judgment, the work of the committee could be concluded with that sum of money; that its reports, and such legislative recommendations as might be reported on the basis of the committee's testimony, could be made and that the work of the committee could be wound up, and that so far as I was concerned I would not seek any increase in funds, or further money for the committee.

Mr. President, at the time that statement was made the committee had tentatively set up a budget of \$25,000 out of the \$60,000 then afforded to make an investigation of the charges and countercharges which had been made concerning certain activities and certain organizations in the State of California. Pursuant to the setting up of that budget the committee began such an investigation.

The sum of \$25,000 was carefully estimated, and was predicated upon the previous experience of the committee insofar as the expense of its past investigations was concerned.

But, Mr. President, the committee found that the investigation in California and on the west coast was a much more expensive type of investigation than it had experienced when the committee was situated here in Washington, because, first of all, the committee had to pay subsistence; it had to pay travel; and it found that there could be no such economical operation of the committee when it was confronted with the problem of dealing with a situation as far away as the State of California, where travel about that State was very extensively required.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield to the Senator from Montana. Mr. WHEELER. I have had some experience with investigations. I do not understand what the Senator is ask-

ing for. Is he asking for \$100,000?

Mr. LA FOLLETTE. The resolution submitted by the Senator from Washington [Mr. Schwellenbach] and the junior Senator from California [Mr. Downey] authorized \$100,000. The Committee to Audit and Control the Contingent Expenses of the Senate has recommended that the amount be cut to \$50,000.

Mr. WHEELER. If the committee is going to do any kind of a job at all it cannot do it with \$50,000, in my judgment, when it is going to cover the United States. If the committee is going to do any kind of a job it ought to have at least \$100,000. When the Federal Communications Commission was investigating the American Telephone & Telegraph Co. it expended something like \$1,000,000.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. How much has already been expended by the committee headed by the Senator from Wisconsin?

Mr. LA FOLLETTE. In our 3 years of existence the committee has received from the Senate and expended all but \$500 or \$150,000. It has taken 34 volumes of testimony.

Mr. CLARK of Missouri. As a matter of fact, Mr. President, I think the Senator's committee has done very splendid work; but why should it come back here asking an appropriation of \$100,000 over a recess period when it has already been afforded by the auditing committee, \$50,000?

Mr. LA FOLLETTE. Mr. President, I was interrupted in the course of my statement.

Mr. CLARK of Missouri. I did not mean to interrupt the Senator.

Mr. LA FOLLETTE. I shall be glad to answer the question when I come to it. I was trying to say that the committee has had experience and has found that investigations of this character are very expensive; and I felt, as chairman of the subcommittee, that perhaps, if the smaller amount is authorized, and the committee does not complete its work with it, one of two things will happen-either the committee will be criticized or an effort will be made to obtain more funds to complete the investigation-and I felt that I should be remiss in my duty and responsibility to the Senate if I did not very frankly state what I thought the situation to be.

Let me say to the Members of the Senate who do me the honor to give me their attention that obviously it would be very inappropriate for me to say anything about any organization or any group of organizations of which the committee has begun a preliminary investigation, but I think I can say, without transgressing the bounds of propriety in any way, that we have gone far enough in the investigation to know that it is going to be very difficult and complicated. Obviously, there are very sharp differences of opinion pro and con upon the various matters which are under investigation. It will be a very arduous and a very difficult task, and I want to say to the Senate that I personally very much hesitate to undertake this work unless there is some assurance that a complete job can be done, because I know that any group of men who undertake this task are going to find themselves the subject of very great criticism from all sides unless there is an opportunity to afford everybody a hearing, and to complete the investigation as it should be completed, in a thorough manner. After the experience we have thus far had in California in connection with this investigation, I say to the Senate in all earnestness that I do not believe \$50,000 will be an adequate sum for this investigation, and that, in my opinion, either the investigation will be incomplete and unsatisfactory to everybody, or else the sum of money which was originally requested in the resolution submitted by the Senator from Washington [Mr. Schwellenbach] and the junior Senator from California [Mr. Downey] will have to be provided for the committee. Therefore, Mr. President, it was my hope that the Senate might see its way clear, if it was going to authorize the investigation at all, to give to the committee the entire amount.

Mr. KING. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield to the Senator from Utah.

Mr. KING. May I ask the Senator whether it is the purpose of his committee, assuming that this appropriation shall be granted, to investigate the causes of the water-front trouble; the reason why the shipping interests of California, particularly of San Francisco Bay, have been practically destroyed; why it is impossible to build ships there because of the attitude of certain organizations; or whether the committee is to confine its investigation to examining some of the alleged troubles in the agricultural section of the State?

Mr. LA FOLLETTE. Mr. President, as I have stated, I do not feel that I am in a position now to make any comment or draw any deductions as a result of the committee's preliminary investigations. There have been no hearings. No one has had any opportunity to be heard. As a matter of fact, the committee was in the process of collecting material for this investigation when its funds became exhausted. I will say, however, that to the best of its ability the committee will carry out the mandate of the Senate, and will conduct the investigation under the terms of the original resolution, which provided for an investigation of violations of civil liberties and undue interference with the right of labor to organize and to bargain collectively.

Of course, the committee has not been able, despite the large sum of money which the Senate has generously given it, to investigate every controversy which has occurred in the United States in which it has been alleged either that civil liberties have been violated or that there has been undue interference with the right of labor to organize and bargain collectively. The committee has had to proceed on the basis of selecting certain incidents, certain situations, and then endeavoring to make as thorough as possible investigations of them. If the committee had endeavored to investigate all the things which were brought to its attention its life would have had to be extended indefinitely, probably beyond the expectancy of life of the present members of the committee, and there would have to be annual appropriations indefinitely. The committee has endeavored. insofar as it could, to investigate these problems, which have been taken up for investigation with great thoroughness, and has endeavored to give every person a fair opportunity to be heard.

Mr. KING. One other question, if I may ask it of the Senator.

Mr. LA FOLLETTE. I yield to the Senator from Utah. Mr. KING. Has the Senator's committee interpreted the words "civil liberties" as applying only to persons who belong to labor unions, or has it investigated the alleged deprivation of persons of their civil liberties because of the activities of various organizations which I shall not enumerate?

For instance, I have had a number of letters concerning strikes in Detroit, and inquiries as to whether or not the civil liberties of individuals who wanted to work, but were prevented from working, came within the periphery of the right of the Senator's committee to investigate; and many similar inquiries have come to me from various sections of the United States.

Mr. LA FOLLETTE. In response to the first part of the Senator's question, I will state that of course the committee has not interpreted "civil liberties" to apply only to those who are members of labor organizations. In response to the second part of the Senator's inquiry, I will say that the committee has investigated a great number of instances of the kind and character described by the Senator from Utah. Many of them were brought to the attention of the committee by the senior Senator from Michigan [Mr. Vandenberg]; but although the committee was diligent in all of the instances of that nature brought to its attention, when a preliminary investigation was made the committee was unable to secure substantial evidence to substantiate the charges.

Mr. JOHNSON of California obtained the floor.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield in order that I may submit a unanimous-consent request?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Washington?

Mr. JOHNSON of California. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. Prior to the time the vote was had upon the motion to consider this resolution I indicated that I thoroughly agreed that the portion of the resolution contained in the "whereases" could very properly be eliminated. I did not appreciate at the time that under the rules of the Senate ordinarily such a motion is not considered until after a resolution is adopted. I conceive it to be the reason behind that rule that ordinarily there is no particular objection to the "whereases," and that is the reason why the vote upon that question is delayed; but in this particular instance there is an objection to the particular "whereases" which are contained in the resolution, and it seemed to me that we might very well dispose of that question now. It can be done by unanimous consent; and I ask unanimous consent that at this time the various "whereases" contained in the resolution be eliminated.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that the rules of the Senate be suspended, and that the Senate now eliminate the preamble of the resolution. Without objection—and the Chair hears no objection—it is so ordered, and the preamble is eliminated.

The question now is upon the amendment reported by the committee.

Mr. ASHURST rose.

Mr. JOHNSON of California. Does the Senator from Arizona desire to speak upon the amendment?

Mr. ASHURST. I do not desire to trespass upon the time of the Senator from California. When he has finished I wish to make an observation.

Mr. JOHNSON of California. Mr. President, on the 4th day of April last I rose in the Senate and, with a few preliminary remarks, put into the Record without objection a dispatch received by me from the Associated Farmers of California. I said then, and I say now, that I know nothing about the matters involved in that dispatch, but I believe in the sacred right of self-defense, and whenever a body or an individual is attacked I believe in his right to reply and in his right to be heard if necessary.

Up to April 4, 1939, I do not believe there was any attempt, except some preliminary matters of the committee in charge of the investigation of civil liberties and the guardian saint of this body, to do anything in this body in regard to any matters pertaining to the subject matter with which we are engaged today.

April 4, 1939, I call to the attention of the Senate, is the date. I will read to the Senate the telegram then received by me. It was as follows:

SAN FRANCISCO, CALIF., April 4, 1939-

I observe that much is made of the fact that the junior Senator from California unites in the particular petition now before the Senate, and in asking that this particular amount of money be accorded to the committee. That is his right; I have no fault to find with him at all. But so long as I represent the State of California or any part of it, so long as I have constituents in whom I have any confidence at all, be they few or be they many, when they are attacked, I am willing to come to their defense until I find

that they have done something which warrants no defense upon my part.

I therefore came on April 4, 1939, to the defense of the farmers of California, and put in this telegram.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. CLARK of Missouri. Has the Senator ever in his long experience in the Senate heard a single instance where an investigating committee came into the Senate refusing to accept such a munificent sum as \$50,000 for a continuation of their work, and demanding \$100,000?

Mr. JOHNSON of California. I have never heard of one, and that is why I oppose this now. I was willing to let this thing go by upon the separation of the one side, that is composed of certain individuals with whom we are familiar, and of the other side, composed of farmers in the State of California—I was willing to let it go by without determination one way or the other, but let the charges be taken in the open, and let there be such an investigation as would be appropriate under the circumstances.

I do not know who compose the committee which would examine these witnesses or conduct its examination, except, so far as I am aware, the distinguished Senator from Utah and the distinguished Senator from Wisconsin, have conducted such examinations in the past. Is there any other member of that committee, I ask either of the Senators?

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. LA FOLLETTE. There was a subcommittee of three originally appointed.

Mr. JOHNSON of California. Who was the third one?

Mr. LA FOLLETTE. The third one was the late Senator from Iowa, Mr. Murphy, and since his death the vacancy has not been filled by the chairman of the full committee.

Mr. JOHNSON of California. That is a peculiar situation. I need not comment on it at this time, but it is a peculiar situation that two men may conduct an examination which means the very farms of farmers in California, or the very business of someone else. I do not say they have acted wrongfully; I do not asperse their characters at all; but it is a peculiar situation that there should be these two alone, and that no other member of the committee is serving with them in doing this work. Perhaps no other man would serve; I do not know how that is; but only these two have done the job, and these two alone have made the findings. I object to that.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. THOMAS of Utah. I am sure the Senator from California has not read very many of the hearings of the committee which has been investigating in regard to civil liberties.

Mr. JOHNSON of California. Oh, yes, I have read many of the hearings, not all, I admit. I do not say aught against the committee, but there ought to be some other man on the committee as well, some other man who represents a different line of philosophy, if you choose. There ought to be someone upon it who could speak the language of the people who have been examined, or who are to be examined. That is all I complain of, and that ought to be done.

Mr. THOMAS of Utah. Mr. President, will the Senator yield further?

Mr. JOHNSON of California. I yield.

Mr. THOMAS of Utah. I do not like to have the Senator from California suggest that there has been a community of thought or philosophy, to suggest that there has been a single purpose, to suggest that there has not been difference of opinion, to suggest that any single witness who has come before the Civil Liberties Committee has not been defended by counsel—

Mr. JOHNSON of California. Do not put words in my mouth.

Mr. THOMAS of Utah. Mr. President, I will take words out of the Senator's mouth, if the Senator stands here and

objects to the way in which this committee has been conducting its operations, and calls attention to the fact that only two Members of the Senate have been sitting on the committee, and then assumes that those two Members have but a single purpose, and that they are united in all things, that they have one philosophy of life, and that they are not fair with the witnesses who come before them.

Mr. JOHNSON of California. Wait a moment. There has not been any such suggestion by me as that just made. I will make such a suggestion if ever I believe it, but no such suggestion has been made by me. Let us follow along with this telegram.

Mr. THOMAS of Utah. Mr. President, I refuse to leave this situation as it now is.

The PRESIDING OFFICER. Does the Senator from California yield?

Mr. JOHNSON of California. I yield for a question or a correction.

Mr. THOMAS of Utah. The correction is simply this, Mr. President, if the Senator finds that there is something wrong in the fact that only two Senators have conducted these investigations, let the Senator know that every investigation has been open; that other Senators have appeared and sat upon the stand with us; that they have taken part sometimes in the investigations; that there has never been a unity of philosophy or a unity of purpose, and that there has never been a time when a witness has been coerced in the least.

Mr. JOHNSON of California. No one has claimed any such thing, and no one states any such thing. If there comes a time when any such thing shall occur, and I am a representative of the State of California, the Senator will hear from it, he need not worry about that.

Mr. THOMAS of Utah. I should expect every Senator in the United States, every Senator in the Chamber, to rise up is his wrath whenever he found that any injustice had been done, and whenever he found that someone had done something he should not have done; but I do resent, and resent in the fullest measure, the suggestion that there is something unique in the fact that there have been only two Senators operating upon this committee, and that those two Senators are united in a single purpose to carry out a single kind of philosophy which would, in and of itself, result in the most unjust treatment in any kind of an investigation that anyone could think of.

The implications of the Senator from California are what I resent, because the Senator knows, as well as anyone knows, that this committee has carried on an open hearing, that there have been lawyers representing the various witnesses before it, and that never once has the committee been charged with being unjust or unreasonable or improper with a single witness.

Mr. JOHNSON of California. Very well. I am very glad to hear that statement. I am very glad to hear the statement made on behalf of the committee. I accept it in full as it is stated, and I hope, because I do not in any degree endeavor to prevent this investigation, that the investigation will be conducted to the full exactly as the Senator may say, and exactly as he has just related. I will recall his words to him if it is not.

Mr. THOMAS of Utah. Mr. President, will the Senator yield further?

Mr. JOHNSON of California. I yield.

Mr. THOMAS of Utah. Of course, a poor, young Senator feels himself extremely weak standing before the majesty of the senior Senator from California——

Mr. JOHNSON of California. Just a moment.

Mr. THOMAS of Utah. I do not want to appear that way, but I do want to tell the story of this investigation as it has gone on, at this particular point.

In all seriousness, the Civil Liberties Committee was asked, after a preliminary investigation in the State of California, to make a budget of the probable cost of an investigation which would bring out in the open and give these persons a chance to produce their witnesses, to answer, because the Senator from California knows as well as anyone knows

that nothing has been made public that has been discovered by the investigation, no implications have been made, because only in an open hearing held in front of anyone who wishes to attend has the committee carried on its investigation.

After going thoroughly into the probable cost, the Senator from Wisconsin and I worked out a budget, and we submitted the figure of \$105,000 to carry on, properly, the investigation in California.

Mr. JOHNSON of California. When?

Mr. THOMAS of Utah. We did that in the light-

Mr. JOHNSON of California. When?

Mr. THOMAS of Utah. It was done probably back in April. The Senator has used that date, and that date seems all right to me. The request was made, and we submitted that estimate, so that people might see what might be done.

Nothing has been done since, nothing will be done unless the Senate of the United States wants us to carry on the investigation. But the Senator from Wisconsin told the Senate 2 or 3 minutes ago that as a result of our own studies in this matter we deemed the \$50,000 inadequate, and I desire to concur in what he said, because, comparatively speaking.

Mr. JOHNSON of California. I am permitting the Senator to speak in my time, but he may proceed.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. BURKE. For the past 20 weeks, approximately, I have been sitting with the Committee on Education and Labor, although not a member of it, while it has been conducting hearings on another matter, the possible amendment of the Wagner Labor Relations Act, and I wish to say that I have never attended any hearings in either House of Congress that were conducted with more fairness from start to finish.

Having said that, I wish to say further that I agree entirely with the senior Senator from California in what I understood his statement to be, that the two Senators who constitute the Civil Liberties Investigation Committee are Senators dear to all of us, in whom we all have the utmost confidence, and yet Senators who have a certain philosophy, a philosophy to which I find myself very much opposed on very frequent occasions.

To my mind it would be far better, if the Associated Farmers of California have done anything wrong, to have them investigated by the Department of Justice, and prosecuted by that Department, rather than to have them summoned before this committee of two Senators with a certain philosophy, in reference to this matter.

I have in my desk a subpena issued by another committee set up by the Senate, with which the present Presiding Officer is familiar, which seems to me to outrage all our sense of decency and propriety in what a committee of Congress, or a joint committee, as this particular committee to which I refer is, may do.

I desire to take this occasion to say-

Mr. LA FOLLETTE rose.

Mr. BURKE. Does the Senator from Wisconsin desire to

Mr. LA FOLLETTE. Not at this time.

Mr. BURKE. I want to take this occasion only to say that I think if the Civil Liberties Committee is to be given more funds to carry on its investigation, which, to my judgment, has been an investigation aimed solely to carry out a particular point of view, and not with the attempt to investigate the violations of civil liberties for all the people of this country-I say if this investigation is carried on by that committee, the committee ought to be enlarged, so as to put upon it some Senators who have somewhat of a different philosophy from the two Senators who now constitute the committee.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. LA FOLLETTE. The Senator from Nebraska made some reference to a subpena which he then proceeded to condemn. Did I understand the Senator to say that the

subpena was issued by the subcommittee of the Senate Committee on Education and Labor?

Mr. BURKE. No. I said it was a subpena issued by a subcommittee, the presiding officer of which happened to be the chairman of the committee-I do not know the exact name—the anti-monopoly committee. I have no familiarity with any subpenas ever issued by the Civil Liberties Committee.

Mr. LA FOLLETTE. I desire to say, Mr. President, that I think it may be assumed that the subpenas which have been issued by this subcommittee for the various corporations and organizations which it has investigated are certainly within the law, for they were scrutinized by the best legal talent that is obtainable in this country.

Mr. ASHURST rose.

Mr. JOHNSON of California. Mr. President, I will yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, I shall take a few moments of the Senate's time in my own time.

Mr. JOHNSON of California. Following is the telegram:

On March 31 a number of serious charges were made concerning the Associated Farmers of California in a dispatch sent out from Washington by Bruce Catton, N. E. A. Service Washington correspondent.

This is the telegram which I placed in the RECORD by unanimous consent:

This dispatch gives as its source a Senate Civil Liberties Committee report to be filed with the Senate immediately. These charges cannot go unanswered.

charges cannot go unanswered.

The Associated Farmers have been given no hearing by the La Follette committee and no opportunity to present their side of the case. Indeed, they have not even been advised of any charges or what conclusions have been reached concerning them by the La Follette committee, except in the dispatch above mentioned, which expressly states that "no part of the report has yet been disclosed." Decency and fair dealing, to say nothing of the basic principle of American law expressly guaranteeing a fair trial, should dictate that the Associated Farmers have an opportunity to prove or discharge the same of the case of the case

that the Associated Farmers have an opportunity to prove or dis-prove the charges mentioned in the dispatch, if, as, and when made. So that Congress and the public may be advised, we herewith set forth our position, which we respectfully request be read into the

CONGRESSIONAL RECORD.

And then they take up the charges in this Catton press

The Bruce Catton press release was March 31, 1938. Senator from Wisconsin, be it said to his credit, denied that he had anything to do with that release, and in part denied that any charges of the character that were mentioned in the dispatch had been made.

Mr. LA FOLLETTE. Mr. President, if the Senator will pardon me, the committee at no time made any charges or made any report. It has not and never has intended to make any report concerning the California situation unless it was decided that an investigation should be continued, because, as stated in that telegram, and as I stated to the Senator from California when he showed it to me, the committee had not made any report and did not contemplate making any.

Mr. JOHNSON of California. All right. But Mr. Bruce Catton apparently assumed that he had news from some direction and presumably it was the Civil Liberties Committee.

Mr. THOMAS of Utah. Mr. President, may I ask the Senator a question?

Mr. JOHNSON of California. Certainly.

Mr. THOMAS of Utah. There are two members on the Civil Liberties Committee.

Mr. JOHNSON of California. Only two?

Mr. THOMAS of Utah. There are only two members on the Civil Liberties Committee.

Mr. JOHNSON of California. Two.

Mr. THOMAS of Utah. And the Senator from California has pointed over to the Senator from Wisconsin and said that the Senator from Wisconsin very properly denied having to do with the release of that report.

Mr. JOHNSON of California. Yes.

Mr. THOMAS of Utah. Now, does the Senator from California imply that the other member of the committeeMr. JOHNSON of California. I see what the Senator is driving at. Oh, no; the Senator from Wisconsin answered, as I understood it, for the Civil Liberties Committee.

Mr. THOMAS of Utah. I thank the Senator.

Mr. JOHNSON of California. I have his answer here as published in California, if the Senator wishes to hear it. This is dated April 8:

Senator Robert M. La Follette will tell the Senate within the next few days that statements about the Associated Farmers in a recent dispatch out of Washington did not represent the findings of the Civil Liberties Committee. The story purported to be an advance account of the contents of the committee's report and its findings in California. Senator La Follette says that charges made by different persons and organizations were collected and printed as coming from his committee. He says the evidence before his committee does not support all these charges. The committee has been meticulous about documenting all of the statements bearing its authority and has not heretofore had complaints of its work, such as have been made by the Associated Farmers.

That is a news dispatch.

Mr. LA FOLLETTE. Yes; and the Senator, I am sure, will remember, when he spoke to me about the telegrams, that I stated to him that, of course, I did not know from what source Mr. Catton had printed his article, but that as chairman of the committee, and speaking for myself and the Senator from Utah, I stated to the Senator from California then—and that has been the position and policy of the committee from the beginning—that, of course, it would not make any findings, any charges, or any reports unless and until it had completed an investigation, held a hearing, and given everybody an opportunity to be heard in order that there might be evidence upon which to base such findings of fact or such report.

Mr. JOHNSON of California. I do not recall such a complete answer as the Senator has now given. I sent for a member of the Associated Farmers, a Representative in Congress from California, as decent and as high grade a young man as ever I knew, and I asked him to come over here and meet the Senator. The Senator made an appointment with him, and the Senator did not keep it. Does the Senator remember that?

Mr. LA FOLLETTE. No; I do not, Mr. President, but I remember seeing him here and discussing the matter with him here on the floor when the Senator introduced me to him.

Mr. JOHNSON of California. But the discussion was very brief, and he was introduced to the Senator from Utah as well and he got no information, so he reported to me.

Mr. LA FOLLETTE. If the Senator will yield-

Mr. JOHNSON of California. I yield.

Mr. LA FOLLETTE. I gave him the same information about the matter to which the Senator has referred to, that I gave to the Senator from California, if my memory serves me correctly.

Mr. JOHNSON of California. I think it serves the Senator correctly, except in one or two particulars.

Mr. THOMAS of Utah. Mr. President-

Mr. JOHNSON of California. Does the Senator from Utah wish to be heard?

Mr. THOMAS of Utah. Yes; I should like the Senator from California to reflect a bit. He never made an appointment with the Senator from Utah. I talked one afternoon with the Representative from California. I gave him all the information I had. I told the Senator at that time that there would be no investigation in California unless the Senate decided to have an investigation there.

Mr. JOHNSON of California. Then it must have been forgotten very quickly by him. I saw him afterward and asked him if he had learned anything. He said that substantially he had not. But I am calling the attention of the Senate to the time, because at that time both the Senator from Utah and the Senator from Wisconsin said they had stated they would not ask for any more money, and that, so far as they were concerned, this investigation was closed. Does the Senator recall that?

Mr. THOMAS of Utah. Mr. President, I think the Senator will find that neither the Senator from Wisconsin nor

the Senator from Utah formally asked for any money. Every time we have made any statement we have called attention to the fact that when the last money was granted by the Senate of the United States it was expressly stated by the chairman of the subcommittee that we would bring the investigation to a close. That is why I told the Senator from California and his colleague the Representative from California that if there was an investigation in California it would be as the result of Senate action, and not the result of anything initiated by the Senator from Wisconsin and myself.

Mr. JOHNSON of California. It is 4 long months since that conversation.

Mr. THOMAS of Utah. It is 4 months since that conversation and—

Mr. JOHNSON of California. I have never talked to the Senator since nor to the Senator from Wisconsin about the matter, because the conversations with each of them were so vague, as was the Senators' right—I do not question their right to answer me in any fashion they see fit—they were so vague, however, that it was impossible for me to determine whether or not they were going to carry on further investigation. I was not interested in the subject save in behalf of the young gentleman from the House who came over here and who wanted to learn concerning it. He is a farmer, a hard-working farmer, and he is nothing else, and he, of course, was interested in what was transpiring. So I naturally sent him to the sources of information, and from them he returned to me saying practically there was no information.

Mr. THOMAS of Utah. Will the Senator yield further?
Mr. JOHNSON of California. Yes; I will yield to the Senator all night.

Mr. THOMAS of Utah. The Senator has mentioned the fact that our replies were vague. What I say now will be identical with what I said then, that there will be no investigation by the Civil Liberties Committee in California unless the Senate of the United States decides to have us carry out that investigation. I have not asked, the Senator from Wisconsin has not asked, and we will not ask to make investigations, but we will when we are called upon to make reports say what we know. Now, if that is vague I cannot understand vagueness. We will not go unless the United States Senate orders us to.

Mr. JOHNSON of California. Briefly, let me ask the Senator a question. With the resolution adopted today, and \$50,000 being provided by the Senate, does not the Senator think the talk about an investigation is rather vague?

Mr. THOMAS of Utah. There is nothing vague at all about that, Mr. President.

Mr. JOHNSON of California. Perhaps not.

Mr. THOMAS of Utah. The resolution was submitted by someone other than the Senator from Wisconsin. It was submitted by someone other than the Senator from Utah. That has not been the case in the past. Each one of our resolutions in the past has been presented by a member of the committee.

Mr. JOHNSON of California. I want to conclude, and I have this to say in conclusion: I probably do not know a half dozen of the Associated Farmers of California. I know three or four. I know them as farmers and as men engaged in hard work, and as men engaged in the endeavor to save what little they have worked for all their lives. They are exercised and this association is exercised over what may happen. The committee may investigate and if they find there was a rotten condition in that association, or if they find that the Associated Farmers did aught besides endeavor to protect themselves, then I will say gladly here on this floor that the committee endeavored to do what was right and to develop what was wrong.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. BANKHEAD. Are there grand juries in California? Mr. JOHNSON of California. Of course we have grand juries. Mr. BANKHEAD. Are there Federal grand juries in California?

Mr. JOHNSON of California. Certainly. Mr. BANKHEAD. And State grand juries?

Mr. JOHNSON of California. Yes.

Mr. BANKHEAD. Does the Senator know any reason why the grand juries cannot investigate violations of law?

Mr. JOHNSON of California. Not a particle.

Mr. President, for 2 or 3 months we have had the Attorney General of the United States investigating. I am told by the Senator from South Carolina that when it was suggested that he ought to make this investigation—I have not talked to him about it; I never spoke to him in any way, shape, form, or manner, or with anyone connected with him—it was stated that he could not issue subpenas. I am informed that he can issue subpenas. I do not know how his investigation would run. I do not know whether it would run collateral to the investigation of the Civil Liberties Committee, or whether it would run otherwise. He was the important man to investigate this particular matter.

Mr. President, I wish to conclude.

Mr. PEPPER rose.

Mr. JOHNSON of California. I will not be interrupted again.

If there is anything in California which does not smell good, if there is any organization there which deprives any man of his civil liberties, I will fight to prevent that sort of thing being done, and I will unite with the Senator from Wisconsin or the Senator from Utah in doing so. If there is any man on earth in the particular bailiwick from which I come who is not observing the law, who does things which are not proper and fit to be done, then investigate him to the full; but, for God's sake, give him a square deal. Remember, he is a hard-working American citizen, and he is entitled to a square deal. Give him the right to be heard as he is entitled to be heard. Do not let seep out from the committee, or from anybody connected with the committee, any sort of language concerning him which ought not to seep out. See that he is given equal publicity with those who are damning him and endeavoring to prevent him from carrying on his vocation. If he is wrong, find it out and punish him. If he is right, for the love of God acquit him and say that he is right.

Mr. ASHURST. Mr. President, what I shall say, or part of what I shall say, may not appear to have a direct bearing on the resolution before the Senate, for which I expect to

vote.

The rules of the Senate provide that no Senator in debate shall refer offensively to any State in the Union. I hope I am not violating that rule when I say that I happen to know that if civil liberty in California during the past 25 or 30 stormy years has been maintained, it has been maintained through the efforts and the courage of Hiram Warren Johnson, the Senator from California.

Mr. President, so much for civil liberties.

I ask Senators to hear me a moment with respect to a bill which it seems to me should follow the adoption of the pending resolution. I refer to House bill 6832, which passed the House of Representatives and was referred to the Senate Committee on the Judiciary, and by that committee was referred to a subcommittee composed of the Senator from Wyoming [Mr. O'Mahoney] as chairman, the Senator from Arkansas [Mr. MILLER], and the Senator from Connecticut [Mr. Danaher].

The bill provides that it shall be unlawful to bribe or attempt to bribe, to intimidate or corrupt, or attempt to intimidate or corrupt, witnesses who appear before any committee of either House of Congress or any commission or board or agency of the United States.

It may surprise some Senators—it surprised me—to know that while there is a stringent law, namely section 135 of the United States Code, which severely denounces any attempt to corrupt a witness in a Federal court, so far as I know there is no law which punishes anyone who intimidates, attempts to intimidate, or corrupt a witness who appears before a com-

mission, board, or other agency of the Federal Government, or a committee of Congress.

The bill to which I refer has passed the House and has passed the scrutiny of the Senate Committee on the Judiciary, although fairness requires me to say that some of the ablest members of the committee did not approve the bill. So, if I may obtain the floor after the pending resolution has been disposed of, I shall ask the Senate to consider House bill 6832, which reads as follows:

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting therein a new section immediately following section 135 (U. S. C., title 18, sec. 241) to be known as section 135 (a) (U. S. C., title 18, sec. 241 (a)) and reading as follows:

"SEC. 135. (a) That whoever corruptly, or by threats or force, by

"Sec. 135. (a) That whoever corruptly, or by threats or force, by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who corruptly or by threats or force, or by any threatening letter or communication shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress of the United States shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both."

Mr. President, it is common knowledge that witnesses appearing before various governmental boards, commissions, and agencies, and before committees of Congress, have been mercilessly muckraked. They have been asked questions which would be subject to objection in court, questions which were immaterial, incompetent, and irrelevant. In some instances they have been required to give hearsay testimony. I do not perceive any reason why the same safeguard which is thrown around witnesses who appear in the Federal courts should not be thrown around witnesses who appear before boards, commissions, and committees of Congress.

With due propriety and humility, I say that it seems to me that House bill 6832 should be considered following the adoption of the pending resolution. I would not conceal from the Senate, even if I could, the fact that three or four Senators—I shall not name them—whom I regard as among the ablest lawyers in this body, do not view the bill with favor. However, it seems to me if they will reflect again they will see the necessity for the bill.

Mr. JOHNSON of California. Mr. President-

Mr. ASHURST. I yield to the Senator from California.
Mr. JOHNSON of California. I was the one who made
the objection to the bill yesterday. Today I have withdrawn
the objection. I wish the Senator to know that.

Mr. ASHURST. I think the Senator was on perfectly safe ground, knowing him as I have known him for an entire lifetime. So far as I know, he has never given his consent to any proposal without examining it. I am not surprised that the Senator sought, on such a serious matter, at least 24 hours to consider the question. Far from considering that deserving of obloquy, I think it is worthy of commendation.

While I am on my feet, I will say that a particular duty has been cast upon me. I make no apology for the fact that I am very proud of the position I hold. I make no pretense at concealing the fact that I would rather be chairman of the Senate Committee on the Judiciary than to hold any other position.

Mr. President, there is another matter which I wish to bring to the attention of the Senate. I do so with reluctance on this occasion for the reason that, again, some of the ablest Members of the Senate opposed the bill, and for the further reason that it embraces a subject of which I know nothing.

It is a great vice to pretend knowledge when one has none, and it is an equally great vice to pretend ignorance when one has great knowledge. On the subject of admiralty and maritime law, no ignorance could transcend my own. In the Senate Committee on the Judiciary I frequently, if not always, depend upon the sagacity and judgment of members of that committee who are familiar with maritime and admiralty law. There is a situation to which I wish to invite the attention of the two Senators from California, because the matter is critical in that State.

Outside the 3-mile limit, off the coast of southern California, floating palaces have been anchored. In those palatial gambling ships one may hear the whirl of the roulette wheel and the thud of the ivory dice and poker chips above the bacchanalian orgies. As I see it, California has no power to stop that activity. Motor taxis convey citizens

to the gambling ships.

The House of Representatives has passed a bill authorizing the Federal Government to deal with the question. The bill has come to the Senate, and the Senate Committee on the Judiciary has discussed it. Some members of the Committee on Foreign Relations are also members of the Senate Committee on the Judiciary. The matter involves, of course, the question of extending the 3-mile limit. So I shall not discuss the bill, because again, with all my vices, I have never presumed ignorance when I had information, or presumed knowledge when I was ignorant. Being ignorant of maritime and admiralty law, I leave it until tomorrow for the consideration of Senators who are familiar with the subject. However, Mr. President, I should like to read a telegram which has come to me from the Attorney General of California, dated July 28, 1939, addressed to myself. It is as follows:

Los Angeles, Calif., July 28, 1939.

Hon. H. F. Ashurst,

Chairman, Judiciary Committee,

United States Senate, Washington, D. C.:

Your favorable consideration of gambling-ship legislation is earnestly requested. California, with approximately 1,000 miles of shore line, is particularly vulnerable to the activities of such ships which have no other nurses them to multip the State level searcher. shore line, is particularly vulnerable to the activities of such saips which have no other purpose than to nullify the State laws against illegal gambling. By anchoring more than 3 miles from shore they create jurisdictional as well as practical problems of enforcement. State and local authorities are now engaged in attempting to overcome these difficulties, but a Federal statute such as that proposed would automatically eliminate the source of trouble. Should you desire information concerning the scope of activities or any other assistance this office will gledly comply. assistance, this office will gladly comply.

EARL WARREN, Attorney General.

I have had the able support of the senior Senator from California [Mr. Johnson] and the junior Senator from California [Mr. Downey]. I say again that I shall ask the Senate to consider the ship-gambling bill tomorrow. I shall not be able to participate in the debate. If any man in the Senate could debate without information, I would be that man. However, I do not choose to do so; and tomorrow I shall ask the senior Senator from California to bring up the bill for consideration.

Mr. CLARK of Missouri. Mr. President, will the Senator

Mr. ASHURST. Certainly.

Mr. CLARK of Missouri. There certainly is no Member of the Senate for whose opinion I have greater respect than I have for that of the very erudite and learned Senator from Arizona [Mr. Ashurst]. I merely wish to ask the Senator from Arizona if he considers that the question of vessels anchored outside the 3-mile limit has anything to do with the question of the amount of money which should be appropriated for this Senate committee.

Mr. ASHURST. Mr. President, first I express my grateful thanks to the learned Senator from the State of Missouri: and I am not so obtuse as to fail to perceive the implied and

rather just rebuke which his words convey.

Mr. CLARK of Missouri. Mr. President, if the Senator will permit me, I should like to say to the Senator from Arizona that no rebuke is intended, because no Senator who has ever served with the distinguished Senator from Arizona ever had the slightest notion of rebuking him.

Mr. ASHURST. Mr. President, I should consider anything the Senator from Missouri said to me as instruction, wise admonition; but I was going to say that I apologized in advance, and said it was possible that I might discuss some subjects not directly related to the pending resolution. I do

not wish to delay action on the resolution. I have now discharged my duty to my committee, the Committee on the Judiciary, and I have discharged my duty to the country, by laying before the Senate this bill, H. R. 7235, which has to do with the gambling ships. I am not oblivious to the fact that the bill, in my judgment, should have gone to the Committee on Foreign Relations, of which committee the erudite Senator from Missouri is a worthy member; but I hope that before Congress adjourns they will give consideration to this

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator from Kentucky. Mr. BARKLEY. I am familiar with the first bill to which the Senator referred, which was briefly under consideration a day or two ago.

Mr. ASHURST. The Senator is correct.

Mr. BARKLEY. At that time the Senator from California objected because he wanted to look further into it.

Mr. ASHURST. That is correct.
Mr. BARKLEY. And the Senator will recall that there was a difference of opinion at that time as to the interpretation of the bill.

The Senator's statement is correct. Mr. ASHURST.

Mr. BARKLEY. I have made what little contribution I could to confirm the Senator's interpretation of that bill, and I am delighted that our interpretation now has been further confirmed by the judgment of the Senator from California. I think the bill ought to pass, and I shall be glad to cooperate tomorrow with the Senator to try to have it considered.

Mr. ASHURST. Let me say in reply that the contribution made by the able Senator from Kentucky was not a "little" contribution, but he shed much light on the question.

Mr. KING. Mr. President-

Mr. ASHURST. Begging the pardon of the Senator from Utah, the Senator from Utah yesterday did that which well became him, and for which I hold him in the highest respectit is the habit of his lifetime-never to give precipitous consent to a matter without some investigation; and when the able senior Senator from Wyoming [Mr. O'MAHONEY] sought to have the bill passed the Senator from Utah, joining with the Senator from California, asked-which was perfectly proper-further time for consideration, because it is only when such light as those Senators may throw upon the subject has been afforded that I feel I am perfectly secure. I hope the able Senator from Utah has finished his examination, and I now yield to him.

Mr. KING. Mr. President, with respect to the second bill to which the Senator referred-

Mr. ASHURST. That is the so-called ship-gambling bill, I may say.

Mr. KING. That question, or one analogous to it, was brought before the Finance Committee some time ago: and I drafted a bill under the terms of which the United States was given jurisdiction over waters beyond the 3-mile limit. As a result of that jurisdictional authority we closed the ships that were bringing in liquor and were anchored 12 miles out; we brought them under the control of the United States; we drove every one of those ships from the high seas, and we stopped the importation of liquor from them.

Mr. CLARK of Missouri. Mr. President, will the Senator

Mr. ASHURST. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to add, in closing this debate, that during my brief tenure in the Senate there has never been any proposition coming out of the Committee on the Judiciary sponsored by the Senator from Arizona in which I did not resolve all my doubts in favor of the recommendation of the Senator from Arizona, and I have never had any reason to regret it.

Mr. ASHURST. Mr. President, I am grateful and humble in view of these kind remarks. I shall presume to ask the Senate, after the pending resolution is disposed of, to take

up and consider the witness bill.

Mr. BARKLEY. Mr. President, if the Senator will yield, there are some small matters which are scheduled, if possible, to be disposed of tonight. I desire to cooperate with the Senator, and I will do so, but at the present time I hope the Senator will not insist on his request.

Mr. ASHURST. I yield to the superior judgment of the Senator from Kentucky.

Mr. BYRNES. Mr. President, the Committee on Civil Liberties was authorized in 1936 to conduct an investigation with an authorized appropriation of \$15,000. From year to year since 1936 the appropriation has been increased, and the committee has received a total of \$150,000.

Last year, as has been stated upon the floor once or twice, the committee asked for an additional appropriation of \$50,000, and the two members of the committee came before the Committee to Audit and Control the Contingent Expenses of the Senate and stated at that time that if the \$50,000 were granted, they would not ask for a further appropriation, and upon the floor of the Senate the same statement was made. They have lived up to that statement. Neither the Senator from Wisconsin nor the Senator from Utah [Mr. Thomas] submitted a resolution for another appropriation.

My recollection is that last year, when the Civil Liberties Committee asked the Committee to Audit and Control the Contingent Expenses of the Senate for the \$50,000, they stated that \$25,000 was to be used for an investigation of the violation of civil liberties in California. It was thought by them at that time certainly that that would be a sufficient amount for that investigation. Members of the committee have stated upon the floor that certain proceedings were had, certain investigations made, and no report filed.

In this Congress the Senator from Washington [Mr. Schwellenbach] submitted a resolution, which is now pending before the Senate, asking for \$100,000, to increase by that sum the limit of expenditures of the Civil Liberties Committee.

In the original resolution the Committee on Education and Labor is given the right to call upon the departments of the Government for clerical and other assistance in its inquiry.

When this resolution came before the committee I was of the opinion that because of the matters set forth in the resolution to investigate violations of free speech and assembly and interference with the right of labor to organize, the Department of Justice should conduct the investigation, in view of the fact that the Department of Justice this year had established for the first time, in the criminal section, a separate division charged with the investigation and prosecution of violations of civil liberties.

Believing that, when the Appropriations Committee was considering the appropriation for the Department of Justice, after the committee had acted and had recommended the appropriation of the entire sum requested by the Department of Justice, I presented to the Appropriations Committee the view I have now expressed to the Senate. I stated that this investigation had been made, that \$25,000 had been spent, that another resolution was pending, and that I believed that if there were violations in California of the civil liberties of individuals an investigation should be made, there should be a prosecution, and the Department of Justice should be given money to make the investigation and conduct the prosecution. Without a Budget estimate, upon my request, the Appropriations Committee increased the amount for the criminal division of the Department of Justice by \$20,000, with the specific provision that of the total amount \$50,000 should be available for the investigation and prosecution of violations of civil liberties.

I believed that that would be done. In a conversation with the Attorney General I certainly was informed that the money would be used for that purpose; and the Attorney General advised me that some members of this particular division in the criminal section had been assigned to the investigation of conditions in California.

Subsequently, the Senator from Washington [Mr. Schwellenbach] placed in the Record a statement by the Attorney General that for some reasons which I do not now recall he did not believe he could adequately or satisfactorily perform the duties expected of him by the committee, and that he believed the Senate should appropriate

an amount for the Senate committee to continue its investigation. The Attorney General did not come before the Committee to Audit and Control the Contingent Expenses of the Senate. He expressed a desire to do so; but inasmuch as in the last days of the session we were hurried, I asked the Senator from Washington to repeat in substance the statement of the Attorney General, which he did.

It satisfied me that in view of the fact that a standing committee of this body had asked for a continuance of the investigation, in view of the fact that the Attorney General said he could not use the money or was not going to use the money for the purpose we expected in the manner that we thought it could be used, and inasmuch as he was urging that the Senate continue the investigation, this resolution should be reported. The members of the Committee to Audit and Control the Contingent Expenses of the Senate determined that they would submit the matter to the Senate, for determination by the Senate.

The committee were of the opinion that in view of the fact that the resolution asked for \$100,000, and that the Department of Justice under the appropriation bill already had \$50,000 for this purpose, they were liberal in recommending that not exceeding \$50,000 should be made available at this time. That is how and why the resolution is now before the Senate.

I call attention to the fact that under the original resolution, copy of which I have on my desk, in addition to the \$50,000 which is made available by the resolution, the committee can call upon the department for clerical and other assistance. I think the committee has been liberal in its recommendation, and I ask that the committee recommendation be agreed to.

Mr. BARKLEY. Mr. President, I do not wish to delay a vote on this matter, because there are three or four other matters which I hope we may dispose of tonight, including an additional resolution from the Committee to Audit and Control the Contingent Expenses of the Senate.

I wish to say that I have been somewhat familiar with the investigation carried on by the Civil Liberties Committee, particularly as one phase of it related to my State. I shall not go into that, because it is unnecessary, and the hearings disclose what was revealed, and the newspapers have carried reports about it. But I believe I am justified in saying that if this committee had done nothing except to contribute to what I hope will be permanent peace and accord in one county in the State of Kentucky, which has been involved to some extent in this investigation, the entire amount expended by the committee would be justified.

I am wondering whether, after all, the \$50,000 recommended by the committee is not sufficient at this time. I do not know anything about the situation in California; I do not know what an investigation there will reveal. I am satisfied that after the expenditure of this sum, if there is any "pay dirt" out there, the Senate will be willing to increase the amount. But for the time being, for the time until Congress meets in January, I rather have a feeling that the \$50,000 recommended is sufficient and that it ought to be agreed to. I am wondering whether the author of the resolution feels that probably this amount would be sufficient.

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. BARKLEY. I yield.

Mr. SCHWELLENBACH. I desire to answer the question, but to make just a preliminary statement first.

My connection with this part of the investigation came from the revealing to me last summer of conditions which did not involve the Associated Farmers, and did not involve particularly the State of California at all, but did involve very definite violations of civil liberty and civil rights. I came back last January with a determination to try to induce the committee, which I knew from what had occurred last year had had some appropriation for an investigation on the Pacific coast, to consider what I had formerly presented on a 1-day visit to Washington last summer,

I found that the committee had gone to California, had expended most of its money in the preliminary investigation there and that the members of the committee found themselves estopped from asking for further funds.

I later presented this resolution. Before I offered it, naturally I went to the two members of the committee and asked them how much they thought they should have in order to continue what was preliminarily done last summer, and in order to investigate generally the conditions on the Pacific coast. They prepared an estimate after consulting with the people who were employed by the committee, which, as I remember was \$105,000. I chopped off the \$5,000, and presented the resolution for \$100,000.

When the matter was presented to the Committee to Audit and Control the Contingent Expenses of the Senate a few days ago, I naturally asked for no amount. So far as I am personally concerned, I am not in a position to know what amount may be necessary. The committee decided upon \$50,000. The Senator from Wisconsin [Mr. La Follettel] sincerely believes that that is not sufficient, and that the original \$100,000 figure should be retained.

Frankly, I will say my own position is that approximately 4 working months will probably ensue between now and the time we will convene again in January, that is, it will take a couple or three weeks for the committee to get started, and Christmas week coming at the end of the time, it seems to me it should be possible under those circumstances to operate, and that the \$50,000 ought to be sufficient. My personal feeling is that I certainly am not willing to risk the entire question of investigation by a dispute between the sums of \$50,000 and \$100,000.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. In just a moment. I wish to say, in connection with what the Senator from Washington has stated, that I do not think the committee is bound either morally or legislatively or legally by the statement they made previously that they had no intention of asking for additional funds. I think any committee can, in good faith, make a statement of that sort and then discover later that it does need funds, and they violate no obligation in asking for them. I appreciate the fact that neither member of the committee has asked for this additional sum, but that should not in any way stand in the way of the Senate granting it, if it is needed, and will serve a good purpose.

I do not consider myself in any way obligated to vote against the increased amount, because the members of the committee went before the Committee to Audit and Control previously and indicated that they would not need any more. But I do feel that, in the situation which now exists, we can legitimately consider whether this amount is necessary to carry on until it may be determined later whether an additional sum is needed.

Mr. BYRNES. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. BYRNES. Since the time the Senator from Washington offered his resolution, and I know he will recall it was offered in February, the \$50,000 has been made available to the Department of Justice, and the Senator may not have known that at the time.

Mr. SCHWELLENBACH. Mr. President, I am perfectly frank in recognizing, so far as that matter is concerned, the fact that the Department of Justice has this money available, but I do not think that is a complete answer; I do not think it completely eliminates the necessity for further work of the committee. I cannot say frankly that that does not affect me so far as the question of the amount is concerned.

Mr. CLARK of Missouri. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. Has the Senator from Kentucky or the Senator from Washington or the Senator from South Carolina ever before heard of an instance in which a committee came before the Senate and, in the closing days of a session, refused an appropriation of \$50,000 for the continua-

tion of their services during the interim and demanded that \$100,000 be appropriated?

Mr. BARKLEY. I may say to the Senator from Missouri that I do not know whether any such instance ever occurred or not—

Mr. CLARK of Missouri. The Senator has been in Congress for a long time, and I should be very glad to have him give such an instance.

Mr. BARKLEY. I do not recall such an instance; but I would not be bound by that, if there never had been such an instance. I would not feel that I was obligated to disregard this request if the money were needed.

Mr. CLARK of Missouri. I should be very glad to have the Senator tell the Senate, if he will, just exactly what peculiar circumstances are connected with this committee which require twice as big an appropriation as has ever been made in the history of the Senate for the continuation of an investigation.

Mr. BARKLEY. I am not urging twice the amount that has ever been appropriated.

Mr. CLARK of Missouri. That is the proposal that has been urged here with regard to the committee amendment.

Mr. BARKLEY. The resolution was presented for \$100,000, and the Committee to Audit and Control reduced it to \$50,000, and I am supporting the amendment. I am going to vote for the amendment.

Mr. CLARK of Missouri. Has the Senator ever heard, in his whole experience in either the House or the Senate, of as liberal a provision for the continuation of a committee during the interim?

Mr. BARKLEY. I would not like to make a comparison between this and other instances.

Mr. CLARK of Missouri. Has the Senator ever heard of such an instance?

Mr. BARKLEY. I do not know whether I have or not. If I have, I have forgotten it.

Mr. CLARK of Missouri. For the continuation of a committee to the next session of the Congress?

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. BANKHEAD obtained the floor.

Mr. SMITH. Mr. President, if the Senator will yield to me a moment, I am one of the few members of this body who is not a lawyer, but I never had my attention called to this roving grand jury before. In the face of State courts, Federal courts, and every form of legal authorization to take care of the citizen, we appoint from the Senate a body who must go out and, in the face of all the reserved powers of the States and their jurisdiction, adduce evidence concerning the infringement of civil liberties.

It is a discredit to all the States, it is a discredit to the jurisdiction of our legal department that we take two men, or four, or a dozen, and have them snooping around throughout the several sovereign States to investigate and ascertain whether some citizens of a State have been denied civil rights.

What in the name of God have we come to? Discredit of State courts, discredit of Federal courts, selecting at our pleasure a snooping committee, a smelling committee, to go around and inquire of different ones, "Have your civil liberties been interfered with?"

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. SMITH. I yield.

Mr. CLARK of Missouri. I should not like to have anything I said in the last few minutes with regard to the amount to be appropriated for the continuation of the investigation to be taken as indicating that I am in sympathy with the remarks made by the Senator from South Carolina. I think this committee, if they never did anything else, in their disclosure of conditions in Harlan County, Ky., performed a great service, and I am perfectly willing to give them all the money that is necessary to carry them on until the next session of Congress. I am not willing to give them at one swoop two-thirds as much money as they spent in 3 years.

Mr. SMITH. Mr. President, I do not feel that it is my duty to defend Kentucky; she is a royal, good State; and though she had this unfortunate condition within her borders, she was amply able to cope with it, and would have coped with it, but we rushed in.

Mr. CLARK of Missouri. They never have.

Mr. SMITH. That does not mean they never will.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BARKLEY. I do not care to get into a controversy about what happened in Harlan County, but I wish to say that conditions existed there which had not been coped with because of the peculiar industrial situation in that county, where scores of deputy sheriffs were appointed, paid for by coal companies, who owed their allegiance to the coal companies, but took the oath of allegiance to the State, and in political campaigns promises had been made to pass legislation covering that situation. Of course, it is true that the legislature could have acted, but they did not, and it was only after this committee made the investigation and called the attention of the entire State to conditions which most people did not realize existed that the legislature then passed a law attempting to correct the situation.

Mr. SMITH. I regret to hear the Senator make that state-

Mr. BARKLEY. It is the truth.

Mr. SMITH. Exactly, but the Senator is admitting that Kentucky is not worthy of State rights.

Mr. BARKLEY. Oh, no.

Mr. SMITH. That they have to go to the Federal Gov-

ernment to correct an intolerable condition.

Mr. BARKLEY. If the Senator will yield, a situation existed in Colorado years ago, and the House of Representatives appointed a committee to investigate conditions pertaining to the Colorado Fuel & Iron Co. A distinguished Representative from my State, the Honorable Ben Johnson, whom the Senator knows, and with whom he served in the House, was the chairman of the committee. The committee brought to light the existence of conditions which the people in Colorado probably did not fully understand, and certainly the people of the United States did not.

I think these investigating committees have served a useful purpose, and it is no reflection upon a State to say that local conditions were such that they either did not understand them or were unable to cope with them until the people of the entire State were made familiar with them, and brought influence to bear upon the legislature of the State

to deal with them.

I will say, furthermore, that in part as a result of the investigation in Kentucky, the Federal grand jury indicted a large number of people, and nearly 3 months were spent in the trial of those cases, which resulted in a hung jury. I dare say that if it had not been for the investigation of the La Follette committee, and the Department of Justice under the civil rights activities of the Department, these indictments might never have been brought by the Federal grand jury. I believe that through the mere exposé of those conditions, although no one was convicted in the trial as the result of a hung jury, and as a result of the widespread knowledge which these investigations and these indictments brought to the people of the entire country, as well as to the people of my State, the situation there has been and will continue to be no longer one which will cause humiliation to anyone in this country.

Mr. SMITH. Yes, Mr. President, but because of sectional influence we are setting a precedent which will result in eliminating the intiative of the officers of the States.

Mr. WHEELER and Mr. WAGNER rose.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from South Carolina yield; and if so, to whom?

Mr. SMITH. I will take them on one at a time. [Laugh-

ter.] I yield first to the Senator from Montana.

Mr. WHEELER. I wish to call attention to the fact that a few years ago there was a coal strike in the State of Pennsylvania and the senior Senator from California

[Mr. Johnson] introduced a resolution in the Senate to provide for a Senate committee investigation of that coal strike and the conditions in the State of Pennsylvania surrounding the strike area, as well as in Kentucky and West Virginia.

A Republican Senate agreed to the resolution, and a Republican Vice President appointed the committee. He appointed as chairman the late Senator Gooding, and Senator Metcalf, of Rhode Island, and Senator Pine, of Oklahoma, as well as the Senator from New York [Mr. Wagner], and myself. We went out in the field and investigated the conditions in the great State of Pennsylvania as well as other States. We found the conditions to be deplorable. What we found was brought to the attention of the country, and resulted, in my judgment, in great improvement in the situation with respect to the coal miners and the coal industry in those States.

The Senator speaks of grand juries, and he speaks about State court juries, and so forth. The same argument was made on the floor of the Senate at the time of the Teapot Dome investigation. We heard the same argument advanced at the time of the Daugherty investigation. All the Republican newspapers across the United States of America from one end to the other denounced the investigation of Daugherty and the Department of Justice until certain things were pinned upon Daugherty, and after that grand juries here in Washington and in other places conducted investigations.

Mr. SMITH. Mr. President, let me make my speech now. Mr. WHEELER. Very well. I shall make mine later.

Mr. SMITH. Since that nefarious condition was found in Pennsylvania it has gone Democratic, and now it is a "Garden of Eden," so I hear. I hear they have their civil rights to such extent that a misdemeanor or a felony—

Mr. JOHNSON of California. I ask the Senator from Montana how much money was accorded to that investigation

which I fathered?

Mr. WHEELER. Not much.

Mr. SMITH. Mr. President-

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from California?

Mr. SMITH. I yield to the Senator from California.

Mr. JOHNSON of California. I wanted to ask the Senator from Montana a question. In the investigation which he says I fathered in Pennsylvania, how much money was accorded?

Mr. SMITH. Do not let us start the Senator on a speech. He can answer that later.

Mr. JOHNSON of California. But it was a very small sum. Mr. WHEELER. I think it was \$25,000 to begin with.

Mr. JOHNSON of California. Two thousand five hundred dollars, from all I gathered.

Mr. WHEELER. Oh, no.

Mr. JOHNSON of California. There was another investigation, which I conducted by myself. That was the investigation into the rotten bonds of Latin America. I sat for a period of 2 months with the Finance Committee. Does the Senator know how much money I had with which to conduct the investigation? I did not have a solitary penny. The only money expended was money paid for stenographer's fees.

Mr. SMITH. Mr. President, all these instances which are cited are deplorable, but we are rapidly drifting into a centralized government. We are almost right now in a condition of State socialism. So far as I am individually concerned, I would rather have the States work out their own salvation or damnation through their own efforts than to do away with, as we are gradually doing away with, the power of the local courts and Federal courts.

I have no idea of the scope of this committee. It is determining questions which are absolutely under the jurisdiction of the Department of Justice and the different State courts. But it seems we have to erect over those courts now a supercourt, which is granted the money and the power to investigate without any particular reference to the judicial temperament of the investigator, and find certain conditions,

exploit them abroad, and do those things which are sacred to the States.

I am not palliating the terrible conditions that exist in some very provincial and backward States. Those States may go on, they may advance after a while, and they should be given a chance to do so. I recognize that those States which for so long a time were Territories, got into the habit of looking to Washington for everything, and they do not feel the pride and grip of sovereignty as do the Thirteen Original States which won the glorious privileges we now enjoy.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BURKE. I thought from the Senator's remarks that he was referring to some of the newer States as not being quite in the class with the Thirteen Original States. I should like to say, however, to the Senator from South Carolina, in sharp difference to the opinion expressed by the Senator from Kentucky, that I would consider it a very serious reflection upon my State of Nebraska if the Senate were to send what the Senator has so aptly described as a roving jury of two Senators to investigate civil liberties in my State. I want to put Nebraska in the same class as the original 13 States as able to look after its own civil liberties.

Mr. SMITH. And if Nebraska will continue to elect such men as the one who has just spoken, she will never get out

of the proud category of States'-rights States.

Mr. President, I have sat here and witnessed the steady drift toward centralization. George Eliot, in one of her great novels, pictures a certain character who deviated at first so slightly from the line of right that the angle that differentiated between right and wrong was almost negligible, but, projected through a long life, he reached the very depths of degradation without the sense of falling.

Mr. President, we have deviated and are now deviating from the glorious principles of our dual form of government. We have deviated from the bedrock of democracy, of individualism, the right to be the captain of one's own soul, and have drifted rapidly into collectivism, and then into state socialism. We have drifted so far that men will stand on the floor of the Senate and plead for things which are obnoxious to the very form and foundation of our Government. Senators say that conditions wholly within the jurisdiction of a State have become so obnoxious that neither the Federal courts nor the local courts can unearth them, but we can send a snooping committee, a political committee, which will uncover and correct them.

No, Mr. President; I would rather suffer the ills of bloody Kentucky, or the tremendous scandals of Teapot Dome, than to have to give up the key by which can be opened the door to centralization and Federal control of this great country of ours.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BURKE. Reference has been made to the Teapot Dome investigation two or three times this evening as if that were comparable in some degree to this proposal. Of course, there is no comparison. There was a proposal to investigate a Federal official, the Secretary of the Interior of the United States, and others connected with the Federal Government. That was not a matter of sending a roving grand jury out into a State to investigate the violation of civil liberties within the State.

Mr. SMITH. In addition to that, the matter related to Government property. It was a matter which justly belonged to a congressional investigating committee. But think of what is involved in this Civil Liberties Committee. As I said in reference to the great State of Pennsylvania, she obtained so much civil liberty that she wanted to open the door of public places of amusement and entertainment to our brothers in black.

Now I want to say something about that question. I may never have the opportunity again. I and the people of the South are charged with Negro baiting and Negro mistreatment. I want to say to this body that I think my debt of obligation to the race to which I belong forever forecloses

the possibility of my acknowledging either by law or by social custom the equality of that race which from the dawn of creation till now has never shown the least of our characteristics.

The building in which I stand, the splendid advancement of the discoveries of science, the magic touch, the gift of the gods, to our inventive geniuses proclaim the glory of the race to which we belong. We are under obligations to that race for all we have. We are under obligations to it for the Christ that came. Yet for miserable political reasons we are ready to pass a law to inject into the bloodstream of our splendid history this inferior race. You are not acknowledging your obligation to the race that has glorified the world when you do that. You are not acknowledging your obligation to that splendid breed that has been clothed in glory which has made us a little lower than the angels. But for miserable political reasons you are ready to inject into the bloodstream of our splendid social and political system the vicious part of a nation that through all the history of the world has never moved a step forward from the dawn of creation. It is not a local question with me. It is a question which involves the future of the grandest race that God ever

I wish each and every Senator would read the marvelous book by Madison Grant called The Passage of a Great Race—

passing because of miserable politics.

Mr. President, as I stand here today I know I am a voice crying in the wilderness; but I am responsible for the voice and the cry thereof. I plead for the fundamental principles upon which our Government has been founded, and by which it has gradually risen to the splendid proportions of today; and I will not add, through so-called emergency, to the disruption of the system which has been the envy and the despair of every other nation on the earth. No; I am called reactionary. If being a reactionary means having a devotion to the fundamental principles of a genuine republican form of government in the broad sense in which the foundations of our Government were laid, I glory in the epithet, if it may be called that.

Mr. President, I know it has been said that our Constitution has become effete, that it has outlived its usefulness. If so, then truth has become effete, human nature has changed, and the fundamental principle of man's relation to man has disappeared within the past generation. If the Bill of Rights, the inalienable rights of the individual as written in our Constitution, had been written during the time of the canonizing of the Bible, it would have been said to have been inspired by God. It was; but it has not the halo of sacredness around it that the 10 moral commandments have. Yet those 10 articles of the Bill of Rights are as eternal and unchangeable as the Ten Commandments written on Sinai.

We sit here, and in the heat of debate and under the urge of politics we trifle with the most precious thing ever given to

mankind, the Constitution of the United States.

Mr. President, it was no empty thing when I stood before the Vice President and swore to support and defend the Constitution of the United States against all enemies, foreign and domestic—in the Government, as the Senator from North Carolina [Mr. Bailey] suggests. May my right arm forget its cunning, and my tongue cleave to the roof of my mouth, if I ever by vote, word, or act cast aspersions upon that instrument, or bow down to the interpretation of it which is now advocated in some quarters.

If I were President of the United States or Governor of my State I would make it obligatory upon every school supported wholly or in part by public funds to teach the Constitution of the State and of the United States, the reserved and delegated powers of States, and the protection of the individual against the majority. I would make them draw a sharp comparison between the Government of the United States and the governments of other countries which are always in turmoil and confusion.

Mr. President, I will not vote one penny to this roving grand jury. It may do some good; but it is fraught with more evil in the years to come, to make us forget our States and their authority, and our courts and their authority. If

the committee were investigating something particularly pertinent to Congress, it would be a different matter. As for me, I shall adhere to the fundamental principle of our dual form of government and the sacredness of the indileubiv

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is, Shall the resolution, as amended, be agreed to? [Putting the question.] The "ayes" seem to have it.

Mr. HARRISON. Mr. President, I ask for a division.

Mr. WAGNER rose.

Mr. LA FOLLETTE. Mr. President, I ask for the yeas and

The yeas and navs were ordered.

Mr. WAGNER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams Sheppard Lee Lodge Ellender Andrews Shipstead Smith Lucas McCarran Ashurst George Stewart Austin Gerry Bailey Bankhead Guffey Gurney Mead Taft Minton Thomas, Utah Hale Harrison Townsend Truman Barkley Neely Bulow Nye O'Mahoney Burke Hatch Van Nuvs Wagner Walsh Byrd Hayden Pepper Pittman Byrnes Herring Johnson, Calif. Johnson, Colo. Radcliffe Russell Capper Clark, Mo. Wheeler White King La Follette Schwartz Schwellenbach Connally Danaher

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present.

The question is, Shall the resolution, as amended, be agreed to?

Mr. CLARK of Missouri. Mr. President, since I was engaged in the debate at an earlier stage of the proceedings this evening on the question whether \$50,000 or \$100,000 should be appropriated for the continuation of the work of the committee, I should like to announce that I am in a very embarrassing position in which a man is very rarely put, that of having listened to a very eloquent speech on the same side of the proposition on which he originally was and at the conclusion of that speech winding up on the other side of the question. Mr. President, the only question with me at the inception of the debate this evening was the question whether the committee should be granted \$50,000 or \$100,000. I think \$50,000 is a liberal allowance for the committee between this time and the next session of Congress. The committee having spent \$150,000 in the course of 3 years, it seems to me it is an act of effrontery on the part of the committee to come in and ask for \$100,000 and to reject the offer of the Auditing Committee of \$50,000.

Mr. President, after hearing the speech made by my very dear and distinguished friend from South Carolina [Mr. SMITH] this evening, attacking the whole work of the committee and denying the right of the Senate of the United States to make an investigation into matters which most dearly concern the rights of citizens of the United States under the Bill of Rights and the Constitution of the United States, I am perfectly willing to vote for an appropriation of \$200,000 if it is necessary. This is one of the few times in my life when I have listened to a very eloquent speech by a very dear friend of mine and have been completely convinced on the other side.

Mr. President, I say that if the committee had done nothing except to expose the violation of the rights of American citizens in Harlan County, Ky., it would have justified all the expenditures which have been made, and much more.

I glory in the statement of the Senator from Kentucky just a few minutes ago that he welcomed such investigations by a Senate committee or anybody else in Kentucky. I think we have some conditions in Missouri which may call for an investigation, and I shall welcome the committee into Missouri. I believe \$50,000 is as much as the committee can legitimately spend before the beginning of the next session.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. CLARK of Missouri. I gladly yield to the Senator from Illinois.

Mr. LUCAS. As one who is more or less new in the United States Senate, and not knowing very much about the previous activities of this committee, I should like to ask the Senator from Missouri if he can answer the question as to how much money heretofore has been appropriated for the activities of the committee.

Mr. CLARK of Missouri. I heard the statement on the floor by the chairman of the committee, who is now in the Chair, that about \$150,000 had been appropriated and spent.

Mr. BYRNES. Mr. President, \$150,000 has been appropriated and spent.

Mr. LUCAS. In what time?

Mr. CLARK of Missouri. In 3 years; and I think the Committee to Audit and Control the Contingent Expenses of the Senate has been very liberal. I entirely agree with the committee that a further allowance of \$50,000 is a very liberal allowance. That is the position with which I started in this debate; but I would not have it supposed for a minute that the fact that I think \$50,000 is all the committee can legitimately spend before they have an opportunity to come back to the Congress and ask for more money is any reflection at all on the activities of the committee in investigating into conditions which have been a disgrace not only to certain States but to the United States.

Mr. LUCAS. Mr. President-

Mr. CLARK of Missouri. I am glad to yield to the Senator from Illinois.

Mr. LUCAS. Am I to understand that a committee of this kind is appointed for the purpose of making an investigation upon which legislation may ultimately be predicated?

Mr. CLARK of Missouri. I understand that to be true. Mr. LUCAS. Has any legislation been initiated upon the part of the committee or of the Congress as the result of this 3 years' investigation?

Mr. THOMAS of Utah. Mr. President— Mr. CLARK of Missouri. Mr. President, I should be unable to say as to that. I shall be glad to yield to the Senator from Utah [Mr. Thomas], who is a member of the committee, to answer the question; but I can say, from experience as a member of certain investigating committees, that it is always very difficult for a committee to recommend legislation until they have had an opportunity of concluding their investigation.

Mr. LUCAS. Three years seems to me to be quite a little while.

Mr. CLARK of Missouri. That, of course, depends on the length of time necessary for the investigation.

I am glad now to yield to the Senator from Utah.

Mr. THOMAS of Utah. Mr. President, I call attention to the fact that on the calendar, as No. 941, there is Senate bill 1970, introduced by the Senator from Wisconsin [Mr. LA FOLLETTE | and myself, a bill to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes.

Mr. LUCAS. Mr. President, let me ask the Senator from Utah, if I may, how long that bill has been on the calendar?

Mr. THOMAS of Utah. The bill has been on the calendar, I should judge as the result of its number, about 3 or 4 weeks. The hearings on the bill were held during the rast 21/2 months; and it may be of interest to the Senator to know that no one appeared against the passage of the

Mr. LUCAS. Am I to understand that this one bill is the only piece of legislation which has been initiated upon the part of the special committee as a result of 3 years of investigation?

Mr. THOMAS of Utah. It is the only piece of legislation which so far has found a place on the calendar of the Senate.

Mr. LUCAS. And, if I correctly understand, this additional money is for the purpose of continuing the investigation upon which legislation may be predicated in the future.

Mr. CLARK of Missouri. Mr. President, let me ask the Senator from Illinois a question. Is the Senator in favor

of cutting off this investigation?

Mr. LUCAS. I will say to the Senator from Missouri that I am trying to get some information in order that I may intelligently cast a vote upon the appropriation.

Mr. BANKHEAD. Mr. President-

Mr. CLARK of Missouri. I am very glad indeed to yield to the Senator from Alabama.

Mr. BANKHEAD. I should like to ask the Senator whether he has taken into consideration the statement of the junior Senator from South Carolina [Mr. Byrnes] that \$50,000 has recently been especially earmarked in the appropriation bill for the investigation by the Department of Justice of violations of civil liberties, and whether the Senator thinks the Department is incompetent, and that that is an inadequate amount to serve this purpose.

Mr. CLARK of Missouri. I will say to the Senator from Alabama in all kindness to the Department of Justice that if the Department of Justice has earmarked \$50,000 for this purpose during the past 2 months, it has been in response to the pressure of this Senate investigation. It is something that has been the duty of the Department of Justice for lo these many years, under Republican Attorneys General and under Democratic Attorneys General. If they have only done it in the past 2 months I should prefer to continue the activities of this committee, in order to be very certain that the Department of Justice will carry out those

Mr. HATCH. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from New Mexico.

Mr. HATCH. I desire to ask the Senator from Missouri if in this day, when civil liberties are practically eliminated from the face of the earth except in the United States of America, we can weigh the price of the civil liberties of any

citizen of this country in dollars and cents?

Mr. CLARK of Missouri. Mr. President, I do not think it is possible for anybody to weigh the civil liberties of any single citizen of the United States. I rose at this time only for the purpose of emphasizing the fact that when I supported the committee amendment to cut this appropriation from \$100,000 to \$50,000 I did it not in criticism of the activities of the committee, but because I think \$50,000 is a sufficient amount to allow the committee to continue until the next session. I think the committee has done a great work. I think if the committee had not done anything else, the exposure of conditions in Harlan County, Ky., are sufficient to have justified the whole amount of money which has been expended.

Mr. HATCH. Mr. President-

Mr. CLARK of Missouri. I am glad to yield to the Senator from New Mexico.

Mr. HATCH. Let me ask the Senator from Missouri whether he thinks it is part of the duty of the Congress of the United States to know, through its committees or otherwise, whether the civil liberties of the citizens of this country are being violated.

Mr. CLARK of Missouri. Mr. President, I think it is part of the duties of the Congress of the United States, the President of the United States, and all other Federal officials to be advised as to whether the rights guaranteed to citizens under the Constitution of the United States are being infringed. I think this committee has done a fine work in that respect, and I am very glad indeed to vote for a continuation of the committee; but I do think the \$50,000 which is recommended by the Committee to Audit and Control the Contingent Expenses of the Senate is entirely sufficient.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended. On that question the yeas

and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). Announcing my pair as on a previous roll call, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. HARRISON (when his name was called). Making the same announcement as before with reference to my pair.

I vote "nay."

Mr. KING (when his name was called). On this question I have a pair with the junior Senator from New Jersey [Mr. BARBOUR], and withhold my vote, not knowing how the Senator from New Jersey would vote if present.

Mr. STEWART (when his name was called). I have a pair with the Senator from Oregon [Mr. Holman]. I am not advised as to how he would vote if present. Therefore,

I withhold my vote.

The roll call was concluded.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. Glass]. I do not know how he would vote on this question. I transfer my pair with him to the senior Senator from North Dakota [Mr. Frazier], who would vote "yea" if present, and will vote. I vote "yea."

Mr. TOWNSEND (after having voted in the negative). Has the senior Senator from Tennessee [Mr. McKellar] voted?

The PRESIDING OFFICER. He has not.

Mr. TOWNSEND. I have a general pair with the senior Senator from Tennessee. Since he has not voted, I withdraw my vote.

Mr. MINTON. I announce that the Senators from North Carolina [Mr. Balley and Mr. Reynolds], the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. BONE], the Senator from Michigan [Mr. Brown], the Senators from Arkansas [Mrs. Caraway and Mr. MILLER], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. Donahey], the Senator from California [Mr. Downey], the Senator from Iowa [Mr. GILLETTE], the Senator from Virginia [Mr. GLASS], the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. Hill], the Senator from West Virginia [Mr. HOLT], the Senator from Delaware [Mr. Hughes], the Senator from Kentucky [Mr. Logan], the Senator from Connecticut [Mr. MALONEY], the Senator from Tennessee [Mr. McKellar], the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. Overton], the Senator from Illinois [Mr. SLATTERY], the Senator from New Jersey [Mr. Smathers], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. Typings] are necessarily detained from the Senate.

Mr. AUSTIN. I announce the following general pairs: The Senator from New Jersey [Mr. BARBOUR] with the Senator from Utah [Mr. King]; the Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN]; the Senator from Vermont [Mr. Gibson] with the Senator from Connecticut [Mr. Maloney]; the Senator from New Hampshire [Mr. Tobey] with the Senator from Michigan [Mr. Brown]; and the Senator from New Hampshire [Mr. BRIDGES] with the Senator from Arkansas [Mr. MILLER].

I am not advised how any of these Senators would vote if present.

The result	t was announced	d—yeas 36, nays	17, as follows:
	Y	EAS-36	
Adams Ashurst Austin Barkley Byrnes Capper Chavez Clark, Mo. Connally	Danaher Ellender Guffey Hatch Hayden La Follette Lee Lundeen McCarran	Mead Minton Neely Nye O'Mahoney Pepper Pittman Russell Schwartz	Schwellenbach Shipstead Shipstead Thomas, Utah Truman Van Nuys Wagner Walsh Wheeler
Section 197	N	AYS-17	
Andrews Bankhead Bulow Burke	George Gerry Gurney Hale	Herring Johnson, Colo. Lodge Lucas Radcliffe	Smith White

NOT VOTING-43

Bailey	Downey	King	Slattery
Barbour	Frazier	Logan	Smathers
Bilbo	Gibson	McKellar	Stewart
Bone	Gillette	McNary	Taft
Borah	Glass	Maloney	Thomas, Okla.
Bridges	Green	Miller	Tobey
Brown	Hill	Murray	Townsend
Caraway	Holman	Norris	Tydings
Clark, Idaho	Holt	Overton	Vandenberg
Davis	Hughes	Reed	Wiley
Donahev	Johnson, Calif.	Reynolds	

So the resolution (S. Res. 126), as amended, was agreed to. Mr. NEELY. Mr. President, as a friend of the resolution, I move to reconsider the vote by which it was agreed to.

Mr. HATCH. Mr. President, also as a friend of the resolution, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the motion of the Senator from West Virginia.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Taylor, Mr. Woodrum of Virginia, Mr. Cannon of Missouri, Mr. Ludlow, Mr. McMillan, Mr. Snyder, Mr. O'Neal, Mr. Johnson of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

BARNET WARREN-CONFERENCE REPORT

Mr. SCHWARTZ submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2271) for the relief of Barnet Warren, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows

That the House recede from its amendment.

H. H. SCHWARTZ, P. M. BROWN, J. G. TOWNSEND, JR., Managers on the part of the Senate. AMBROSE J. KENNEDY, EUGENE J. KEOGH, Managers on the part of the House.

The report was agreed to.

AMENDMENT OF EMPLOYER'S LIABILITY ACT-CONFERENCE REPORT Mr. NEELY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1708) to amend the Employer's Liability Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment

of the House, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House, insert the following:

of the House, insert the following:
"That sections 1 and 4 of the act entitled 'An act relating to the liability of common carriers by railroad to their employees in certain cases,' approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, secs. 51 and 54), be, and they are hereby, amended to read

as follows:
"'SEC. 1. That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District of Columbia and any of the States or Territories, or between the of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other

equipment.

"Any employee of a carrier, any part of whose duties as such employee shall be the furtherance of interstate or foreign commerce; or shall, in any way directly or closely and substantially, affect such commerce as above set forth shall, for the purpose affect such commerce as above set forth shall, for the purpose of this act, be considered as being employed by such carrier in such commerce and shall be considered as entitled to the benefits of this act and of an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases" (approved April 22, 1908), as the same has been or may hereafter be amended.

"SEC. 4 That in any action brought against any common carrier under or by virtue of any of the provisions of this act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employment in any case where such injury or death resulted in whole or in part from the negligence of any of

death resulted in whole or in part from the negligence of any of the officers, agents, or employees of such carrier; and no employee shall be held to have assumed the risks of his employment in any case where the violation by such common carrier of any statute enacted for the safety of employees contributed to the injury or

death of such employee.'
"Sec. 2. That the first sentence of section 6, of the act entitled 'An act relating to the liability of common carriers by railroad to their employees in certain cases,' approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, sec. 56), be, and it is hereby,

amended to read as follows:
"'SEC. 6. That no action shall be maintained under this act
unless commenced within 3 years from the day the cause of

action accrued.'

"SEC. 3. That the act entitled 'An act relating to the liability of common carriers by railroad to their employees in certain cases,' approved April 22, 1908, as amended (U. S. C., title 45, ch. 2), be, and it is hereby, amended by adding an additional section thereto as follows:

"Sec. 10. Any contract, rule, regulation, or device whatsoever, the purpose, intent, or effect of which shall be to prevent employees of any common carrier from furnishing voluntarily information to a person in interest as to the facts incident to the injury or death of any employee, shall be void, and whoever, by threat, intimidation, order, rule, contract, regulation, or device whatsoever, shall attempt to prevent any person from furnishing voluntarily such information to a person in interest, or whoever discharges or otherwise disciplines or attempts to discipline any discharges or otherwise disciplines or attempts to discipline any employee for furnishing voluntarily such information to a person in interest, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or imprisonment for not more than 1 year, or by both such fine and imprisonment, for each offense: Provided, That nothing herein contained shall be construed to void any contract, rule, or regulation with respect to any information contained in the files of the carrier, or other privileged or confidential reports.

"If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons and circumstances shall not be affected thereby."

And the House agree to the same.

M. M. NEELY, EDWARD R. BURKE, WARREN R. AUSTIN, Managers on the part of the Senate. EMANUEL CELLER, ARTHUR D. HEALEY, FRANCIS E. WALTER, U. S. GUYER, EARL C. MICHENER, Managers on the part of the House.

The report was agreed to.

REFUND FOR INTERNAL REVENUE LOST OR DESTROYED STAMPS

Mr. BARKLEY. Mr. President, when the calendar was called a few days ago, Calendar No. 1026, House bill 1648, referring to the refund or credit for lost internal-revenue stamps, went over at the suggestion of the Senator from Wisconsin [Mr. La Follette]. I understand that it is now entirely agreeable that the matter be taken up.

This is a bill authorizing the refunding or credit on stamps for distilled liquor destroyed in the floods of 1936 and 1937. I do not think there will be any opposition to the bill, and I hope we may secure its passage.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1648) to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations.

The bill is as follows:

Be it enacted, etc., That (a) the Commissioner of Internal Reve-Be it enacted, etc., That (a) the Commissioner of Internal Revenue is authorized and directed to make refund, or in lieu thereof, if he so elects, allow credit in the amount of the internal-revenue tax paid on spirits previously withdrawn and lost or rendered unmarketable or useless by reason of the floods of 1936 and 1937 while such spirits were in the possession of the person originally paying the said tax on such spirits, or while such spirits were in the while such spirits were in the possession of the person originally paying the said tax on such spirits, or while such spirits were in the possession of a rectifier for rectification or for bottling, or which have been used in the process of rectification, under Government supervision as provided by law and regulations. A claim for such tax shall be filed with the Commissioner of Internal Revenue within 30 days from the effective date of this act in which proof shall be furnished to his satisfaction that (1) the internal-revenue tax on such spirits was fully paid; (2) that the same were in the possession of the claimant as above set forth at the time of such loss; (3) that such spirits were lost or rendered unmarketable or useless by reason of damage sustained as the result of the aforesald flood conditions; (4) that such spirits so rendered unmarketable or useless have been destroyed; and (5) that claimant was not indemnified against such loss by any valid claim of insurance or otherwise.

(b) Where credit is allowed for the internal-revenue tax previously paid as aforesaid, the Commissioner of Internal Revenue is authorized and directed to provide for the issuance of stamps to cover the spirits subsequently withdrawn to the extent of the credit so allowed by the Commissioner of Internal Revenue.

(c) The Commissioner of Internal Revenue, with the approval of the Secretary, is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

Mr. AUSTIN. Mr. President, this morning I laid an

Mr. AUSTIN. Mr. President, this morning I laid an amendment on the table which I intended to propose to the bill. It grew out of a discovery in the conference on the social-security bill that an amendment which was accepted to that bill, which I had offered, was unfortunately limited in time, and I desire to offer the amendment to this revenue bill, which would put the amendment accepted heretofore by the Senate into effect for the whole period represented by the hurricane damage.

Mr. BARKLEY. Mr. President, I may say to the Senator that this is a House bill, and I should regret if any amendment put on it now would defer action on the part of the House. But I have been informed reliably that the House will be willing to accept the amendment, and I am willing to have it put into the bill.

Mr. AUSTIN. I thank the Senator from Kentucky.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont which will be reported for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to add the following new section at the end of the bill:

SEC. 2 No tax shall be collected under title VIII or IX of the Sec. 2 No tax shall be collected under title VIII or IX of the Social Security Act or under the Federal Insurance Contributions Act or the Federal Unemployment Tax Act, with respect to services rendered prior to January 1, 1940, in the employ of the owner or tenant of land, in salvaging timber on such land or clearing such land of brush and other debris left by a hurricane; and any such land of brush and other debris left by a hurricane; and any such tax heretofore collected (including penalty and interest with respect thereto, if any), shall be refunded in accordance with the provisions of law applicable in the case of erroneous or illegal collection of the tax. No interest shall be allowed or paid on the amount of any such refund. No payment shall be made under title II of the Social Security Act with respect to such services rendered prior to January 1, 1940.

The amendment was agreed to.

Mr. AUSTIN. Mr. President, before the bill is acted upon. I call attention to an amendment intended to be proposed by the Senator from Michigan [Mr. VANDENBERG].

Mr. BARKLEY. I will say to the Senator from Vermont that the Senator from Michigan authorized me to withdraw that amendment, the matter having been taken care of in the report of the conferees on the social-security bill.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INSPECTION OF RAINY LAKE WATERSHED

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent for the immediate consideration of Calendar 1160, Sen-

ate Resolution 170, authorizing an inspection of Rainy Lake watershed by a subcommittee of the Committee on Foreign Relations

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. RUSSELL. Mr. President, may we have some explanation of the resolution?

Mr. SHIPSTEAD. Mr. President, the resolution deals with an examination of conditions resulting from flooding of border waters between the Dominion of Canada and the United States, in the area of the Rainy Lake watershed.

There is pending a treaty with Canada and at the request of members of the subcommittee who held hearings there is a desire to join the international joint commission in an examination into the adequacy of the proposed remedy provided in the treaty, to determine whether or not properties which have been flooded in the United States will be properly safeguarded under the provisions of the treaty.

Mr. RUSSELL. What is the investigation to cost?

Mr. SHIPSTEAD. We are asking for \$1,400.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 170) authorizing an inspection of Rainy Lake watershed by a subcommittee of the Committee on Foreign Relations which had been reported to the Senate with an amendment, on page 1, line 10, after the word "exceed", to insert, "\$1,400", so as to make the resolution

Resolved, That the members of the subcommittee of the Senate Foreign Relations Committee appointed by the chairman of such roreign Relations Committee appointed by the chairman of such committee to hold hearings on the proposed convention between the United States and Canada providing for emergency regulation of the level of Rainy Lake and of other boundary waters in the Rainy Lake watershed are authorized to make an inspection of the region to which the provisions of such convention are applicable. The expenses incurred by said Senators in making such inspection, the aggregate amount of which shall not exceed \$1,400 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of such subcommittee. approved by the chairman of such subcommittee.

The amendment was agreed to.

The resolution as amended was agreed to.

MILITARY AND NAVAL ESTABLISHMENTS OF AMERICAN REPUBLICS

Mr. PITTMAN. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1118, House Joint Resolution 367, to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

Mr. President, this measure has been before the Committee on Foreign Relations, I think, for two sessions, and the committee has held several hearings on the subject. The Secretary of State and other officials of the Department have appeared, and representatives of the Army and Navy have also testified.

In short, the joint resolution provides that the navy yards of the United States and the arsenals may, in the discretion of the President, through the Army and the Navy, enter into contracts with Latin American republics to build vessels for them, to construct armaments for those vessels, and to construct for them antiaircraft guns and coast-defense weapons. That is the extent of it.

The joint resolution also, of course, contains provisions and exceptions and limitations, that the work shall not be done if it is at any expense to our Government, or if it entails any credit upon the part of our Government, that it shall not be done if it violates any treaty of the United States, and it shall not be done if it interferes with or delays our Government in the full use of its own facilities for its own purposes.

I may say frankly that there are Senators on the Committee on Foreign Relations, for whom we have the highest regard and whose opinions are worthy of every confidence, who have doubt as to the wisdom of the enactment of the proposed legislation at the present time. That is a matter which should be considered and will be considered. If the joint resolution shall be taken up for consideration. in view of the fact that three of the four Senators to whom I have referred are absent, I will ask to have it temporarily laid aside and proceeded with tomorrow when the Senate convenes

Under the circumstances I have stated, it being considered a matter of vital importance on behalf of our Army and Navy and the State Department, I ask that the measure be considered and voted on tomorrow.

Mr. AUSTIN. Mr. President, I ask the Senator whether we are to understand that he desires to leave his motion as the pending business when we recess tonight?

Mr. PITTMAN. If the motion shall be agreed to, I will ask leave to have the joint resolution temporarily laid aside until the Senate convenes tomorrow.

Mr. BARKLEY. What the Senator from Nevada wishes is to have the joint resolution made the unfinished business, not to be taken up for action tonight, but put over until tomorrow. Of course, it would be subject to be laid aside for the consideration of conference reports.

Mr. PITTMAN. Exactly.

Mr. McCARRAN. Mr. President, we could not over on this side understand what the motion of my colleague was.

The PRESIDING OFFICER. The Senate will please be in order. The question is on the motion of the senior Senator from Nevada to proceed to the consideration of House Joint Resolution 367, the title of which will be reported for the information of the Senate.

The LEGISLATIVE CLERK. The resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

Mr. McCARRAN. I take it that if the motion is agreed to the consideration of the joint resolution may go over until the next meeting of the Senate.

The PRESIDING OFFICER. The Chair understood the senior Senator from Nevada to announce that if the motion were agreed to he would ask that the joint resolution be temporarily laid aside until tomorrow. The question is on agreeing to the motion of the senior Senator from Nevada.

The motion was agreed to, and the Senate proceeded to consider the joint resolution.

Mr. PITTMAN. Mr. President, I ask unanimous consent that the joint resolution be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TONGUE RIVER STORAGE RESERVOIR

Mr. WHEELER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 933, House bill 5506, relating to the Tongue River Storage Reservoir.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5506) to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont., which was ordered to a third reading, read the third time, and passed.

NATIONAL CENSUS OF HOUSING

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2240) to provide for a national census of housing, which were, on page 1, lines 3 and 4, to strike out "character" and insert "characteristics (including utilities and equipment)"; on the same page, line 5, to strike out all after the name "States" down to and including the word "legislation" in line 8; on the same page, line 12, after the word "with", to insert a comma and "at the same time, and as a part of"; on page 2, line 1, to strike out all after "census" down to and including "census" in line 3; on the same page, line 4, to strike out the word "make" and insert "collect"; on the same page, line 4, to strike out "studies" and insert "statistics"; and on the same page, line 15, to strike out "\$8,500,000" and insert "\$8,000,000".

Mr. WAGNER. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EPES TRANSPORTATION CORPORATION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1042) for the relief of the Epes Transportation Corporation, which was, on page 2, line 4, to strike out all after "Provided" down to and including "\$1,000", in line 14 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. BYRD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

REGULATION OF REAL ESTATE BROKERS

Mr. KING. Mr. President, several days ago the Senate passed a bill, reported by the Committee on the District of Columbia, dealing with corporations in this city, including cemeteries under control of the District.

It went to the House, and the House struck out the words dealing with the cemeteries in one part of the bill, but omitted to strike them out in the other part of the bill, and sent the bill back. That necessitates further consideration, and the committee reports the House bill and moves to strike out the provision which it was intended to strike out but which inadvertently was not done.

The PRESIDING OFFICER. Is the bill reported from the Committee on the District of Columbia?

Mr. KING. Yes; Mr. President. I report back favorably from the Committee on the District of Columbia House bill 5685, to amend the act for the creation of a real-estate commission in the District of Columbia and for other purposes, and I ask for the present consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5685) to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937; which had been reported from the Committee on the District of Columbia with an amendment, on page 3, line 9, after the word "estate" to strike out "or any interest or right therein, either as an investment or for use thereof for burial purposes."

So as to make the bill read:

Be it enacted, etc., That the title of the act entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937 (Public, No. 356, 75th Cong.), is amended to read as follows:

"An act to define, regulate, and license real-estate brokers, real-estate salesmen, business-chance brokers, and business-chance salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions and in real-estate promotions and in business-chance transactions; and for other purposes."

SEC. 2. Section 1 of said act is hereby amended to read as follows: "Section 1. That on and after 90 days from the date of enactment of this act it shall be unlawful in the District of Columbia for any person, firm, partnership, copartnership, association, or corporation (foreign or domestic) to act as a real-estate broker, real-estate salesman, business-chance broker or business-chance salesman, or to advertise or assume to act as such, without a license issued by the Real Estate Commission of the District of Columbia."

SEC. 3. Section 2 of said act is hereby amended to read as follows:
"SEC. 2. Whenever used in this act 'real-estate broker' means any person, firm, association, partnership, or corporation (foreign or domestic) who, for another and for a fee, commission, or other

valuable consideration, or who, with the intention or in the expectation or upon the promise of receiving or collecting a fee, commission, or other valuable consideration, lists for sale, sells, exchanges, purchases, rents, or leases or offers or attempts or agrees to negotiate a sale, exchange, purchase, lease, or rental of an estate or interest in real estate, or collects or offers or attempts or agrees to collect rent or income for the use of real estate, or negotiates to collect rent or income for the use of real estate, or negotiates or offers or attempts or agrees to negotiate, a loan secured or to be secured by a mortgage, deed of trust, or other encumbrance upon or transfer of real estate, or who is engaged in the business of erecting houses or causing the erection of houses for sale on his, their, or its land and who sells, offers, or attempts to sell such houses, or who, as owner or otherwise and as a whole or partial vocation, sells, or through solicitation, advertising, or otherwise, offers or attempts to sell or to negotiate the sale of any lot or lots in any subdivision of land comprising 10 lots or more: Provided, however, That this definition shall not apply to the sale of space for advertising of real estate in any newspaper, magazine, or other publication. A 'business-chance broker' within the meaning of this act is any person, firm, partnership, association, copartnership, or corporation who for a compensation or valuable consideration sells or offers for sale, buys or offers to buy, leases or offers to lease, or negotiates the purchase or sale or exchange of a business, business opportunity, or the goodwill of a business for others.

others.

"'Real-estate salesman' means a person employed by a licensed real-estate broker to list for sale, sell, or offer for sale, to buy or offer to buy, or to negotiate the purchase or sale, or exchange of real estate, or to negotiate a loan on real estate, or to lease or rent or offer to lease, rent, or place for rent, any real estate, or collect or offer or attempt to collect rent or income for the use of

"Business-chance salesman' means any person employed by a licensed business-chance broker to list for sale, sell, or offer for sale, to buy or offer to buy, to lease or offer to lease, or to negotiate the purchase or sale or exchange of a business, business opportunity, or goodwill of an existing business for or in behalf of such business-chance broker.

"Persons employed by a licensed broker in a clerical capacity or in subordinate positions who receive a fixed compensation and who receive no additional commission or compensation for specific acts of renting or leasing real estate and who do not sell or exchange, or offer or attempt to sell or exchange, real estate or a business, business opportunity, or the goodwill of a business shall not be required to obtain licenses.

"One act for a compensation or valuable consideration of buying or selling real estate for or of another, or offering for another to buy, sell, or exchange real estate, or leasing, renting, or offering to lease or rent real estate, or negotiating or offering to negotiate a loan secured by a mortgage, deed of trust, or other incumbrance upon or transfer of real estate, except as herein specifically excepted, shall constitute a person, firm, partnership, copartnership, association, or corporation performing, or offering or attempting to perform any of the acts enumerated herein, a real-estate broker, unless such act shall be performed or offered or attempted to be performed by a person for and in behalf of a real-estate broker in which event such act shall constitute such person a real-estate One act for a compensation or valuable consideration of buying salesman.

"One act for a compensation or valuable consideration of buying, "One act for a compensation or valuable consideration of buying, selling or leasing or exchanging a business, business opportunity, or the good will of a business for or of another, or offering for another to buy, sell, exchange, or lease a business, business opportunity, or the goodwill of a business, except as herein specifically excepted, shall constitute the person, firm, partnership, copartnership, association, or corporation performing or offering or attempting to perform any of the acts enumerated herein, a business because broker unless such act shall be performed or offered or chance broker, unless such act shall be performed or offered or attempted to be performed by a person for or on behalf of a busi-ness-chance broker, in which event such act shall constitute such

ness-chance broker, in which event such act shall constitute such person a business-chance salesman.

"The provisions of this act shall not apply to receivers, referees, administrators, executors, guardians, trustees, or other persons appointed or acting under the judgment or order of any court; or public officers while performing their official duty, or attorneys at law in the ordinary practice of their profession; nor to any person, copartnership, association, or corporation, who, as owner or lessor, shall perform any of the acts aforesaid with reference to property owned or leased by them, or to the regular officers and employees thereof, with respect to the property so owned or leased, where such acts are performed in the regular course of, or as an incident to, the management of such property and the investments therein, except as otherwise provided in this act.

"Every provision of this act applying specifically to an applicant or application for a license as a real-estate broker or a real-estate salesman, and to a real-estate salesman, and to a real-estate salesman, and to anyone acting

real-estate broker or a real-estate salesman, and to anyone acting real-estate broker or a real-estate salesman, and to anyone acting in the capacity of a real-estate broker or a real-estate salesman without a license, shall likewise apply in a similar manner, respectively, to every applicant and application for a license as a business-chance broker or a business-chance salesman, and to every business-chance license, and to every licensee licensed as a business-chance broker or a business-chance salesman, and to anyone acting in the capacity of a business-chance broker or a business-chance salesman without a license."

SEC. 4. The seventh paragraph of section 3 is amended to read as follows:

as follows:

"The compensation of members of the Commisson, except the ex officio member, shall be \$10 each for personal attendance at each meeting, but shall not exceed for any member \$1,500 per

SEC. 5. Section 4 of said act is amended to read as follows:
"SEC. 4. No license under the provisions of this act shall be issued to any person who has not attained the age of 21 years, nor to any person who cannot read, write, and understand the nor to any person who cannot read, write, and understand the English language; nor until the Commission has received satisfactory proof that the applicant is trustworthy and competent to transact the business of a real-estate broker or real-estate salesman or business-chance broker or business-chance salesman in such a manner as to safeguard the interests of the public: Provided, however, That a salesman shall have 6 months from the date of the issuance of his original license to prove his competency, and failure to prove his competency to the satisfaction of the Commission within that period will automatically cancel his original license or any renewal thereof.

"In determining competency, the Commission shall require

"In determining competency, the Commission shall require proof that every applicant for a license has a general and fair understanding of the obligations between principal and agent, as proof that every applicant for a license has a general and fair understanding of the obligations between principal and agent, as well as of the provisions of this act; and that an applicant for a license as a real-estate broker has a fair understanding of the general purposes and effect of deeds, mortgages, and contracts for the sale or leasing of real estate, and of elementary real-estate practices; and that an applicant for a license as a business-chance broker has a fair understanding of the general purposes and effect of bills of sale, chattel mortgages and trusts, and the provisions of law governing sales in bulk.

"No license shall be issued to any person, firm, partnership, copartnership, association, or corporation whose application has been rejected in the District of Columbia or any State within 3 months prior to date of application, or whose real-estate license has been revoked in the District of Columbia or any State within 1 year prior to date of application."

SEC. 6. (a) The eighth paragraph of section 5 of said act is amended by striking out the words, "executed by two good and sufficient sureties, to be approved by the Commission, or."

(b) Section 5 of said act is further amended by inserting at the end of the tenth paragraph thereof the following:

"In the event the surety becomes insolvent or a bankrupt, or ceases to do business or ceases to be authorized to do business in the District of Columbia, the principal shall, within 10 days after potice thereof given by the Commission, duly file a new bond in

the District of Columbia, the principal shall, within 10 days after notice thereof, given by the Commission, duly file a new bond in like amount and conditioned as the original and if the principal shall fail so to do the license of such principal shall terminate."

Sec. 7. (a) The third paragraph of section 7 of said act is amended

to read as follows:

to read as follows:

"The fee for an original broker's license and every renewal thereof shall be \$30: Provided, however, That the fee for an original broker's license and every renewal thereof for individual members, partners, and officers of firms, partnerships, and corporations shall be \$30 for the first member, partner, or officer to be designated by the firm, partnership, or corporation and \$10 for each additional member, partner, or officer of such firm, partnership, or corporation."

 (b) The fifth paragraph of said section 7 of said act is amended by striking out the words "real estate."
 (c) Section 7 of said act is further amended by inserting a new paragraph between the fifth and sixth paragraphs of said section 7

paragraph of setween the first and sixth paragraphs of said section 7 to read as follows:

"The fees provided herein for any original license shall be reduced by one-half in all cases where the application for such original license is filed between January 1 and July 1 of any year."

(d) The seventh paragraph of section 7 of said act is hereby amended to read as follows:

"The Commission shall cause to be issued a new license for each "The Commission shall cause to be issued a new license for each ensuing year, in the absence of any reason or condition which might warrant the refusal of the granting of a license, upon receipt of the written request of the applicant and the annual fee therefor, as herein required: Provided, however, That an applicant who, on or before July 1, fails to file said written request and pay the annual fee must comply with all the provisions of this act applicable to an original applicant except that the Commission may waive the requirement of furnishing proof of competency. The revocation of a broker's license shall automatically suspend every salesman's license granted to any person by virtue of his employment by the broker whose license has been revoked, pending a change of employer and the issuance of a new license. Such new license shall be issued without charge if granted during the same license year in which the original license is granted.

(e) The eighth paragraph of section 7 of said act is amended to

(e) The eighth paragraph of section 7 of said act is amended to

as follows:

"No person, firm, partnership, copartnership, association, or corporation engaged in the business or acting in the capacity of a real-estate broker or real-estate salesman, or a business-chance poration engaged in the observes or acting in the capacity of acting in the capacity of real-estate broker or real-estate salesman, or a business-chance broker or a business-chance salesman, within the District of Columbia for maintain any action in the courts of the District of Columbia for the collection of compensation for any services performed as a real-estate broker or a real-estate salesman services performed as a real-estate broker or a real-estate satesman or a business-chance broker or business-chance satesman, or enforcement of any contract relating to real estate without alleging and proving that such person, firm, partnership, copartnership, association, or corporation was a duly licensed real-estate broker or real-estate satesman, or business-chance broker or business-chance satesman, at the time the alleged cause of action arose." (f) The ninth paragraph of said section 7 of said act is amended

"Every broker licensed hereunder shall maintain a place of business in the District of Columbia. If a broker maintains more than one place of business within the District of Columbia, a duplicate license shall be issued to such broker for each branch office maintained; and there shall be no fee charged for any such duplicate license."

(g) The tenth paragraph of said section 7 of said act is amended

to read as follows:
"When a broker changes the location of his principal place of "When a broker changes the location of his principal place of business he must immediately notify the Commission in writing and return to the Commission his license together with the licenses of all salesmen in his employ, and the Commission shall issue a new license to the broker and to each of the salesmen without charge. Failure to notify the Commission and to return his license when the location of his principal place of business is changed, will automatically cancel the broker's license and the licenses of all salesmen in his employ. However, new licenses for the unexpired term may be issued by the Commission without the payment of any additional fee, provided a written request therefor, accompanied by a new bond, is filed."

(h) The eleventh paragraph of said section 7 of said act is

accompanied by a new bond, is filed."

(h) The eleventh paragraph of said section 7 of said act is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "When a salesman shall be discharged or shall terminate his employment with the broker by whom he is employed, it shall be the duty of such salesman to immediately notify the Commission, and it shall be unlawful for him to perform any of the acts contemplated by this act either directly or indirectly from and after such termination of employment until such time as he has been employed by another licensed broker and a license has been reissued him by the Commission."

Commission."

(i) Section 7 of said act is further amended by adding at the

end thereof two new paragraphs to read as follows:

end thereof two new paragraphs to read as follows:

"A license issued to an individual cannot be transferred to another individual. However, an individual licensed as a broker may, upon written request to the Commission, change his status to that of an individual broker or to that of a partner of a partnership, or to that of an officer of a corporation, for any unexpired term of his license, without the payment of any additional fee, and such change shall not work a revocation or require a renewal of the bond of any such broker. This provision shall not be applicable to any real-estate broker in respect to a change of license to that of a business-change broker or vice versa.

"No license shall be issued to any firm, partnership, association, or corporation unless every individual member, partner, or officer

or corporation unless every individual member, partner, or officer of such firm, partnership, association, or corporation who actively participates in the brokerage business thereof is licensed as a

broker."

SEC. 8. Section 8 of said act is amended to read as follow:

"SEC. 8. The Commission may, upon its own motion, and shall, upon the verified complaint in writing of any person, provided such complaint or such complaint together with evidence, documentary or otherwise, presented in connection therewith, makes out a prima facie case, investigate the conduct of any real-estate broker or real-estate salesman, or business-chance broker or business-chance salesman, and shall have the power to suspend or to revoke any license issued under the provisions of this act, at any time where the licensee has by false or fraudulent representation obtained a license; or where the licensee, in performing or attempting to perform any of the acts mentioned herein, has—

"(a) Made any substantial misrepresentation;

"(b) Made any false promises of a character likely to influence, persuade, or induce;

persuade, or induce;
"(c) Pursued a continued and flagrant course of misrepresentation, or making of false promises through agents or salesmen, or advertising or otherwise;
"(d) Acted for more than one party in a transaction without the

"(d) Acted for more than one party in a transaction without the knowledge of all parties for whom he acts;

"(e) Accepted a commission or valuable consideration as a realestate salesman or as a business-chance salesman for the performance of any of the acts specified in this act from any person, except the broker under whom he is licensed;

"(f) Represented or attempted to represent a real-estate broker or a business-chance broker other than the employer, without the express knowledge and consent of the employer;

"(g) Failed, within a reasonable time, to account for or to remit any money, valuable documents, or other property coming into his

any money, valuable documents, or other property coming into his possession which belong to others;

"(h) Demonstrated such unworthiness or incompetency to act as

a real-estate broker or real-estate salesman or a business-chance broker or a business-chance salesman as to endanger the interests

broker or a business-chance salesman as to endanger the interests of the public;

"(i) While acting or attempting to act as agent or broker, purchased or attempted to purchase any property or interest therein for himself, either in his own name or by use of a straw party, without disclosing such fact to the party he represents;

"(j) Been guilty of any other conduct, whether of the same or a different character from that hereinbefore specified, which constitutes fraudulent or dishonest dealing;

"(k) Used any trade name or insignia of membership in any realestate organization of which the licensee is not a member;

"(l) Disregarded or violated any provisions of this act;

"(m) Guaranteed or authorized or permitted any broker or salesman to guarantee future profits which may result from the resale of real property, or a business, business opportunity, or the goodwill

of any existing business;
"(n) Placed a sign on any property offering it for sale or for rent or offering it for sale or rent without the written consent of the

owner or his authorized agent;

"(o) Accepted a compensation from more than one party to a transaction without the knowledge of all the parties to the trans-

"(p) Falled to restore the bond to its original amount after a recovery on the bond as provided in section 5."

SEC. 9. Section 10 of said act is amended by striking out the period at the end of the first paragraph thereof and inserting in lieu thereof at the third of the inst paragraph thereof and inserting in field thereof a comma, and by adding after such comma the following: "and with the further exception that a nonresident of the District of Columbia need not maintain a place of business within the District of Columbia if he is licensed in and maintains a place of business in the State in which he resides."

SEC. 10. Section 12 of said act is amended by adding at the end thereof the following:

"The exemption contained in this section shall not apply to any

"The exemption contained in this section shall not apply to any bank, trust company, building and loan association, insurance company, or any land-mortgage or farm-loan association, which for another and for a compensation, performs any of the acts defined herein as the acts of a real-estate broker or business-chance broker in connection with any property, wherein such bank, trust company, building and loan association, insurance company, land-mortgage or farm-loan association has no fiduciary interest such as receiver, referee, administrator, executor, guardian, or trustee."

SEC. 11. Section 14 of said act is amended by adding at the end thereof the following:

"It shall be unlawful within the District of Columbia for any person, firm, partnership, association, or corporation, foreign or

"It shall be unlawful within the District of Columbia for any person, firm, partnership, association, or corporation, foreign or domestic, either as owner or otherwise, to offer, give, award, or promise, or to use any method, scheme or plan offering, giving, awarding, or promising free lots in connection with the sale or the offering for sale or an attempt to sell or negotiate the sale of any real estate or interest therein, wherever situated, for the purpose of attracting, inducing, persuading, or influencing a purchaser or a prospective purchaser; or to offer, promise, or give prizes of any name or nature for attendance at or participation in any sale of real estate, by auction or otherwise.

name or nature for attendance at or participation in any sale of real estate, by auction or otherwise.

"It shall be unlawful for any person, firm, partnership, association, or corporation knowingly to pay a fee, commission, or compensation to anyone for the performance within the District of Columbia of any service or act defined in this act as the act of a real-estate broker, real-estate salesman, business-chance broker, or business-chance salesman, who was not duly licensed as such at the time such service or act was performed, provided that this paragraph shall not apply to the division of commission by a broker licensed hereunder with a nonresident cooperating broker."

Sec. 12. No license heretofore issued under the authority of said act of Congress approved March 25, 1937, where the application therefor was accompanied by a bond which does not conform with the requirements of said act as amended hereby, shall be reissued or renewed unless the application for such reissuance or renewal shall be accompanied by a bond in accordance with said act as amended by this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

HARRY BRYAN AND OTHERS

Mr. NEELY. Mr. President, I ask for the present consideration of House bill 377, Calendar No. 1173.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill (H. R. 377) to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others."

Mr. NEELY. Mr. President, I wish to make a brief statement regarding the bill.

On the 7th day of November 1936 a number of Works Progress Administration employees at Gassaway, W. Va., negligently so overheated a tar barrel that it exploded, and in the ensuing fire a child was burned. The burned child was so seriously injured that it soon afterward died. Sixteen others were injured, some to such an extent that as many as 10 blood transfusions were required. A number of them have been maimed and ruined for life.

The Senate and the House passed different bills 2 years ago compensating the various claimants, 17 in number, for their injuries and granting compensation for the one wrongful death.

The Senate bill provided for the payment of the doctor's bills and the hospital treatments. The House refused to concur in that provision of the bill, but approved the remainder of the Senate bill.

In conference the conferees restored the Senate provision, under which the medical expenses would be paid. In writing up the conference report the clerk of one or the other of the committees made a mistake, and the bill as reported to both the House and the Senate omitted the provisions for the payment of the medical expenses and the hospital bills. The purpose of the pending bill is solely to correct the mistake that was made by the draftsman of the conference report 2 years ago. I hope it will pass.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

REV. FRANCIS X. QUINN

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report favorably House bill 7389, and ask for its present consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7389) to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens, which was ordered to a third reading, read the third time, and passed.

REQUEST FOR PERMISSION TO PRINT IN THE APPENDIX

Mr. BARKLEY. Mr. President, I send to the desk a unanimous-consent request and ask for its present consid-

The PRESIDING OFFICER. The request will be reported for the information of the Senate.

The legislative clerk read as follows:

Mr. Barkley. Mr. President, to prevent the exclusion of matter that is entitled to be incorporated in the Record, I ask that permission be given to have printed in the Appendix such material as speeches, editorials, summaries of the laws enacted this sesand memoranda from the executive departments or agencies of the Government. I make this statement with a view of co-operating with Senators who may wish to submit proper ma-terial after the conclusion of the session.

Mr. AUSTIN. I object.

The PRESIDING OFFICER. The Senator from Vermont objects.

ACTING SECRETARY OF THE NAVY

Mr. WALSH. Mr. President, I introduced a joint resolution, and ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be read for the information of the Senate.

The joint resolution (S. J. Res. 185) to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes, was read the first time by its title, and the second time at length, as follows:

"Resolved, etc., That notwithstanding the provisions of section 180, Revised Statutes, The Assistant Secretary of the Navy may continue to serve as Acting Secretary of the Navy until such time as a Secretary of the Navy shall be appointed to succeed the late Secretary of the Navy, the Honorable Claude A. Swanson, deceased; and the provisions of section 1761, Revised Statutes, shall not be applicable to an appointment to fill the existing vacancy in said office."

Mr. WALSH. Mr. President, I may explain the reason for presenting the joint resolution at this time. It will be noted that there are two parts to it. The first provides authority for The Assistant Secretary to continue to serve as Acting Secretary of the Navy. Under existing law a temporary appointment to an executive office where vacancy occurs by reason of death or resignation cannot continue for more than 30 days, so that at the end of 30 days after the death of Secretary of the Navy Swanson the President would be compelled to name a Secretary of the Navy. The joint resolution would permit the President to continue for more than 30 days The Assistant Secretary of the Navy as Acting Secretary of the Navy.

The second portion of the resolution provides that the President may, during the recess of the Senate, make an appointment of Secretary of the Navy, and that the Secretary of the Navy whom he may appoint will not be subject to the existing law which prevents him from being paid any salary from the Public Treasury.

It so happens that the Judiciary Committee of the Senate have reported a bill, which is on the calendar, though of course it cannot be passed during the present session, which would permit the President to do the very thing that the pending joint resolution would authorize him to do insofar as the appointment of a Secretary of the Navy is concerned, and would permit the person so appointed to have the benefit of the salary during the period of time the Senate is not in session. But there is no provision in that bill, which, of course, cannot become a law anyway, which would give the President an extension of the time within which to make a permanent appointment.

The purpose of the joint resolution is, first, that the President be given authority to continue The Assistant Secretary as the Acting Secretary for longer than 30 days, and I am informed that the President expects to make an appointment within 60 days; and, second, when he does make an appointment, it makes the same provision to take care of the situation that would be made if the bill now pending should be passed. Whoever the President names will be entitled to receive the salary.

All I want to say, in addition to what I have said in connection with this matter, is that I assume that every Member of this body realizes the situation in the world today and in the United States, and if there was ever a time when the President ought to be given sufficient time to make a selection of someone to be Secretary of the Navy it is now. It would be unfortunate, in my opinion, if we took any action that would prevent him from making an appointment of a Secretary of the Navy between now and the convening of the next session of Congress.

I repeat that if the bill which has been reported from the Judiciary Committee had become a law, the President could have made the appointment in 30 days after the Secretary of the Navy died, and the appointee would be compensated for his services.

I ask for immediate action on the joint resolution.

Mr. AUSTIN. Mr. President, to me it seems there is an important principle involved in this request, and I think the Senate should recognize it at the time it grants the request, as I rather expect it will do, and that is a principle affecting the appointing power. If it is possible for the Chief Executive to make appointments in vacation which will hold until the end of the next session, under which appointments the appointees may enjoy the same emoluments as an appointee who has been confirmed by the United States Senate, then there can be a succession of Executive appointments which will exclude the Senate from its duty and its responsibility with respect to the filling of vacancies and the appointment of high officers of this Government, which the people in creating the Government found to be better cared for by a joint power exercised by the President by and with the consent and advice of the Senate.

I shall not object to this particular request because, as the distinguished Senator from Massachusetts has indicated, there is a special reason for making it at this time, and further, because there is pending in the Senate at the present time Senate bill 2773, introduced by the senior Senator from Arizona [Mr. Ashurst], covering the subject of compensation of appointees. It divides up the time a little differently from the practice followed heretofore.

Mr. President, I ask in connection with what I have said to have inserted in the RECORD a copy of Senate bill 2773, with the amendments proposed thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2773), with proposed amendments, is as follows:

Be it enacted, etc., That section 1761 of the Revised Statutes be,

and it is hereby, amended to read as follows:

"SEC. 1761. No money shall be paid from the Treasury, as salary, to any person appointed during the recess of the Senate, to fill a vacancy in any existing office, if the vacancy existed while the Senate was in session and was by law required to be filled by and

with the advice and consent of the Senate, until such appointee has been confirmed by the Senate. The provisions of this section shall not apply (a) If the vacancy arose within 30 days prior to the termination of the session of the Senate; or (b) if, at the time of the termination of the session of the Senate, a nomination for such office other than the nomination of a person appointed during the preceding recess of the Senate was pending before the Senate for its advice and consent; or (c) if a nomination for such office was rejected by the Senate within 30 days prior to the termination of the session and a person other than the one whose nomination was rejected thereafter receives a recess commission: Provided, That a nomination to fill such vacancy under (a), (b), or (c) hereof shall be submitted to the Senate not later than 40 days after the commencement of the next succeeding session of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts for the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

EXPENSES IN CONNECTION WITH THE FUNERAL OF THE LATE SECRETARY SWANSON

Mr. BARKLEY. Mr. President, in connection with the proceedings which have just taken place, there is on the calendar a report from the Committee to Audit and Control the Contingent Expenses of the Senate on Senate Resolution 157, authorizing the payment of certain expenses incurred by the committee appointed to arrange the funeral of the late Secretary Swanson in the Senate Chamber. It involves only a small amount and has nothing to do with the general funeral expenses.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 157) submitted by Mr. Glass on July 11, 1939, was considered, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Claude A. Swanson, late Secretary of the Navy, and former Senator from the State of Virginia, and vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

MRS. S. F. SEWELL

Mr. McCARRAN obtained the floor.

Mr. GEORGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Georgia?

Mr. McCARRAN. I yield for a question.

Mr. GEORGE. No, Mr. President. I have been standing here for quite a while seeking to get the attention of two Presiding Officers, and I will exercise my right to object to any request for action unless I may be recognized for the presentation of a small claims bill. It is a House bill. I was detained all morning in conference. That is my only reason for asking the opportunity to present the matter at this time.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield.

Mr. BARKLEY. We have been in session practically 12 hours today, and we must have another session tomorrow. I was hoping we could recess rather soon.

Mr. McCARRAN. Under the circumstances, I would rather have the Senator from Georgia take the floor.

Mr. GEORGE. Mr. President, the matter because of which I have been standing here for half an hour could have been disposed of long ago.

Mr. McCARRAN. The Senator may have the floor now. Mr. GEORGE. Mr. President, I ask the Chair to lay before the Senate House bill 6099, and that it be considered at this time.

The PRESIDING OFFICER. The bill will be stated by title. The CHIEF CLERK. A bill (H. R. 6099) for the relief of Mrs. S. F. Sewell, reported favorably from the Committee on Claims.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

PARKING METERS, DISTRICT OF COLUMBIA

Mr. KING. Mr. President, the House has passed House bill 5405, a bill authorizing the installation of parking meters in the District of Columbia. The Senate committee has considered the bill and has authorized me to report it back with an amendment striking out all after the enacting clause and inserting in lieu thereof provisions which have been agreed upon by the committees of both the House and the Senate. I ask for its present consideration.

The PRESIDING OFFICER. Is there objection to the

present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5405) authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause and to insert:

The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners (in addition to those mechanical parking meters or devices installed pursuant to the authority conferred on the said Commissioners by sec. 11, p. 40, Public, No. 458, 75th Cong., 3d sess., approved April 4, 1938); and said Commissioners are authorized and empowered to make and enforce rules and regulation for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

Sec. 2. In purchasing meters under the terms of this act, the Commissioners may purchase 50 percent of the manually operated type meter, subject, however, to specifications to be approved by the National Bureau of Standards, Department of Commerce.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

AMENDMENT OF BANKRUPTCY STATUTES

Mr. McCARRAN. Mr. President, I ask that the Senate now proceed to the consideration of Calendar No. 1092, Senate bill 1935.

The PRESIDING OFFICER. The clerk will state the bill by title.

The Legislative Clerk. A bill (S. 1935) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

Mr. BARKLEY. Mr. President, that is a rather controversial measure, involving the matter of bankruptcy. It seems to me a bill of that character ought not to be taken up at this time of night.

Mr. McCARRAN. Mr. President, I will explain that this is what is known as the Frazier-Lemke bill. The duty fell to me, as chairman of a subcommittee of the Judiciary Committee, of considering the bill. We did consider it. We reported it to the full committee, and the report of the full committee is before the Senate.

I wish to say, in fairness to the leader of the majority, that on yesterday I took it up with him, and he thought it was controversial. I think it is controversial; but at the same time, if I could get it through without any controversy, I should like to do it now.

Mr. BARKLEY. It would not then be controversial. I appreciate the Senator's wishes about the matter. However, at this time of night, when Senators are exhausted, it seems to me a bill of this nature ought not to be taken up. I hope the Senator will let it go over until tomorrow.

Mr. McCARRAN. I will let it go over until tomorrow.

EXTENSION OF LIFE OF JOINT RESOLUTION TO INVESTIGATE PHOSPHATE RESOURCES

Mr. PEPPER. Mr. President, I ask unanimous consent for the present consideration of Senate Joint Resolution 182, which has been reported from the Committee to Audit and Control the Contingent Expenses of the Senate. It merely contemplates the extension of the life of the joint committee which was appointed at the last session of Congress.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. Joint resolution (S. J. Res. 182) to amend Public Resolution No. 112, Seventy-fifth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the study required to be made by the Joint Committee to Investigate the Adequacy and Use of the Phosphate Resources of the United States pursuant to Public Resolution Numbered 112, Seventy-fifth Congress, shall include potash and related minerals, and the life of the committee and the time for making its final report is extended to January 15, 1940. 15, 1940.

The further expenses of the committee, which shall not exceed \$5,000, shall be paid one-half from the contingent funds of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

ADDITIONAL PETITIONS

Mr. WAGNER presented a petition of sundry citizens, being actors and artists, of New York, N. Y., praying for the full restoration of the theater project under the W. P. A., which was ordered to lie on the table.

He also presented a petition of sundry citizens of New York, N. Y., being architects, engineers, and chemists, praying for the restoration of wages, full employment, and the theater project under the W. P. A., and also the enactment of the so-called Sabath-Murray bill, which was ordered to lie on the table.

EMERGENCY RELIEF APPROPRIATION ACT OF 1939—RESOLUTION OF DEPARTMENT OF CONNECTICUT, AMERICAN LEGION

Mr. DANAHER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted at the Twenty-first Annual Department Convention of the American Legion, at Bridgeport, Conn.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Emergency Relief Appropriation Act of 1939 pro vides that "there shall be removed from employment on Work Projects Administration projects all relief workers, excepting vetreligible to be restored to employment on such projects until after (a) the expiration of 30 days after the date of his removal, and (b) recertification of his eligibility for restoration to employment

(b) recertification of his eligibility for restoration to employment on such projects; and

Whereas it has been brought to the attention of the American Legion that this provision makes necessary the dismissal of many wives of veterans, particularly disabled veterans, who are active as breadwinners for the family due to the disability of the veteran himself, as well as widows of veterans who are the sole support of a family, and

Whereas it was the evident intention of Congress in exempting veterans from the lay-off to recognize the war service of said veterans, particularly disabled veterans; and

Whereas the wording of the act unfortunately discriminates against the wives and families of disabled veterans who are particularly antitled to consideration and the widows of veterans by ticularly entitled to consideration, and the widows of veterans by denying to these persons the privileges accorded to other veterans who are themselves able to work: Be it Resolved, That the American Legion, Department of Connecticut, respectfully request the Congress of the United States to remedy

respectfully request the Congress of the United States to remedy this unfortunate situation by (1) either an amendment to the act granting to wives of veterans who are working because of the disability of the veterans themselves and to the widows of veterans, the same exemption from this mandatory lay-off as is now granted to veterans, or (2) by arranging for an interpretation of the act to allow the State W. P. A. administrators to grant such exemption, or (3) by instructing State W. P. A. administrators to return to employment the wives and widows mentioned at the end of the 30-day lay-off if they are recertified as eligible to restoration on W. P. A. projects; and be it further

Resolved, That a copy of this resolution be sent the Senators and Congressmen representing Connecticut, with a request for their support in remedying the situation; and be it further

Resolved, That a copy of this resolution be forwarded to the national convention at Chicago for action.

ADDITIONAL REPORT OF A COMMITTEE

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (H. R. 5118) for the relief of the State of Ohio, reported it without amendment and submitted a report (No. 1152) thereon.

CHANGE OF REFERENCE

On motion by Mr. WHEELER, the Committee on Interstate Commerce was discharged from the further consideration of the bill (H. R. 6884) to encourage travel in the United States, and for other purposes, and it was referred to the Committee on Commerce.

HOME OWNERS' LOAN CORPORATION AND HOME LOAN BANKS-STATEMENT BY SENATOR BYRD

[Mr. Byrn asked and obtained leave to have printed in the RECORD a statement by himself on the subject of the Home Owners' Loan Corporation and Home Loan Banks; which appears in the Appendix.]

MARTIAL AND HABEAS CORPUS PROCEEDINGS

[Mr. Davis asked and obtained leave to have printed in the RECORD an article from the May issue of the American Bar Association Journal, written by the Honorable John H. Hatcher, associate justice of the West Virginia Court of Appeals, entitled "Martial Law and Habeas Corpus Proceedings; Extent of War Power in Emergency"; which appears in the Appendix.]

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting the nominations of sundry postmasters, which were referred to the Committee on Post Offices and Post Roads.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry

He also, from the Committee on Appropriations, reported favorably the nomination of Linus C. Glotzbach, of Minnesota, to be regional director, district No. VII, Work Projects Administration.

He also, from the same committee, reported favorably the nomination of S. L. Stolte, of Minnesota, to be Work Projects Administrator for Minnesota.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of several officers for promotion and several citizens for appointment as second lieutenants in the Marine Corps.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

DEPARTMENT OF STATE

The legislative clerk read the nomination of Henry F. Grady to be an Assistant Secretary of State.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Ray Atherton to be Envoy Extraordinary and Minister Plenipotentiary to Denmark.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Lloyd L. Black to be United States district judge for the western district of Washington.

The PRESIDENT pro tempore. Without objection, the

nomination is confirmed.

Mr. SCHWELLENBACH. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

Mr. AUSTIN. I object to any notifications being sent tonight.

The PRESIDENT pro tempore. Objection is heard.

The legislative clerk read the nomination of J. H. S. Morison to be United States district judge for division No. 2, District of Alaska.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Thomas B. Hassett to be collector of internal revenue for the District of Massachusetts.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. WALSH. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Saturday, August 5, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 4 (legislative day of August 2), 1939

POSTMASTERS

CALIFORNIA

Josephine M. Costa to be postmaster at Downieville, Calif., in place of J. M. Costa. Incumbent's commission expired March 19, 1939.

Bessie L. Dunn to be postmaster at Isleton, Calif., in place of B. L. Dunn. Incumbent's commission expired February 9, 1939.

Alice E. Tate to be postmaster at Lone Pine, Calif., in place of A. E. Tate. Incumbent's commission expired March 19, 1939.

COLORADO

Faye P. Steffen to be postmaster at Bennett, Colo., in place of F. P. Steffen. Incumbent's commission expired May 15, 1939.

Anna May Durham to be postmaster at Mount Morrison, Colo., in place of A. M. Durham. Incumbent's commission expired July 22, 1939.

CONNECTICUT

Francis L. Bibeault to be postmaster at Moosup, Conn., in place of F. L. Bibeault. Incumbent's commission expires August 27, 1939.

Carlos C. Peck to be postmaster at Old Lyme, Conn., in place of C. L. Clark, retired.

Pauline I. Olie to be postmaster at Pequabuck, Conn., in place of P. I. Olie. Incumbent's commission expired July 19, 1939.

Robert A. Dunning to be postmaster at Thompson, Conn., in place of R. A. Dunning. Incumbent's commission expired January 9, 1934.

FLORIDA

Mark L. Calder to be postmaster at Titusville, Fla., in place of M. L. Calder. Incumbent's commission expired May 21, 1939.

GEORGIA

Blanche L. Marshall to be postmaster at Reynolds, Ga., in place of B. L. Marshall. Incumbent's commission expired February 28, 1938.

ILLINOIS

Herschel Victor Lynn to be postmaster at Byron, Ill., in place of H. V. Lynn. Incumbent's commission expires August 22, 1939.

Wayman R. Presley to be postmaster at Makanda, Ill., in place of W. R. Presley. Incumbent's commission expired July 1, 1939.

Pauline White, to be postmaster at St. Joseph, Ill., in place of F. E. Denhart, resigned.

INDIANA

Noel A. Booher to be postmaster at Albany, Ind., in place of N. A. Booher. Incumbent's commission expired May 15, 1939.

Reuben S. Stwalley to be postmaster at Cloverdale, Ind., in place of W. E. Morrison. Incumbent's commission expired May 15, 1939.

Earle C. Stewart to be postmaster at Daleville, Ind., in place of E. C. Stewart. Incumbent's commission expired May 15, 1939.

Robert R. Saunders to be postmaster at Eaton, Ind., in place of R. R. Saunders. Incumbent's commission expired May 15, 1939.

Merle F. Shepard to be postmaster at Edwardsport, Ind., in place of M. F. Shepard. Incumbent's commission expired May 15, 1939.

Edward P. Donnar to be postmaster at Oaktown, Ind., in place of E. P. Donnar. Incumbent's commission expired January 18, 1939.

Grover T. Van Ness to be postmaster at Summitville, Ind., in place of G. T. Van Ness. Incumbent's commission expired June 18, 1939.

IOWA

Marjorie M. Sherman to be postmaster at Bancroft, Iowa, in place of R. E. Hutton, removed.

William Stover to be postmaster at Hospers, Iowa, in place of William Stover. Incumbent's commission expired February 9, 1939.

Sophia Hood to be postmaster at Mallard, Iowa, in place of T. J. Hood, resigned.

Josiah H. Clayton to be postmaster at Paullina, Iowa, in place of J. H. Clayton. Incumbent's commission expired January 29, 1939.

Clarence P. Lietsch to be postmaster at West Burlington, Iowa, in place of C. P. Lietsch. Incumbent's commission expired January 18, 1939.

KANSAS

Alfred L. Hastings to be postmaster at Thayer, Kans., in place of A. L. Hastings. Incumbent's commission expired July 19, 1939.

Minnie J. Meidinger to be postmaster at Wathena, Kans., in place of M. J. Meidinger. Incumbent's commission expired July 9, 1939.

Verne A. Miller to be postmaster at Weir, Kans., in place of V. A. Miller. Incumbent's commission expired July 27, 1939.

KENTUCKY

Mary Rogers to be postmaster at Guthrie, Ky., in place of Mary Rogers. Incumbent's commission expired February 18, 1939.

William R. Sizemore to be postmaster at Hyden, Ky., in place of W. R. Sizemore. Incumbent's commission expired July 1, 1939.

Oscar D. Smith to be postmaster at Jamestown, Ky., in place of O. D. Smith. Incumbent's commission expired July 18, 1939

Eugene Kelley to be postmaster at Pembroke, Ky., in place of Eugene Kelley. Incumbent's commission expires August 26, 1939

Rolla M. Chafin to be postmaster at Weeksbury, Ky., in place of R. M. Chafin. Incumbent's commission expired July 26, 1939.

MASSACHUSETTS

Bartholomew C. Downing to be postmaster at Hanover, Mass., in place of B. C. Downing. Incumbent's commission expired July 31, 1939.

Helen K. Hoxie to be postmaster in Sunderland, Mass., in place of H. K. Hoxie. Incumbent's commission expired June 26, 1939.

Enlo A. Perham to be postmaster at Tyngsboro, Mass., in place of E. A. Perham. Incumbent's commission expired July 1, 1939.

MICHIGAN

Edward Kott to be postmaster at Center Line, Mich., in place of Edward Kott. Incumbent's commission expired June 26, 1939.

Frances A. Buerker to be postmaster at Pigeon, Mich., in place of J. G. Buerker, deceased.

Bert Shedd to be postmaster at Tekonsha, Mich., in place of Bert Shedd. Incumbent's commission expired April 26, 1939.

Isla M. Messmore to be postmaster at Utica, Mich., in place of I. M. Messmore. Incumbent's commission expires August 26, 1939.

MINNESOTA

Nettie Layng to be postmaster at Bruno, Minn., in place of Nettie Layng. Incumbent's commission expired March 27, 1939.

Ralph Michael Sheppard, to be postmaster at Hoffman, Minn., in place of R. M. Sheppard. Incumbent's commission expires August 22, 1939.

Warren B. Lievan, to be postmaster at Mapleton, Minn., in place of W. B. Lievan. Incumbent's commission expired April 16, 1939.

Wallace Oscar Merrill, to be postmaster at Silver Lake, Minn., in place of W. O. Merrill. Incumbent's commission expired May 29, 1939.

Andrew C. Peterson to be postmaster at Waubun, Minn., in place of A. C. Peterson. Incumbent's commission expired May 29, 1939.

MISSISSIPPI

Shelton M. Thomas, Jr., to be postmaster at Ellisville, Miss., in place of S. M. Thomas, Jr. Incumbent's commission expired May 17, 1939.

Luther H. Birdsong to be postmaster at Lula, Miss., in place of Florence Witherington, resigned.

Alfred H. Jones to be postmaster at McComb, Miss., in place of B. P. Albritton. Incumbent's commission expired January 30, 1938.

Henry E. Wamsley to be postmaster at State College, Miss., in place of H. E. Wamsley. Incumbent's commission expired March 7, 1939.

MISSOURI

Raymond S. Joy to be postmaster at Addison, Mo., in place of R. S. Joy. Incumbent's commission expires August 13, 1939.

David Fitzwater to be postmaster at Creve Coeur, Mo., in place of David Fitzwater. Incumbent's commission expired April 2, 1939.

NEW HAMPSHIRE

David E. Stevens to be postmaster at Salem Depot, N. H., in place of D. E. Stevens. Incumbent's commission expires August 22, 1939.

NEW YORK

Howard L. Akin to be postmaster at Chautauqua, N. Y., in place of C. M. Arnold. Incumbent's commission expired April 12, 1936.

Frank Piliere to be postmaster at Valley Cottage, N. Y., in place of Frank Piliere. Incumbent's commission expires August 21, 1939.

NORTH CAROLINA

Sarah Lucy Cooke to be postmaster at Hildebran, N. C., in place of Lucy Cooke. Incumbent's commission expires August 27, 1939.

OHIO

Charles J. Neff to be postmaster at Canfield, Ohio, in place of C. J. Neff. Incumbent's commission expired May 2, 1939. Olive R. Kast to be postmaster at Holloway, Ohio, in place of O. R. Kast. Incumbent's commission expired July 2, 1939.

Archie L. Wardeska to be postmaster at Irondale, Ohio, in place of A. L. Wardeska. Incumbent's commission expired July 22, 1939.

Clifford Carlile to be postmaster at McClure, Ohio, in place of Clifford Carlile. Incumbent's commission expired July 2, 1939.

Florence Hunter to be postmaster at Rayland, Ohio, in place of Florence Hunter. Incumbent's commission expired July 2, 1939.

Parke Alden Wehr to be postmaster at Uniontown, Ohio, in place of H. R. Schoner. Incumbent's commission expired February 15, 1938.

Albert S. Keechle to be postmaster at Waverly, Ohio, in place of A. S. Keechle, Incumbent's commission expires August 16, 1939.

OKLAHOMA

Mabelene M. Hudspeth to be postmaster at Afton, Okla., in place of M. M. Hudspeth. Incumbent's commission expires August 27, 1939.

Grover C. Diedrich to be postmaster at Marshall, Okla., in place of G. C. Diedrich. Incumbent's commission expired June 6, 1938.

James P. Todd to be postmaster at Oilton, Okla., in place of J. P. Todd. Incumbent's commission expires August 13, 1939.

Loula Merry to be postmaster at Valliant, Okla., in place of Loula Merry. Incumbent's commission expires August 13, 1939.

Ulmer H. Still to be postmaster at Wright City, Okla., in place of U. H. Still. Incumbent's commission expires August 26, 1939.

Roy Broaddus to be postmaster at Wynona, Okla., in place of Roy Broaddus. Incumbent's commission expires August 21, 1939.

PENNSYLVANIA

Reuben S. Lauer to be postmaster at Dover, Pa., in place of R. S. Lauer. Incumbent's commission expired July 3, 1939.

Edna M. Jacobs to be postmaster at East Berlin, Pa., in place of E. M. Jacobs. Incumbent's commission expired August 2, 1939.

Stratton J. Koller to be postmaster at Glen Rock, Pa., in place of S. J. Koller. Incumbent's commission expired July 27, 1939.

Katherine A. T. Shearer to be postmaster at Herminie, Pa., in place of K. A. T. Shearer. Incumbent's commission expired August 2, 1939.

Agnes Ann Flynn to be postmaster at Laporte, Pa., in place of A. A. Flynn. Incumbent's commission expired July 3, 1939.

Charles H. Held to be postmaster at Loganton, Pa., in place of C. H. Held. Incumbent's commission expired August 2, 1939.

Royal H. Kline to be postmaster at McClure, Pa., in place of R. H. Kline. Incumbent's commission expires August 27, 1939.

Edward F. Poist to be postmaster at McSherrystown, Pa., in place of E. F. Poist. Incumbent's commission expired June 19, 1939.

William S. Bolinski to be postmaster at Mocanaqua, Pa., in place of W. S. Bolinski. Incumbent's commission expired April 6, 1939.

Marie E. Potteiger to be postmaster at Progress, Pa., in place of M. E. Potteiger. Incumbent's commission expired July 22, 1939.

RHODE ISLAND

William H. Seifert to be postmaster at Chepachet, R. I., in place of W. H. Seifert. Incumbent's commission expired July 1, 1939.

George W. Jenckes to be postmaster at Slatersville, R. I., in place of G. W. Jenckes. Incumbent's commission expired April 2, 1939.

SOUTH CAROLINA

George H. Fogle to be postmaster at Ridgeville, S. C., in place of G. H. Fogle. Incumbent's commission expired July 9, 1939.

SOUTH DAKOTA

Frederick S. Countryman to be postmaster at Canova, S. Dak., in place of F. S. Countryman. Incumbent's commission expired July 19, 1939.

VIRGINIA

Frank R. Henderson to be postmaster at Nathalie, Va., in place of F. R. Henderson. Incumbent's commission expired July 27, 1939.

Howard F. Gilliam to be postmaster at Phenix, Va., in place of H. F. Gilliam. Incumbent's commission expired July 1, 1939.

WISCONSIN

Earl P. Jamieson to be postmaster at Randolph, Wis., in place of A. T. Zieman, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 4 (legislative day of August 2), 1939

ASSISTANT SECRETARY OF STATE

Henry F. Grady to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Ray Atherton to be Envoy Extraordinary and Minister Plenipotentiary to Denmark.

UNITED STATES DISTRICT JUDGES

Lloyd L. Black to be United States district judge for the western district of Washington.

J. H. S. Morison to be United States district judge for division No. 2, district of Alaska.

COLLECTOR OF INTERNAL REVENUE

Thomas B. Hassett to be collector of internal revenue for the district of Massachusetts.

PROMOTIONS IN THE NAVY

TO BE CAPTAIN

Howard D. Bode

TO BE COMMANDERS

Robert H. Harrell Elwood M. Tillson William E. A. Mullan Alva J. Spriggs Daniel F. Worth, Jr.

TO BE LIEUTENANT COMMANDERS

Raymond F. Tyler
Thomas D. Guinn
James R. Harrison
Harold B. Herty
Fred J. Barden
Russell D. Bell
William I. Leahy

Brook S. Mansfield
Robert H. Hargrove
Charles C. Anderson
Henry G. Williams
William F. Ramsey

Paul E. Howard William G. Fewel Charles P. Woodson Harry L. Bixby William G. Forbes Fort H. Callahan Charles W. Roland Charles J. Marshall Walter F. Weidner John R. Hume Roy R. Darron Michael J. Malanaphy David B. Justice William B. Whaley, Jr. Frederick S. Hall Daniel B. Candler Louis F. Teuscher Philip S. Reynolds

Charles D. Beaumont, Jr. Steele B. Smith Albin R. Sodergren Henry D. Batterton Thomas E. Kelly George A. T. Washburn Winston P. Folk Theodore J. Shultz Crutchfield Adair John H. Morrill Chester E. Carroll William A. Kanakanui William J. Marshall James M. Robinson Ernest M. Eller Richard G. Voge Robert E. Cronin

TO BE LIEUTENANTS

Peter M. Gaviglio Theodore A. Torgerson Victor A. King Lowell W. Williams Charles F. Sell Charles C. Kirkpatrick Curtis E. Smith Reid P. Fala Donald T. Wilber Alfred B. Metsger Charles L. Crommelin Anthony C. Roessler Lion T. Miles John F. Harper, Jr. Jay S. Anderson Karl R. Wheland Charles O. Cook, Jr. George B. Madden Robert P. Beebe John H. Brockway Sidney J. Lawrence Millard J. Klein Seymour D. Owens Nelson M. Head John N. Hughes Bernard F. McMahon Philip W. Mothersill Benjamin P. Field, Jr. Elliott E. Marshall Gerald L. Ketchum Samuel E. Nelson Robert S. Fahle William H. Johnsen Richard N. Antrim Vincent J. Meola Andrew L. Young, Jr. Clarence L. Gaasterland Harlan T. Johnson Joseph T. Thornton, Jr. Lee S. Pancake

Alden H. Irons Henry Williams, Jr. Wilmer E. Gallaher William W. Fitts Frederic S. Steinke Jack Bercaw Williams Charles M. Jett Carlton C. Lucas Ernest B. Ellsworth, Jr. Ward T. Shields Albert H. Wilson, Jr. William C. Hughes, Jr. John D. Huntley Alfred B. Tucker, 3d James D. Grant Henry R. Wier Charles L. Werts John W. Cannon James I. Cone Baxter M. McKay Robert E. C. Jones Edward L. Foster Joseph W. Leverton, Jr. Warren R. Thompson Marvin J. Jensen James C. Dempsey Charles W. Aldrich Mann Hamm Prentis K. Will Warren G. Corliss Walter J. Stewart Thomas H. Copeman Peyton L. Wirtz James B. Weiler Allan F. Fleming Willard M. Hanger Robert J. Williams Joseph L. Evans Otis R. Cole. Jr.

TO BE LIEUTENANTS (JUNIOR GRADE)

Jack C. Moore Daniel McE. Entler, Jr. Everett M. Link, Jr. Richard A. Teel

TO BE MEDICAL DIRECTOR

Ruskin M. Lhamon

DENTAL SURGEONS WITH RANK OF COMMANDER

Carlton B. Morse Frank V. Davis John L. McCarthy Louis D. Mitchell, Jr. Robert P. Irons Edwin D. Foulk Walter P. Caruthers

TO BE PASSED ASSISTANT PAYMASTERS

Marshall H. Cox Ignatius N. Tripi John W. Crumpacker TO BE CIVIL ENGINEER WITH RANK OF COMMANDER

Raymond V. Miller Charles R. Johnson Theron A. Hartung Herbert S. Bear Harold W. Johnson Edmund B. Keating Clyde W. Coryell Edward D. Graffin William W. Schneider Henry E. Wilson William O. Hiltabidle, Jr. Cushing Phillips James D. Wilson John C. Gebhard

TO BE CHIEF BOATSWAIN

William E. White

POSTMASTERS

ALASKA

William H. Murray, Skagway.

ARKANSAS

Frank Welch, Carlisle. John L. Hyde, Tillar. Leila B. Lynch, Weiner.

CALIFORNIA

Myrtle E. Vance, Portola. Mat Alfred Schaeffer, Vernalis.

COLORADO

Joseph A. Pfost, Arapahoe. Charles H. Rash, Dolores. John T. Adkins, Holly. George H. Duke, Jr., Hotchkiss. Cleatus G. Marshall, Pagosa Springs. Mary E. Dermody, Strasburg.

DELAWARE

Charles J. Dougherty, New Castle.

FLORIDA

Frank W. Dole, Fellsmere. Rubye C. Farmer, Holly Hill. Lynn W. Bloom, Lakeland. Charlie B. Goodman, Shamrock. Montrose W. Neeley, Wabasso.

GEORGIA

John Frank Chappell, Americus. John H. Jones, Fort Valley. Lessie F. Gray, Graymont. Edward A. Barnett, Leary. George S. Thompson, Odum. Watson K. Bargeron, Sardis. Daniel M. Proctor, Woodbine.

IDAHO

Alvin L. Funk, Aberdeen. Arvene J. Boyle, Blackfoot. Parley Rigby, Idaho Falls.

ILLINOIS

George A. Porter, Alexis. Leonora C. Rentschler, Chestnut. Ben Bramlett, Enfield. Howard M. Feaster, Hillsdale. Gertrude G. Schrader, Leland. Jane M. Dorfler, Mundelein. Irwin Knudson, Newark. Robert J. White, New Berlin. William K. Lyon, Niles Center. Mary Bellert Corson, Northbrook. William H. Woodard, North Chicago. Mansford W. Blackard, Omaha. Lena Maude McBride, Pawpaw. Edna O. Trumbull, River Grove. Parke Burnham, Ullin. Agnes Clifford, Venice. Irma M. Clark, Victoria. Herbert L. O'Connell, Wilmette. John R. King, Winchester. Grover Cleveland Thornton, Worden. INDIANA

Joseph A. McCormick, Ambia.
Ira G. Davis, Anderson.
Samuel O. McCarty, Carthage.
Quitman J. Van Laningham, Fortville.
Ada R. Wilson, Galveston.
Lee Fattic, Middletown.
Henry T. Cain, Remington.
Carl F. Bardonner, Reynolds.
Cova H. Wetzel, Rockport.
Thomas J. Conley, Rome City.
Frank L. Hand, Royal Center.
Leo Bertram Whitehead, Syracuse.
Orel R. Small, Walton.

IOWA

Willis C. Hussey, Albert City. Nels A. Christensen, Alta. Julia E. Dean, Blanchard. Jens P. Jensen, Bode. John H. Schulte, Breda. James S. Walton, Clearfield. Robert H. Stoneking, Cushing. Ralph Schroeder, Dysart. Walter R. Price, Earlham. Ralph A. Kelley, Early. Ida Belle Stokes, Emerson. John O. Bussard, Essex. Hans P. Hansen, Jr., Exira. Jacob S. Forgrave, Farmington. Eugene C. Dodds, Fontanelle. Mary G. Thompson, Grand Junction. Alice F. Fogarty, Irwin. Wallace W. Farmer, Kellerton. John E. Leinen, Keota. Frank F. Konrad, Lacona. Arthur G. Buchanan, Lime Spring. Avis Monette Fox, Little Sioux. William F. Gaddis, Lovilia. John E. Amdor, Massena. Gay S. Morgan, Milton. Patrick H. English, Monona. Darrell C. Laurenson, Moorhead. Opal H. Wallace, New Market. Gladys M. Heiland, Panora. John R. Strickland, Parkersburg, Francis W. Aubry, Perry. Charles A. Alter, Persia. Charles B. Chapman, Prescott. Nora E. Knapp, Quimby. Clarence J. Bunkers, Remsen. George S. Peters, Renwick. Harve E. Munson, Rippey. Henry M. Michaelson, Sergeant Bluff. Clara L. Chansky, Solon. Hazel O. Graves, Stanton. Marie Eilers, Steamboat Rock. Porter V. Hall, Union. John F. Zimpfer, Walker. Mack C. DeLong, Washington. Olive A. Burrows, Wilton Junction.

KENTUCKY

Ben P. Edrington, Bardwell. George Baxter Ramsey, Dawson Springs. Maria T. Fish, Frankfort. Ernest Meek, Paintsville. John A. McCord, Pineville. Clinton F. Cleek, Walton.

MAINE

Ward F. Snow, Blue Hill. Hubert A. Nevers, Patten.

MASSACHUSETTS

Harold A. Harrington, Graniteville.
Edmund C. Tyler, Great Barrington.
George L. Magner, Hingham.
John F. Mack, Housatonic.
Carl E. Brown, Lunenburg.
Alice E. Roberts, Nantucket.
Peter Victor Casavant, Natick.
Annie E. Gallagher, North Wilmington.
Dennis P. Sweeney, Pittsfield.
Katharine F. Rafferty, Rowley.
John F. Finn, Stoughton.
Frank J. Lucey, Wenham.
James F. Healy, Worcester.

MICHIGAN

Mabel A. Amspoker, Ashley.
Francis W. Jewell, Elberta.
Natalie G. Marker, Elk Rapids.
David G. Bernard, Hale.
Samuel B. Pizer, Harrisville.
Etta V. Schram, Lincoln.
Edgar S. Allen, Mancelona.
Thomas Edward Shine, Port Austin.
Archie M. Stinchcomb, Sunfield.
Edward N. Moroney, Trenton.
Michael A. Maher, Vermontville.

MISSOURI

Bernice F. Degginger, Albany.
Thomas Wert Gwaltney, Charleston.
Charles Gentry, Houston.
Leslie L. Travis, Joplin.
Myrtie P. Chastain, Koshkonong.
Gerald R. Cooper, Laredo.
Sam G. Downing, Malden.
Marion W. Stauffer, Maryville.
Pleas M. Malcolm, Sikeston.
Edith E. Highfill, Thayer.
Summerfield Jones, West Plains.

NEBRASKA

Ralph L. Ferris, Boelus.
John L. Delong, Bushnell.
William E. McCaulley, Chappell.
Harold Hald, Dannebrog.
Cecil Brundige, Litchfield.
James A. Dunlay, Orleans.

NEW HAMPSHIRE

Vincent P. Brine, Amherst.

NEW JERSEY

S. Russell Hunt, Delanco. Leroy Jeffries, Ocean City. Edward R. Smith, Pitman. Martin F. Gettings, Rahway. Alexander W. McNeill, Ridgewood.

NEW MEXICO

Elzie L. Wells, Deming.

NEW YORK

Freida L. Brickner, Bolton Landing. George W. Caldwell, Lake George. Earl F. Sebald, Lake Luzerne.

NORTH CAROLINA

Willie S. Hogan, Chapel Hill. John W. Mosteller, Cherryville. Henry A. McNeely, China Grove, Robert H. Edwards, Goldsboro. Robert G. Creech, La Grange. Luther M. Carlton, Roxboro.

NORTH DAKOTA

Herman A. Borcherding, New England.

OHIO

Florent G. Orr, Basil. Clarence T. Zwickel, Bremen. Worthy A. Circle, Springfield.

OKLAHOMA

Helen A. Coulter, Wakita. Robert D. Taylor, Webb City.

OREGON

Viva R. Todd, Cloverdale. George E. Travis, St. Benedict. Harry M. Stewart, Springfield.

PENNSYLVANIA

Emma V. Brown, Avella.
Howard Walter Stough, Grapeville.
Robert E. Holland, Kane.
William E. Rutter, Kinzers.
John K. Newcomer, McClellandtown.
Edward F. Januszewski, Monessen.
Stanley B. Janowski, Nanticoke.
Sara S. Broadbelt, Newtown Square.
Vera C. Remaley, Penn.
Karl Smith, Sharpsville.
Catherine V. Lybarger, Vintondale.
George J. Moses, West Chester.

PUERTO RICO

Juan Aparicio Rivera, Adjuntas. Alfredo F. Irizarry, Cabo Rojo. Francisco R. Fernandez, Guayama. Eduvigis de la Rosa, Isabela. Ricardo Mendez, Jr., Lares. Antonio Godinez, Rio Piedras.

TENNESSEE

Mary Amelia Slack Copenhaver, Bristol. Miss Willie Ozelle Barnes, Cowan. Nell I. Griffith, Vonore.

TEXAS

Richard T. Rieger, Decatur. Earl D. Massey, Killeen. Mary A. Hogan, Pharr.

WISCONSIN

Grant E. Denison, Carrollville. John T. Murphy, Delavan.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 4, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Infinite and Eternal God, with bowed heads and uncovered hearts we come into Thy presence. We thank Thee for the revelation which Thou hast made of Thyself as a prayer-answering God, and that our ceaseless needs do not exhaust Thy patience.

We pray that we may be more sensitive to Thee and the great spiritual realities, for Thou art the light of the hearts that know Thee, the life of the souls that love Thee, and the strength of the minds that seek Thee; from whom to turn away is to fall, but in whom to abide is to stand fast forever.

Wilt Thou also make us more tender in our relationship to our fellow men. Fill us with a capacity and a longing to enter, sympathetically and helpfully, into the experiences and needs of our countrymen and mankind everywhere. O God, what are we here for if not to make life less difficult for one another and so fulfill the law of Christ.

Hear our prayer for the sake of the great Burden Bearer who went about doing good. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H.R. 1428. An act for the relief of First Lt. Samuel E.

Williams;

H.R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider, Jr.;

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H. R. 2344. An act for the relief of James McConnachie; H. R. 2363. An act for the relief of the estate of Harvey T. Combs;

H. R. 2440. An act for the relief of Thomas J. Smith;

H. R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H.R. 3156. An act for the relief of Anna E. Hurley;

H.R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren;

H.R. 3676. An act for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.;

H.R. 3689. An act for the relief of the Columbus Iron Works Co.;

H. R. 3853. An act for the relief of Floyd Elton;

H.R. 3927. An act for the relief of Marijo McMillan Williams;

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3962. An act for the relief of Grace Campbell;

H. R. 4033. An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H.R. 4072. An act for the relief of Emmitt Courtney;

H. R. 4141. An act for the relief of Celia Press and Bernard Press:

H. R. 4252. An act for the relief of J. George Bensel Co.;

H.R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas:

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H. R. 4482. An act for the relief of Byron MacDonald;

H.R. 4549. An act for the relief of William H. Radcliffe;

H. R. 4554. An act for the relief of Francis A. Leete and Sarah Leete:

H.R. 4601. An act for the relief of Paul W. McCoy;

H.R. 4606. An act for the relief of the Toledo Terminal Railroad Co. of Toledo, Ohio;

H. R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4726. An act for the relief of James W. Gilson;

H. R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe;

H.R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States;

H. R. 4875. An act for the relief of Mamie Hoffman;

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 4965. An act for the relief of J. Harry Walker;

H. R. 5115. An act for the relief of Harry W. Lyle;

H.R. 5259. An act for the relief of Mrs. Layer Taylor;

H.R. 5266. An act for the relief of Mina Keil;

H. R. 5333. An act to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters; H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia;

H. R. 5383. An act for the relief of H. A. Dixon;

H. R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5557. An act for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey;

H.R. 5607. An act for the relief of George A. Meffan, United States marshal, district of Idaho;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H. R. 5704. An act to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart;

H.R. 5803. An act for the relief of Clyde Equipment Co.; H.R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or

near Wrightsville Beach, New Hanover County; H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation":

H. R. 5894. An act for the relief of John E. Garrett;

H. R. 5895. An act for the relief of James D. Larry, Sr.;

H. R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H.R. 5931. An act for the relief of Elizabeth Hessman; H.R. 5951. An act for the relief of the heirs of Emma J.

H. R. 5953. An act for the relief of Marie Heinen;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935:

H.R. 6021. An act to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site;

H. R. 6037. An act to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088);

H.R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or near Kettle Falls, Wash.;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H. R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks,

H. R. 6490. An act for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department:

H. R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H. R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H. R. 6662. An act granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation;

H.R. 6805. An act for the relief of Sam E. Woods;

H. R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River,

from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes:

H. R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes":

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.;

H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939"; and

H. J. Res. 341. Joint resolution to dissolve the United States Supreme Court Building Commission.

The message also announced that the Senate had passed

bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 2448. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat.

S. 2626. An act to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other pur-

S. J. Res. 66. Joint resolution making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax: and

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3959. An act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes:

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver; H.R. 5835. An act to authorize the President to render closer and more effective the relationship between the American republics;

H. R. 6259. An act for the relief of Jack D. Collins;

H. R. 6808. An act for the relief of Matilda Larned Bouck; H. R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War; and

H. R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.,' approved May 21, 1934.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2. An act authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes;

S. 821. An act for the relief of Charles L. Kee;

S. 1448. An act for the relief of Anna H. Rosa; and S. 2239. An act for the relief of Dorothy Clair, G. F. Allen,

and Earl Wooldridge.

The message also announced that the Vice President had appointed Mr. Byrd, Mr. RADCLIFFE, and Mr. BARBOUR as members on the part of the Senate of the Virginia (Merrimac)-Monitor Commission, under authority of House Concurrent Resolution No. 32, agreed to August 2, 1939.

H. NEWLIN MEGILL

The SPEAKER. The Chair will ask the clerk to read the following letter from the Clerk of the House:

Office of the Clerk, House of Representatives, Washington, D. C., August 4, 1939.

The Honorable WILLIAM B. BANKHEAD,

Speaker of the House of Representatives.

Sir: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers for me which he would be authorized to sign by virtue of this designation and of clause 4, rule III, of the House. Respectfully yours,

SOUTH TRIMBLE. Clerk of the House of Representatives.

Mr. RAYBURN. Mr. Speaker, I have two unanimousconsent requests at the Clerk's desk.

APPOINTMENT OF COMMISSIONS AND COMMITTEES

The SPEAKER. The Clerk will report the first unanimous-consent request.

The Clerk read as follows:

Mr. RAYBURN asks unanimous consent that notwithstanding the adjournment of the first session of the Seventy-sixth Congress, the Speaker be, and is hereby, authorized to appoint commissions and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL PERMISSION TO REVISE AND EXTEND REMARKS IN THE RECORD

The SPEAKER. The Clerk will report the second unanimous-consent request.

The Clerk read as follows:

Mr. RAYBURN asks unanimous consent that all Members of the House shall have the privilege until the last edition authorized by the Joint Committee on Printing is published to extend and revise their own remarks in the Congressional Recorp, on more than one subject if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks, but this order shall not apply to any subject matter which may have converted to the property of the state. subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress.

Mr. RICH. Mr. Speaker, reserving the right to object, I think if the majority leader would look at the RECORD for the last 2 or 3 weeks he would notice that it is probably the largest record we have had for a number of years. It is certainly the largest I have seen published in the 9 years I have been in Congress. If we are going to continue to increase the size of the RECORD, that is a responsibility of the majority leader and, Mr. Speaker, it seems to me that this is a pretty broad unanimous-consent request. While I realize that I have the right to object, I have been anxious to work with the majority leader whenever it has seemed proper for me to do so, but there is so much of this legislation and so many things included I just could not stand for it, Mr. Majority Leader, and that is the reason we have had to object to a lot of it. As to this unanimous-consent request I presume that many Members would like to insert things in the RECORD and as long as it pertains to Congress and the things that are transpiring in Congress, I think they should have that right, but when they go far afield and put in things that pertain to their own districts and pertain to the States, I question sometimes whether it is not a pretty broad unanimous-consent request.

Mr. RAYBURN. Mr. Speaker, this is the usual unanimous-consent request and it does not go far afield at all. It allows only those things that pertain to an explanation of what the Member wants to get in the RECORD so that it may be understood.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. LUDLOW. If this request is granted, when will it become operative?

Mr. RAYBURN. It becomes operative immediately.

Mr. CHURCH. Mr. Speaker, reserving the right to object, will the gentleman yield? I make this reservation to make certain that the gentleman does not intend by this request that any Member can include in his remarks or extension of remarks quotations from any reports that are in controversy. I have in mind a matter that came up the other day in connection with some remarks of the gentleman from Illinois [Mr. SABATH]. If it is understood that quotations from reports of committees of Congress shall be from such reports only as have been submitted officially and printed as documents by order of the House or Congress, by law, or pursuant to the rules of the House, may be included in such extensions, I would have no objection; otherwise I would have to object. I want to make it clear I do not object to an ordinary resolution.

Mr. RAYBURN. And to explain his position on any matter. That is right.

Mr. CHURCH. The request is too broad in this respect: The request submitted would permit the gentleman from Illinois [Mr. SABATH] to extend his remarks and to include controversial parts of a report that has not yet been signed by the members of his committee now out of existence, and there is every indication of its never being signed because of libel in it and other matters. The gentleman from Illinois did include in his remarks a few days ago under a privilege to revise and extend, but not under a privilege to extend and revise to include extraneous matter, a long column from the so-called Sabath report.

The SPEAKER. Is there objection?
Mr. CHURCH. Until there is a definite understanding and agreement in that respect, Mr. Speaker, I object.

The SPEAKER. The Chair feels inclined to state for the benefit of all Members that this unanimous-consent request speaks for itself and it is not up to the majority leader or the Chair to interpret the question.

Mr. CHURCH. Mr. Speaker, until the request is amended or changed, I object.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague, Mr. Crowther, be permitted to extend his remarks by publishing an article by Millard E. Brown.

The SPEAKER. Is there objection? There was no objection.

UNITED STATES EMPLOYMENT SERVICE RECORD

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4108) to provide for the transfer of United States Employment Service records, files, and property in local offices to the States, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Page 1, line 9, strike out "Secretary of Labor" and insert "Federal Security Administrator."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

A motion to reconsider the vote by which the Senate amendment was concurred in was laid on the table.

GOODS PRODUCED IN STATE AND FEDERAL PRISONS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 59, authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons, and consider the same.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent for the present consideration of House Joint Resolution 59, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That for the purpose of furnishing information to the Congress regarding the amount of goods produced in State and Federal prisons, the Bureau of Labor Statistics of the United States Department of Labor is authorized and directed to collect information concerning the amount and value of all goods produced in State and Federal prisons, showing separately the amount and value of goods produced under the State-use, State-account, contract, and piece-price systems.

For the purpose of making this study, there is berely authorized.

For the purpose of making this study, there is hereby authorized to be appropriated, from any money in the Treasury not otherwise appropriated, the sum of \$20,000. The Commissioner of Labor Statistics is directed to submit the report to the Congress on or

before May 1, 1940.

With the following committee amendment:

Line 7, after the word "the", insert "character, kind, type."

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will this entail any expense upon the part of the Federal Government?

Mrs. NORTON. There is included a small appropriation which the Secretary of Labor believes absolutely necessary in order to collect this information, which seems very important to determine the amount and value of prison-made goods in competition with industry.

Mr. MARTIN of Massachusetts. And there is no other way of collecting this information?

Mrs. NORTON. That is my understanding.

Mr. MARTIN of Massachusetts. Is the full Committee on Labor in accord with this?

Mrs. NORTON. It is a unanimous report from the committee.

Mr. RICH. Mr. Speaker, I reserve the right to object, to ask the gentlewoman from New Jersey a question. The Central Statistical Board which was established, and of which the Secretary of Labor is a member, gathers all this data. I think the gentlewoman from New Jersey will recognize that this will be duplication of work. If it is not, will the gentlewoman state whether the Central Statistical Board is the proper set-up to get this information?

Mrs. NORTON. I simply say to the gentleman that the resolution would enable the Department of Labor to procure up-to-date information on the amount, kind, and type of

goods produced in State and Federal prisons.

Mr. RICH. Mr. Speaker, the Central Statistical Board was set up 3 or 4 years ago by this administration to make that very inquiry, and the Secretary of Labor is a member of that Board. I do not think that the Department of Labor should go into this when we have a board already set up to find that information.

Mrs. NORTON. This is in complete accordance with the Secretary of Labor. The Secretary of Labor desires to get this bill enacted into law.

Mr. RICH. The Secretary of Labor is a member of that Board and that is where she should go to get the information. Mr. Speaker, I object.

BOUNDARY BETWEEN STATES OF IOWA AND MISSOURI

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 181, giving the consent of Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States and consider the same.

The SPEAKER. The Clerk will report the resolution. The Clerk read as follows:

Senate Joint Resolution 181

Whereas under date of December 13, 1937, the State of Missouri commenced suit against the State of Iowa in the Supreme Court of the United States for the purpose of determining the boundary line between the county of Clark in the State of Missouri and the county of Lee in the State of Iowa; and

Whereas by stipulation filed in the said Supreme Court of the United States, it was proposed that the Legislature of Iowa and the Legislature of Missouri pass like bills, the State of Missouri waiving and relinquishing to the State of Iowa all jurisdiction to lands lying north and east of the Des Moines River, now in the county of Clark, State of Missouri, and the State of Iowa waiving

and relinquishing to the State of Missouri all lands lying south and west of the Des Moines River, and now in the county of Lee, State of Iowa, and that said acts be submitted to the Congress of the

west of the Des Moines River, and now in the county of Lee, State of Iowa, and that said acts be submitted to the Congress of the United States for its approval; and

Whereas in accordance with said stipulation, the Forty-eighth General Assembly of the State of Iowa did at such session pass such act, this act being known and designated as House File No. 651, Acts of the Forty-eighth General Assembly of Iowa, bearing the signatures of John R. Irwin, speaker of the house; Bourke B. Hickenlooper, president of the senate; and the signature and approval of George A. Wilson, Governor of Iowa, under date of April 18, 1939, said act being thereupon properly published and becoming law under date of April 23, 1939; and

Whereas said act provided in substance that the Des Moines River in its present course as heretofore declared by the Congress of the United States shall be and remain the true boundary line between the State of Missouri and the State of Iowa; that the State of Iowa relinquishes all jurisdiction to all lands in Lee County lying south and west of the Des Moines River, being south and east of the east and west boundary line between the States of Iowa and Missouri, and that the effective date of the relinquishment of jurisdiction shall be as of midnight of the 31st day of December following the passage of the act of Congress approving the relinquishment of jurisdiction; and

Whereas in accordance with stipulation as aforesaid, the Sixtleth General Assembly of the State of Missouri did, at such session,

General Assembly of the State of Missouri did, at such session, pass a like act, this act being known and designated as senate bill 350 of the acts of the Sixtieth General Assembly of Missouri and bearing the signature and approval of Lloyd C. Stark, Governor of Missouri, under date of June 16, 1939; and
Whereas said act provides in substance that the Des Moines

Missouri, under date of June 16, 1939; and
Whereas said act provides in substance that the Des Moines
River shall be the true boundary line as between Missouri and
Iowa; that the State of Missouri relinquishes all jurisdiction to all
lands lying north and east of the Des Moines River and that the
effective date of the relinquishment of jurisdiction over the land
herein described shall be as of midnight of the 31st day of December following the passage of the act of Congress approving the
relinquishment of jurisdiction; and
Whereas the said acts of the States of Iowa and Missouri constitute an agreement between said States establishing a boundary
between said States: Therefore be it

Resolved, etc., That the consent of the Congress is hereby given to such agreement and to the establishment of such boundary; and said acts of the States of Iowa and Missouri are hereby approved.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL CLERICAL SERVICE IN THE ENROLLING ROOM

Mr. WARREN. Mr. Speaker, I send to the desk House Resolution 293, a resolution usually presented at this stage of the session, and ask its consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 293

Resolved, That there shall be paid out of the contingent fund of the House of Representatives during the closing days of the present session not to exceed \$200 for additional clerical services in the enrolling room.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, ladies and gentlemen of the House, a few moments ago my colleague from Illinois, Mr. CHURCH, rose I think for the fourth time objecting to the extension of remarks because I might insert something from a report which, for technical reasons, has not been filed. I want to assure you I can say much more without fear of libel than the report contains, but I would like to know why he is so afraid that the report should be published. I am not afraid to publish it and people should know what the facts were.

Mr. CHURCH. Mr. Speaker, will the gentleman yield? Mr. SABATH. Yes; I yield. Mr. CHURCH. If the other members of the gentleman's committee are willing to sign that report, that would be another matter; but up to the present time not one member of that committee other than yourself has been willing to sign it.

Mr. SABATH. The gentleman is in error again.

The SPEAKER. The time of the gentleman from Illinois has expired.

COPIES OF HEARINGS ON THE NEUTRALITY LAW

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report (H. Rept. No. 1454) favorably, without amendment, a privileged resolution (H. Res. 288) authorizing the House Committee on Foreign Affairs to have printed additional copies of the hearings on the proposed amendments to the present neutrality law and related legislation affecting the foreign policy of the United States, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 288

Resolved, That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Foreign Affairs of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 900 copies of the hearings held before said committee during the current session on bills and resolutions "Proposing amendments to the present neutrality law and related legislation affecting the foreign policy of the United States."

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ADDITIONAL FACILITIES ON THE CANAL ZONE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping with Senate amendments, and concur in the Senate amend-

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 6, after "purpose", insert "Provided, however, That I new personnel in such construction work occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States."

Page 2, line 6, after "Provided", insert "jurther."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, as I understand it, this amendment proceeds along the line of the Schafer and Starnes amendments, for which there was so much support in the House.

Mr. BLAND. It proceeds along the line of the Starnes amendment. The Schafer amendment would have extended it a great deal further and would have involved a very serious question on all kinds of labor.

Mr. MARTIN of Massachusetts. This applies to what? Mr. BLAND. Supervisory, technical, engineering, and positions of that kind. I think it is practically the same thing as the Starnes amendment.

Mr. MARTIN of Massachusetts. I think it is a very good amendment and I am glad to support it.

Mr. SABATH. Reserving the right to object, I did not

hear the request of the gentleman.

Mr. BLAND. I asked unanimous consent to concur in the Senate amendment, which is practically the same as the Starnes amendment, offered in the House, which provides that all new personnel in such construction work, skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States. My understanding is that it was agreed to by the labor representatives.

Mr. SABATH. That will eliminate the objections that have been raised by the Federation of Labor?

Mr. BLAND. I think so.

Mr. RICH. Mr. Speaker, reserving the right to object, we have 11,000,000 unemployed people in America. Does the gentleman think that would be a good opportunity to employ a few hundred thousand of the people on relief?

Mr. BLAND. I wish it were true, but conditions are such as to housing and health facilities, and so forth, that I would be very much afraid to go farther than this at this time. I would like to do it.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

PLAYA DE FLOR LAND & IMPROVEMENT CO.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2. line 11. after "amended" insert "Provided. That such evidence shall be subject, however, to any objection that the United States may interpose as to relevancy, materiality, or competency other than the objection of the witnesses not being produced in

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

By unanimous consent Mr. Anderson of Missouri was granted permission to revise and extend his own remarks in the RECORD.

EPES TRANSPORTATION CORPORATION

Mr. DREWRY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1042) for the relief of the Epes Transportation Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Epes Transportation Corporation, of Virginia, the sum of \$6,537.95, in full satisfaction of all claims of such corporation against the United States, such sum representing taxes (with interest and penalty) paid to the United States by such corporation on account of certain cigarettes and tobacco products which were withdrawn from bonded warehouse in Winston-Salem, N. C., by such corporation for export to foreign consignees, but which were not exported due to the fact that such cigarettes and tobacco products were stolen from the trucks of such corporation en route to the intended exportation point: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

With the following committee amendment:

Page 2, line 4, after the word "point", strike out the remainder of the bill and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FAY. Mr. Speaker, I ask unanimous consent to insert in the RECORD an editorial from the New York Post.

The SPEAKER. Is there objection?

There was no objection.

CLOSER RELATIONSHIP BETWEEN THE AMERICAN REPUBLICS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5835) to authorize the President to render closer and more effective the relationship between the American republics, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 14, after "meetings", insert "within the United States."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT TO THE BANKRUPTCY ACT

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2654) to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims. This bill was unanimously reported out of the Judiciary Committee. It concerns claims for personal injury of employees of railroads in receivership, and provides that these claims shall be deemed operating expenses of the railroads. The bill has passed the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of section 77, subsection (n), of the Bankruptcy Act, as amended, be further amended to read as follows:

(n) In proceedings under this section, and in equity receiver-"(n) In proceedings under this section, and in equity receiverships of railroad corporations now or hereafter pending in any court of the United States, claims for personal injuries to employees of a railroad corporation, claims of personal representatives of deceased employees of a railroad corporation, arising under State or Federal laws, and claims now or hereafter payable by sureties upon supersedeas, appeal, attachment, or garnishment bonds, executed by sureties without security, for and in any action against such railroad corporation or trustees appointed pursuant to this section, brought during the period of receivership or trust shall be preferred and paid out of the assets of such railroad corporation as operating expenses of such railroad."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERM OF UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK, AT POUGHKEEPSIE, N. Y.

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7294) to provide for the establishment of terms of the District Court of the United States for the Southern District of New York, at Poughkeepsie, N. Y.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That terms of the District Court of the United States for the Southern District of New York shall be held at Poughkeepsie, N. Y., at such times, not less than once a year, as may be fixed by rule of such court.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING THE MAINTENANCE OF OFF-SHORE GAMBLING ESTABLISHMENTS

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7235) to prohibit the maintenance of gambling establishments within the

admiralty and maritime jurisdiction of the United States, and for other purposes.

The Clerk read the title of the bill.

Mr. MICHENER. Mr. Speaker, reserving the right to object, this is a bill on which the Committee on the Judiciary held hearings. The committee is unanimously in favor of the bill. It has the support of the Department of Justice and other departments affected, and it is most important that it should be enacted as an emergency measure at this time. Am I correct?

Mr. CELLER. Mr. Speaker, I may say to the gentleman from Michigan that he is entirely correct. The Treasury Department, the Department of Commerce, and the State Department have all cooperated with the Judiciary Committee in the drawing of the bill and have urgently asked its passage.

Mr. LELAND M. FORD. Mr. Speaker, will the gentleman

yield?

Mr. MICHENER. I yield.

Mr. LELAND M. FORD. These gambling ships, Mr. Speaker, are right in my front yard, off Santa Monica, Calif. They are defying the power of the United States Government; they are defying the power of the government of California; they are defying the Attorney General of the United States, the attorney general of California, the district attorney of Los Angeles County, the sheriff of Los Angeles County; have turned hoses on the officers and refused to let them board the ship. Many people have just recently been violently attacked and badly beaten by strongarm men on these ships. Their jaws have been badly broken, necessitating weeks of hospitalization. Two people have been killed. I hope this House will help us by passing this bill and give to my section that measure of the protection they themselves would like to have in their respective sections or districts.

Mr. GEYER of California. Mr. Speaker, reserving the right to object, I shall not object with the understanding that under this procedure I may have the right to offer an

amendment.

The SPEAKER. The gentleman would be entitled to that privilege.

Is there objection to the present consideration of the bill? There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting after section 287 the following section: "Sec. 287A. Whoever, upon the high seas or on any other waters within the admiralty and maritime jurisdiction of the United States, shall set up or keep any common gaming or gambling establishment for the purpose of gaming or gambling, including accepting, recording, or registering bets, or carrying on a policy or any other lottery, or playing any game of chance, for money or other thing of value; or whoever shall, in pursuance of any such gambling enterprise, induce, entice, solicit, or permit any person to bet or play at any such establishment, shall be punished by imprisonment for a term of not more than 2 years or a fine in an prisonment for a term of not more than 2 years or a fine in an amount not exceeding the sum of \$10,000, or both. Every vessel or floating device employed in any violation of the provisions of this section, including its tackle, apparel, furniture, equipment, and stores, shall be forfeited to the United States by proper proceedings in any court of the United States."

seedings in any court of the United States."

Sec. 2. It shall be unlawful to operate or use any vessel for the carriage or transportation, or for any part of the carriage or transportation, either directly or indirectly, of any passengers, for hire or otherwise, between any point or place within the United States and any foreign vessel on the high seas out of the jurisdiction of any particular State, Territory, or possession of the United States. The provisions of this section shall not apply to any vessel used in carrying or transporting any person to or from any foreign vessel in case of any emergency involving the safety or protection of life or property.

or property.

SEC. 3. The Secretary of Commerce is hereby authorized to pre-scribe rules and regulations to carry out the purposes of section 2 of this act. For any violation of any of the provisions of section 2 of this act or of any rule or regulation issued thereunder, the owner and charterer of said vessel shall be subject to a civil penalty of \$200 for each passenger carried or transported, and the master or other person in charge of such vessel to a civil penalty of \$300. Such penalty shall constitute a lien on such vessel, and proceedings to enforce such lien may be brought summarily by way of libel in any court of the United States having jurisdiction thereof. The Secretary of Commerce is hereby authorized to mitigate or remit any of the penalties provided by this section on such

terms as he may deem proper.

SEC. 4. As used in this act, the word "vessel" shall include every kind of water and air craft or other contrivance used or capable of being used as a means of transportation on water, or on water and in the air; and the words "floating device" shall mean any ship, boat, barge, or other water craft or any structure capable of floating on the water.

SEC. 5. Nothing in this act shall be held to take away or impair the jurisdiction of the courts of the several States under the laws

thereof.

SEC. 6. The term "United States" as used in this act shall include the continental United States and the Territories and possessions of the United States, other than the Canal Zone and the Philippine Islands.

With the following committee amendments:

With the following committee amendments:

Page 1, line 5, after the word "whoever", strike out the balance of line 5, all of lines 6 and 7, and the word "gaming", in line 8, and insert in lieu thereof the following:

"On any waters within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State, or upon the high seas, on board any vessel used principally for a violation of any provision hereinafter set out and belonging in whole or in part to the United States or any citizen thereof or any corporation created by or under the law of the United States, or of any State, Territory, or District thereof, shall set up or operate any common gaming."

Page 2, beginning in line 15, after the word "both", strike out the balance of line 15 and all of lines 16, 17, 18, and 19.

Page 2, line 24, strike out the word "foreign."

Page 3, line 1, after the word "States", insert the following: "which vessel is used in violation of section 1 hereof."

Page 3, line 4, strike out the word "foreign."

The committee amendments were agreed to.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. Geyer] to offer an amendment.

Mr. GEYER of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendments offered by Mr. Gever of California: Page 1, line 4,

strike out "section" and insert in lieu thereof "sections."

Page 2, after line 15, insert:
"Sec. 287B. Whoever shall knowingly transport or cause to be transported in interstate or foreign commerce any roulette wheel, gambling outfit, loaded dice, marked cards, or any machine, apparatus, or mechanical device designed or adapted for the playing paratus, or mechanical device designed or adapted for the playing of any game of chance for money or other thing of value, or whoever shall receive, possess, or dispose of any article which has been transported in violation of this section, knowing the same to have been so transported, shall be guilty of a felony and upon conviction thereof shall be subject to a fine of not more than \$5,000 or imprisonment for not more than 2 years, or both such fine and imprisonment. As used in this section the term 'interstate or foreign commerce' means commerce between any State, District, Territory, or possession of the United States and any place outside of such State District, Territory, or possession." place outside of such State, District, Territory, or possession.

Mr. CELLER. Mr. Speaker, I make a point of order against the amendment on the ground that it is not germane. The bill under consideration concerns the admiralty and maritime jurisdiction of the United States, whereas the amendment deals with matters of interstate commerce, the transportation or carriage of so-called roulette wheels, marked dice, and other paraphernalia used in games of chance across State borders. For this reason it is not germane to the bill.

The SPEAKER. Does the gentleman from California desire to be heard on the point of order?

Mr. GEYER of California. Mr. Speaker, I believe my amendment is germane because it has to do with the same general subject dealt with by the bill, gambling.

The SPEAKER. The Chair is ready to rule. For the reason stated by the gentleman from New York [Mr. Celler] the Chair sustains the point of order.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RE H. R. 7235

Mr. CELLER. This bill was reported out by the Judiciary Committee unanimously. Its primary purpose is to prohibit gambling establishments within the admiralty and maritime jurisdiction of the United States.

It would appear that at the present time, four ships are anchored a little more than 3 miles beyond the coast of California, in the vicinity of Los Angeles. These ships are the S. S. Rex, the S. S. Tango, the S. S. Showboat, and the S. S. Texas. They are operated by four distinct corporations incorporated in the State of Nevada, which, apparently, is the only State in the Union that legalizes gambling. About 100 "taxi" motorboats journey to and from these ships from the wharf at Santa Monica. The gamblers in control of these ships hire these motorboats to convey patrons to said ships which are beyond the 3-mile limit, and no charge is made for such "taxi" service. These ships are maintained solely for gambling purposes. They fly the American flag. The State of California is powerless to act legally because the jurisdiction of the State is confined to 3 miles from the low-water mark. As many as 6,000 persons board each of these ships of a Saturday night, a total of 24,000. Hundreds of thousands of dollars pass hands.

California heretofore passed a statute making it a criminal offense, as I understand it, for these "taxi" boats to ply their trade. The highest court of the State declared this statute unconstitutional because the ultimate destination of these boats was beyond the 3-mile limit and, therefore, outside of the jurisdiction of the State. California now appeals to us for help.

I herewith submit a telegram addressed to the Judiciary Committee, under date of July 28, 1939, by the Attorney General of the State of California:

Your favorable consideration of gambling-ship legislation is earnestly requested. California with approximately 1,000 miles of shore line is particularly vulnerable to the activities of such ships which have no other purpose than to nullify the State laws against illegal gambling. By anchoring more than 3 miles from the purpose that the propose of the purpose of the proposed of the purpose of from shore they create jurisdictional as well as practical problems of enforcement. State and local authorities are now engaged in attempting to overcome these difficulties but a Federal statute such as that proposed would automatically eliminate the source of trouble. Should you desire information concerning scope of activities or any other assistance this office will gladly comply.

EARL WARREN, Attorney General.

Federal action is necessary to put a stop to the evil practices aboard these ships.

The constitutional provisions relating to the jurisdiction of the Federal Government over the high seas and navigable waters are the following:

Article I, section 8:

The Congress shall have power * * *
To regulate commerce with foreign nations and among the several States, and with the Indian tribes;

To define and punish piracies and felonies committed on the high seas, and offenses against the law of nations;

The judicial power shall extend to all cases * * of admiralty and maritime jurisdiction.

The territorial jurisdiction of the United States, and therefore the territorial jurisdiction of the coastal States, extends only as far as the so-called 3-mile limit.

Thus, in Cunard Steamship Co. v. Mellon (262 U. S. 100, 122), the Supreme Court stated:

It now is settled in the United States and recognized elsewhere that the territory subject to its jurisdiction includes the land areas under its dominion and control, the ports, harbors, bays, and other enclosed arms of the sea along its coast, and a marginal belt of the sea extending from the coast line outward a marine league, or 3 geographic miles.

In Murray v. Hildreth, 61 F. (2d) 483, 484 (C. C. A. 5th), the court stated:

That part of the high seas within 3 miles of the coast of the United States is, under the law of nations, within their territorial jurisdiction.

In Jessup on the Law of Territorial Waters and Maritime Jurisdiction (p. 49), which is the leading treatise on the subject, there is found the following statement:

Like Great Britain, the United States stands out clearly today as a champion of the 3-mile limit.

While during the prohibition era a treaty was made with Great Britain, in 1924, to permit searches to be made for prohibition violations outside of the 3-mile limit, the position that the 3-mile limit was the boundary of territorial jurisdiction was expressly reasserted. (See art. I of that

The 3-mile limit was accepted in the North Atlantic Coast Fisheries Arbitration, which took place in 1910, between the United States and Great Britain.

The Constitution of the State of California expressly asserts the 3-mile limit.

Article XXI of the Constitution of California, entitled "Boundary," after describing the land boundary, reads as follows:

Thence running west and along said boundary line to the Pacific Ocean and extending therein 3 English miles.

On the other hand, in respect to vessels of American registry, the United States has jurisdiction outside of the 3-mile limit and wherever the ship might happen to be (United States v. Flores, 289 U.S. 137).

In the case of closed bays, and so forth, the 3-mile limit is computed not from the coast line but from an imaginary line drawn from headland to headland, enclosing the bay. On that basis, Monterey Bay has been held to constitute territorial waters, and therefore subject to the jurisdiction of California, although the bay is about 9 miles deep (Ocean Industries, Inc., v. Superior Court, 200 Calif. 236; Ocean Industries, Inc., v. Greene, 15 F. (2d) 862.) This is likewise true of San Pedro Bay (United States v. Carrillo, 13 F. Supp. 121).

On the other hand, Santa Monica Bay, in which several of the gambling ships are anchored, has been held not to constitute a closed bay, and the conclusion was reached by one of the district courts of appeal of California that in the case of Santa Monica Bay the 3-mile limit is to be computed from the shore line (California v. Stralla, 1939 American Maritime Cases, 729.) This decision was rendered a few months ago. It should be noted, however, that it is not a decision of the highest court of the State.

Please note that in the convention between Great Britain and the United States, of January 23, 1923, article I thereof, the following is declared:

The high contracting parties declare that it is their firm intention to uphold the principle that 3 marine miles extending from the coast line outward and measured from low-water mark constitute the proper limits of territorial waters

Thus, 3 marine miles constitute the proper limits of territorial waters. This means that as to ships flying a foreign flag and under foreign registry, the American Government has no control except by treaty.

During the prohibition era we had such jurisdiction over rum runners of foreign registry, beyond the 3-mile limit and up to 12 miles. In other words, we were given the right to search these rum-runner ships of foreign registry up to 12 miles of our shores on the condition that we had reason to believe that violations of the law had occurred within the 3-mile limit.

We have complete jurisdiction constitutionally over any American ship flying the American flag no matter whether it be in the waters of Constantinople Harbor or 100 miles up the Congo River in South Africa. We thus have constitutional jurisdiction over these gambling ships.

By this bill, Congress would confer jurisdiction on the Department of Justice to enable the latter to abate the operations of these ships. If these ships change their registry to that of a foreign flag, we will have to do as we did during the prohibition era, namely, arrange by treaty with other nations to obtain the consent of such nations to get after these ships.

It would seem anomalous if we could not render aid to save the State of California, thus helpless in the face of gamblers maintaining their nefarious operations on these four ships.

The committee has offered amendments which limit the operation of the penalties of the bill to any ship principally used as a gambling establishment. The bill is also worded so that no legitimate line, on which innocent games of chance are played, would be penalized. Thus, ocean-going liners and boats on cruises, on which passengers play bingo

and miniature horse racing, would not come within the operations of the bill. The wording of this measure has been approved by the association of legitimate steamship companies.

We preclude Federal authorities from acting within the confines of a State, that is, within the 3-mile limit. We want the State to act exclusively within such 3-mile area. This bill empowers the Department of Justice to act where a a vessel is on the high seas, that is, beyond the 3-mile limit.

The Department of State, the Treasury Department, and the Department of Justice are all desirous of cleaning up this horrible situation and ask expeditious action. The Bureau of Customs and the Coast Guard particularly fear hampering of their operations by these ships.

I am informed that the Attorney General of California has sought to abate the operations of these ships even beyond the 3-mile limit, on the ground that the effects of such operations are felt within the 3-mile limit. I believe he is wrong in this regard; I believe he has no jurisdiction outside of the 3-mile limit.

I am informed further that the Attorney General and the operators of these ships have each obtained against each other orders to show cause in the State courts why each side should not be restrained.

I urge the bill's passage.

EXTENSION OF REMARKS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the New York Times of this morning, making certain observations with reference to the Civil Aeronautics Authority.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico [Mr. DEMPSEY]?

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on the bill H. R. 7389, and to include therein a short article that appeared in the New York Sun of August 1.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MICHAEL J. KENNEDY]?

There was no objection.

SALE OF SURPLUS AGRICULTURAL COMMODITIES

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 375, to authorize the sale of surplus agricultural commodities, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, will the gentleman explain this joint resolution to the

Mr. STEAGALL. Mr. Speaker, this bill provides for the sale by the Commodity Credit Corporation of surplus agricultural commodities. This is the situation: We have an opportunity to sell to foreign governments 175,000 bales of surplus cotton now being carried under loans by the Commodity Credit Corporation. The deal contemplates full value for the cotton, except that storage for a period of 18 months will be borne by the Corporation. This cotton is to be held for a period of 5 years unless needed for war purposes by the foreign governments. That is the purpose of the bill.

The bill is drawn after the pattern of legislation passed a day or two ago and has a safeguarding amendment with respect to the storage of cotton exactly like that included in the bill which provided for the delivery of cotton under contract with Great Britain in pursuance of a treaty entered into between Great Britain and the United States. The bill comes to the House with a unanimous report of the Committee on Banking and Currency.

Mr. CRAWFORD. May I ask the chairman of the Committee on Banking and Currency if this does not also apply to other commodities so that they may move?

Mr. STEAGALL. It does, but the purpose is to deal primarily with the sale of 175,000 bales of cotton at this time.

The SPEAKER. Is their objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. CRAWFORD. Mr. Speaker, further reserving the right to object, and I shall not object to this bill, because I personally feel that anything now which will expedite the movement of cotton, fats, and oils in particular into the channels of consumption is something we can support. feel that we face one of the most chaotic conditions so far as these particular commodities are concerned that has ever been found in this country. I further understand that the Commodity Credit Corporation, acting on the suggestion of the chairman the other day to the effect they have ample power under present law, will proceed to effect reasonable rates on these various commodities in which the Government is becoming heavily interested, so that reasonable rates on storage and insurance will be granted to those who store these commodities.

Mr. GIFFORD. Mr. Speaker, reserving the right to object, I think it is fair to say this has the unanimous support of the committee. We all should understand there is no limitation of time. The only advantage that can be seen, apparently, is that another nation might get free 18 months' storage. The limitation is that they shall hold it for 5 years unless an emergency arises, but if an emergency did arise immediately, they would gain on the matter of price and 18 month's storage.

The SPEAKER. Is there objection to the request of the

gentleman from Alabama [Mr. STEAGALL]?

Mr. COLMER. Mr. Speaker, reserving the right to object, I would like to know from the distinguished chairman of the Committee on Banking and Currency if there was any change made in the amendment adopted by the House with reference to storage?

Mr. STEAGALL. Not the slightest. We put in this measure an amendment identical with that which appears in the former bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There being no objection, the Clerk read the House joint resolution as follows:

resolution as follows:

Resolved, etc., That notwithstanding any other provision of law, the Commodity Credit Corporation, upon terms, conditions, and in quantities prescribed by the Secretary of Agriculture and approved by the President, is authorized to sell surplus agricultural commodities, acquired by such Corporation through its loan operations, to foreign governments on the condition that, except for rotation to prevent deterioration, such commodities shall be held in reserve by such governments for a period of not less than 5 years from the date of acquisition, and shall not be disposed of unless a war or war emergency results in a serious interruption of normal supplies of such commodities: Provided, That under this joint resolution no concession below the prevailing world market price for the unrestricted use of such commodities, as determined by the Secretary of Agriculture, shall be granted, in consideration of the obligation assumed by such governments to hold such commodities in reserve as required hereinbefore, in excess of a maximum amount equal to as required hereinbefore, in excess of a maximum amount equal to the average carrying charges, as estimated by the Secretary of Agriculture, that would be incurred if such commodities should be held for an additional 18-months' period by the Commodity Credit Corporation.

With the following committee amendment:

Page 2, after line 13, insert the following: "In determining specific cotton to be sold under this act determination shall be made by sampling and selection at the place where the cotton is stored of the date of signing any sales agreement or contract under this act, and no cotton shall be sold under any such sales agreement or contract which, after such date, is transported to any other place and there sampled and selected."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOME OWNERS' LOAN CORPORATION

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 628) to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the fourth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended, is amended by striking out, before the semicolon, the words "fifteen years" and substituting therefor the words "twenty-five years."

(b) That the sixth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended, is further amended to read as follows: "The Corporation may at any time grant an extension of time to any home owner for the payment of any installment of principal or interest owed by him to the Corporation or may at any time during the existence of the mortgage grant an extension and revision of its terms to provide for the amortization by means of revision of its terms to provide for the amortization by means of monthly payment sufficient to retire the interest and principal within a period not to exceed 25 years from the date of its execution if in the judgment of the Corporation the circumstances of the home owner and the condition of the security justify such extension or revision."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SURVEY AND STUDY OF THE NATIONAL PARKS, NATIONAL MONUMENTS, AND NATIONAL SHRINES

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 284.

The Clerk read the resolution, as follows:

House Resolution 284

Resolved, That, for the purpose of making a survey and obtaining information necessary as a basis for legislation, the Committee on the Public Lands, as a whole, or by subcommittee, is authorized and directed to make a survey and study of the national parks, national monuments, and national shrines, and of the administration of them and of the laws, rules, and regulations pertaining to them. The committee shall report to the House, as soon as practicable effort laws, 1940, the result of its findings to teacher teacher. after January 3, 1940, the result of its findings, together with such recommendations for legislation as it deems desirable.

The SPEAKER. Is there objection to the request of the

gentleman from Louisiana?

Mr. CARTER. Reserving the right to object, Mr. Speaker, since this resolution was called up on yesterday I have had a talk with the chairman of the committee and also the gentleman from Utah, who is thoroughly familiar with this resolution. I have no further objection; in fact, I am in accord

with the purposes of the resolution.

Mr. DIRKSEN. Reserving the right to object, Mr. Speaker, may I say to the House that last night when I objected I did so on the ground that a volume came to my desk some months ago which is entitled "Report to the Secretary of the Interior on the Preservation of Historic Sites and Buildings." I simply wanted to persuade the House that this volume is in existence, that these surveys have been made, and that there must be a veritable mount of material on this subject in the Department of the Interior at the present time. This is the report thereon. It would indicate that the resolution now pending is not absolutely necessary. However, I shall not object unless some member of the Committee on Public Lands objects from this side or that side.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 285

Resolved, That the expenses of conducting the investigation and study authorized by House Resolution 284 of the present Congress, incurred by the Committee on Public Lands, acting as a whole or by subcommittee, not to exceed \$2,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee thereof conduct-ing such investigation and study or any part thereof, signed by

the chairman of the committee or subcommittee and approved by the Committee on Accounts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

STATE OF OHIO

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5118) for the relief of the State of Ohio.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of Ohio the sum of \$1,338,160.92, being the amount of payments with respect to oldage assistance under title I of the Social Security Act for the month of October 1933, not paid to such State on account of the refusal of the Social Security Board to certify such amount for payment to such State.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATIONAL DEMONSTRATION PROJECTS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3959) to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, after "purposes", strike out all down to and including "areas" in line 9.

Page 2, line 20, after "finding", insert ", after notice to such grantee or lessee and after an opportunity for a hearing."

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain these amendments?

Mr. ROBINSON of Utah. This is a bill that passed the House some time ago and went to the Senate and was amended by the Senate in a small particular. I am asking simply that we concur in the amendments.

Mr. MARTIN of Massachusetts. What is that small particular?

Mr. ROBINSON of Utah. The bill gives the right to lease certain properties to States and subdivisions thereof, and the Senate has cut down the authority in some particulars: that is all.

Mr. MARTIN of Massachusetts. That is not very clear. Mr. ROBINSON of Utah. I will read the bill to the gentleman if he desires.

Mr. MARTIN of Massachusetts. I would like to know what the purpose of the amendments is.

Mr. ROBINSON of Utah. The matter has been considered by the House previously and the bill has been passed by the House.

Mr. MARTIN of Massachusetts. I understand that, but I am speaking of the amendments. How do the amendments change the House bill?

Mr. ROBINSON of Utah. The amendments change the House bill so that it will not include lands added by Executive order recommended by the Secretary of the Interior. This has reference to areas contiguous to the park area.

Mr. MARTIN of Massachusetts. Does this have a unanimous report from the committee?

Mr. ROBINSON of Utah. This has a unanimous report from the Committee on Public Lands, both in the Senate and in the House.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Senate amendments were concurred in. A motion to reconsider was laid on the table.

JOHN NICHOLAS CHICOURAS

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous censent for the present consideration of the bill (S. 1617) for the relief of John Nicholas Chicouras.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigra-tion and naturalization laws John Nicholas Chicouras, of Aberdeen, Miss., shall be held and considered to have been legally admitted to the United States for permanent residence on November 25, 1925, and the Secretary of Labor is authorized and directed to permit said John Nicholas Chicouras to reenter the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MADELINE VERA BUCHOLZ

Mr. KRAMER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7246) for the relief of Madeline Vera Bucholz.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor be, and is hereby, authorized and directed to record the lawful admittance for permanent residence of Madeline Vera Bucholz, and that she shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted to the United States as an immigrant for permanent residence.

With the following committee amendment:

Page 1, line 6, strike out the word "Bucholz" as spelled and insert the word "Buchholz" spelled correctly.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Madeline Vera Buchholz."

EXTENSION OF REMARKS

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a copy of a letter written by a former Member of this House, Hon. John O'Connor, to Mr. Arthur Krock, of the New York Times, under date of August 3, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection,

EMPLOYMENT OF BRIEN M'MAHON

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, on yesterday when I was momentarily absent from the floor the bill S. 2478 passed unanimously. I am sure few knew what it was all about. The House relied upon the Judiciary Committee. The House did not know that the committee was divided. I regret that legislation should be passed under such circumstances.

I had filed a minority report. The bill involved a principle to which I am opposed and which I have consistently opposed for many years. In view of the fact that the minority report was not before the House at the time the bill passed and in order that I may not be misunderstood because I object to the consideration of other similar bills now pending, and because I should have objected and demanded a vote had that been possible, I ask unanimous consent at this point to include in these remarks the short minority report. It is too late to stop this bill, but I hope that no future effort will be made to pass bills where there are minority reports without the minority members of the committee knowing about it.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The matter referred to follows:

MINORITY VIEWS

United States Code, title 5, section 99, provides as follows:

"It shall not be lawful for any person appointed as an officer, clerk, or employee in any of the departments, to act as counsel, attorney, or agent for prosecuting any claim against the United States which was pending in either of said departments while he was such officer, clerk, or employee, nor in any manner, nor by any means, to aid in the prosecution of any such claim, within 2 years next after he shall have ceased to be such officer, clerk, or employee." employee.

The purpose of this bill is to relieve Brien McMahon from the

operation of this statute.

Mr. McMahon was an Assistant Attorney General in the Department of Justice in charge of the Criminal Division. He resigned from the Department some time ago. However, he has been continued in the employment of the Department of Justice as special coursed locking offer the ages affords the attention of the Attention o counsel, looking after the cases referred to in the Attorney General's letter, printed in the majority committee report above. My understanding is that Mr. McMahon drew \$10,000 a year for full-time work as Assistant Attorney General, and that he will receive this same compensation for part-time work as special counsel this same compensation for part-time work as special counsel looking after the cases referred to. Under the above law, Mr. McMahon will not be permitted to take any cases against the Government for a period of 2 years from the date of his resignation. If this bill is enacted, that condition will not be changed and Mr. McMahon may possibly be continued at the same salary as special counsel for a number of years, and may immediately take cases against the Government upon the expiration of the 2-year period now running, without reference to this special employment. This law (sec. 99) was enacted on June 1, 1872. There was a reason for its enactment. It has served a splendid purpose and should be respected.

be respected.

As shown by the Attorney General's letter, printed in the ma-jority report, there is precedent for this bill; seven exceptions were made between 1934 and 1937. The Judiciary Committee of the House has also reported a bill similar to this bill for the relief of Karl L. Ristine. If these bills are both enacted into law, then it would appear that nine occasions have arisen since 1934 when

it would appear that nine occasions have arisen since 1934 when this wholesome law has been put aside.

This is another one of these cases where a young attorney takes employment with the Government, becomes familiar with a particular line of work, is a successful lawyer, and desires to rettre from the Government service and enter a more lucrative field of practice and take cases against the Government. The effect of this bill will be to provide Mr. McMahon with an annual retainer fee of not to exceed \$10,000 a year as compensation for giving partime consideration to cases designated by the Attorney General and be relieved from the operation of section 99 after the expiration of the first 2-year period.

and be relieved from the operation of section 99 after the expiration of the first 2-year period.

Mr. McMahon is a splendid lawyer, has rendered good service to the Government, has now severed his connection with the Government, and there is no justification for making an exception in his case. This law should be enforced or repealed. No favorites should be played. I shall not have time to present this report to others who voted against reporting this bill.

EARL C. MICHENER.

THE SMALLEST ELECTRIC MOTOR

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HILL. Mr. Speaker, in the State of Washington the Federal Government is building the largest dam in the world, the Grand Coulee, the greatest thing conceived by the mind of man and constructed by the hand of man.

In our State also has been constructed the smallest electric motor. It is only thirteen-billionths of 1 horsepower. I have it here with me and will show it in the lobby to any of you who are interested. We cannot bring the Grand Coulee to you. We cordially invite you to come out there and see it; but I have this tiny motor with me, and I ask unanimous consent that I may be permitted to insert, at this point in the RECORD, the data about this electric motor.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. HILL. Yes.

Mr. HOUSTON. Can you use that in a Packard car all

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Mr. HILL. You can use it in a Packard car, yes; for the amusement of the gentleman from Kansas [Mr. Houston], who is universally regarded as the "wag of the House" and

most entertaining storyteller.

On Saturday I will have the privilege of presenting this tiny motor to President Roosevelt for his inspection. He will ever be remembered in history as the one who first gave actual support and momentum to the building of the Grand Coulee, and the greatest friend public power has ever had. [Applause.]

The SPEAKER. Is there objection to the request of the

gentleman from Washington?

There was no objection.

The matter referred to follows:

MOTOR DATA

Size: 0.058 inch long, 0.058 inch high, 0.062 inch wide. Contains 11 pieces

Revolutions per minute: 3,600. Voltage: 0.017 of 1 volt. Construction time: 191 hours.

Weight: One thousand one hundred ninety-five one hundred thousandths of 1 gram.

It would require 2,388 motors this size to weigh 1 cunce.

Shaft size: 0.004 inch in diameter.

Stator winding: Eight turns of No. 40 enameled copper wire. Bearings: Gold sleeve.

Horsepower: Thirteen billionths of 1 horsepower. Constructed by Merle L. Bassett, Kelso, Wash.

Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

[Mr. Pierce of Oregon addressed the House. His remarks appear in the Appendix.[

UNLAWFUL USE OF VETERANS' ORGANIZATION BADGES

The SPEAKER laid before the House the following request from the Senate, which was read:

IN THE SENATE OF THE UNITED STATES

August 3, 1939.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 5982) entitled "An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by the act of Congress and providing penalties for the violation thereof."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

SECRETARY OF AGRICULTURE WALLACE-REPUBLICAN ORGANIZATION IN THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I regard Secretary Wallace as one of my friends and entertain a high regard for his character, his integrity, his capacity, and his gentility of spirit, even though we do not always agree on matters of policy. Because of this high respect I have for him, it was with some distress of spirit that I read his statement in the morning papers of August 3 in which he characterized the Republicans in Congress as "the best organized and most irresponsible opposition" to the policies of the administration. This statement was prompted, no doubt, by defeat of the amendment to restore to the third deficiency bill an item of \$119,599,000 for the repair of the capital structure of the Commodity Credit Corporation so that this agency might continue its program of commodity loans in accordance with the mandate carried in the Farm Act of 1938.

I agree that the Republicans are well organized, but I cannot agree that they are irresponsible in their opposition. Nor can I agree that it was due to the Republicans that this item was not inserted in the deficiency appropriation bill.

In the first place, the bill was reported by the Appropriations Committee, consisting of 24 Democrats and 15 Republicans.

In the second place, it was considered in a Congress consisting of 260 Democrats, 169 Republicans, 2 Progressives, 1 Farmer-Labor, and 1 American Labor Member.

In the third place, two members of the Appropriations Committee-namely, the gentleman from Missouri [Mr. CANNON], who is a Democrat, and myself-fought the committee on this item and sought to secure its incorporation in the bill.

In the fourth place, other Republicans actively supported this effort during the debate on the floor.

In the fifth place, I took particular note of those who passed between the tellers when this item was defeated by the narrow vote of 116 to 110 and observed that a substantial group of Republicans supported the amendment. I also observed that the majority of those who voted against the amendment came from the Democratic side.

It can scarcely be contended, therefore, that the Republicans defeated the Commodity Credit Corporation item so that loans might continue to be made on farm commodities.

Republicans from the Farm Belt appreciate, as does the Secretary, the necessity for this item and made a determined effort to secure its enactment.

I express the hope, therefore, that the genial and charming Secretary will make public correction of the impression which he may have left with the country because he has been misinformed.

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a number of brief editorials and short excerpts from articles and criticisms and comments on the proceedings of the House of May 2.

The SPEAKER. Is there objection?

There was no objection.

Mr. JEFFRIES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the bill (H. R. 5749) to provide for the construction and operation by the Federal Government of a system of new, durable, hard-surfaced toll automobile highways, and so forth.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by the distinguished newspaper editor of Rochester, N. Y., Mr. Frank Gannett.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial appearing in this morning's Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a letter from the secretary of commerce of the State of Pennsylvania.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

W. P. A. FURLOUGHS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, Colonel Harrington, Work Projects Administrator, was quoted in the press a few days ago as saying that he "did not plan to rescind his recent order halting furloughs for W. P. A. workers who have been on the rolls 18 months or longer until he can determine whether Congress is going to change the relief act."

Colonel Harrington had halted furloughs as a result of the amendment of Senator Murray of Montana to the lending bill, while that bill was pending in the Senate. Colonel Harrington is to be complimented for his action.

The "30-day furlough" provision of the present law works great hardship on a deserving class of persons. It certainly works considerably more hardship than it does good. It is a provision that results in such extreme hardship that it should be repealed or sharply modified.

The argument that persons whose names are upon eligible lists, but who cannot be assigned to a project because of quota limitations, as a justification for the furloughing of those who will be affected, is inequitable. It is based upon the unfair idea that Congress is justified in harming some persons, many thousands, in this case, to help others. Such a procedure or policy does not appeal to me. It never has.

There are other sound arguments in favor of those who have not been assigned as yet to a project, without harming one group to help them. I doubt very much even if those who will benefit want to do so at the expense of others who

are badly in need of assistance.

It is admitted that at least 90 percent of those who will be affected are deserving cases. What are they going to do during the furlough period? Certainly, any assumption that any such persons have been able to save any money is an erroneous one. Furthermore, while it is called in the law a "30-day furlough," it will be in fact, in most cases, a considerably longer, if not permanent separation. If persons are furloughed, and other persons assigned in their places, at the end of 30 days will those furloughed be reassigned? Will the opportunity exist for such action? The simple and honest answer is "No."

The better course to follow, it appears to me, instead of proceeding upon the theory of harming one group to help another, both of whom are badly in need of assistance, is to make a special investigation of such cases to ascertain among those who have been employed 18 months or longer which persons have had their family income changed so that at the present time they do not meet the eligibility requirements of the W. P. A., fill their places from existing eligible lists, instead of arbitrarily furloughing all persons, without regard to their finances, without regard to the distress that will follow.

At the time that this provision was before the House, the membership did not have an opportunity of passing upon it in a direct roll-call vote. An opportunity of passing upon other provisions of the bill by a direct vote was also not afforded to the Members of the House. Such an opportunity should be given to us. Congress should not adjourn without this provision being repealed or sharply modified, thereby averting the extreme hardship that the existing law will produce to many thousands of persons throughout the United States.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a speech I made on the outside.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. I also ask unanimous consent to extend my own remarks and include an editorial from the Daily American Somerset. The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on the bill H. R. 944, the wool-labeling bill, and include therein a letter from the Chairman of the Federal Trade Commission and the Interstate Commerce Committee report on the bill.

The SPEAKER. Is there objection?

There was no objection.

AMENDING THE FEDERAL HOME LOAN BANK ACT OF 1933

The SPEAKER. Without objection the bill (H. R. 6971) to amend the Federal Home Loan Bank Act, Home Owners' Loan Act of 1933, title IV of the National Housing Act, and for other purposes will be laid on the table, a similar Senate bill having recently passed the House.

There was no objection.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record upon two separate subjects and include in each of them some brief excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein two editorials.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects, one having to do with the California State Assembly and the other to include an editorial from the Philadelphia Record.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent permission to revise and extend their own remarks was granted to Mr. Brooks, Mr. Ludlow, and Mr. D'Alesandro.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of Federal jurisprudence and to include a brief statement by Assistant Attorney General Holtzoff.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE CASE OF HARRY BRIDGES

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, on last Saturday the gentleman from California [Mr. Geyer], in speaking about Harry Bridges, the notorious alien labor racketeer out on the Pacific coast, made the following statement, which appears in the Congressional Record on page 10453:

I do not know about Harry Bridges. I do not know whether he is a member of the Communist Party or not. He claims he is not. I do know this: I know, as the gentleman has said, he has caused a lot of trouble here. Yes; he has caused a lot of trouble. But for whom? For the employers who were trying to make the longshoremen work for 10 cents an hour.

Now, I hope the gentleman desires to be fair, but the statement he made is a gross misrepresentation of the actual facts. In the interests of fair play, and to keep the RECORD straight, let us take a look at some of the figures.

Prior to the big strike in 1934, which tied up the San Francisco water front for 83 days, longshoremen were receiving 85 cents per hour straight time and \$1.25 per hour overtime. Does that sound like 10 cents an hour? Since the 1934 strike they have been receiving 95 cents per hour and \$1.40 per hour overtime. The San Francisco longshoremen,

on their own statements, have the best working conditions in the world; they have frequently stressed the fact that none of their members are on relief. So what! On June 2, despite operating losses, the water-front employers offered to renew the existing contract, as is, and the longshoremen refused.

Since 1934 Mr. Bridges' influence has made itself felt in many ways. Twenty-six steamship lines have folded up or moved to other seas. There have been about 300 stoppages of work, ranging from a half hour to 14 days, each an open violation of existing contracts, together with a second major strike in 1936–37 lasting 99 days.

Yes, indeed; Mr. Bridges' influence has been felt up and down the Pacific coast. I wonder what the total cost to the American public has been as a result of his activities. The cost in cargo diversions, lost man-hours, business, and so forth, has been incalculable. Idle cargoes, idle men, farmers' produce spoiling on the docks, world markets lost which can never be regained.

Mr. Bridges did his job well, but the Labor Department has finally caught up with him. He is now being investigated as an undesirable alien, subject to deportation. I trust that the Department will review the situation fairly and impartially. If that is done, when a decision is handed down Mr. Bridges will undoubtedly be removed from the United States and consigned to the country from whence he came. We Americans can get along very nicely without him. [Applause.]

PUBLIC USE OF CERTAIN HIGHWAYS IN SHENANDOAH NATIONAL PARK

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 160) to provide for the maintenance for public use of certain highways in the Shenandoah National Park.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. TABER. Mr. Speaker, reserving the right to object, is this the Senate resolution which was spoken about somewhat yesterday?

Mr. ROBERTSON. Yes. It changes two country roads.
Mr. TABER. As I understand it, the maintenance of
those roads is not expected to be on an elaborate scale?

Mr. ROBERTSON. Yes, sir.

Mr. TABER. That is, it is not expected that the Secretary of the Interior will maintain and improve the roads?

Mr. ROBERTSON. Absolutely not.

Mr. TABER. They are just dirt roads?

Mr. ROBERTSON. Just dirt roads, to give those farmers who have been bottled up on either side of the mountain a chance to get across, as they have been doing for the last hundred years.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate joint resolution as follows:

Whereas the State of Virginia acquired and deeded to the Federal Government an area of approximately 180,571 acres for the establishment of the Shenandoah National Park; and

Whereas from early Colonial days this area has been traversed by certain essential and historic public highways; and

Whereas the Secretary of the Interior has caused to be closed all highways crossing the Blue Ridge Mountains in the area of the said Shenandoah National Park, except United States Highway No. 211 and United States Highway No. 33, to the great injury and inconvenience of the people of Virginia: Therefore be it

Resolved, etc., That the Secretary of the Interior is authorized and directed to keep open and available to the public in a safe condition for travel, the following-named highways, from their intersection with the Skyline Drive to the boundary line of the Shenandoah National Park: State Highway Nos. 629 and 663, known as the Browns Gap Road, and State Highway Nos. 611 and 649, known as the Gordonsville-New Market Turnpike.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

By unanimous consent, Mr. Curtis, Mr. Gille, and Mr. Jenks of New Hampshire were granted permission to revise and extend their own remarks in the Record.

GENERAL LEAVE TO EXTEND REMARKS ON THE HOUSING BILL

Mr. RAYBURN. Mr. Speaker, a great many Members have asked me if general consent was given on yesterday for Members to revise and extend their own remarks on the housing bill. I understand that was not done, and in order to save time, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the housing bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to revise and extend his own remarks.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-seven Members are present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 155]

	I woose		
Anderson, Mo. Ashbrook	Dies Dingell	Lanham Lea	Sandager Schaefer, Ill.
	Ditter	Lesinski	Secrest
Barnes			
Barton	Douglas	Luce	Short
Bates, Ky.	Eaton, Calif.	McGranery	Smith, Wash.
Beam	Eaton, N. J.	McMillan, Thos.	
Boren	Elliott	Magnuson	Stefan
Bradley, Pa.	Fernandez	Mansfield	Sullivan
Brewster	Fish	Massingale	Sumners, Tex.
Buckley, N. Y.	Fitzpatrick	May	Sweeney
Byron	Flannery	Mitchell	Thill
Caldwell	Folger	Murdock, Ariz.	Thomas, N. J.
Case, S. Dak.	Ford, Thomas F.	O'Neal	Vincent, Ky.
Chapman	Fries	Osmers	Weaver
Cluett	Green	Parsons	Welch
Coffee, Nebr.	Gregory	Patman	White, Idaho
Collins	Harrington	Pfeifer	White, Ohio
Cooley	Hennings	Powers	Wood
Corbett	Holmes	Rabaut	Woodruff, Mich.
Creal	Hook	Rankin	Woodrum, Va.
Crowe	Keller	Reece, Tenn.	Zimmerman
Crowther	Kennedy, Martin	Reed, N. Y.	
Cummings	Knutson	Robsion, Ky.	
Curley	Kunkel	Rogers, Okla.	
Currey	TY CHILD CT	Tropero, Onta.	

The SPEAKER. On this roll call 335 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

NATIONAL CENSUS OF HOUSING

Mr. NELSON. Mr. Speaker, I call up House Resolution 281. The Clerk read as follows:

House Resolution 281

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2240, an act to provide for a national census of housing. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Census, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. NELSON. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. Taylor]. Pending that, I yield myself 5 minutes.

The SPEAKER. The gentleman from Missouri is recognized for 5 minutes.

TO PROVIDE FOR A NATIONAL CENSUS OF HOUSING

Mr. NELSON. Mr. Speaker, unless the present session of Congress acts it will be impossible to take a census of housing in conjunction with the 1940 population census. The opportunity to secure housing facts with population figures will not recur for 10 years.

This bill authorizes an impartial, scientific gathering of facts. It does not commit the Congress or the administration to any course of action. But it will provide essential knowledge, upon which future action in the Seventy-seventh and subsequent Congresses can be taken.

This bill would be of benefit to business, to businessmen, to all lending agencies, to labor, to Congress, to the Federal agencies interested in housing and reemployment, and to

many State and local agencies.

I am told that there has been no opposition whatsoever received by the committee from any business or governmental agency; that not a single letter, telegram, or oral statement from business or governmental agencies has been made to the committee in opposition to this measure. On the con-

trary, it has, I understand, received unanimous and urgent support from business and government alike.

The housing statistics which will be obtained under this authorization are desired and needed by both Government and business alike. The committee believes that a housing census is essential to insure the most economical and intelligent development of residential construction, with its great potentialities for the investment of idle capital, stimulation of durable-goods industries, and the relief of unemployment.

The bill is strongly approved by the Department of Commerce, the Department of Agriculture, and the Federal Home Loan Bank Board. The proposal for a housing census has been urged by the National Association of Real Estate Boards, the American Federation of Labor, the United States Con-

ference of Mayors, and many business groups.

In the interests of maximum economy, accuracy, and value of the data to the Nation, a census of housing should be taken in close relation to a census of population. If taken at any other time its cost would be materially increased because of the necessity of setting up a special field staff for this purpose, while if taken in conjunction with the population census the extensive staff of trained enumerators could be used.

Somebody remarked to me that they feared this was an effort to make people dissatisfied with the homes they have now. Mr. Speaker, I was born in an humble home. If I thought this bill had any tendency to make men dissatisfied with their homes, I should not be here advocating this rule.

I stand for the old-fashioned home with its ideals. In answer to my friend who said a housing census might make the people dissatisfied with their homes, I would say that we want to save the homes. They may have modern conveniences, I hope they do; but some of the most ideal homes, the happiest homes, I have ever known, were without such. One trouble, Mr. Chairman, is that in these modern days the home, instead of being a service station is too often but a filling station. [Applause.]

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Missouri has consumed 6 minutes.

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks very briefly at this point in the Record, and I also ask unanimous consent to extend my own remarks in the Appendix of the Record.

The SPEAKER pro tempore (Mr. McCormack). Is there objection to the request of the gentleman from Oklahoma [Mr. Ferguson]?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, it is not my purpose to resist this rule; however, I am opposed to the bill, because, in my judgment, it provides for an improvident and unnecessary expenditure of public money. I applaud the very eloquent apostrophe which my distinguished colleague from Missouri paid to the old-fashioned home. I am a product of the old-fashioned home myself. Instead of patriotism residing in the palaces I think that the very seat of patriotism is in the old-fashioned home. But this measure, if enacted into law, will not improve the character of the old-fashioned home in any respect, so far as I can see.

This is a rather novel idea. We have never had any census of the homes before and to me this proposition

smacks of a promotion scheme.

On the third page of the report you will find a suggestion as to what is proposed by this legislation. This report states—

Although some sample studies have been made, there are no reliable figures for the rural United States as a whole on such essential facts as the types of houses now in use, their age, condition, size, and facilities for heating and lighting—

And so forth. It is the intention of the Census Department to ascertain the ages of homes, the types of homes, the number of toilets, the heating facilities, the electrical appliances, the number of radios, bathtubs, musical instruments, and things of that kind, which clearly indicate to me that the purpose of this legislation is promotional. One of the purposes of this legislation is to ascertain the number of homes that are encumbered by mortgage or otherwise, and also encumbrance on home equipment. The head of the family will take pride in telling the enumerator how many children he has and their sexes, but he will suffer some embarassment when he is asked if his piano or his radio is paid for and how many installments are still outstanding.

Mr. DONDERO. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Michigan.

Mr. DONDERO. After that information is obtained, just what good will that do so far as helping the people of this country is concerned?

Mr. TAYLOR of Tennessee. It is not going to help the home owner, but it will afford data for people who are engaged in the manufacture and sale of musical instruments, electrical appliances, and things of that kind. In my judgment, that is the nub of the whole proposition.

Mr. GEYER of California. Will the gentleman yield? Mr. TAYLOR of Tennessee. I yield to the gentleman from

California [Mr. GEYER].

Mr. GEYER of California. The gentleman is not really serious about not wanting to aid business, is he?

Mr. TAYLOR of Tennessee. Why, of course, I want to aid business, but it is not the province of the taxpayers of this country to furnish the business people of the country with data which they should acquire at their own expense.

Mr. GEYER of California. I thought the gentleman was in favor of anything that would help business and that that

would help the people.

Mr. TAYLOR of Tennessee. Yes. My votes on this floor have shown that I am interested in promoting business. I think I demonstrated that on two occasions this week when I voted against the housing and lending-spending fallacies.

Mr. GEYER of California. I should think the gentleman

would be for this then.

Mr. TAYLOR of Tennessee. Here you are making the Government an instrumentality to collect data and information to furnish business which business itself ought to acquire at its own expense.

Mr. DONDERO. When the people have enough money to buy the things the gentleman has mentioned, they will usually buy them without some census bureau furnishing the information to the businessman.

Mr. TAYLOR of Tennessee. Yes; that is correct.

Mr. KELLER. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Illinois.

Mr. KELLER. Is it not true that every one of our departments go out and gather information and data for the use of the people of the country, not especially business but for everybody, including the gentleman and myself?

Mr. TAYLOR of Tennessee. This is the first time the Government has ever embarked on a snooping and fishing excursion of this character.

Mr. KELLER. I agree with that, but is it not true that it had to do it the first time in connection with a lot of other things?

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 5 additional minutes.

Mr. CARTER. Mr. Speaker, I make the point of no

Mr. TAYLOR of Tennessee. Will the gentleman withdraw that for the present?

Mr. CARTER. I will withhold it for the present.

Mr. TAYLOR of Tennessee. Mr. Speaker, replying to the gentleman from Illinois, this is a poor time, in my opinion, for the Federal Government to unnecessarily and wantonly waste \$8,000,000 on a scheme of this kind. We have already authorized \$45,000,000 to take the population census, and we have already appropriated \$21,000,000 for that purpose, which is about twice as much as it cost 10 years ago to take the same census.

Mr. KELLER. What other proposition would be of greater interest and benefit to the population of the country than a thoroughgoing knowledge of the condition of the homes

of the country?

Mr. TAYLOR of Tennessee. Oh, we could carry this program to any sort of an extreme. I have an idea that the gentleman would like for us to go out and count the butterflies and the beetles, as has been done in some sections under the beneficent New Deal.

Mr. KELLER. May I suggest that the gentleman's imag-

ination is running wild this morning.

Mr. TAYLOR of Tennessee. It seems to me that the gentleman wants to collect all sorts of information for the benefit of somebody, regardless of how much it will cost the Federal Treasury.

Mr. KEEFE. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Has the gentleman any knowledge or information as to the amount of money that has been expended under W. P. A. projects set up to do this identical work throughout the Nation?

Mr. TAYLOR of Tennessee. I understand that several million dollars have been so expended. I know that down in my section, in the T. V. A. area, the T. V. A. agencies have been acquiring just such information as is provided

by this proposed measure.

Mr. KEEFE. I may say for the benefit of the gentleman that in the district I represent numerous W. P. A. projects have been set up and any number of people have been engaged in projects just exactly like this for a long period of time, gathering different information.

Mr. MASON. Including the building of outhouses. Mr. KEEFE. This is a duplication of effort.

Mr. TAYLOR of Tennessee. I believe the gentleman is absolutely correct; it is just supplementing and duplicating

work that has already been done.

Mr. KEEFE. Does the gentleman know whether those reports have ever been compiled and made available? Has anybody ever seen the result of the expenditure of all the money that has been spent for that purpose under W. P. A.?

Mr. TAYLOR of Tennessee. I seriously doubt if there has ever been any compilation of the information that has been acquired, as suggested by the gentleman, because it is utterly worthless.

Mr. KELLER. Mr. Speaker, will the gentleman yield? Mr. TAYLOR of Tennessee. I yield to the gentleman

from Illinois.

Mr. KELLER. That has been here, there, and yonder, for the very purpose of justifying a thing of this kind. The statistics have been compiled.

Mr. THORKELSON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Montana.

Mr. THORKELSON. Does the gentleman know that we have built about a million outside privies?

Mr. TAYLOR of Tennessee. How many?

Mr. THORKELSON. Nearly a million, a little over 900,-

Mr. TAYLOR of Tennessee. We have built them at the expense of the taxpayers, and now we want to go out and count them. If we could utilize the services of "Chic" Sale in this undertaking it might be worth while.

Mr. MASON. That is the idea.

Mr. TAYLOR of Tennessee. That is the idea, of course. Mr. DONDERO. Mr. Speaker, will the gentleman yield? Mr. TAYLOR of Tennessee. I yield to the gentleman from Michigan.

Mr. DONDERO. This survey will be just as useful as a certain allotment made by W. P. A. whereby W. P. A. allowed \$300,000 to one county to establish doll-lending centers. It will be just as about as useful to the people as that.

Mr. TAYLOR of Tennessee. Certainly. This is the same type of research and investigation as has been suggested by the gentleman from Michigan.

Mr. KELLER. Mr. Speaker, will the gentleman yield

Mr. TAYLOR of Tennessee. I yield to the gentleman from Illinois.

Mr. KELLER. I hope the gentleman will be for the rule in order to permit a real discussion of this subject.

Mr. TAYLOR of Tennessee. I announced at the outset that I am not opposing the rule.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield? Mr. TAYLOR of Tennessee. I yield to the gentleman from Tilinois.

Mr. McKEOUGH. May I inquire of the gentleman if he will be kind enough to indicate whether or not he believes that all the surveys made by the Department of Commerce for the purpose of developing information of use to business are of the same type he now characterizes this survey as being?

Mr. TAYLOR of Tennessee. Of course, I am not familiar with all the activities of the Department of Commerce.

Mr. McKEOUGH. I am sure the gentleman is familiar with the fact that the Research Division of the Department of Commerce has developed information that is of great benefit to the businessmen of this country.

Mr. TAYLOR of Tennessee. Oh, I am not surprised, for instance, that the Construction League of America has endorsed this measure, that the Associated General Contractors of America are in favor of it, or that the National Retail Lumber Dealers' Association is supporting the bill.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 5 additional minutes.

Mr. McKEOUGH. Is not the gentleman willing to have these people benefit by this information?

Mr. TAYLOR of Tennessee. As I stated a moment ago, I am opposed to the Federal Government spending money to acquire data and information for business that business ought to acquire itself at its own expense. I explained that at the outset.

Mr. McKEOUGH. The gentleman is not opposed to the Government spending money to develop the T. V. A. system,

Mr. TAYLOR of Tennessee. I am very heartily in favor of that, as the gentleman must know.

I am not surprised that the Portland Cement Association should endorse legislation of this type, or the National Lime Association, the Mason Contractors Association, the Structural Clay Products Institute, or the Metal Window Institute. Of course the Metal Window Institute wants to know just what kind of windows there are in these old-fashioned homes, whether they are wooden windows or metal windows. If the Government will just be kind enough to spend the

money to obtain that information for them, of course they

will greatly appreciate it.

There is a minority report filed on this bill which sets out the fact that the legislation was not given material consideration. The Director of the Bureau of the Census never appeared before the committee to explain the scope of the bill. The minority contend that this bill was reported out without the benefit of the counsel of the Bureau of the Census.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Pennsylvania.

Mr. DUNN. I understood the gentleman to say that the Director of the Bureau of the Census did not appear before the committee.

Mr. TAYLOR of Tennessee. The minority report sets out that the Director of the Bureau of the Census never appeared before the committee to explain the scope and purpose of the bill as amended, and I accept that statement on faith, of

Mr. DUNN. May I say that the Director of the Bureau of the Census did appear before the committee.

Mr. TAYLOR of Tennessee. That is a contradiction of the minority report.

Mr. MASON. Not on this feature, however.

Mr. TAYLOR of Tennessee. I am opposed to this bill because, as I stated at the outset, it provides for the expenditure of an exorbitant sum of money to perform a task that is not the business of the Federal Government. This is a very poor time in view of the terrible plight of the Federal Treasury to waste another \$8,000,000 in experimentation.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Nebraska.

Mr. CURTIS. In order that the RECORD may be clear, the minority report recites this:

The Director of the Bureau of the Census never appeared before the committee to explain the scope of this bill as amended.

The day that the Director was present, when the original bill was considered, the bill was tabled by the committee. The only contact with the Director of the Bureau of the Census on the day this bill was considered was by telephone.

Mr. TAYLOR of Tennessee. The only thing I regret is that the bill did not continue on the table, because I believe it is utterly useless and unnecessary legislation. [Applause.] This legislation, if enacted, will authorize an unwarranted invasion of the privacy of the home, and should meet the defeat which it deserves. [Applause.]

[Here the gavel fell.]

Dingell

Mr. CARTER. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore (Mr. McCormack). The Chair will count. [After counting.] One hundred and sixty-two Members are present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll when the following Members failed to answer to their names:

[Roll No. 156]

Ditter Kunkel Schaefer, Ill. Alexander Lambertson Andrews Douglas Secrest Drewry Eaton, Calif. Eaton, N. J. Lanham Barnes Lesinski Smith, Conn.
McGranery Smith, Wash.
McMillan, Thos. S Stearns, N. H. Smith, Conn. Smith, Wash. Boren Brewster Buckley, N. Y. Elliott Stefan Sullivan Fernandez Magnuson Byron Caldwell Fish Marshall Fitzpatrick Massingale Sumners, Tex. Chapman May Sweeney Flannery Folger Ford, Thomas F. Mitchell Taylor, Colo. Coffee, Nebr. Thill O'Brien Thomas, N. J. Vincent, Ky. Wadsworth Welch Osmers Parsons Green Halleck Cooley Courtney Harrington Patman Creal Hennings Powers Wolfenden, Pa. Crowe Crowther Holmes Rabaut Rankin Wood Woodruff, Mich. Cummings Horton Reece, Tenn. Reed, N. Y. Curley Dies Johnson, Ind. Kennedy, Martin Robsion, Ky.

Ryan

Knutson

The SPEAKER pro tempore. Three hundred and fortythree Members are present, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. Culkin asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a petition signed by various Members of the House.

Mr. CHURCH. Mr. Speaker, reserving the right to object, may I ask the gentleman what the petition is, please?

Mr. CULKIN. It is a petition signed by 10 Members of the House from dairying States.

Mr. CHURCH. I have no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of waterways and to include therein certain extracts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Arkansas Gazette.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Speaker, it would appear from the policies pursued this year by President Roosevelt and Secretary of State Hull that their secret alliance with Great Britain with respect to Europe extends to Asia as well. If such an alliance does exist, there can be only one result for the United States-war.

President Roosevelt and Secretary Hull, not finding a convenient war in Europe to enter, have found a convenient war to enter in Asia, and they are taking the first steps to

It would appear from current dispatches that the United States is supporting Great Britain in its immediate differences with Japan. These differences involve questions of British interests in Chinese Nationalist currency and Chinese silver in British banks in Tientsin. These are political questions in which the United States is represented as intervening on the side of Great Britain. Such intervention would be unneutral as between China and Japan in their war. It would be political intervention which might well call for accusation and retaliation.

The United States should certainly maintain a policy of genuine neutrality and should immediately disassociate itself from Great Britain, whose political and economic interests in China so greatly exceed those of the United States.

The United States cannot underwrite the boundaries, the political commitments, and the interests of Great Britain in Europe and Asia without becoming involved in war-and war would mean the destruction of our Republic.

I am accordingly introducing in the House today a joint resolution which seeks to put Congress on record as opposed to the administration's course in the East and in favor of strict neutrality. [Applause.]

The resolution referred to follows:

Joint resolution providing that the United States should maintain a policy of strict neutrality in Asia

Whereas it is charged openly and the facts would seem to demonstrate that the United States has a secret alliance with Great Britain in relation to both Europe and Asia;

Whereas such an alliance must inevitably mean war for the

Whereas such an animate interest interest in the United States; and
Whereas by a succession of newspaper dispatches it is disclosed that the Department of State is actively participating through communications and conferences in relation to the support of the Chinese Nationalist currency, in a conflict between Great Britain and Japan, and in relation to Chinese silver in the British banks in Tientsin, as well as in other matters which affect Great Britain. Whereas such conduct by the Department of State in the war in Asia is political intervention in Asia and is wholly unneutral; and

Whereas such conduct cannot but involve the United States on the side of Great Britain in its differences with Japan and must ultimately lead the United States into war: Therefore, be it

Resolved, etc., That the United States should maintain a policy of strict neutrality in relation to the war now taking place between China and Japan and disassociate itself from Great Britain, whose political and economic interests in China are paramount and are now in conflict with the interests of Japan, and that war with Japan in support of British interests would mean disaster for the United States.

NATIONAL CENSUS OF HOUSING

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, we are here considering a rule to authorize the consideration of a bill to provide for the taking of a housing census costing \$8,000,000.

Now, why are we going to take this census? The committee has reported an amendment which states that we are not only going to take a census of the number, but also the characteristics, including utilities and equipment of all the houses in this country.

In taking the census for 150 years it has always been customary to take the name, the age, and the address. Do the folk that got up this bill assume that the people whose names have been taken did not live in houses in the previous census? When it appears that a man lives on a particular farm or on a particular road in a town or at a particular street number in a city, that is evidence in itself that he lives in a house. Now, it is true that such a census would not provide information as to whether the madam of the house had an electric curling iron, and it would not tell whether or not she had two radios or three, neither would it tell whether or not the water in the house was supplied by a well with a hand pump or a power pump, or whether or not it was supplied from city mains.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the gentleman has omitted one thing. Neither would they know whether the gentleman of the house has an electric razor or whether the madam has some electric waffle irons or a pancake griddle.

Mr. TABER. Well, the electric razor would be very important, because they say it only takes three times as long to shave with one of them as it does with an ordinary razor. [Laughter.]

Mr. CULKIN. And not as close. Mr. TABER. That is probably so.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I would like to know what authority there is in the law that would compel a householder to disclose what he did have. Can they refuse to admit him to the kitchen, or must he be admitted in every instance?

Mr. TABER. There would be no authority of law to force such admission or to force an inventory of one's private effects and utensils?

Mr. GIFFORD. What is the genesis of this request? Who wants it?

Mr. TABER. Well, this is one of those mysterious things. There have been no hearings. At one time the committee, I understand, tabled the proposition. When we asked for a copy of the hearings we were told that none were printed. It was not considered of importance enough to print the hearings.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 1 more minute to the gentleman from New York.

Mr. TABER. Mr. Speaker, it seems to me that we should not embark on this large expenditure of money at this time. The 1910 census cost \$15,968,000; the 1920 census cost \$25,-117,000; the 1930 census cost \$39,381,000, and we have

already authorized an appropriation of \$45,000,000 to do this job. The Census Director tells us that is enough. Why should we go ahead and embark on a new program that sounds absolutely ridiculous, and that was so ridiculous that the committee itself put it on the table the first time the matter was considered, and for which they have had no hearings whatever? If we are going ahead and authorizing more and more appropriations, there is never going to be any recovery anywhere.

The SPEAKER pro tempore. The time of the gentleman

from New York has expired.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield the remainder of my time to the gentleman from Wisconsin [Mr. Johns].

Mr. JOHNS. Mr. Speaker, if there ever was any necessity for this survey to be made it was dispensed with by the vote that we have had in this House in the last couple of days. The lending-spending bill cut out all of this housing project, and vesterday we voted down an \$800,000,000 appropriation, most of it to be spent in housing. The purpose of this, of course, is to go out and find some place to build a house. Most people who want to build a home know when they want to build it, and they are perfectly willing to go and get the money if they want to build a home and do it. There is no necessity for this \$8,000,000 to be spent at this time at all. It is true that there were no hearings on this bill. I inquired for them and none were had. There has been no appearance on the part of the Census Director. There is a letter here in the committee report from the president of the American Federation of Labor in which he says it would be a fine thing for the housing industry, with the plans that the Government has in mind to carry out, but this Congress has stopped that, and there is no necessity for any appropriation of this \$8,000,000 at this time. Of course, you could go out on a fishing expedition, but that would not get you any place. I remember a few years ago-I do not know whether it is true of all cities-when people in my home city went around measuring homes and counting them and seeing the different home conditions. I do not know whether that data are available at this time or not. I do say frankly that this rule should be voted down so that this bill will never be brought out for consideration. We do not need it.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield? Mr. JOHNS. I yield.

Mr. GIFFORD. Did these investigators to whom the gentleman refers disclose whether the houses they entered were in an unclean condition? Is that a characteristic they were trying to find?

Mr. JOHNS. I do not know what the duty of these men was, but I know they were running around with a tape line measuring the size of the houses, just like people running around on farms with a wheel measuring them, when the farmer knew the number of acres that he had, because he had a deed to it.

Mr. GIFFORD. Were they measuring the dirt?

Mr. JOHNS. I do not know about that, but I do know that you do not need any count of houses in this country.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. NELSON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, the last speaker, the gentleman from Wisconsin [Mr. Johns], certainly did not know his lesson. I hold in my hand a letter addressed to the chairman of this Committee on the Census from the Director of the Census specifically endorsing this bill. There is also in my hand a letter from Secretary Hopkins, the last sentence of which reads as follows:

This subject has been discussed with the President and we are advised that S. 2240, as passed by the Senate, would not conflict with his program.

So, as far as its having Budget clearance is concerned, and so far as its having the endorsement of the Director of the Census is concerned, I think that is a complete answer to the gentleman from Wisconsin.

Mr. JOHNS. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. JOHNS. Where did that report appear?

Mr. RAYBURN. I do not know, but I have in my hand a letter signed by Mr. Austin.

Mr. JOHNS. Where did the gentleman get the letter?

Mr. RAYBURN. I got it from the gentleman from Pennsylvania [Mr. Dunn] to whom it was sent. I also have a letter from Secretary Hopkins addressed to the chairman of this committee. Mr. Austin says in the first paragraph of his letter that he understands there is some misunderstanding with reference to his position on this matter, and he writes this letter to the chairman of the committee in order to clear that up.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I have yielded to the gentleman from Wisconsin [Mr. Johns].

Mr. JOHNS. Under heading No. 2 in the minority report I find this language:

The Director of the Bureau of the Census never appeared before the committee to explain the scope of this bill as amended.

Mr. RAYBURN. I have read that. Everybody knows that.

Mr. JOHNS. That is all I said.

Mr. RAYBURN. No. I understood the gentleman to say that it did not have the endorsement of the Bureau of the Census and did not have the endorsement of the Budget. I simply wanted to clear that part of it up, because I have those two letters here.

Mr. LELAND M. FORD. Mr. Speaker, will the gentleman vield?

Mr. RAYBURN. I yield.

Mr. LELAND M. FORD. I talked to the Director of the Bureau of the Census, and he O. K.'d the amended bill as it

Mr. RAYBURN. Now, let me say here is a little bill that passed the Senate unanimously. I see my east Tennessee friend smiling at me. It passed with no objection. Everybody seemed to think that this was a necessary thing to do; that it was a wholesome thing to do; that it would be beneficial to the departments of government in administering the law that is now on the statute books; that it would be helpful to business in giving them leads on various and sundry matters. Then we come here and somebody says, "Well, you turned down the lending bill. Then you turned down the housing bill. This is a back-door way of getting into the housing matter." There is nothing on earth that could be further from the truth. There could be no connection between this bill and the so-called housing bill that was voted down yesterday.

Now, as to the amount. I discussed that matter with some of the gentlemen on the minority side this morning. They said they were not going to fight this rule on the question of amount. Some people thought that because this was finally joined up with the census, and not an independent examination, this money would not be needed. I called Mr. Austin. Director of the Census, and he said that if this additional work is put upon him, he does not have one dollar with which to do it, because every dollar that Congress has given him to

take the regular census has been budgeted.

It does seem to me that if everybody should agree, this would be a beneficial thing to do. It certainly cannot hurt anybody. It is endorsed by every department of government that has anything to do with this kind of matter, either directly or indirectly, and it is endorsed by an imposing array of business people, who are named in the report of the committee. I think this House would not look very well if it did not pass this rule and did not pass this bill, after it had been passed unanimously by the Senate, and no legitimate objection that I have ever heard from any speaker on either side of the aisle has been raised to it, simply because somebody thinks it can be connected up with the housing bill. They are going to get the surprise of their lives one of these days when they think we cannot pass anything in this House. It will be much easier for some things to be passed in this House next January and February after such friends of mine as the gentleman from Massachusetts [Mr. GIFFORD] go home and feel the pulse of their people. [Applause.]

I yield to the gentleman from Massachusetts.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. NELSON. I yield the gentleman 2 additional minutes, Mr. Speaker.

Mr. GIFFORD. Will the gentleman yield?
Mr. RAYBURN. Certainly.
Mr. GIFFORD. Since the gentleman referred to my name, I trust he will not worry too much about the pulse of my people.

Mr. RAYBURN. No, indeed. Frankly, I like the gentle-

Mr. GIFFORD. I like the gentleman exceedingly. I sincerely sympathize with his plea for business. Does he not think that if they show up the characteristics of our people and they find slovenly, dirty conditions, the soap peddler will learn about it and our doorbells will ring? Those are the characteristics you want to find out, are they not?

Mr. RAYBURN. Oh, no. Surely the gentleman does not

think we are going out to do scavenger work.

Mr. GIFFORD. I do not know how they can avoid doing it under this bill.

Mr. RAYBURN. The gentleman's mind may run to such things, but if I were he I would take that out when I revised my remarks.

Mr. GIFFORD. I used that as illustrative. I think the gentleman understands.

Mr. RAYBURN. Now, the gentleman used that as illustrative of what?

Mr. GIFFORD. Of this boring into other people's conditions of living and reporting it. If they find slovenly conditions, will they not report them?

Mr. RAYBURN. They would probably put it in a report. Mr. GIFFORD. As a necessity for better housing.

Mr. RAYBURN. And with the hope that they could make living conditions a little better. Perhaps the gentleman does not understand-

Mr. GIFFORD. Oh, I understand. Mr. RAYBURN. Maybe he was not reared out on the prairie somewhere, where there were no accommodations, and where, by good roads, rural electrification, and sanitary conditions being brought about, these people are now being made happy, getting a few of the accommodations that the gentleman has probably had all of his life. [Applause.]

Mr. GIFFORD. Very true, but I live in a section where

the housewife is proud of her handiwork.

Mr. RAYBURN. We trust that in bringing about better conditions for people who live in the villages-

Mr. GIFFORD. And I live in a section-

Mr. RAYBURN. Just a minute—in the towns and in the

Mr. GIFFORD. Oh, but the gentleman should let me answer.

Mr. RAYBURN. And out in the countryside, that these conditions calling for scavengers, which the gentleman mentioned, may be eliminated.

[Here the gavel fell.]

Mr. NELSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

AMENDMENT TO SOCIAL SECURITY ACT

Mr. DOUGHTON. Mr. Speaker, I present a conference report and statement on the bill H. R. 6635, an act to amend the Social Security Act, and for other purposes.

The conference report and statement follow:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

6635) to amend the Social Security Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
That the Senate recede from its amendments numbered 1, 3, 4, 22, 23, 57, 58, 69, 70, 103, 104, 117, 118, 153, 154, 166, 168, 169, 176, 177, and 182.

177, and 182.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 59, 60, 62, 63, 64, 65, 66, 71, 72, 73, 74, 76, 77, 78, 80, 81, 84, 85, 86, 87, 88, 89, 90, 91, 92, 94, 95, 96, 97, 98, 99, 100, 101, 102, 105, 106, 108, 109, 110, 111, 112, 113, 114, 115, 116, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 155, 156, 158, 159, 160, 161, 162, 165, 167, 170, 171, 172, 173, 174, 175, 178, 179, and 181; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter

to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the fol-lowing: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any indi-vidual employed in accordance with such methods"; and the Senate

agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and disagreement to the ameniment of the Scherk Municipal agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment

insert the following:

insert the following:

"(14) Service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellifish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than ten net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States); or".

And the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agreed to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and wildlife"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating

matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any spect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its dis-

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its dis-

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "SEC. 508. (a) Section 531 (a) of such Act is amended by—
"(1) Striking out '\$1,938,000' and inserting in lieu thereof '\$3,-

500,000'.
"(2) Striking out '\$5,000' and inserting in lieu thereof \$15,000

"(3) Inserting before the period at the end thereof a colon and the following: *Provided*, That the amount of such sums apportioned to any State for any fiscal year shall be not less than \$20,000'.

"(b) Section 531 (b) of such Act is amended by striking out '\$102,000' and inserting in lieu thereof '\$150,000'."

And the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: On page 17, line 1, of the Senate engrossed amendments, strike out "\$12,000,-000" and insert "\$11,000,000"; and the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(14) Service performed by an individual in (15) disagreement to the amendment of the Senate numbered 83, and

(14) Service performed by an individual in (or as an officer "(14) Service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than ten net tons (determined in the manner provided for determining the register tannage of merchant vessels under the determining the register tonnage of merchant vessels under the laws of the United States); or"
And the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and wildlife"; and the Senate agree to

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and wildlife"; and the Senate agree to the

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 164: That the House recede from its

Amendment numbered 164: That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with amendments as follows: On page 26, line 12, of the Senate engrossed amendments, strike out "old-age assistance" and insert "aid to the blind"; on page 96, line 3, of the House engrossed bill, strike out "clause (1) of"; in line 7, strike out "clause" and insert "subsection"; in line 21, strike out "clause (1) of"; and on page 97, lines 18 and 19, strike out ", increased by 5 per centum"; and the Senate agree to the same. Amendment numbered 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree.

agreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows: In addition to the matter proposed to be inserted by the Senate amendment, on page 36, line 2, of the Senate engrossed amendments insert the following new sentence:

"No interest shall be allowed or paid on the amount of any overpayment refunded or credited by reason of the provisions of this section.

And the Senate agree to the same.

R. L. DOUGHTON, THOS. H. CULLEN, JOHN W. McCORMACK, JERE COOPER, ALLEN T. TREADWAY, FRANK CROWTHER, THOMAS A. JENKINS, Managers on the part of the House. WILLIAM H. KING, WALTER F. GEORGE, DAVID I. WALSH, ROBERT M. LA FOLLETTE, JR., ARTHUR CAPPER, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) to amend the Social Security Act,

and for other purposes, submit the following statement in explana-

recommended in the accompanying conference report:

On amendment No. 1: This amendment provides that on and after January 1, 1941, a State plan for old-age assistance in order to be approved by the Social Security Board must provide for financial participation by the State in an amount not less than \$10 each month with respect to each needy individual receiving old-age assistance for the month. There was no comparable provision in the House bill. The Senate recedes.

On amendment No. 2: The House bill stated that the State plan

On amendment No. 2: The House bill stated that the State plan for old-age assistance in order to be approved by the Board must provide such methods of administration (other than those relating to selection, tenure of office, and compensation of personnel) as are found by the Board to be necessary for the proper and efficient operation of the plan. The Senate amendment struck out the parenthetical clause and inserted a new parenthetical clause which target that after Lanuary 1, 1949, such methods of administration states that after January 1, 1940, such methods of administration shall include methods relating to the establishment and maintenance of personnel standards on a merit basis. The House recedes with an amendment which retains the Senate amendment but provides that the Social Security Board shall exercise no authority with respect to the selection, tenure of office, and compensation of

with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods.

On amendment No. 3: The House bill provided, as in existing law, that the Federal Government would match on a 50-50 basis the amounts expended by the State as old-age assistance and increased the amount up to which the Federal Government will contribute one-half from \$30 to \$40. The Senate amendment retains the \$40 maximum of the House bill, and provides that the Federal Government will contribute two-thirds of the expenditures for old-age assistance under the plan up to a State-wide average of \$15 per month for the needy individuals receiving such assistance, plus one-half of the excess over such amount up to the \$40 maximum. one-half of the excess over such amount up to the \$40 maximum. This amendment also changed the amount to be contributed by the Federal Government for administrative expenses from 5 perthe Federal Government for administrative expenses from 5 percent of the Federal contribution to an amount equal to one-half of the total of the sums expended during any quarter as are found necessary by the Board for the proper and efficient administration of the State plan. It also states that in the case of any State which shall reduce the amount paid in such State in 1939 to its needy individuals for old-age assistance, such State shall not receive such increased amount but shall receive from the Federal Government only one-half of the sums expended up to \$40. The Separte recedes Senate recedes.

On amendment No. 4: This is a technical amendment made necessary by amendment No. 3 changing the matching provisions from a 50-50 basis. The Senate recedes.

On amendments Nos. 5, 6, 7, 8, and 10: These amendments make clerical changes; and the House recedes.

On amendment No. 9: The House bill provided that the administrative expenses of the Social Security Board and the Treasury Department for the administration of title II and title VIII of the Social Security Act, and the Federal Insurance Contributions Act, should be estimated monthly by the chairman of the Board and the managing trustee of the Federal old-age and survivors trust fund. The managing trustee was directed to pay each month from the trust fund into the Treasury as miscellaneous receipts the amount so estimated. The Senate amendment provides that such amount shall be estimated quarterly and that such payments shall be covered into the Treasury as repayments to the account for reimbursement of expenses incurred in connection with the for reimbursement of expenses incurred in connection with the administration of such titles II and VIII and such Federal Insurance Contributions Act. The amendment also provides that such repayments shall not be available for expenditure but shall be carried to the surplus fund of the Treasury. If the payments made by the trust fund to the Treasury for such cost of administration were covered into the Treasury as provided in the House bill, the receipts and expenditures would be overstated in the account of the Treasury by the amounts so deposited. Collections, when originally received are classified in the Treasury accounts as account of the Treasury by the amounts so deposited. Collections, when originally received, are classified in the Treasury accounts as "social-security taxes," and subsequently, under the House bill, a portion would be deposited as "miscellaneous receipts," thus overstating actual receipts. Also, when funds are expended from appropriations for such administration, such items would be shown as expenditures under "Social Security Board" and "departmental," and the reimbursements for such expenses from the trust fund would also be shown as expenditures, unless such items are deposited as repayments instead of miscellaneous receipts. The Senate amendment cures this administrative problem. The House receipts. recedes.

On amendment No. 11: The House bill provided for a small lump-sum death payment upon the death of a fully or currently insured individual, leaving no surviving widow, child, or parent, who would, on filing application in the month in which such individual died, be entitled to a benefit for such month under subsection (b), (c), (d), (e), or (f) of section 202. The Senate amendment struck out the reference to subsection (b) since this subsection deals with a wife's insurance benefit, which would not be applicable after the death of the primary individual. The

On amendments Nos. 12 and 13: The House bill provided for the distribution of such lump-sum death payments and included in such distribution persons who may be entitled under the law of the State to share as distributees with the parents of the deceased. These Senate amendments eliminate this provision of the House

bill, and also provide that when more than one parent is entitled to a payment, each of them would share equally. The House

On amendments Nos. 14, 15, 16, 17, and 18: The House bill provided that any benefits payable on the basis of an individual's wages shall be reduced, so that the maximum for any benefit (if wages shall be reduced, so that the maximum for any benefit (if only one benefit for a month is payable with respect to the wages of an individual) or for the total of all benefits (if more than one benefit is payable for a month with respect to the wages of an individual) shall not exceed (1) \$85, or (2) two times the primary insurance benefit of such individual, or (3) 80 percent of the average monthly wage of such individual, whichever is least. This takes the place of the provision now in the Social Security Act limiting the monthly rate of benefits to \$35. The Senate amendments change this provision of the House bill so that the reduction in the amount of a benefit will be required only where the total of benefits payable with respect to an individual's wages is more than \$20, and provide that the total of benefits shall in such cases be reduced to (a) the least of the amounts referred to under (1), (2), and (3) above, or (b) \$20, whichever is greater. They also strike out reference to reduction of a single benefit as superfluous. The House recedes. House recedes.

On amendment No. 19: The House bill provided that whenever a reduction or increase was required under subsection (a) or (b) of section 203 and more than one benefit was payable for the month with respect to the wages of an individual, each of the benefits should be proportionately increased or decreased, as the case might be. The Senate amendment excepts the primary insurance benefit from any reduction under section 203 (a) or (c). The House recedes.

recedes.

On amendments Nos. 20 and 21: These amendments are clarifying amendments providing that the deductions to be made from any payment or payments under title II shall be made in such any payment or payments as the Board shall determine. The House recedes.

On amendments Nos. 22 and 23: The House bill provided that deductions would be made from a child's insurance benefit if such child was under 18 and over 16 years of age and he failed to child was under 18 and over 16 years of age and he falled to attend school regularly. These Senate amendments were intended to make it clear that children serving as apprentices without pay shall be considered as attending school and are placed in the same category as children attending school. Since the Social Security Board has ample authority to care for this situation by regulation, it is not necessary to incorporate these provisions into the law. The Senate recedes

The Senate recedes.

On amendments Nos. 24 and 25: The House bill provided a penalty for failure to report the occurrence of an event specified in the bill which would cause a deduction in benefits. These Senate amendments require that such report be made by any individual who is in receipt of benefits subject to deduction, or is in receipt of such benefits on behalf of another individual. The House recedes.

On amendments Nos. 26 and 27: Under the House bill as under On amendments Nos. 26 and 27: Under the House bill as under existing law, employees who worked for more than one employer in a year and who have a total salary from such employers of more than \$3,000 are taxable upon the first \$3,000 of such salaries from each employer. These Senate amendments provide that no more than \$3,000 total remuneration for any calendar year after 1939 is counted for benefit purposes. (See amendment No. 85 for special tax refund on such salaries in excess of \$3,000.) The House recedes.

on amendments Nos. 28, 31, 32, and 33: These are clerical amendments changing paragraph numbers. The House recedes. On amendments Nos. 29 and 30: These amendments exclude from the definition of wages payments made by an employer under certain conditions on behalf of his employees on account of death (including life insurance) where it is clear that the employee, while living, does not have certain rights and options. These slight changes from existing law are effective as to wages from employment after 1939. The House recedes.

On amendment No. 34: This amendment makes a clarifying change. The House recedes.

On amendment No. 34: This amendment makes a clarifying change. The House recedes.

On amendment No. 35: Under present law services performed by an individual after he attains age 65 are not counted for benefits under title II nor are they taxed under the Federal Insurance Contributions Act. The House bill provided that such services performed after 1939 would be counted as employment and taxed the wages for such services after such year. The Senate amendment provides that such services performed after 1938 by such an individual shall be counted as employment. (Amendment No. 173 taxes such wages, and amendment No. 175 deducts from any benefit under title II an amount equal to 1 percent of any wages paid to any such individual for services performed in 1939 if taxes on such any such individual for services performed in 1939 if taxes on such wages were not paid.) The House recedes.

On amendment No. 36: The House bill exempted from the defini-

tion of employment service performed in the employ of an agricultural or horticultural organization. The Senate amendment clarifies this exemption to make certain that these organizations are identical with agricultural and horticultural organizations exempt from income tax under section 101 (1) of the Internal Revenue Code. The House recedes.

On amendments Nos. 37 and 38: These amendments make a clarifying change to bring this provision into conformity with a similar provision contained in the Revenue Act of 1939. The House recedes.

On amendment No. 39: This amendment makes a clerical change. The House recedes.

On amendment No. 40: This amendment would exclude fisheron amendment No. 40: This amendment would exclude lisher-men from coverage. It would also exclude officers and members of crews (even though not fishermen) of any vessel less than 400 tons, or of any sail vessel regardless of tonnage if the vessel is engaged in the specified fishing activities. There was no comparable provision in the House bill. The House recedes with an amendment which exempts from coverage service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacely cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (a) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (b) service performed on or in connection with a vessel of more than 10 net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States).

On amendment, No. 41: This amendment excludes service per-

On amendment No. 41: This amendment excludes service performed by an individual under the age of 18 in making street sales of newspapers, and in making house-to-house deliveries

sales of newspapers, and in making house-to-house deliveries of newspapers and shopping news, including handbills and other similar types of advertising material. It does not include the handling of newspapers and advertising material prior to the time they are turned over to the individual who makes the sale, the house-to-house, or other final distribution. There was no comparable provision in the House bill. The House recedes.

On amendments Nos. 42 and 43: These amendments make a clarifying change. The House recedes.

On amendment No. 44: This amendment places a top limit of \$250 on the average monthly wage upon which computation of the primary insurance benefit may be based. It will be impossible to exceed this average from employment after 1939 due to Senate amendment No. 27; nevertheless, in an occasional case a person earning large amounts with several employers, prior to 1940 and retiring in the near future, might otherwise receive unjustifiably large benefits. There was no comparable provision in the House bill. The House recedes.

On amendment No. 45: This amendment provides that the minimum primary insurance benefit shall be \$10. There was no comparable provision in the House bill. The House recedes.

comparable provision in the House bill. The House recedes.
On amendments Nos. 46, 47, 48, 49, 50, 51, and 52: The House bill set up an "average monthly wage" formula in terms of years. These Senate amendments set up such formula in terms of quar-

ers. The House recedes.
On amendment No. 53: This amendment is complementary to amendment No. 35 and excludes from the divisor in determining the average monthly wage of an individual any quarter, after the quarter in which he attained age 65, occurring prior to 1939. The House recedes.

On amendment No. 54: This amendment is complementary to amendments Nos. 46 to 52. The House bill defined the term "fully insured individual" in terms of years and years of coverage. The House bill provided that in any case where an individual had at least 15 years of coverage he would always be a fully insured in-dividual. The Senate amendment defined such term in quarters dividual. The Senate amendment defined such term in quarters and quarters of coverage. It also provides that where an individual had at least 40 quarters of coverage (10 years) he would always be a fully insured individual. The House recedes.

On amendments Nos. 55 and 56: The House bill defined the term

On amendments Nos. 55 and 56: The House bill defined the term "wife" to mean a wife of an individual who was married to him prior to January 1, 1939, or, if later, prior to the date upon which he attained the age of 60; and defined the term "widow" (except when used in sec. 202 (g)) to mean the surviving dependent wife of an individual who was married to him prior to the beginning of the twelfth month before the month in which he died. These Senate amendments eliminate the requirement as to the date of marriage in any case where the wife is the mother of a son or

marriage in any case where the wife is the mother of a son or daughter of the insured individual. The House recedes.

On amendments Nos. 57 and 58: The House bill defined agricultural labor to include all services performed on a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity. These Senate amendments struck out the words "connection with." The conference action restores such words; and the Senate recedes.

On amendments Nos. 59, 60, 62, 63, and 66: These amendments make clarifying changes to the definition of agricultural labor.

clarifying changes to the definition of agricultural labor. The House recedes.

On amendment No. 61: This amendment includes in the definition of agricultural labor service performed on a farm with respect to other wildlife in the same manner and to the same extent as service performed with respect to fur-bearing animals. The House recedes with a clarifying amendment.

On amendment No. 64: This amendment includes within the

term "agricultural labor" service performed in the employ of the owner or tenant or other operator of a farm, in connection with the maintenance of the tools and equipment on such farm. It also includes service performed in the employ of any such owner, tenant, or other operator in salvaging timber or clearing land of tenant, or other operator in salvaging timber of clearing land of brush or other debris left by a hurricane. Both amendments are subject to the limitation contained in the bill that the major part of such service must be performed on a farm. The House recedes. On amendment No. 65: This amendment includes as agricultural labor, in addition to the services included in the House bill, service

performed in connection with the operation or maintenance of

ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes. The House recedes. On amendment No. 67: This amendment is similar to amend-

The House bill stated that the Board should make no Security Act unless it found that the law of such State approved the Board included provision for such methods of administration (other than those relating to selection, tenure of office, and compensation of personnel) as are found by the Board to be reasonably calculated to insure full payment of unemployment compensation when due. The Senate amendment struck out the parenthetical clause and inserted a new parenthetical clause which provides that after July 1, 1941, such methods of administration shall include methods relating to the establishment and maintenance of personnel standards on a merit basis. The House recedes with an amendment which retains the Senate amendment but changes the date therein from July 1, 1941, to January 1, 1940, and provides that the Social Security Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods.

methods.

On amendment No. 68: This amendment provides for the establishment and maintenance of personnel standards on a merit basis similar to amendments Nos. 2 and 67. The House recedes with an amendment which retains the Senate amendment but the contraction of the senate amendment but the contraction of the senate amendment but the senate am provides that the Social Security Board shall exercise no authority

provides that the Social Security Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods.

On amendment No. 69: The House bill increased from one-third to one-half the Federal share of the sums expended in a State for aid to dependent children. The House bill retained the provisions of existing law with respect to the amounts above which the Federal Government would not contribute, namely, \$18 a month for the first dependent child and \$12 a month with respect to each of the other dependent children. The Senate amendment retained the increase of the share of the Federal contribution from one-third to one-half and changed the existing law by eliminating the present maxima and providing that the Federal eliminating the present maxima and providing that the Federal share would be based on an average of \$18 multiplied by the total number of dependent children receiving aid for the month. Senate recedes

Senate recedes.

On amendment No. 70: The House bill amended the definition of the term "dependent child" to include children between the ages of 16 and 18 if found by the State agency to be regularly attending school. Present law includes only children under the age of 16. The Senate amendment includes nonremunerated apprentices in the same class as children regularly attending school with respect to the liberalization of the age limitation. The Senate recedes. Senate recedes.

On amendment No. 71: This amendment makes a clerical

change. The House recedes.

On amendment No. 72: This amendment increases the authorization of appropriations for grants to States for maternal and child health services for each fiscal year from \$3,800,000 to \$5,820,-000. There was no comparable provision in the House bill. The

House recedes.
On amendment No. 73: This amendment increases the amount authorized to be allotted to the various States in the proportion that live births bear to the total number of live berths in the United States, from \$1,800,000 to \$2,800,000. The amendment also increases the amount authorized to be allotted according to the financial need of each State for assistance in carrying out its State plan from \$980,000 to \$1,980,000. The House recedes.

On amendment No. 74: This amendment makes a clerical change;

and the House recedes.

On amendment No. 75: This amendment provides for the establishment and maintenance of personnel standards on a merit basis similar to amendments Nos. 2, 67, and 68. The House recedes with an amendment which retains the Senate amendment but provides that the Social Security Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual amplication and the secondard with such methods.

individual employed in accordance with such methods.

On amendment No. 76; This amendment increases the authoriza-

On amendment No. 76; This amendment increases the authorization of appropriations for grants to States for services to crippled children for each fiscal year from \$2,850,000 to \$3,870,000. There was no comparable provision in the House bill. The House recedes. On amendment No. 77: This amendment amends section 512 of the Social Security Act by designating the existing law as subsection (a) and inserting therein the amount (\$1,830,000) to be allotted thereunder in addition to the flat allotments of \$20,000 for tion (a) and inserting therein the amount (\$1,830,000) to be allotted thereunder in addition to the flat allotments of \$20,000 for each State (including Puerto Rico). The additional amount is allotted to the States on the basis of the need of each State taking into consideration the number of crippled children in each State in need of services for crippled children and the cost of furnishing such services. These sums are to be allotted on a matching basis. The additional appropriation of \$1,000,000 is to be allotted under a new subsection (b) according to the funncial need of each State a new subsection (b) according to the financial need of each State for assistance in carrying out its State plan. The States are not required to match allotments from this latter appropriation. The House recedes.

On amendment No. 78: This amendment makes a clerical change; and the House recedes.

On amendment No. 79: This amendment provides for the estab-

lishment and maintenance of personnel standards on a merit basis similar to amendments Nos. 2, 67, 68, and 75. The House recedes with an amendment which retains the Senate amendment but provides that the Social Security Board shall exercise no authority with

respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods.

On amendment No. 80: This amendment makes a clarifying change in section 514 (a) of the Social Security Act. It also adds a new subsection (c) to such section 514 to provide the method of paying the additional amount to be allotted under amendment No. 77. The amendment also increases the authorization for child-welfare services from \$1,500,000 to \$1,510,000 so that Puerto Rico may share equally with the States. There was no comparable provision in the House bill. The House recedes.

On amendments Nos. 81 and 82: The House bill increased the authorization for vocational rehabilitation from \$1,938,000 to \$2,-The Senate amendment strikes out this provision in the House bill and inserted a provision increasing such authorization to \$4,000,000. The amendment also provides that the minimum allotment for any State shall be \$30,000 instead of \$10,000 as provided in existing law, and provides an annual flat allotment to Hawaii and Puerto Rico of \$15,000. The amendment also increases the authorization of appropriations for administrative expenses for vocational rehabilitation from \$102,000 to \$150,000. The House recedes with an amendment which increases the authorization for vocational rehabilitation to \$3,500,000 instead of \$4,000,000; places Puerto Rico in the same status as a State (see also amendment No. and increases the minimum allotment for any State from \$10,000 to \$20,000 instead of \$30,000.

On amendment No. 83: This amendment increases the author-

ization of appropriations for each fiscal year for grants to States and other political subdivisions for public-health work from \$8,000,000 to \$12,000,000. There was no comparable provision in the House bill. The House recedes with an amendment increasing such authorization to \$11,000,000 instead of \$12,000,000.

On amendment No. 84: This amendment makes a clerical change,

and the House recedes.

On amendment No. 85: Under existing law, remuneration received by an employee with respect to employment during any ceived by an employee with respect to employment during any calendar year is taxable up to and including \$3,000 received by the employee from each employer he may have during the year. Hence, an employee who has more than one employer may be required to pay the old-age insurance employees' tax on aggregate wages in excess of \$3,000. The Senate amendment permits the employee to obtain a refund, without interest, of the tax paid on the aggregate in excess of \$3,000 earned after December 31, 1939, provided a timely claim is filed. This amendment is complementary to amendment No. 27. There was no comparable provision in the House bill. The House recedes.

On amendments Nos. 86 and 87: These amendments exclude from the definition of wages payments made by an employer

from the definition of wages payments made by an employer under certain conditions on behalf of his employees on account of death (including life insurance) where it is clear that the employee, while living, does not have certain rights and options.

The House recedes

On amendment No. 88: This amendment makes a clerical change;

and the House recedes.

On amendment No. 89: The House bill exempted from the definition of employment service performed in the employ of an agricultural or horticultural organization. The Senate amendagricultural or horticultural organization. The Senate amend-ment clarifies this exemption to make certain that these organizations are identical with agricultural and horticultural organizations exempt from income tax under section 101 (1) of the

Internal Revenue Code. The House recedes.

On amendments Nos. 90 and 91: These amendments make a clarifying change to bring this provision into conformity with a similar provision contained in the Revenue Act of 1939. The House recedes.

amendment No. 92: This amendment makes a clerical

On amendment No. 92: This amendment makes a clerical change; and the House recedes.

On amendment No. 93: This amendment would exclude fishermen from coverage. It would also exclude officers and members of crews (even though not fishermen) of any vessel less than 400 tons, or of any sail vessel regardless of tonnage if the vessel is engaged in the specified fishing activities. There was no comparable provision in the House bill. The House recedes with an amendment which exempts from coverage service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting. vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegsponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (a) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (b) service performed on or in connection with a vessel of more than 10 net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States).

On amendment No. 94: This amendment excludes service performed by an individual under the age of 18 in making street sales of newspapers, and in making house-to-house deliveries of newspapers and shopping news, including handbills and other similar types of advertising material. It does not include the handling of newspapers and advertising material prior to the time they are turned over to the individual who makes the sale, the house-to-house, or other final distribution. There was no comparable provision in the House bill. The House recedes.

On amendments Nos. 95 and 96: These amendments make a clarifying change; and the House recedes.

On amendments Nos. 97 and 98: The House bill extended coverage to certain salesmen who are not employees. The Senate

amendment strikes out this extension of coverage and also strikes out the new definition of employer as such definition was ren-dered unnecessary if the extension of coverage to such salesmen is not retained in the bill. It is believed inexpedient to change the existing law which limits coverage to employees. The House

On amendments Nos. 99, 100, 101, and 102: These amendments make clerical changes; and the House recedes.

On amendments Nos. 103 and 104: The House bill defined agri-

cultural labor to include all services performed on a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity. These Senate amendments struck out the words "connection with." The conference action restores such

words; and the Senate recedes.
On amendments Nos. 105, 106, 108, 109, and 112: These amendments make clarifying changes to the definition of agricultural

bor. The House recedes.
On amendment No. 107: This amendment includes in the definition of agricultural labor service performed on a farm with respect to other wildlife in the same manner and to the same extent as service performed with respect to fur-bearing animals. The House

recedes with a clarifying amendment.
On amendment No. 110: This amendment includes within the term "agricultural labor" service performed in the employ of the owner or tenant or other operator of a farm, in connection with the maintenance of the tools and equipment on such farm. It the maintenance of the tools and equipment on such farm. It also includes service performed in the employ of any such owner, tenant, or other operator in salvaging timber or clearing land of brush or other debris left by a hurricane. Both amendments are subject to the limitation contained in the bill that the major part of such service must be performed on a farm. The House recedes. On amendment No. 111: This amendment includes as agricultural labor, in addition to the services included in the House bill, service performed in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes. The House recedes.

On amendments Nos. 113 and 114: Under the House bill the additional credit allowance was based upon the amount, if any, by which contributions required to be paid by a taxpayer with respect to the taxable year were less than the contributions such taxpayer would have been required to pay if throughout the taxyear he had been subject under such State law to a rate of 2.7 percent. These Senate amendments were made necessary by reason of amendment No. 126 which eliminates the new section 1602 (b) of the code contained in the House bill. These amendments base the additional credit allowance on the difference between the amount of contributions the taxpayer was required to pay under the State law and the amount he would have paid if throughout the taxable year he had been subject to the highest rate applied under the State law in the taxable year to any employer, or to a rate of 2.7 percent, whichever is lower. The House recedes.

On amendment No. 115: The House bill amended section 1602 (a) of the Internal Revenue Code by adding a new standard with respect to allowance of additional credit, which required that, irrespective of the type of fund maintained under the State law, such law must contain provisions whereby variations in rates of contributions has between different employers will be so computed as to yield, with respect to each year, a total amount of contributions substantially equivalent to 2.7 percent of the total of pay rolls of employers subject to the contribution requirements of the State law. The Senate amendment deletes this new standard. The House recedes.

On amendments Nos. 116, 119, 120, 121, 122, 123, 124, and 125: These amendments make clerical changes; and the House recedes. On amendments Nos. 117 and 118: Under the House bill, States which have pooled fund unemployment compensation laws would have been allowed to vary rates of contributions and allow re-duced rates of contributions on the basis of 3 years of experience duced rates of contributions on the basis of 3 years of experience by an employer with respect to unemployment or other factors bearing a direct relation to unemployment risk. The Senate amendments change the 3 years to 2 years and further provide that such reduction under pooled fund laws will be allowed only after compensation has been payable under the State law with respect to such employer for the 2 consecutive years immediately preceding the computation date. The Senate recedes. On amendment No. 126: The House bill added a new subsection (b) to section 1602 of the Internal Revenue Code. Under this

(b) to section 1602 of the Internal Revenue Code. Under this subsection a State would have been permitted to adopt either of two alternative courses of action if its law met the standards set forth in paragraphs (1) and (2) of the new subsection: (1) It might reduce all employers' rates uniformly; or (2) it might vary individual employers' rates of contributions under experience ratindividual employers rates of contributions under experience rating provisions which complied with the applicable standards in paragraphs (2), (3), or (4) of subsection (a) of such section 1602, but without so calculating the respective rates as to secure an annual yield of an amount substantially equivalent to 2.7 percent of the State pay roll. The Senate amendment deletes this new subsection. The House recedes.

On amendments Nos. 127, 128, 129, 130, 131, 132, 133, 134, 135, and 136: These amendments make clerical changes; and the House recedes.

recedes.
On amendments Nos. 137 and 138: Under the House bill the term "balance" was defined to make clear that the amount of the reserve required to be accumulated by employers with respect to

whom a reserve account or a guaranteed employment account is maintained, is to be made up of payments by such employers and may not be made up of employee contributions or funds from other sources. The exception contained in this definition, which permits the inclusion within a "balance" of payments other than payments by employers if made to a reserve account or guaranteed employment account prior to language 2, 1939 is designed to reemployment account prior to January 2, 1939, is designed to re-lieve the States of complicated computations where payments, other than payments by employers, had been paid to such accounts during the early months of the State's experience. These Senate amendments advance the date 1 year beyond that pre-

Senate amendments advance the date I year beyond that prescribed in the House bill. The House recedes.

On admendment No. 139: Subsection (b) of section 610 of the House bill, which is deleted by this amendment, has been rendered unnecessary because of Senate amendment No. 115 which deleted from the House bill the average 2.7 percent contribution rate

requirement. The House recedes.

On amendment No. 140: The House bill conferred on State legislatures the authority to require instrumentalities of the United States, except those wholly owned by the United States or exempt from the taxes imposed by section 1410 or 1600 of the Internal Revenue Code, to comply with State unemployment compensation Revenue Code, to comply with State unemployment compensation laws. The Senate amendment strikes out the reference to the oldage tax imposed by section 1410 since only the unemployment tax imposed by section 1600 is involved. The House recedes.

On amendment No. 141: This is a clarifying amendment to make clear that in determining whether a person employs eight or more employees, only those employees employed in employment (as defined in sec. 1607 (c) of the Internal Revenue Code) are to be counted. The House recedes.

On amendments Nos. 142 and 143: These amendments evaluate

On amendments Nos. 142 and 143: These amendments exclude from the definition of wages payments made by an employer under tertain conditions on behalf of his employees on account of death (including life insurance) where it is clear that the employee, while living, does not have certain rights and options. The House recedes.

On amendment No. 144: The House bill exempted from the definition of employment service performed in the employ of an agricultural or horticultural organization. The Senate amendment clarifies this exemption to make certain that these organizations are identical with agricultural and horticultural organizations exempt from income tax under section 101 (1) of the Internal

Revenue Code. The House recedes.

On amendments Nos. 145 and 146: These amendments make a clarifying change to bring this provision into conformity with a similar provision contained in the Revenue Act of 1939. The House

recedes

On amendments Nos. 147 and 148: These amendments make

clerical changes; and the House recedes.

On amendment No. 149: This amendment eliminates from the Federal Unemployment Tax Act insurance agents and solicitors if the remuneration for which they perform their services is on a commission basis solely. There was no comparable provision in the commission basis solely. There y House bill. The House recedes.

On amendment No. 150: This amendment excludes service per-formed by an individual under the age of 18 in making street sales of newspapers, and in making house-to-house deliveries of newspapers and shopping news, including handbills and other similar types of advertising material. It does not include the handling of newspapers and advertising material prior to the time they are turned over to the individual who makes the sale, the house-to-house, or other final distribution. There was no comparable provision in the House bill. The House recedes.

On amendments Nos. 151 and 152: These amendments make a

On amendments Nos. 151 and 152: These amendments make a clarifying change; and the House recedes.

On amendments Nos. 153 and 154: The House bill defined agricultural labor to include all services performed on a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity. These Senate amendments struck out the words "connection with." The conference action restores such words: and the Senate recedes.

words "connection with." The conference action restores such words; and the Senate recedes.

On amendments Nos. 155, 156, 158, 159, and 162: These amendments make clarifying changes to the definition of agricultural labor. The House recedes.

labor. The House recedes.

On amendment No. 157: This amendment includes in the definition of agricultural labor service performed on a farm with respect to other wildlife in the same manner and to the same extent as service performed with respect to fur-bearing animals. The House recedes with a clarifying amendment.

On amendment No. 160: This amendment includes within the

On amendment No. 160: This amendment includes within the term "agricultural labor" service performed in the employ of the owner or tenant or other operator of a farm, in connection with the maintenance of the tools and equipment on such farm. It also includes service performed in the employ of any such owner, tenant, or other operator in salvaging timber or clearing land of brush or other debris left by a hurricane. Both amendments are subject to the limitation contained in the bill that the major part of such service must be performed on a farm. The House recedes. On amendment No. 161: This amendment includes as agricultural labor, in addition to the services included in the House bill, service performed in connection with the operation or mainte-

service performed in connection with the operation or mainte-nance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes. The House

On amendment No. 163: This amendment provides for the establishment and maintenance of personnel standards on a merit basis similar to amendments Nos. 2, 67, 68, 75, and 79. The House recedes with an amendment which retains the Senate amendment but provides that the Social Security Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such

methods.

On amendment No. 164: The House bill provided as in existing law that the amount to be contributed by the Federal Government for administrative expenses for aid to the blind would be an amount equal to 5 percent of the Federal contribution to the State for aid to the blind. The Senate amendment changes this provision to one-half of the total of the sums expended during any quarter as are found necessary by the Board for the proper and efficient administration of the State plan. The House recedes with conforming amendments. conforming amendments.

On amendment No. 165: This amendment makes a clerical change; and the House recedes.

change; and the House recedes.

On amendment No. 166: The House bill included Puerto Rico on the same basis as a State for the purposes of titles V and VI of the Social Security Act. The Senate amendment (which is complementary to amendment No. 82 giving Puerto Rico \$15,000 annually for vocational rehabilitation) provides that Puerto Rico shall not be included as a State for purposes of vocational rehabilitation grants. The Senate recedes. The conference action on this amendment and amendment No. 82 has the effect of including Puerto Rico as a State for purposes of vocational rehabilitation grants thereby allowing it to receive the minimum allotment of \$20,000 for each fiscal year and to share in the remainder of the appropriation on an equal basis with the States.

On amendment No. 167: This amendment is complementary to amendments Nos. 97 and 98. Under section 606 of the House bill certain salesmen were included as employees for purposes of the

certain salesmen were included as employees for purposes of the certain salesmen were included as employees for purposes of the old-age insurance tax, and by section 801 were included as employees for the purpose of receiving benefits under title II. Senate amendments No. 97 and 98 struck out such extension of coverage for purposes of the tax and this amendment strikes out such extension for purposes of the benefits under title II. It is believed inexpedient to change the existing law which limits coverage to employees. The House recedes.

On amendment No. 168: This amendment, which is complementary to amendment No. 169, makes a clerical change; and the Senate recedes.

the Senate recedes.

On amendment No. 169: This amendment prohibits the Social Security Board from disapproving any State plan under title I, IV, or X of the Social Security Act on the ground that such plan does not apply to or include certain Indians as defined. There was no

not apply to or include certain Indians as defined. There was no comparable provision in the House bill. The Senate recedes. On amendment No. 170: This is a technical amendment made necessary because the new section 906 (amendment No. 174) affects the Railroad Unemployment Insurance Act and is therefore in conflict with the language contained in section 901 unless this amendment is inserted. The House recedes.

On amendment No. 171: This is a technical amendment to set at rest certain conflicting district court decisions, and provides that the collection of the full 3-percent Federal tax (without allowance of the 90-percent credit) from a bankrupt estate, which failed to qualify for credit, is not prohibited by section 57j of the Bankruptcy Act, as amended, which section provides that debts owing to the United States as a penalty or forfeiture shall not be allowed. There was no comparable provision in the House bill. The House recedes.

The House recedes.

On amendment No. 172: This amendment merely conforms the reference in section 1428 of the Internal Revenue Code to the revision of the numbers of the paragraphs in section 1426 (b) of such code. The House recedes.

On amendment No. 173: This amendment is complementary to amendment No. 35 and imposes the old-age insurance tax on wages paid after December 31, 1938, with respect to employment after such date, to employees who have attained the age of 65. It provides that the liability of the employer for the employees' It provides that the liability of the employer for the employees' tax with respect to service performed prior to the enactment of this act is limited to the amount of remuneration of such employee in the control of the employer at any time on or after 90 days after the enactment of this act. There was no comparable provision in the House bill. The House recedes.

On amendment No. 174: This amendment extends the time within which certain States may effect the transfer of certain funds from the State's account in the unemployment trust fund to the railroad unemployment-insurance account in the unemployment.

to the railroad unemployment-insurance account in the unemployment trust fund. This postponement will not deprive the rail-road unemployment-insurance account of any moneys to which it is entitled under the present provisions of the Railroad Un-employment Insurance Act. There was no comparable provision in the House bill. The House recedes.

On amendment No. 175: This amendment is complementary to amendments Nos. 35 and 173. It provides that where the employees' tax with respect to the year 1939 has not been deducted from the employee over 65 and where the employer has not paid the employee's tax for such employee's employment in 1939, deduction of an amount equal to the employee's tax, without interest, would be made from his monthly benefits or other benefits payable with respect to his wages. There was no comparable provision in the House bill. The House recedes. On amendment No. 176: This amendment authorizes the establishment of an advisory council on unemployment insurance to study certain specified matters concerning unemployment insurance and make a report thereon. There was no comparable provision in the House bill. The Senate recedes.

On amendment No. 177: This amendment authorizes the establishment of an advisory council on disability insurance to make a study of disability insurance and report thereon. There was no comparable provision in the House bill. The Senate recedes.

On amendment No. 178: This is a clarifying amendment to make certain that the administration of the functions of the Social

On amendment No. 178: This is a clarifying amendment to make certain that the administration of the functions of the Social Security Board. which was transferred to the Federal Security Agency under reorganization plan No. I transmitted to Congress on April 25, 1939, will be administered in the same manner as the other agencies transferred to the Federal Security Agency. The House recedes.

House recedes.

On amendment No. 179: This amendment extends coverage to individuals employed by certain Federal savings and loan associations affiliated with the Federal home loan banks, who would otherwise be excluded from the old-age insurance benefits, the Federal Insurance Contributions Act, and the Federal Unemployment Tax Act, since under the Home Owners' Loan Act they are exempt from taxes imposed by the United States. There was no comparable provision in the House bill. The House recedes.

On amendment No. 180: This amendment relates to section 213 (f) of the Revenue Act of 1939, which deals with the assumption of liability in certain tax-free exchanges. There is no comparable

of the Revenue Act of 1939, which deals with the accomparable provision in the House bill. Section 213 (f) of the Revenue Act of 1939 retroactively amended the Revenue Acts of 1924 through 1938 to provide that the assumption of a liability or the acquisition of property subject to a liability in certain tax-free exchanges should property subject to a findinty in certain tax-free exchanges should not result in gain to be taxed at the time of the exchange, except in cases where by a previous decision of a court or of the Board of Tax Appeals, or under a closing agreement, gain was recognized to the transferor of property in the tax-free exchange by reason of such an assumption or acquisition by the transferee. The Senate amendment removes from that exception a case in which Senate amendment removes from that exception a case in which gain was recognized to a corporate transferor by a court or Board decision, the basis to the transferee of the property acquired by it in the exchange was fixed at cost under the applicable revenue act, and the corporate taxpayer liquidated immediately subsequent to the exchange. As the period of limitations may have expired with respect to the filing of a refund claim in such a case, the amendment provides 1 year from the date of enactment of the Revenue Act of 1939 within which to file a refund claim. The House recedes with an amendment which provides that no interest House recedes with an amendment which provides that no interest shall be allowed or paid on the amount of any overpayment re-

on all be allowed or paid on the amount of any overpayment refunded or credited by reason of the provisions of this section.

On amendment No. 181: This amendment extends the time to December 31, 1939, for the filing of claims for refunds under subsection (d) of section 602 of the Revenue Act of 1936, as amended. There was no comparable provision in the House bill. The House

On amendment No. 182: This amendment provides that after 1940 the provisions of the Social Security Act shall not be applicable to foreign-born aliens. It also provides for refunds of any cable to foreign-born aliens. It also provides for refunds of any taxes they may have paid under such act, and that any employer using alien labor shall pay a special privilege tax equivalent to that collected from American citizens. Subsection (b) of the amendment prohibits the payment of any old-age insurance benefit to any individual while such individual is not a resident of the United States or its possessions unless such individual resides within 50 miles of the United States. There was no comparable provision in the House bill. The Senate recedes.

The managers on the part of the House desire to state that the changes made by this bill with respect to agricultural labor do not take effect until January 1, 1940, and therefore have no effect whatsoever on any litigation now in the courts with respect to what constitutes agricultural labor under present law.

The managers on the part of the House also desire to state that there are two very important proposals to which the conferees gave a great deal of attention. These are the so-called Connally amendment, providing for greater Federal matching in

Connally amendment, providing for greater Federal matching in the case of old-age assistance, and the Massachusetts plan which would enable the States to make a State-wide reduction in unemployment compensation contribution rates under certain conditions. The conferees believe that a comprehensive study of the subject matter covered by these two proposals should be undertaken which will enable the Congress to deal more intelligently with the problems involved than is possible at the present

> R. L. DOUGHTON, THOS. H. CULLEN, JOHN W. MCCORMACK, JERE COOPER, ALLEN T. TREADWAY, FRANK CROWTHER, THOMAS A. JENKINS, Managers on the part of the House.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 6635), an act to amend the Social Security Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. RAYBURN (interrupting the reading of the statement). Mr. Speaker, this statement, of course, will be printed in the RECORD. It is technical, it is 21 pages in length. I believe the House is not getting a great deal out of listening to its reading. I therefore ask unanimous consent that further reading of the statement may be dispensed

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from North Carolina is recognized for 1 hour.

Mr. DOUGHTON. Mr. Speaker, the conferees have reached a full and complete agreement on the amendments which were in disagreement between the House and the Senate to the social-security bill, H. R. 6635.

The Senate adopted 182 amendments to the social-security bill as it passed the House. Many of these amendments were of a clerical and typographical nature, the changing of section numbers to make the bill comport with final action, and were not very important.

The conferees have given careful and painstaking study to all the amendments adopted by the Senate in order that a workable and intelligent solution of the differences between the House and the Senate might be reached. The conferees were in session 21 days. I have never known conferees to work more assiduously, more unselfishly, or more determinedly to bring back to their respective Houses a report that would be worthy of the subject under consideration and would be the best possible solution of the points in disagreement between the two Houses.

The Committee on Ways and Means also gave this bill, as you all know, long and careful study before it was reported to the House, and the bill was fully explained to the House at the time of its consideration by this body.

As to the amendments that have been added by the Senate, most of them have been explained in the statement that has just been read by the Clerk. If there is any question as to any of them, especially the important and major amendments, some of us will be glad to make the best explanation we can.

Mr. TREADWAY. Mr. Speaker, will the gentleman from North Carolina yield me 5 minutes?

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, the longer a man is a Member of the House the more impressed he becomes with the fact that important legislation is the result of compromise.

The gentleman from North Carolina has referred to the long and tedious sessions the conferees have had on this very important bill; and it is a great pleasure to the minority members of the conference to be in hearty accord with the majority in signing the report, as we have today. [Applause.]

Most of the controversy was over a Senate amendment which the House had previously rejected by a 2-to-1 vote, namely, the proposal that the Federal Government put up \$2 to \$1 of the first \$15 for old-age pensions. That controversy has finally been settled in accordance with the previous action of the House. On other amendments there was, of course, a great deal of give and take, as there necessarily had to be.

I am very sorry to find that it is necessary at this time to eliminate from the bill what is known as the Massachusetts plan, making possible a reduction in the unemployment tax. I wish some compromise could have been reached on this particular detail; but it is not dead—it is simply resting until some future action on the part of the House takes place.

The most important result of the conference, as I see it, is to make possible the freezing of the pay-roll tax at 1 percent for the next 3 years. This will save something like \$275,000,000 to employers and employees during 1940.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield, certainly.

Mr. COOPER. That, of course, is for the year 1940 only.

Mr. TREADWAY. One year.

Mr. COOPER. It is frozen at that figure for 3 years.

Mr. TREADWAY. The freezing of the rate will be in effect for 3 years. The saving during this time will be \$825,000,000.

The gentleman is correct. I was referring simply to the year 1940.

Mr. McCORMACK. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. And also the freezing of the unemployment pay-roll tax on the first \$3,000 results in a saving of \$65,000,000?

Mr. TREADWAY. Yes.

Mr. McCORMACK. Which is permanent. There is no limitation on that?

Mr. TREADWAY. I was coming to that. Then the provision relieving employers of the 90-percent penalty under the unemployment tax involves a saving for 1936, 1937, and 1938 of \$15,000,000 in addition.

I think the House can be well pleased with the results that the conferees on the part of the House have been able to secure. While it has been a very long and tedious process, as I previously said, nevertheless, the chairman of the Committee on Ways and Means is most heartily to be congratulated for the success of the conference, and I hope the conference report will be adopted by unanimous vote.

[Here the gavel fell.]

The SPEAKER. Without objection, the conference report will be agreed to.

There was no objection.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON SOCIAL SECURITY

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I thank the Members on both sides of the House for this expression of confidence and approval of the work of the conference committee. I feel I would be derelict in my duty, a very pleasant one, I assure you, if I did not express my thanks and appreciation to not only each member of the House conferees but especially to my good friend from Massachusetts [Mr. Treadway], who has labored faithfully and unselfishly, even to the extent of foregoing a trip abroad, in order that he might remain at his post and discharge his duty. [Applause.] I especially extend my thanks to him for the fine service he has rendered in connection with the work of the conferees on this important measure.

NATIONAL CENSUS OF HOUSING

Mr. DUNN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2240) to provide for a national census of housing.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2240 with Mr. Gavagan in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. Poage].

Mr. POAGE. Mr. Chairman, the bill now before us simply provides that when the census is taken next year there shall

be included among those things to be enumerated a census of housing conditions in the United States. I do not want to make an extended argument to the Members of the House, but I do want them to understand on what they are voting because I have a feeling that more of us are acting on this as a matter of prejudice than from information about the measure now pending. Certainly if this measure were one calculated, as some have suggested this afternoon, simply to be a back door into what we refused to do yesterday, the committee would have done well to have cast about to get someone else to come before you this afternoon. I voted against the housing bill yesterday afternoon. I did not feel that we had adequate information then, and we have not today, to know whether we need \$8,000,000 or \$800,000,000. I did not feel that we had any evidence which would justify our embarking on a program of that size. My vote was not dictated by any desire to break-down a program of slum clearance or housing for the destitute, because I believe in that program. I feel, however, that the Government should never embark upon an \$800,000,000 program without knowing where it is going and where we are likely to come out. We do not know these things now.

Mr. CURTIS. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Nebraska.

Mr. CURTIS. Is it not true that there have already been about 300 surveys in various city areas on the housing situation?

Mr. POAGE. I do not know whether that is correct or not. I certainly would not challenge it if the gentleman makes it as a statement. I know there have been a number of surveys made, a number of guesses, and a number of estimates made in a number of cities of the United States. I know that there is no accurate information anywhere in the United States as to housing conditions in this Nation today. I know there are no accurate figures. There have been some guesses, there have been some estimates, and there have been some chambers of commerce tell us that their towns are superior to every other city in the Nation, but there are not actual figures. We do not know what the housing situation is in the United States. We do not know whether we are embarking on a sound program or not. We are spending the Government's money in total blindness. We do not know in which direction we are going, and it seems to me we would do well to at least get accurate facts and figures upon which to base an expenditure of larger sums of money, if these larger sums should be spent.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. POAGE. I have not very much time. I will yield if I can complete my statement.

Mr. Chairman, we do not know at this time how the United States compares with other nations. We have no idea what the requirements for future years may be.

We have no way of telling what we can expect in the way of private building 10 years from now, 5 years from now, or 2 years from now. We do not know how many people are going to need houses at some future time. There is no way of actually determining what will be the trend in business, and that does not simply mean some social experiment; that means we do not know the trend which the investments of money in this country are going to take.

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 4 additional minutes to the gentleman from Texas.

Mr. POAGE. You talk about this thing being some wild and untried theory. We certainly are just as much entitled to know the trend of housing, which is one of the largest enterprises in this Nation, as we are to know the amount of cotton that is produced. Certainly we in my section of the country want to know that, and we do find it out through the Bureau of the Census today. Certainly it is just as important that we know what to expect in the housing industry as it is to know what to expect in the shoe industry, yet the Bureau of the Census finds out how many shoes we are producing. Let us do for a great industry, one of the greatest industries in the Nation, the

203, 833

building industry, what we have long properly done for many industries that do not approach it in importance. We took a census 10 years ago of the radios in our homes. Important; good; I am for it. We ought to know it. But the radio industry, important as it has become, is of small importance as compared with the great housing industry of this Nation, one of the most important endeavors of private business, and we know nothing about it.

We do not ask that you give us a complete, separate census. We do not ask that you have another set-up. We do not ask that you conduct a regular census and then another one. We simply ask that when you take the 1940 census you include therein questions that will enable the builder of the future to know what may reasonably be expected 5 or 10 years from now. This involves slum clearance, yes; but it also involves the reserve on your life insurance policy, it involves the value of every security in the United States that is based upon homes as security.

Mr. SABATH. Mr. Chairman, will the gentleman yield? Mr. POAGE. I yield to the gentleman from Illinois.

Mr. SABATH. All the gentleman desires is that this survey be included in the next census when that census is taken?

Mr. POAGE. That is all we are asking.

Mr. SABATH. The gentleman feels that it is justifiable

and needed, and will actually be helpful?

Mr. POAGE. I do feel that it will be a wise expenditure of money at this time. It can be done cheaper next year than at any other time. The bill authorizes \$8,000,000, but I am sure that it will cost much less. I feel that before you embark upon any great program it is wise to carry on a survey and let your engineers and your architects get the facts. Let the Census Bureau get the facts.

I want to explain just one point that was discussed a few moments ago, and point out that when we take this census, the United States Bureau of the Census does not have, never has had, and under this bill has no authority to make public the private returns of any individual. All you will get will be the sum total, so that we may know the trend, so that we may know the facts; but these returns cannot be used, as someone has suggested, as a sucker list whereby any individual can find out whether John Jones has three rooms and Henry Smith has five. There will be no sepaarte information coming from this census that can be used against any single individual. It will be the composite sum total of all the information, just as all the rest of the Census Bureau figures are and always have been. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield the gentleman from Ohio [Mr. White] such time as he may desire.

Mr. WHITE of Ohio. Mr. Chairman, every time a fellow turns around in the Capitol he bumps into a new blueprint of some Roosevelt housing program.

During the last 6 years no subject has been discussed more eloquently, or in larger figures. Since 1933 Government loans and expenditures for public housing and subsidized home ownership have aggregated roundly \$5,000,000,000, exclusive of private loans guaranteed by the Government. Wisely and soundly spent, this would have provided a million new homes at \$5,000 each.

But what has been the net result of all these scattered programs? Are the working people as a group better housed throughout the Nation? That is the real test, and today

the official figures are available.

A survey published by the Department of Commerce shows that during the 6 New Deal years, 1933–38, new dwellings built in the entire United States averaged 204,000 a year. But during the corresponding years of the previous decade—that is for the years 1923–28—the average number of new dwellings built every year in the entire country was 807,000. Thus the New Deal record is 603,000 fewer homes built every year, or 3,618,000 fewer homes for the 6 years compared.

Here we have a fair picture of what all the Roosevelt demagoguery about housing really means to the people who

need the homes.

The tables which follow, taken from the Commerce Department's official report, tell the whole story. They convert all types of home construction, public and private, into one-family units. First, let us look at home building under the New Deal:

New dwellings built in the United States	
1933	64,000
1934	59,000
1935	138,000
1936	275,000
1937	327,000
1938	360,000
Total for 6 New Deal years	1, 223, 000

Average built each year_____

And now, let us see what happened before Roosevelt began to throw money to the four winds. Here is the home-building record for the corresponding years of the previous decade:

New dwellings built in United States	
1923	814,000
1924	827,000
1925	894,000
1926	841,000
1927	757,000
1928	713,000
	100000000000000000000000000000000000000

Total for 6 Republican years 4,846,000
Average built each year 807,666

These figures show that the difference between Republican policies and New Deal programs, as measured in new dwellings actually made available for occupancy by the people, is, in round numbers, an average of 603,000 homes a year—or a total of 3,618,000 for the six New Deal years to date.

Had Roosevelt encouraged solid business recovery to the average level of the Republican years, there would have been built since 1933 some 3,618,000 more new dwellings than actually have been built under all the screwball ventures of the "brain trust."

It is obvious that this New Deal deficiency of 3,618,000 new homes over a period of 6 years means only one thing—a generally lowered standard of living for the Nation.

With our population increasing at the rate of approximately 1,500,000 each year, and with an accumulated Roosevelt shortage of more than 3,600,000 dwellings during the last 6 years, we begin to glimpse the crippling effects of all these official brain storms regarding housing.

Under responsible Republican policies, confident private enterprise supplied our people with an average of 807,000 new dwellings every year; but under the squaderlust experiments of the New Deal our steadily increasing population gets only 204,000 new houses a year—and even those are encumbered by unseen mortgages amounting to hundreds of millions of dollars, representing the burden added to the public debt every year to support Roosevelt's so-called housing program.

The net result is a mountain of new debt for housing—and 3,600,000 fewer houses built in 6 years.

Mr. KINZER. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. Curis].

Mr. CURTIS. Mr. Chairman, the gentleman from Texas [Mr. Poage] said that this question was being decided on a matter of prejudice and lack of information. I agree with that statement, and I predict that the bill will pass.

As originally reported from the Senate, this bill was a bill to aid the housing program of the United States. This is the language that appeared in the Senate bill, which this committee took out, in reference to this housing census:

Concerning the social and economic characteristics of their ownership and use, necessary to aid in the formulation of a national housing program and in the administration of housing legislation.

The Senate bill also provided that this should be a separate census, a separate schedule, a separate piece of paper, if you please. It was estimated by the Senate that there are 35,000,000 family units in the United States. On the basis of 25 cents per schedule, the cost would be \$8,500,000. The House Committee on the Census thought they had accomplished a great deal when they struck out the language

referred to and authorized the taking of this census along with the regular census. However, in a telephone conversation with the Director of the Bureau of the Census while the committee hearings were in progress, he said that that would reduce the expense only \$500,000 below the previous authorization of \$8,500,000.

I submit there is no information available about this bill, but I am able to figure a little. It would cost \$8,500,000 to take a census calling for a separate schedule of 35,000,000 units, but if it was combined with the census that is being taken anyway, the only additional cost would be when they had to make out a schedule for a vacant house. If we have vacancies of 20 percent-and I do not know how much it is, but if it is 20 percent-at 25 cents per schedule, the cost would be \$1,750,000 instead of \$8,000,000.

At the time this proceeding was had in the Census Committee the Director of the Bureau of the Census was not present. Immediately upon the adjournment of the committee I wrote Mr. Austin a letter, as follows:

The Committee on the Census this morning reported out S. 2240, as amended, as shown by the enclosed copy which I am send-

ing you.

I was one of the members that for the present opposed this measure, and I should like to have this information concerning this bill.

If this measure becomes a law, I would like to have a copy of your proposed schedule of questions that will be propounded to secure this information. In other words, I am anxious to know the extent of the census on housing.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. In just a moment.

The Director of the Census was not there; we had no opportunity to find out what we were authorizing at that time. It was clear that it was part of the housing program, plus the information inserted by the gentleman from Mississippi in regard to utility equipment.

A few days later I received a reply from the Director of the Census, and I will read a portion of it for your information.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CURTIS. I read a portion of the letter:

Among the more important items which would probably be considered for inclusion in a housing census are the following:

1. Structural items: Type of structure, number of dwelling units,

and year built;

2. Dwelling-unit items: Occupancy or tenure, duration of occu
2. number of rooms, running water, toilet and pancy or vacancy, number of rooms, running water, toilet and bathing facilities, central heat, fuel, and monthly rental; and 3. For owner-occupied structures: Owner's estimate of value,

amount of real-estate taxes and special assessments, and mortgage

He further says:

The exact questions to be asked in each of these fields can only be determined after careful study of the language of the act and of the relative needs of business, industry, and Government for detailed Nation-wide information on these various subjects.

I now yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I wish to make the following observation: There has been some question about the adequacy of some of these surveys. Secretary Wallace, testifying before the Banking and Currency Committee at the hearings on the housing bill, had this to say:

I might say on the need-

That is, of housing-

we have some very complete figures as to the need in different States based on a very comprehensive survey.

The CHARMAN. We would like to have that for the record.

That is placed in the record and shows the number of bathrooms, the percent of water-piped houses, the percent of indoor toilets, the percent having no screens, inadequate screens, painted, and inadequately painted for all the States of the Union.

Mr. CURTIS. I thank the gentleman for his contribution. [Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Voornis].

Mr. VOORHIS of California. Mr. Chairman, the most important single fact about this housing census proposition is that if it is taken all by itself it will cost about \$16,000,000 to do it. If it is taken in conjunction with the regular census, as this bill provides, the additional cost will be only a very small fraction of that figure.

Now, all I want to say in these 3 minutes is this. The fact that a majority of the House chose to vote down the housing bill yesterday, unfortunately, is not equivalent, as some gentlemen seem to think, to doing away with the bad housing conditions and slums that obtain in certain parts of this country. We may fail to act here; but our failure to act does not wipe out the reasons why we should have acted. I hope we are not going to see more than a very small, scattering number of votes against this proposition. Surely, Members are not going to carry their unwillingness to face honestly the broad and important social problems of this country to the place where we do not even want to get information regarding them. The obvious purpose of this proposal is that we have thorough information upon which to act.

I do not know what will be found out from this study, but I do know that I want to have as full information as I can upon which to proceed and upon which to base such future action as I may take.

I believe it certainly would not be too much to say that this Congress has turned down a very great deal of meritorious legislation, sometimes, perhaps, due to misunderstanding and due to the fact that the full information regarding the question was not possessed by certain Members. It appears to me in these closing days that, at least, we can take steps so that we can have information on one of the most important problems that there is in this Nation, the problem of millions of our people living under conditions where the rearing of children in decency and in health is tremendously difficult, to say the very least. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, supplementing the remarks I made this afternoon, I wish to say that the language of this bill requires that we shall take the census, that we shall investigate the homes and equipment, and not the characteristics of the equipment. We formerly thought that our houses were our castles. The investigator evidently is required to visit all of the rooms and report on the characteristics. I suggest that they might find conditions such that the soap manufacturers might be informed that a particular district would provide good business for the soap manufacturer, and I use that as illustrative of all business. I think that is going very far. There is a definite requirement—the word is "shall."

Mr. KINZER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LELAND M. FORD].

Mr. LELAND M. FORD. Mr. Chairman, I am on the committee, and at first I was not in agreement with the conditions of this bill, due largely to the matter of the valuation of homes. I took the matter up with the Director of the Census, and he said that, so far as the column on valuation shown on these homes is concerned, it will be shown as the owner's own valuation. The Director of the Census, Mr. Austin, has been taking censuses for 40 years. I think that he knows the information that we should get in this census, and it is largely on his recommendation I am going to ask for the passage of this bill.

Referring to the \$800,000,000 housing bill which was defeated yesterday, I might say, incidentally, that I never looked on that as a housing bill, but always called it a "hoseing" program, and I have always said that the taxpayers of the country would get the greatest "hoseing," if that bill passed, that they ever got. Nevertheless, the sum of \$800,000,000 had already been appropriated for a bill of this kind before this other bill came up; and I think that if that money is going to be spent intelligently that they should have the benefit of the statistics that will be obtained through this bill, and I ask for the passage of this bill.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Moser].

Mr. MOSER. Mr. Chairman, I voted for the rules defeated on Tuesday and yesterday and I voted for this rule, but I do not like this bill. I do not favor defeating rules to prevent consideration of a bill. When this bill was before the Census Committee, a distinguished member of that committee passed a slip of paper across the table and asked me to move the indefinite postponement of action on the bill. On the occasion when Dr. Austin appeared before our committee, prior to any consideration being given this bill, and when it was suggested on the part of the members of our committee who are also members of the Committee on Immigration and Naturalization that a census of aliens be taken in connection with the regular decennial population census, he opposed the pollution of that census by anything that would impair the integrity of the work of his Bureau, which he says has been built up and established over many years.

His argument was that any departure would impair confidence and shut the door to essential statistics.

Dr. Austin further extolled the integrity of the fifteenth decennial census, saying that one taken in 1930 was the best ever taken, and it was his aim and ambition to improve the census in 1940 over that of 1930. He was disposed to show every indication of opposition to imposing additions to the population census. All personal contacts prior to his appearance negatived anything that might be contemplated or undertaken by your committee by way of loading the 1940 census with additional requirements and exactions in its taking.

Dr. Austin attended the committee hearing well fortified with assistants, collaborating with their information on the subject, and at the conclusion of that day's hearings there was not a member among us who did not believe the 1940 census would remain strictly limited to its constitutional population requirement.

On the occasion of the next meeting of the committee, this bill, S. 2240, was taken up for consideration, when a bureaucrat appeared from somewhere, among the denizens of the Department of Commerce or the Bureau of the Census. He was typical; would not be pinned down to any particular.

While he was there to testify and talked and talked he pursued a round robin of personal assurance of his not being qualified to testify, and therefore urging upon the committee the necessity of having the experts from the Housing Authority appear to testify as to the importance and necessity for the enactment provided for under this bill and the authorization for an appropriation of \$8,500,000. He was very steadfast in all assurances he could not testify for the Commerce Department and Bureau of the Census, and was incompetent to testify on the necessity from the standpoint of the Housing Authority. Regardless of the extent of discussion his testimony provoked among the committee members, he always found a way for testifying in the interest of the Housing Authority and disavowing any intent to connect it with the Bureau of the Census. He certainly would not testify to any one position of conclusion. His sole effort and energies were all expended in one direction, viz, that of the justification and perpetuation of bureaucracy in its virulent and most infectious and contagious form, the sole object being to get the attendance of the smoothest bureaucrats the Housing Authority could advance to hold forth and sustain their argument for perpetuation whether it costs \$8,500,000 or any amount greater of course. It was a typical example of bureaucracy's workings. "You scratch my back and I will scratch yours."

As an argument for the proposal, he introduced a letter dated in April 1936, written by Frederic A. Delano, advocating a gathering of a census on housing. I personally

examined this letter, and questioned him on the subject of what action, if any, had been taken on his letter of recommendation, to which he asserted that something over 300 separate censuses on housing had been undertaken and completed as work-relief projects. Pinned down, he admitted that more than two-thirds of this number, or over 200 have been made since the letter suggesting it, was written. He would make no commitment of conclusion as to the necessity for further housing censuses based on findings of such admittedly extended undertakings, but did instantly seize upon the opportunity to point out where they had been taken, evading any conclusion. One ostensible conclusion is palpable if not purposeful, viz, the wanton waste and expenditure of public money, without result or conclusion of record, save this appeal and effort to get an additional \$8,500,000.

This man did make one definite commitment, viz, that the proposed census enumeration form is submitted, subject to the approval of the Secretary of Commerce. Now everybody knows that Mr. Hoover, before his selection as Secretary of Commerce, had spent many years in England, where radio receivers have been taxed. Some may recall he was alleged to have advocated it here. After his elevation from Secretary of Commerce to the Presidency, in which high office he was serving when the 1930 census was taken, need anyone doubt where the enumeration of radio receiving sets had its inception? It is this item that prompted the amendment by the gentleman from Mississippi [Mr. Rankin] on all electrical appliances.

I keenly resent that attitude upon the part of the representative of any branch of the Government who appears before a committee of Congress, and I so stated my position. When I moved to indefinitely postpone action on this bill, the vote taken was unanimous. However, thereafter two members asked to be recorded in opposition, and later one member not in attendance also asked to be so recorded.

Within a week thereafter, I was solicited as to my position and proclaming it unchanged, informed the chairman since the postponement was indefinite, I had no opposition to offer to his conclusion sufficient time had elapsed to consider it again. Very shortly thereafter the bill was again called up before the committee and the letters introduced here today in the debate under the rule, dated as recent as July 24. After this matter was before us, when the question came up for the consideration of the bill, a distinguished member of the committee who is here this afternoon insisted that this should not cost eight and a half million dollars, and he demanded of this particular individual to know whether it consisted of the additional cost of the paper and the ink to be used in the printing of the forms.

Something transpired that I confess that I am not in on. I do not know what happened. There was a change, and I moved in our committee to strike out this authorized appropriation, and let it be done with the \$45,000,000 appropriation for which I had voted, and that is what I believe should be done. I was defeated. If someone will offer that amendment I will support it. If it carries I am not going to vote against the passage of this bill, but if it fails of adoption I am not going to vote in the direction of increasing the cost of a census constitutionally required.

Mr. Chairman, I happen to be in the position of the gentleman from New York [Mr. Marcantonio] who yesterday stated the fact that he had been born in the slums. I happen to have been born in a log house. It was the best that my parents could afford. Today it happens that in the passing of time and the death of my parents and grand-parents, the home has become my property.

It is still a log house. It was not equipped with the facilities and accommodations that the people feel we should have now. I became accustomed to it and, as much as I am unaccustomed to the life, I would have to live in that old home; it is still the old homestead, the place where I was born. I do not believe we should be disposed to bureaucratically snoop around and find fault with the particular type

of individual who is content to own what he does. A man's home is still his castle. It is still, in America, a part of American institutions. If we go back into the early history of the Colonies we will recall somewhat of the philosophy of this character that was undertaken in the settlement of North Carolina. It was known as the grand model. I remember it from my school days, because I was tripped on it one time on my first day in State Normal School. The professor came in and instructed me to write about the grand model.

I had not yet been assigned a textbook and had never seen a copy of the history used in that institution. I could only write what I had studied before I matriculated. I did it thus:

The grand model was a scheme advocated by Lord Shaftesbury and the celebrated philosopher John Locke. The model was aristocratic, and the people were democratic, and was doomed to failure. To have made it a success it would have been necessary to transform the log cabins into baronial castles, and the peaceful settlers into armed retainers.

Members of the Committee, as the grand model failed in the settlement of the colony of North Carolina, so its philosophy is unacceptable today. The man with pride in ownership is content with what he possesses and can call his own. He is infinitely more gravely concerned over the expenditures of government than he will ever be interested in the collection of a census on how he lives and where he lives, when he can yet call what he possesses his own. I certainly fear a large-scale grand-model venture if the bureaucrats of the Housing Authority secure census statistics to use as a warrant for their continuation and perpetuation as a bureaucracy, to thereafter spread dissatisfaction and discontent with what our citizens yet possess in the way of homes.

I believe that every man's home is still his castle in America, and that he is entitled to be protected by the Government against having his own domicile pried into by agents of Government snooping and finding a basis of criticism and fault with his environs. They do exactly this with his barn, his cattle, his pigsty and hogs, and his hen house and poultry. With what avarice do greedy eyes propose to pry into his home, kitchen, bedchamber, and bathroom or lack of one?

A childhood schoolmate of mine, on acquiring one of these old homes, having spent some time in the very large cities, decided he needed a bathtub. He installed it in this small country house. Thereupon the assessor increased his assessment on this property \$200 for the improvement. Not for 1 year, but for a triennial period of 3 years, and thereafter for all time. Have a care lest we do go too far. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield myself 2 minutes. This bill, S. 2240, passed the Senate June 23, providing for a national housing census in conjunction with, at the same time, and as a part of the sixteenth decennial census.

The Census Committee of the House on July 13, after hearing representatives from the Bureau of the Census and, after full consideration, unanimously voted to table action on the bill at this session.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. KINZER. I yield.

Mr. DUNN. The gentleman is in error because it was not unanimous. I was one of a number who voted the other way.

Mr. KINZER. I did not know that. I think we did not hear your name.

Mr. POAGE. I voted against that.

Mr. MOSER. Mr. Chairman, to correct the Record, I will say the chairman of the committee, Mr. Dunn, and the gentleman from Texas [Mr. Poage] wanted to be recorded as voting "no." Among the absentees there was another member of the committee who came in subsequently and asked to be recorded as "no."

Mr. KINZER. Then I stand corrected. I thought it was unanimous.

In the fifteenth decennial census various subjects were added in conjunction with the census of the population in-

cluding retail and wholesale distribution, amusements, hotels, manufactories, irrigation, drainage, mining, and so forth.

With all these other subjects, the census was handled efficiently and satisfactorily. It would not involve much more trouble to learn the sort of house a man lives in.

In 1935 the agricultural census included the number of occupied farmhouses and vacant farm dwellings. It also included a census having to do with mortgages, taxes, and crops.

The Government has been gathering data on housing ever since I have been a Member of this body.

The man in the rural community lives in a house he can afford. What contribution can be made to the comfort and aid of our people by the knowledge of whether his home contains the latest plumbing, electrical equipment, hardwood or carpeted floors, electric refrigerator, radio, telephone, and so forth?

A housing census could not be complete without a census of local prevailing living and social conditions, and that could not be done. A house in New York must necessarily be different from a house in Mississippi or Florida, and such a housing census would tend to leave a false impression.

The Housing Authority already has much of this information and a large staff to collect it. Over 300 such specific surveys have been made.

The 1929 Census Law, section 4, gives the Director of the Census, subject to the approval of the Secretary of Commerce, the power to determine what shall be included in the census schedule.

The above were some of the reasons for the Census Committee having refused to take action on S. 2240 at its meeting on July 13.

On July 25 a meeting of the Census Committee was again called in executive session, at which time, without hearing further testimony, the bill was reported out with minor changes and carrying with it an authorization for \$8,000,000 for the purpose. No testimony was offered, nor reason for this authorization.

An appropriation has already been made of over forty-five millions for the Sixteenth Decennial Census, twenty-one millions of which is now available for immediate use; and I can see no reason at this time for the expenditure of money called for in the bill.

Until and unless the Federal Housing Act is passed and becomes a law, there certainly is no reason, or, at least, not sufficient reason, for the passage of this bill at this time.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I make the point of order that a quorum is not present. The idea of considering a bill of this importance without a quorum is too much.

The CHAIRMAN (Mr. Gavagan). The Chair will count. [After counting.] One hundred and thirteen Members are present, a quorum.

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. Keller].

Mr. KELLER. Mr. Chairman, I want to call the attention of the committee to these facts: Our difficulties in legislation are greatly enhanced by the lack of the facts. During the past 6 years we have been talking about unemployment without knowing what we are talking about. Everybody goes out and guesses about the number of people who are unemployed, and nobody knows.

We finally got through a partial census which does throw some light on the subject. From that time until this we have been able to make some rational estimate on that subject, and not before that. We are now talking constantly about one-third of the Americans who are underhoused. I do not know whether it is a third or a half or two-thirds, and neither does anybody else. I would like to know, because this body is not capable of passing rational legislation along certain lines, without this information as the basis of it. If we are well housed we ought to know that and quit talking about the other thing.

Since the gentlemen who are so very much perturbed over the possibility of making somebody dissatisfied with the home he has, which, of course, is a piece of political imagination, and nothing else, what we are really trying to do is to get the facts about housing before us. I do not see how else we will ever learn anything about it. We are taking a general census at the present time along the line that the Constitution provides. There is no argument against this, because it happens to be new. I want to point out to you that every time we have taken a census we have added something new to that census not asked for before that we ought to have done, because our growth and development has, of course, compelled us as a matter of intelligence to do that sort of thing.

I doubt whether there is any other thing that ought to so much interest this body as the housing of the people of the United States. I am not able, so far as my ability as a student of economics goes, to tell where I am on anything where I have not the facts. If I get the facts, I am quite as capable of making up my own mind as anybody else. I therefore am not only in favor of this bill, but I appeal to the Members of this House to consider it carefully and pass the bill.

Mr. TAYLOR of Tennessee. I was just wondering. Suppose, peradventure you do find some fellow is ill-housed, what are you going to do about it?

Mr. KELLER. It will depend upon the number, the proportion, and the condition. If you take one instance, of course, I could not legislate on the whole subject of housing on one instance, but I put it back to the gentleman: If one-third of the people are found to be ill-housed I should undoubtedly think that the gentleman himself with his intelligence would try to find some way to remedy that condition.

Mr. TAYLOR of Tennessee. But I understand the President has already determined that one-third of the people are ill-housed.

Mr. KELLER. That is what I want to find out. Which third is it, where do they live, why are they badly housed, and how can we help them to better houses? Nobody knows the answer to all this, and nobody can know until we get the facts and correlate them so we can make sense out of it all.

Mr. SABATH. Mr. Chairman, will the gentleman yield? Mr. KELLER. I yield.

Mr. SABATH. I know it does not apply to my colleague or anyone in the House; nevertheless, it seems to me some people are afraid we may find there is too much housing in certain respects, or that some people have too many houses instead of too few. I know it does not apply to the gentleman from Tennessee.

Mr. MOSER. Mr. Chairman, will the gentleman yield to permit me to reply to the gentleman from Illinois?

Mr. KELLER. I am glad to yield for a question, but not for an argument. The gentleman had his time within which to make his argument.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. KELLER. I yield.

Mr. LEWIS of Colorado. Is it not a fact that the United States is the only civilized nation in the world that has not yet made an official census on housing and housing conditions?

Mr. KELLER. I thank the gentleman for his suggestion. Of all the civilized countries of the world the United States is the only one that does not have adequate and accurate statistics on the housing of its people. Most of the other countries of the world for the past 50 or 60 years have known the housing conditions of their people. They have had all these facts and from them they have profited greatly. We have got to know what our conditions are, we must get similar information to enable us to legislate for our people as they have done for theirs. Our refusal to do so would be a sign of our lack of interest in this vital subject. [Applause.]

Mr. KINZER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, this resolution asks for the expenditure of \$8,000,000 to make a national survey of housing. Who asked for this and what is it for?

Is there any demand for it from the rank and file of our constituents at home? I have not had a single request from anyone in my district for it. Indeed, if any of us, after we return to our homes in a few days, should ask the first hundred people we meet on the streets of any of our cities or towns, whether they wanted this survey, not one of them would know what we were talking about.

The demand for this housing survey comes mostly from those people who are interested in creating new political jobs and furthering paternalistic and socialistic legislation.

Particularly the United States Housing Authority would have an interest in this measure. It seems to me, however, after the crushing defeat this bureaucracy suffered at the hands of Congress yesterday, the consideration of this measure before us should be wholly out of order.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. Not at this point.

Political snoopers are to be sent into every home of the country to find out if it is standard or substandard, in accordance with some preconceived political definition; to find out what electrical equipment, plumbing, and other facilities it may contain. Then after sticking their noses into the home affairs of every family, they are to make a report of their political findings to the housing bureaucracy here in Washington. Here the housing propaganda would then be classified, charted, and statistically arranged into a political sob story to exploit the taxpayers in the name of charity, and believe me, the United States Housing Authority needs a sob story now.

I do not quite agree with the gentleman from Texas [Mr. RAYBURN] when he says next January we will pass these measures more easily, if he includes the United States Housing program. There are some stubborn facts standing in the way for any continuation of that scheme. One, among many others, is that the houses under the program are not being built for real slum dwellers.

Out of 22 tenants renting in the Lake View, Buffalo, N. Y., project, which was 25-percent slum, not one is from the former slum area. In Willert Park, Buffalo, N. Y., of 23 tenants, 2 are from the slum area. One of these has an income of \$600 and the other over \$1,100.

I am sorry the gentleman from Texas [Mr. RAYBURN] is not here because I would like to have him hear what I am saying. I take exception to his intimation that the voters back home will press for the passage of these socialistic measures. In my home town, Marion, Ohio, the United States Housing Authority and the Ohio State Housing Board set off certain areas and designated them as slum areas. The people living in them held mass meetings to save their homes. I read you now a telegram I received from some of the people who led the movement to fight off the United States Housing Authority:

Congratulations on your splendid victory. Thanks for your untiring work and understanding in helping defeat this so-called slum clearance. We are happy in our homes tonight. Thank God there are still enough Americans left to keep them safe. We will be on the alert to help nip future threats in the bud. Our neighbors join in sending thanks and best wishes for your continued good health.

Mind you, this telegram is from the people whom the United States Housing Authority program is so solicitous of helping. This telegram gives you an idea as to what they think about it.

Mr. KELLER. Who signed that?

Mr. SMITH of Ohio. This is signed by Lawrence B. Morse and Mary C. Lawrence, of Marion, Ohio.

Mr. KELLER. Slum dwellers.

Mr. SMITH of Ohio. They live on a street that your U. S. H. A. staked out as a slum area. We have no slums in Marion, Ohio.

Mr. KELLER. If the gentleman-

Mr. SMITH of Ohio. Just a moment. I will answer the gentleman's question. Fifty-five percent of the people on

one of these streets in the area marked off as a slum area own their own homes and have them paid for.

It has been stated here there is no good reason for opposing this measure. It carries an appropriation of \$8,000,000 and we do not have 10 cents to pay for it. We will have to mortgage our children in order to get the \$8,000,000. I wonder if that is not a good reason for opposing this measure?

I repeat the primary purpose of this census is to serve as propaganda for the United States Housing Authority to carry out its socialistic program. I am opposing this measure on that ground, as well as on the ground that we do not have the \$8,000,000 to spend.

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. GEYER].

Mr. GEYER of California. Mr. Chairman, the gentleman from Ohio just told us that there was no demand for this legislation. I would like to read from the report the names of those organizations that have asked for this legislation. They are as follows: Producers Council, American Institute of Architects, Construction League of America, Associated General Contractors of America, National Retail Lumber Dealers Association, National Lumber Manufacturers Association, Portland Cement Association, National Lime Association, Mason Contractors Association, National Sand and Gravel Association, Structural Clay Products Institute, Metal Window Institute, National Association of Master Plumbers, National Paint, Varnish, and Lacquer Association.

These organizations have written the committee, urging that this legislation be enacted. You will notice that these are people who have to do with building material. They are no doubt extremely anxious to know how to plan their business for the future in order that they may employ more people and, naturally, take care of the needs of these people.

Only yesterday I heard a man say that in 2 years from now there will be so many homes in Washington that they will go begging, that they will be a glut upon the market. It would be a splendid thing if we had some way of knowing exactly how many homes are really needed throughout the Nation.

I believe that the request of these building associations and construction companies asking for the pending legislation is an indication, contrary to the statement of my colleague from Ohio, that there is a demand for this type of legislation.

Mr. HOUSTON. Will the gentleman yield?

Mr. GEYER of California. I yield to the gentleman from Kansas.

Mr. HOUSTON. I think the gentleman is absolutely correct that this will be valuable information for the building industry of the country and the Government as well in connection with proposing legislation in the future.

Mr. GEYER of California. Mr. Chairman, I thank the gentleman for his contribution.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. Hawks].

Mr. HAWKS. Mr. Chairman, as a member of this committee, I have the same resentment toward this bill that has my good friend the gentleman from Pennsylvania [Mr. Moser]. There is one thing that has not been brought out in this short debate that I think is very important. If this bill passes, and the Federal Government gets all the information and passes it on to the various trades and industries in the country, I ask the question, Of what value can it possibly be? Nobody has any money to buy any of these luxuries. There is no one in this great one-third that the gentleman from Illinois has always been talking about—the ill-housed, ill-fed, and ill-clothed-who are going to be able to buy griddle irons and the other improvements that are talked about in this bill. I quite agree with the gentleman from Ohio that this census is going to be made on borrowed money. We are going to have to mortgage our children in

the future to make a survey that, in my opinion, will be absolutely useless after it is made.

The gentleman from Illinois further stated that every civilized nation in the world had this information, but I would like to remind him, and I would like to remind the Committee, that every civilized nation in the world, or practically every one of them, today has a dictator. It is this type of information, this type of centralized bureaucracy that we are building up here, that will lead America down the same road that the other civilized nations of the world have been going.

I have received a few letters and telegrams on this particular bill which would indicate that some of the architects and some of the building trades in the country would like to have it, but, as the gentleman from Ohio [Mr. SMITH] stated, I have not had one single letter or telegram from the man on the street—from the fellow who is by far in the majority and who will pay the bill.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Dondero].

Mr. DONDERO. Mr. Chairman, I was somewhat intrigued a few minutes ago by my good friend the gentleman from Texas [Mr. Poage] when he told the House some of the things this country did not know about. I just want to take a minute or two to say a few words about some things we do know about. One of these things is that the people of this country need this \$8,000,000 a whole lot worse than they need this census. That is one thing. [Applause.]

Another thing we know about ourselves is that less than 60 years ago only 1 person out of 652 in this Nation received Federal aid, while today 1 out of every 6 looks to Washington for a pay check. That is another thing we know.

We know that we have a national per capita debt of over \$312 or about \$1,560 for the average family of five.

Another thing we know about is that the tax collector now extends his larcenous hand into the pocket of the wage earner and takes 23 cents out of every dollar he earns for taxes, and that the Government is borrowing 39 cents out of every dollar it expends. That is another thing we know.

Mr. Chairman, I could go on almost ad infinitum and tell the things we know. One of the ideas we ought to leave in the minds of the taxpayers before we go home is that we have a little respect for them. We should vote this bill down and save \$8,000,000 before we go home. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Miss Sumner].

Miss SUMNER of Illinois. Mr. Chairman, this matter came on suddenly, but I wish to express what I believe will be the opinion of the women of this Nation. I believe that women are just going to hate this census, with people coming into their homes and asking them questions; and I will tell you why I think so.

Last year I used a welfare worker from the Government to work on widow's pensions, and the women hated it. They hated the supervision and looking into their cupboards, just as your wives would hate it. But we thought that it was all right since it was the taxpayers' money that was being spent and they were getting something, and it was not bad for them to be penalized that much. In this case, however, as I see it, you have either the businesses—and they do not have any right to make these demands on women—or some remote benefit to the one-third of the Nation, and I question whether for the benefit of one-third of the Nation you have the right to irritate and annoy the rest of the women of this Nation. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield the rest of my time to the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Chairman, we have already agreed to spend about \$45,000,000 to take the 1940 census. This is far more money than Congress has ever appropriated in its history for taking the national census. Now you

come along at the last minute in the last hours of the Congress and say that we ought to spend \$8,000,000 more to provide a little more information. The Government has already spent millions of dollars in every State in the Union to provide practically the same information and more with That information was brought down to date at the first of this year. It was done mostly with funds allotted to the Works Progress Administration. That information is on file with one of our numerous bureaus. Copies are on file in the Library of Congress right now. There is no demand for this information. According to the records, who asked for it? The heads of one or two of the bureaus here in Washington have said we should have this particular census taken. Somebody, I do not know who, decided that this survey was needed. Those on the committee tell us that the only ones who seem to want this survey are those in connection with either the Housing Administration or the Census Bureau. We can save \$8,000,000 this afternoon for the taxpayers of this country if we really had a desire to do so, but no; you do not want to do that. You are going to spend more money than you ever spent before to take a national census; \$45,000,000 is far more than has been spent before for this purpose; and today you are going to add \$8,000,000 to secure the answers to four or five more questions to secure information that is already on file, for whatever it is worth. One Member says we should have this information so the manufacturers of this country may know where the improvements in the homes are the most lacking. That is not necessary. There are plenty of people who would like to have more modern conveniences. They would have them if they could afford them. You do not need a census like this to find that out, and you know it.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. REES of Kansas. I would like to, but I do not have

Mr. KELLER. I am sorry.

Mr. REES of Kansas. I am, too, very, very sorry, because I know the gentleman could add some information on this question; however, he has already spoken.

If you really think the information you are talking about this afternoon is necessary, then cut out some of the other questions that will be asked in taking the census. If you have to have this information in addition to all the information you already have, you can get in that way and save \$8,000,000. Under this bill you are adding almost 20 percent to the cost, and, again, nobody seems to care; they just do not even give a rap.

If I thought the \$8,000,000 were going for some good purpose, I would not complain. You have the information in the first place. In the second place, there is plenty of money in the \$45,000,000 already authorized to pay for it. If I have an opportunity today, I am going to offer an amendment to strike out section 3 of this bill. It is the section that authorizes the additional \$8,000,000. You ought to support it by all means. It is not fair to the taxpayers of this country. Oh, I realize only \$3,000,000 is involved, but that is just the trouble. That is just the way we have done things too many times during this session of Congress. You have added \$1,-000,000 here and \$5,000,000 there and \$10,000,000 there and \$50,000,000 here and there as you go along. You are going to provide \$8,000,000 to furnish some more jobs to some additional enumerators because it will be necessary to ask four or five additional questions of the people of this country. How in the world you are going to sustain your vote on this bill, I cannot understand. If you want to be just a little bit economy-minded, not very much, during the very last days of this session; if you want to save just a little bit of money for the taxpayers, already overburdened and carrying a bigger load than they can possibly carry, here is your chance to do it. Right here let me suggest that if those who are asking for this information really had the interest of the taxpayers at heart, they would not ask for this \$8,000,000. They could have this information without asking for it. You know that.

This is not a political question and it should not be; it ought to be a question as to whether or not you want to save

the people of this country just a little bit of money, and here is your chance to do it. You already have the information from 48 States in the Union. You have spent Government money over and over again, in every city and every hamlet of this country, to get this very information. Then why in the world spend more to do that thing? It is because, it seems, we have one bureau here that does not coordinate with another bureau over there. It has been brought out here that Secretary Wallace is quoted as saying practically this same information is available. Not only that, go over across the street and you will find nearly all of the same information as is being requested under this measure.

Members of the House, let me say again, if I thought for a minute that there was a demand from the people of this country for this money; if I thought it for the best interests for the rank and file of the folks of this Nation that is overburdened with debt this afternoon, I would not be here opposing this bill. Let us be practical for once during the last hours of this session; let us have enough courage to turn this proposition down. We have too many of our people throughout this great country who are in dire need to spend \$8,000,000 in this way.

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, the gentleman who preceded me complains of the amount of money we have appropriated. Day in and day out we hear the same story from the other side, but they will not give to the country the benefits that accrue to the country not only in one section but in every section.

Only this morning, just by chance, I read the following, and this is a sample of many hundreds of other reports:

Gannett Co.-

Personally, I have seen that name before, signed to scores of letters and telegrams, as you no doubt have. How he can find time to run his business and conduct a mass campaign of propaganda against the administration, I do not know.

Gannett Co. and wholly owned subsidiaries, publishers of newspapers in 14 cities in New York, New Jersey, Connecticut, reported for the 6 months ended June 30 net profit, including equity of Gannett Co., in undistributed net profits of controlled companies, of \$645,090.

Mind you, this is only for the 6 months, so in view of the fact that business is improving, very likely the profit in the next 6 months will be much greater.

In all equity, will you not concede that this large profit that has been made by Gannett Co. and by hundreds of other corporations has been made possible only because of legislation enacted by a Democratic administration?

A few days ago I was interviewed by an old publisher who complained of the heavy income tax. I asked him what was his income tax in 1932 and 1933. He said he was not obliged to pay any in those years. I then asked him if he did not have a whole lot more left after paying the income this year than he had in the years of 1932 and 1933, and he was obliged to admit that it was certainly better to pay an income tax than to lose a lot of money as he had done during a Republican administration.

I have questioned other publishers, from time to time, regarding their circulation and profits in 1932 and 1933 as compared with 1936, 1937, and 1938. Hesitating to go into actual figures, they were nevertheless forced to admit that circulation and advertising had increased greatly.

I do know that many publishers were on the verge of bankruptcy in those early years, and now show tremendous profits. In their own interests, therefore, it does seem that they should cease their endless attacks upon an administration that has done so much to aid them.

Of course one reason for the increase in advertising is that many large industrialists prefer to spend ever more than they should for advertising or vote their officials higher salaries rather than to help support the Government through income-tax payments. Then again, advertising liberality

on their part may perhaps have some influence on newspaper editorials, although editors usually deny this. Or so some advertisers hope, when they agree to large-space contracts.

I feel that the money this administration has spent was in a good cause. We have developed our roads, we have built schoolhouses, we have built many institutions and we have built up the greatest Navy in the history of our Nation, so that today our Navy, as was stated by one of the admirals yesterday, is the finest and strongest in the world. We have expended millions for our airplane development. We have expended money, yes; but in a good cause and in the interest of America and in the interest of the American wage earner, so that work can be had, and I feel if it had not been for the reactionary activities on the part of the Republicans, we could have many more hundreds of thousands of people taken off the relief rolls. However, in view of the fact we are going to adjourn today and the Republicans will not be able to harass us or the administration during the next few months, I know that conditions will improve, and I know that when we come back here each and every one of you on that side of the aisle will say, "Well, we did make a mistake, we have erred, we are sorry for it; you have demonstrated that you were right."

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That to provide information concerning the number, character, and geographical distribution of dwelling structures and dwelling units in the United States and concerning the social and economic characteristics of their ownership and use, necessary to aid in the formulation of a national housing program and in the administration of housing legislation, the Director of the Census shall take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1940 in conjunction with the population inquiry of the sixteenth decennial census. Such census of housing shall relate as closely as possible to the day and month provided by law for the population census. The Director of the Census shall be authorized to make such supplementary studies (either in advance of or after the taking of such census) as are necessary to the completion thereof.

With the following committee amendment:

Page 1, line 3, strike out the word "character" and insert "characteristics (including utilities and equipment)."

Mr. DONDERO. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. DONDERO. If the committee amendment is adopted, will it then be in order to offer an amendment to strike out the words "including utilities and equipment"?

The CHAIRMAN. No; the gentleman will have to offer that as an amendment to the committee amendment.

Mr. DONDERO. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Dondero to the committee amendment: Page 1, line 4, after the word "characteristics" strike out "(including utilities and equipment)".

Mr. DONDERO. Mr. Chairman, like the gentleman from Pennsylvania [Mr. Moser], it was my lot to be born and reared in a modest farm home that had none of the utilities contemplated to be investigated and reported upon under the committee amendment to this bill.

If my amendment is adopted, it will save millions of housewives in this country the embarrassment to which our good friend the gentlewoman from Illinois [Miss Sumner] has called attention, that of having a line of agents at the door inquiring whether or not she has a modern curling iron because the agent had been informed by Washington that the one she did have was not modern, while the one proposed to be sold not only would curl hair but take the gray ones out. This is one of the things that my amendment will prevent.

There is not a single thing contemplated to take a census of under this bill as it is now written that the American people would not buy of their own free will and accord if they had the money to do it without taking a census to discover that they do not possess them. If you pass this bill, the

Government will be compelled to borrow \$3,200,000 of the people's money and add that amount to our bonded indebt-edness.

I hope we can adopt this amendment and strike out the needless and endless inquiry that these two words "utilities and equipment" include. This bill means unjustified snooping into every man's home. How far can you go with it? Even the number of water spigots in your homes, whether you have a gas stove or an electric stove, how many light bulbs; have you got a radio, a waffle iron, an electric toaster, an electric bed warmer, and what not, all under the term "utilities and equipment." What is the sense of doing it? I ask you to support this amendment.

Mr. HAWKS. Mr. Chairman, will the gentleman yield? Mr. DONDERO. I yield to the gentleman from Wisconsin. Mr. HAWKS. I would like to ask the gentleman this question: Is it any of their business?

Mr. DONDERO. Well, I have my own opinion about snooping in the homes of the American people. I, like the gentleman from Pennsylvania [Mr. Moser], still think a man's home is his castle. Let us not break down that tradition.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment. I hope the House will understand one or two things that are apparently misunderstood by my good friend from Michigan [Mr. Dondero]. The suggestion was made that if we have a census of the utilities and equipment of the home, that that list will be turned over to the salesman for the radio company or the refrigerator company or the gas cook-stove company—that that list will be turned over and that those companies will be able to learn that at a certain number on a certain street there lives a family that does not have modern bathroom fixtures, and that at a certain number on another street there lives a family that does not own an electrical refrigerator, and that their names and addresses will be turned over to private concerns. If my friend but knew the practice of the Census Bureau and the law of this land, which is not changed by this bill, he would know that that thing has never been done in the history of America and that it cannot be done under the law as it stands today, and that it could not be done if this bill were passed.

Mr. DONDERO. Then why is it that the names of these firms are in here in favor of this bill?

Mr. POAGE. I think it is easy to understand that if a man is engaged in the manufacture of electrical refrigerators, it is worth a great deal to his concern to know that in a certain section of the country there is a wide market for his product, or that my State or the gentleman's State has a certain other average without such equipment, and that a certain section has certain such average. He will then know where the best market is by regions of the Nation, not by individuals. He will know the section of the country in which it would be profitable to engage in that kind of business.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? Mr. POAGE. Oh, let me finish this question. I think it is plain to understand that it is worth a great deal to the industries of the Nation to have some approximate information as to when they might expect to find a market for a certain line of product, how old the equipment is, how widespread the ownership of that equipment is, that they might know how to arrange their factory plans, that they operate reasonably, and that they may know when to expect to make a profit. Unless they have that information they are working in the dark. I call the gentleman's attention to the fact that for many years this very Census Bureau has conducted what is known as a census of manufacturers, and the gentleman gets those reports, some times as many as six or eight of them in one mail, and while they do not mean very much to me, they mean a great deal to concerns in these particular lines of business, and this bill as it now stands allows a census of housing and of the equipment of the houses, and that is one of the most important industries in the entire Nation. I refer to the manufacture and the fabrication of dwelling places for our people, and the equipment that goes therewith, and it is for the purpose of giving to those who are engaged in that business both as artisans and workers and manufacturers the opportunity to know when they might expect to engage in that great business of this Nation that we say we should have this specific information, definite facts and figures, not mere guesses such as we have had from various chambers of commerce.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. In a second. If you emasculate this bill by saying that we are not going to know how many refrigerators or radios the people of this country own, then you deny to a great section of our people the right to know anything about their own business.

The CHAIRMAN. The time of the gentleman from Texas

has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last two words. I wonder if the membership of the House does not realize just like the people in the country do, that every local utility office in the country has all the information with reference to this situation, and every municipally owned utility has all of that information with reference to its locality and that such a proposition as this is just a duplication, and it is perfectly ridiculous for the Government of the United States to be paying out a lot of money to obtain information that is already available. The General Electric Co., the Westinghouse Co., the General Motors all have complete information as to the percentage of different kinds of utility appliances that are owned and operated in all of the houses in every State in the Union, and they are prepared to furnish all that information, and they do furnish it to all of the dealers in the country. Why should we make perfect fools of ourselves and pass legislation that provides for such a foolish thing. I cannot see any reason in the world why the amendment offered by the gentleman from Michigan [Mr. Dondero] should not be adopted. There is no excuse for the proposal brought in here by the committee. There is every excuse for voting for the amendment offered by the gentleman from Michigan, and after that has been adopted, vote down the bill and get rid of this useless, needless, unprofitable, unscientific approach to the problem. No one can go out and take such a census as this and have it accurate without a complete engineering survey of each house. Why, it is perfectly ridiculous to think that ordinary census enumerators can take any survey of that kind that would have the slightest scientific value. The only thing there is to it is the desire of the bureaucrats to expand and to waste the people's money, and we should use our intelligence in approaching the problem rather than being led around by the nose by a group of bureaucrats.

I hope that the committee will adopt the amendment to the committee amendment offered by the gentleman from Michigan, and I hope that after we get through with the whole performance the house will reject the bill.

[Applause.]

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I rise in opposition to the pro forma amendment.

I want to call attention to some of the statements that have been made here that I feel we ought to take into consideration. The first is that this will be a terrible, dreadful, snooping proposition. I do not know whether any of you are old enough to have been present when the census enumerator came around to your house or not. You may all be so young that you have not answered any questions. I am old enough to have answered the questions of the enumerator who came around to my house. I never felt like I was being snooped. I should have felt very bad if I had been neglected and overlooked. The women of my country want very much to get the very best they can out of every 10 years answering some questions, and they do not get fidgety or anxious, and they do not cut up about it, but they welcome all the information they can give. It may be different some place else, but not in southern Illinois nor any place that I know of personally.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. KELLER. Yes.

Miss SUMNER of Illinois. Perhaps the ladies in your district welcome things that most women would not welcome.

Mr. KELLER. That is right. Of course they do. [Laughter.] They would not have welcomed me if they did not. [Laughter.] The same might be true of the gentlemen in the lady's district also. But there is no such thing as snooping. That is just dumb nonsense put forward here by a man who does not know or else does not care.

Next, one of the gentlemen said nobody has any money. Let me answer that. Let me call attention to the fact of what enterprise really does. If you had followed the Rural Electrification Administration extension in this country, you would have found this remarkable fact, that since electricity has been put into the homes of the farmers, 90 percent of them have bought radios and get in touch with the world, and listen to the conversations and discussions going on, and become more and more intelligent through that service. The same will be true, to a great extent, as we hear what ought to be done and what can be done about housing.

Mr. PIERCE of Oregon. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. PIERCE of Oregon. Do they not become more discontented?

Mr. KELLER. Certainly not, but they do become more intelligent and they do not accept foolish statements from Congressmen or anybody else. When their Congressman gets on the wrong side they kick him as he goes by next time. They have a lot more intelligence than they have been having before, as we all do as our opportunity to get in touch with the world of thought increases.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. KELLER. Yes; I yield.

Mr. KEEFE. The gentleman has indicated that he has a very keen appreciation as to just what this bill proposes.

Mr. KELLER. Yes; I have.

Mr. KEEFE. Will the gentleman take time enough to explain to the House just what his interpretation of the word "characteristics" is?

Mr. KELLER. Yes; certainly. Is it a brick house, a wooden house, a mud house, or a log house? Anybody knows that.

Mr. KEEFE. And will the gentleman also explain what is meant by "equipment"?

Mr. KELLER. Yes; certainly. What kind of a stove have you? What kind of heating have you? A lot of things like that. The gentleman knows that as well as I do. He is just kidding me.

Mr. KEEFE. I want to answer you.

Mr. KELLER. There is one thing I want to call to the attention of the young gentleman who stood up here and pointed out that since the countries of Europe have this information all of them have dictators. Now, I confess the gentleman is young, but he ought to know better than that. I do not know of any country that has a dictator except one that probably has full information on this subject, and the young gentleman ought to know that. I hope he will not get up here and make such a misstatement again because it is nonsense. I just want to point out that there is a real question brought up here by the gentleman making the statement that this is purely a question of whether this is a practical, common-sense thing or not. If we need this information, we ought to vote for the bill. If we all know all about it, as the gentleman from New York insists that we do, although he is the only man I have ever heard who does think so, then we do not need it and we should vote against it. If we do not know it, we ought to vote for the bill.

[Here the gavel fell.]

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. DUNN. Mr. Chairman, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. BENDER. I yield.

Mr. DUNN. Mr. Chairman, I ask unanimous consent that all debate on this amendment be concluded in 5 minutes.

Mr. SCHAFER of Wisconsin. Mr. Chairman, reserving the right to object. I would like 5 minutes. I have a very important matter of housing to discuss.

Mr. KEEFE. Mr. Chairman, I would like some time also. Mr. DUNN. Mr. Chairman, I move that all debate on this

amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Pennsylvania moves that all debate on this amendment and all amendments thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The gentleman from Ohio is recognized

Mr. BENDER. Mr. Chairman, I listened with a great deal of interest to the debate on this question from the very beginning. I have not heard one good reason advanced for the taking of this census. I speak as one who has had some experience as a department store manager. I can say to you that the information you seek by this bill is available to any agency desiring this information for the purpose of selling merchandise to the people of this country. No matter what it is, whether it be refrigerators, electric irons, or anything in connection with household goods, or even in connection with some forms of wearing apparel. This information is available and supplied by the manufacturers of the articles in question. The same thing is true in the matter of housing.

Let me remind you that in our cities pretty generally there is a certain percentage of the population that moves every year. Easily between 25 percent and 331/3 percent of our people move from year to year. Even after you have gotten the information concerning a particular family or neighborhood, the family moves out and a new family moves in and the information is of very little value even if you are engaged in a commercial enterprise, and are seeking information regarding that neighborhood.

To spend \$8,000,000 on securing information of this character, you might just as well throw the money out the window, for you would accomplish just as much.

I wish, however, that no partisanship were involved here. I wish that in these matters certain Members would not raise partisan issues. We come here every day with the best of intentions, but in the very beginning of the day before any issue is discussed, the chairman of the Committee on Rules, or some other chairman injects a partisan issue, and immediately we are keyed up to the partisan point of view rather than discussing a proposition in a dispassionate way on its relative merits.

On its merits I say that the amendment offered by the gentleman from Michigan should prevail. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from Michigan [Mr. DONDERO].

The question was taken; and on a division (demanded by Mr. Dondero) there were—ayes 75, noes 88.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

The question was taken, and, the Chair being in doubt, the Committee divided; and there were-ayes 93, noes 63.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 6, after the word "States", strike out the remainder of the line and all of lines 7 and 8 down through the word "legislation", in line 9.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 12, after the word "with", insert "at the same time, and as a part of,"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 2, after the word "census", strike out the remainder of the line down through the word "census", in line 4.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 5, strike out the word "make" and insert in lieu thereof "collect."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 6, strike out the word "studies" and insert the word

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 2. All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929 (46 Stat. 21; U. S. C., Supp. VII, title 13, ch. 4), shall apply to the taking of the census provided for in section 1 of this act.

SEC. 3. For the purpose of carrying out the provisions of this act, there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed \$8,500,000 to cover the estimated cost of such census.

With the following committee amendment:

Page 2. line 17, strike out "\$8,500,000" and insert "\$8,000,000."

The committee amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 2, beginning in line 14, strike out all of section 3.

Mr. REES of Kansas. Mr. Chairman, if the House this afternoon, in the closing hours of this session, wants to save the taxpayers of this country, if it wants to prevent a further deficit of \$8,000,000 in the Federal Treasury, here is your opportunity to do it. If you are really interested in saving the little sum of \$8,000,000 for the people of this country, which is desired to be used for a proposition that nobody has asked for, which nobody has demanded except a bureau down here in Washington, then vote for my amendment.

Mr. Chairman, the information required by this bill is already available if the bureaus care to seek it out. We have already spent millions of dollars of relief money for the purpose of attempting to secure information of this sort. We have already agreed to spend \$45,000,000 to take a census in 1940, millions of dollars more than we have appropriated heretofore for this kind of information. You can get the information if you want it with the \$45,000,000, if you really want to do so. If you want to go ahead and employ a few more job seekers, hire a few more and put them on the Federal pay roll and pay them this \$8,000,000 to secure the information which is not required, then go ahead and spend \$8,000,000 more this afternoon.

Mr. Chairman, it was suggested or inferred this afternoon that I was not in favor of any appropriations by the Federal Government. This is not correct. I have at all times supported appropriations that, in my judgment, were for the good and in the interest of the farmers and laborers of this country. I have supported relief appropriations time after time. I have opposed the extravagant use of taxpayers money of this great Nation of ours. I have opposed measures that to my mind were unnecessary and wasteful. Let me repeat that we forget that after all these expenditures are met and paid for by the laborer, the farmer, and the home owner, as well as the consumer.

Mr. Chairman, the House should support my amendment. You have this information; if you want to get it again you have more money than you have ever had authorized before for that purpose. Why spend \$8,000,000 more that you will have to borrow and then charge to an already over-taxburdened people. Forget politics. Let us strike out the \$8.000.000.

Mr. Chairman, the House should agree to my amendment if the Members want to be fair to their constituents, if they want to be fair to the taxpayers who are already bankrupt. I ask the Members to vote for my amendment in the last hours of the present session.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the Committee will adopt this amendment. If the amendment is adopted, it permits a census to be taken, but it will require the question of the amount of money needed or whether even additional funds would be required to go through the usual proceeding of having a hearing before the Committee on Appropriations.

Mr. POAGE. Mr. Chairman, will the gentleman yield?
Mr. WOODRUM of Virginia. I yield to the gentleman from Texas.

Mr. POAGE. Does not the provision as amended by the committee require the matter to go before the Appropriations Committee? This bill contains an authorization. There would not be any appropriation without going to the

Committee on Appropriations.

Mr. WOODRUM of Virginia. I believe the question of the amount of money should be left to the Appropriations Committee. As I understand the bill, the Senate bill provided for the appropriation.

Mr. MOSER. Mr. Chairman, will the gentleman yield? Mr. WOODRUM of Virginia. I yield to the gentleman from Pennsylvania.

Mr. MOSER. The position taken by the gentleman from Virginia is exactly the position I took in the committee at the time of the hearing. I mentioned specifically, in the absence of testimony to justify an authorization of \$8,000,000 or \$8,500,000, that after the census was taken, if it was taken, under any deficiency bill the gentleman from Virginia or any other member of the Appropriations Committee could take care of it in the next session of Congress, because the money will not be expended until some time during the year 1940.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?
Mr. WOODRUM of Virginia. I yield to the gentleman from Texas.

Mr. RAYBURN. There must be some authorization or the Committee on Appropriations could not bring in a bill. This bill authorizes the appropriation of not to exceed \$8,000,000. The Committee on Appropriations can have a hearing next winter and bring in a provision for whatever it believes is necessary. Like the gentleman, I thought that this was an appropriation until I looked at this bill again and found that it is not. I do not see any reason why the gentleman cannot accede to this authorization, and then he can later have a hearing and determine how much money is needed.

Mr. WOODRUM of Virginia. I will be frank to say that after reading the provision again it does appear that it is just an authorization.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Michigan.

Mr. MAPES. Under the general law creating the Bureau of the Census, would the Committee on Appropriations have authority to provide the necessary appropriation for this work without this section in the bill?

Mr. WOODRUM of Virginia. I doubt if we would for this particular sort of census. I came into the room just as the amendment was being read. Perhaps I did not exactly catch the force of it. As far as I am concerned, I have felt all the time that this census could be taken as a part of the regular census without the necessity of spending a lot of money in addition.

Mr. RAYBURN. If the gentleman will yield, I may say to the gentleman that I also believe it probably could be done as a part of the regular census. When it was provided

that this census would be taken with the other census, after conferring with gentlemen on the other side I said I would call Mr. Austin and if he said he could get along with no additional money or a smaller amount I would come back and so report to the House.

Mr. Austin said that this is an entirely new survey, that every dollar the Congress appropriated to take the general census has been budgeted, and that he does not have one dollar to do this work.

Mr. WOODRUM of Virginia. I was particularly interested to see that some question of the amount of money would be passed upon by the committee and the House.

Mr. RAYBURN. That still will be before the Committee on Appropriations.

[Here the gavel fell.]

Mr. BENDER. Mr. Chairman, I rise in support of the amendment.

Mr. DUNN. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. DUNN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BENDER. Mr. Chairman, I just now sent over to the Library to get information which I knew it had regarding both urban and rural housing in America. I have here a large volume entitled "Financial Survey of Urban Housing, a Civil Works Administration Project." This volume contains a survey and all the information sought to be secured by this measure, in every city and village in the country, cataloged by cities and cataloged by the sort of information you want. In fact, we not only have this data available for the urban centers, but the rural areas as well. In connection with the National Emergency Council, in a report issued in March 1939, there is available through the Department of Agriculture, Bureau of Agricultural Engineering, a survey of rural housing. Reports are available on rural community buildings, farm buildings in the Northeastern, Western, and Southern States, farm-house plans, modernization of existing farm homes, roof coverings, sewage disposal, water supply, plumbing, heating, and other phases of rural farm life.

The Bureau of Home Economics has conducted research in the use of wood in building and construction work. Under the Department of Commerce the National Bureau of Standards tests building materials and structures. Under the Department of Labor the Bureau of Labor Statistics collects and publishes data relative to housing construction and other types of construction in the United States. The Public Health Service in the Treasury Department conducts research in connection with the determination of the basic principles of healthful housing. There are other departments here which have made similar studies. If I had the time I could give you information regarding a most illuminating survey that has been made through the Civil Works Administration and various other agencies of the Government containing all the data and all the information it is desired to secure through this project.

Why in the world is it necessary to ask for a \$3,000,000 appropriation now, when we have spent millions of dollars through the Civil Works Administration as recently as 1934? All the information now desired is available. Through the regular agencies of the Government we have all this data available. I say to you that if ever there was an expenditure that is out of line with what is desired today and the conditions we are facing today, this bill is certainly out of line. The amendment offered by the gentleman from Kansas should be supported. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. Rees].

The question was taken; and, on a division, demanded by Mr. REES of Kansas, there were—ayes 72, noes 108.

So the amendment was rejected.

Treadway

The CHAIRMAN. Under the rule the Committee rises. Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. GAVAGAN, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (S. 2240) to provide for a national census of housing, pursuant to House Resolution 281, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment; if not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill. Mr. KINZER. Mr. Speaker, I demand the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The question was taken; and there were-yeas 192, nays 145, not voting 91, as follows:

[Roll No. 157]

YEAS-192

Allen, La.	Dunn	Kocialkowski	Rayburn
Allen, Pa.	Eberharter	Kramer	Richards
Anderson, Mo.	Ellis	Larrabee	Risk
Arnold	Evans	Lea	Robertson
Barden	Faddis	Leavy	Robinson, Utah
Barry	Fay	Lewis, Colo.	Rogers, Okla.
Beckworth	Ferguson	Ludlow	Romiue
Bell	Flaherty	McAndrews	Ryan
Bland	Flannagan	McArdle	Sabath
Bloom	Ford, Leland M.	McCormack	Sacks
Boland	Ford, Miss.	McGehee	Sandager
Boykin	Garrett	McKeough	Sasscer
Bradley, Pa.	Gathings	McLaughlin	Satterfield
Brooks	Gavagan	McMillan, John L.	
Brown, Ga.	Geyer, Calif.	Maciejewski	Schulte
Buck	Gibbs	Mahon	Schwert
Buckler, Minn.	Gore	Maloney	Scrugham
Burch	Gossett	Marcantonio	Shanley
Burdick	Grant, Ala.	Martin, Colo.	Shannon
Burgin	Griffith	Martin, Ill.	
Byrne, N. Y.	Hare	Merritt	Sheppard
	Hart		Sirovich
Byrns, Tenn.	Harter, Ohio	Mills, Ark. Mills, La.	Smith, Conn.
Cannon, Fla.			Smith, Ill.
Cannon, Mo.	Havenner	Monroney	Smith, Va.
Cartwright	Healey Hendricks	Mouton	Smith, W. Va.
Casey, Mass. Celler		Murdock, Ariz.	Snyder
	Hill	Murdock, Utah	Somers, N. Y.
Chandler	Hinshaw	Myers	South
Claypool	Hobbs	Nelson	Sparkman
Cochran	Houston	Nichols	Starnes, Ala.
Coffee, Wash.	Hunter	Norrell	Steagall
Cole, Md.	Izac	Norton	Sutphin
Colmer	Jacobsen	O'Connor	Tarver
Connery	Jarman	O'Day	Tenerowicz
Cooper	Johnson, Luther A		Terry
Costello	Johnson, Lyndon		Thomas, Tex.
Cox	Johnson, W. Va.	Pace	Thomason
Crosser	Jones, Tex.	Parsons	Tolan
Cullen	Kee	Patrick	Vinson, Ga.
D'Alesandro	Keller	Patton	Voorhis, Calif.
Darden	Kelly	Peterson, Fla.	Wallgren
Delaney	Kennedy, Md.	Peterson, Ga.	Walter
Dempsey	Kennedy, Michael	Pfeifer	Ward
DeRouen	Keogh	Pierce, Oreg.	Warren
Dickstein	Kerr	Poage	Whelchel
Doxey	Kilday	Polk	Whittington
Drewry	Kirwan	Ramspeck	Williams, Mo.
Duncan	Kitchens	Randolph	Wood
		145	E ESTABLISH C

NAYS-145

Alexander	Case, S. Dak,	Fulmer	Heinke
Andersen, H. Carl		Gamble	Hess
Anderson, Calif.	Church	Gartner	Hoffman
Andresen, A. H.	Clason	Gearhart	Норе
Andrews	Clevenger	Gehrmann	Horton
Angell	Cole, N. Y.	Gerlach	Hull
Arends	Crawford	Gifford	Jarrett
Ashbrook	Culkin	Gilchrist	Jenkins, Ohio
Austin	Curtis	Gillie	Jenks, N. H.
Ball	Darrow	Graham	Jensen
Bates, Mass.	Dirksen	Grant, Ind.	Johns
Bender	Disney	Gross	Johnson, Ill.
Blackney	Ditter	Guyer, Kans.	Jones, Ohio
Boehne	Dondero	Gwynne	Kean
Bolles	Dowell	Hall	Keefe
Bolton	Durham	Halleck	Kinzer
Bradley, Mich.	Dworshak	Hancock	Lambertson
Brown, Ohio	Edmiston	Harness	Landis
Bryson	Elston	Harter, N. Y.	LeCompte
Carlson	Engel	Hartley	Lemke
Carter	Fenton	Hawks	Lewis, Ohio

Duce	Mulitay	Deliaiel, Wis.	LICAUWAY	
McDowell	O'Brien	Schiffler	Van Zandt	
McLean	Oliver	Seccombe	Vorys, Ohio	
McLeod	Osmers	Seger	Vreeland	
Maas	Pearson	Shafer, Mich.	West	
Mapes	Pierce, N. Y.	Simpson	Wheat	
Marshall	Pittenger	Smith, Maine	White, Ohio	
Martin, Iowa	Plumley	Smith, Ohio	Wigglesworth	
Martin, Mass.	Reed, Ill.	Springer	Williams, Del.	
Mason	Rees, Kans.	Sumner, Ill.	Winter	
Michener	Rich	Taber	Wolcott	
Miller	Rockefeller	Talle	Wolverton, N. J.	
Monkiewicz	Rodgers, Pa.	Taylor, Tenn.	Youngdahl	
Moser	Rogers, Mass.	Thorkelson		
Mott	Routzohn	Tibbott		
Mundt	Rutherford	Tinkham		
Munus		10.000 (A.C.O.O.O.O.O.O.O.O.O.O.O.O.O.O.O.O.O.O.		
		TING—91		
Allen, Ill.	Curley	Johnson, Ind.	Schaefer, Ill.	
Barnes	Dies	Johnson, Okla.	Secrest	
Barton	Dingell	Kennedy, Martin	Short	
Bates, Ky.	Doughton	Kleberg	Smith, Wash.	
Beam	Douglas	Knutson	Spence	
Boren	Eaton, Calif.	Kunkel	Stearns, N. H.	
Brewster	Eaton, N. J.	Lanham	Stefan	
Buckley, N. Y.	Elliott	Lesinski	Sullivan	
Bulwinkle	Englebright	McGranery	Sumners, Tex.	
Byron	Fernandez	McMillan, Thos. S		
Caldwell	Fish	Magnuson	Taylor, Colo.	
Chapman	Fitzpatrick	Mansfield	Thill	
Clark	Flannery	Massingale	Thomas, N. J.	
Cluett	Folger	May	Vincent, Ky.	
Coffee, Nebr.	Ford, Thomas F.	Mitchell	Wadsworth	
Collins	Fries	O'Neal	Weaver	
Cooley	Green	Patman	Welch	
Corbett	Gregory	Powers	White, Idaho	
	Harrington	Rabaut	Wolfenden, Pa.	
Courtney	Hennings	Rankin	Woodruff, Mich.	
Creal		Reece, Tenn.	Woodrum, Va.	
Crowe	Holmes	Reed, N. Y.	Zimmerman	
Crowther	Hook		Zimmerman	
Cummings	Jeffries	Robsion, Ky.		

Schafer, Wis.

Murray

So the bill passed.

The Clerk announced the following pairs:

On this vote:

Mr. Byron (for) with Mr. Allen of Illinois (against). Mr. Bates of Kentucky (for) with Mr. Robsion of Kentucky

Mr. Bates of Kentuca, (against).

Mr. Hook (for) with Mr. Cluett (against).

Mr. Lesinski (for) with Mr. Thill (against).

Mr. Sullivan (for) with Mr. Woodruff of Michigan (against).

Mr. Schaefer of Illinois (for) with Mr. Powers (against).

Mr. McGranery (for) with Mr. Fish (against).

Mr. Dingell (for) with Mr. Reed of New York (against).

Mr. Buckley of New York (for) with Mr. Eaton of New Jersey (against). Mr. Buckley of New York (167) with Mr. (167) (against).
Mr. Caldwell (for) with Mr. Stearns of New Hampshire (against).
Mr. Fitzpatrick (for) with Mr. Reece of Tennessee (against).
Mr. Hennings (for) with Mr. Knutson (against).
Mr. Weaver (for) with Mr. Wolfenden of Pennsylvania (against).
Mr. Curley (for) with Mr. Douglas (against).
Mr. Mitchell (for) with Mr. Jeffries (against).
Mr. Flannery (for) with Mr. Crowther (against).

General pairs:

General pairs:

Mr. Rankin with Mr. Wadsworth.
Mr. Lanham with Mr. Short.
Mr. Martin J. Kennedy with Mr. Holmes.
Mr. Harrington with Mr. Johnson of Indiana.
Mr. May with Mr. Brewster.
Mr. Woodrum of Virginia with Mr. Stefan.
Mr. Bulwinkle with Mr. Thomas of New Jersey (against).
Mr. Kleberg with Mr. Barton.
Mr. Thomas S. McMillan with Mr. Welch.
Mr. Cooley with Mr. Kunkel.
Mr. Doughton with Mr. Taylor of Tennessee.
Mr. Mansfield with Mr. Englebright.
Mr. Rabaut with Mr. Corbett.
Mr. Gegory with Mr. Eaton of California.
Mr. Crowe with Mr. Coffee of Nebraska.
Mr. Beam with Mr. O'Neal.
Mr. Collins with Mr. Zimmerman.
Mr. Magnuson with Mr. Elliott.
Mr. Banes with Mr. Perman.
Mr. Creal with Mr. Perman.
Mr. Creal with Mr. Fernandez.
Mr. Smith of Washington with Mr. Fries.
Mr. Ciark with Mr. Commings.
Mr. Vincent of Kentucky with Mr. Sweeney.
Mr. Sumners of Texas with Mr. Folger.
Mr. Scerest with Mr. Dies.
Mr. Massingale with Mr. Anderson of Missourl.
Mr. Chapman with Mr. Boren.
Mr. Spence with Mr. Green.

The result of the vote was announced as above recorded. A motion to reconsider the vote by which the bill was passed was laid on the table.

URTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Balridge, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5681. An act to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

The message also announced that the Senate agrees to the amendments of the House to a bill and joint resolution of the Senate of the following titles:

S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes; and

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 2001) entitled "An act for the equalization of letter carriers," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Mc-Kellar, Mr. Hayden, and Mr. Frazier to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4117) entitled "An act to provide for the payment of attorneys' fees from Osage tribal funds," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Thomas of Oklahoma, Mr. WHEELER, and Mr. SHIPSTEAD to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 1164. An act for the relief of Nadine Sanders; and

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad.

THIRD DEFICIENCY APPROPRIATION BILL, 1939

Mr. WOODRUM of Virginia. Mr. Speaker, I present three unanimous-consent requests, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Mr. Woodrum of Virginia asks unanimous consent that, notwith-standing the adjournment of the House, the Clerk be authorized to receive a message from the Senate on the bill H. R. 7462, the third deficiency appropriation bill.

The SPEAKER. Is there objection to the request?

There was no objection.

The SPEAKER. The Clerk will report the next unanimous-consent request.

The Clerk read as follows:

Mr. Woodrum of Virginia asks unanimous consent that the House disagree to the amendments of the Senate to the bill H. R. 7462, the third deficiency appropriation bill, and agree to the conference which may be asked by the Senate, and that the Speaker be author-ized to appoint conferees on said bill, notwithstanding the adjournment of the House today.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The Clerk will report the next unanimous-consent request.

The Clerk read as follows:

Mr. Woodrum of Virginia asks unanimous consent that notwith-standing the provisions of clause 2, rule XXVIII, it shall be in order on tomorrow to consider a conference report upon the bill H. R. 7462.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. I do this in order that the Members may understand what the program is. It is probable that the Senate will pass this bill sometime about 8:30 o'clock tonight, is it not?

Mr. WOODRUM of Virginia. Yes.

Mr. TABER. And it will be impossible to get the amendments of the Senate to the House in such shape that the House conferees could consider them before morning?

Mr. WOODRUM of Virginia. That is correct.

Mr. TABER. And it is the purpose, as soon as possible in the morning, to have the conferees get together and try to come to an agreement in a conference report and bring it in to be disposed of.

Mr. WOODRUM of Virginia. I see no reason why we should not have a conference report for consideration very shortly after convening tomorrow.

Mr. TABER. After 12 o'clock tomorrow?

Mr. WOODRUM of Virginia. Shortly after 12 o'clock.

The SPEAKER. Is there objection?

Mr. PARSONS. Mr. Speaker, I reserve the right to object to ask the gentleman from Virginia if the House expects to accede to the Senate amendment placing the Commodity Credit Corporation item in the bill.

Mr. WOODRUM of Virginia. The gentleman is asking the gentleman from Virginia what the House expects to do. That is a pretty big order.

Mr. PARSONS. I am asking what the House conferees plan to do about that.

Mr. WOODRUM of Virginia. The House conferees plan to go into it carefully and thoroughly and, if possible, to maintain the position of the House.

Mr. PARSONS. Well, Mr. Speaker, if that is the case, I shall be constrained to object.

Mr. TABER. Mr. Speaker, does the gentleman understand what the request is? I suggest that the request be repeated so that the gentleman from Illinois may understand.

Mr. PARSONS. Mr. Speaker, may I ask the gentleman from Virginia if the conferees will bring that subject matter back to the House for a vote upon it?

Mr. WOODRUM of Virginia. The gentleman knows that we have already unanimous consent that the bill shall go to conference. That request has been granted. The request now is merely to permit the conference report to be brought in tomorrow instead of Monday. Is the gentleman intending to object to that?

Mr. PARSONS. I am asking the gentleman a very pertinent question as to whether or not the conferees will bring that item here for the House to vote upon.

Mr. WOODRUM of Virginia. I cannot promise the gentleman to bring that in as a separate item for the House to vote upon, but the gentleman knows the position I took on it, and I shall try to maintain that position as best I can, bearing in mind the fact the bill has to be passed and that Congress should adjourn.

Mr. PARSONS. Mr. Speaker, I withdraw my objection. Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. COCHRAN. The purpose is simply to adjourn tomorrow night instead of Monday night.

Mr. WOODRUM of Virginia. Exactly

Mr. COCHRAN. And that is the purpose of the last request?

Mr. WOODRUM. Yes, sir.

Mr. COCHRAN. The other two requests have already been granted?

Mr. WOODRUM of Virginia. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. In the event the Clerk receives the message tonight, under the unanimous consent agreement, the Chair appoints the following conferees upon the part of the House:

Mr. Taylor of Colorado, Mr. Woodrum of Virginia, Mr. CANNON of Missouri, Mr. Ludlow, Mr. Thomas S. McMillan, Mr. Snyder, Mr. O'Neal, Mr. Johnson of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER.

EXTENSION OF REMARKS

Mr. TERRY. Mr. Speaker, I ask unanimous consent that all Members have until the printing of the final Congres-SIONAL RECORD in which to extend their remarks in the Appendix of the Record and include memorial addresses on those Members who have passed away during the session.

The SPEAKER. The Chair understands the gentleman's request is limited to memorial addresses. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to insert some eulogistic remarks with reference to the late Douglas H. Johnston and also Will Rogers.

The SPEAKER. Is there objection?

There was no objection.

BRIG. GEN. HARLEY B. FERGUSON

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution (S. J. Res. 159), authorizing the appointment of Harley B. Ferguson as a major general, United States Army.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. I object to that, Mr. Speaker.

Mr. WHITTINGTON. Will the gentleman reserve his objection?

Mr. MARTIN of Massachusetts. I do not think it will do any good. We have plenty of other applications ahead.

Mr. WHITTINGTON. Very well. The SPEAKER. Objection is heard.

MATILDA LARNED BOUCK

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6808), for the relief of Matilda Larned Bouck, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows: Page 1, line 6, strike out "\$2,500" and insert "\$1,000."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to. A motion to reconsider was laid on the table.

JACK D. COLLINS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6259) for the relief of Jack D. Collins, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, after "act", insert "Provided further, That claim hereunder shall be filed within 90 days from the approval of this

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

BARNET WARREN-CONFERENCE REPORT

Mr. KENNEDY of Maryland submitted a conference report and statement on the bill (S. 2271) for the relief of Barnet

Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection?

There was no objection.

Mr. KENNEDY of Maryland. I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Without objection, the Clerk will read the statement.

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2271) entitled "An act for the relief of Barnet Warren," having met, after full and free conference, have agreed to recommend and do recom-mend to their respective Houses as follows:

That the House recede from its amendment.

AMBROSE J. KENNEDY, EUGENE J. KEOGH, J. PARNELL THOMAS Managers on the part of the House.

H. H. SCHWARTZ, P. M. BROWN, J. G. TOWNSEND,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2271), for the relief of Barnet Warren, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

This bill, as it passed the Senate, provided for the payment of the sum of \$2,459.34 to the claimant, and the additional sum of \$100 per month in an amount not to exceed \$5,000 in full settlement of all his claims against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck operated at the time by the National Park Service, collided with the claimant, who was riding a bicycle north on United States Highway No. 1 near Ojus, Fla., on March 17, 1939.

The lump-sum payment of \$2,459.34 represents the amount of

expenses involved, and the monthly payments are for his permanent injury and pain and suffering.

The Committee on Claims recommended passage of the bill as it passed the Senate, but an amendment was made on the floor of the House reducing the limit of monthly payments to a total not to exceed \$2,500 instead of \$5,000. The records in the case clearly justify the bill as it passed the Senate and as it was recommended by the Committee on Claims in the House, and the conferees have

> AMBROSE J. KENNEDY, EUGENE J. KEOGH, J. PARNELL THOMAS, Managers on the part of the House.

Mr. KENNEDY of Maryland. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE EMPLOYERS' LIABILITY ACT

Mr. CELLER submitted a conference report and statement on the bill (S. 1708), amending the Employers' Liability Act.

Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the Bill (S. 1708) to amend the Employer's Liability Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recode from the discrepance is the senate recode from the discrepance in the senate recommend to the senate recode from the senate recode from the senate recode from the senate recommend to the senate recode from the senate recommend to the s

That the Senate recede from its disagreement to the amendment

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the House, insert the following:

"That sections 1 and 4 of the Act entitled 'An Act relating to the liability of common carriers by railroad to their employees in certain cases', approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, secs. 51 and 54), be, and they are hereby, amended to read as follows: follows:

"Section 1. That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District

of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other equipment.'

"'Any employee of a carrier, any part of whose duties as such employee shall be the furtherance of interstate or foreign commerce; or shall, in any way directly or closely and substantially, affect such commerce as above set forth shall, for the purposes of this Act, be considered as being employed by such carrier in such

this Act, be considered as being employed by such carrier in such commerce and shall be considered as entitled to the benefits of this Act and of an Act entitled "An Act relating to the liability of common carriers by railroad to their employees in certain cases" (approved April 22, 1908), as the same has been or may hereafter be amended."

"SEC 4. That is considered.

'SEC. 4. That in any action brought against any common carrier under or by virtue of any of the provisions of this Act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employemployee shall not be held to have assumed the risks of his employment in any case where such injury or death resulted in whole or in part from the negligence of any of the officers, agents, or employees of such carrier; and no employee shall be held to have assumed the risks of his employment in any case where the violation by such common carrier of any statute enacted for the safety of employees contributed to the injury or death of such employee. "SEC. 2. That the first sentence of section 6, of the Act entitled 'An Act relating to the liability of common carriers by railroad to their employees in certain cases', approved April 22, 1908 (35 Stat. 65; U. S. C. title 45, sec. 56), be, and it is hereby amended to read as follows:

follows:

'Sec. 6. That no action shall be maintained under this Act unless commenced within three years from the day the cause of action accrued.'

"SEC. 3. That the Act entitled 'An Act relating to the liability of common carriers by railroad to their employees in certain cases', approved April 22, 1908, as amended (U. S. C., title 45, ch. 2), be, and it is hereby, amended by adding an additional section thereto as follows:

thereto as follows:

"'SEC. 10. Any contract, rule, regulation, or device whatsoever, the purpose, intent, or effect of which shall be to prevent employees of any common carrier from furnishing voluntarily information to a person in interest as to the facts incident to the injury or death of any employee, shall be void, and whoever, by threat, intimidation, order, rule, contract, regulation, or device whatsoever, shall attempt to prevent any person from furnishing voluntarily such information to a person in interest, or whoever discharges or otherwise disciplines or attempts to discipline any employee for furnishing voluntarily such information to a person discharges or otherwise disciplines or attempts to discipline any employee for furnishing voluntarily such information to a person in interest, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or imprisoned for not more than 1 year, or by both such fine and imprisonment, for each offense: Provided, That nothing herein contained shall be construed to void any contract, rule, or regulation with respect to any information contained in the files of the carrier, or other privileged or confidential secrets. dential reports.

"'If any provision of this Act is declared unconstitutional or the applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons and circumstances shall not be affected thereby.'"

And the House agree to the same.

EMANUEL CELLER. ARTHUR D. HEALEY, FRANCIS E. WALTER, EARL C. MICHENER, U. S. GUYER,

Managers on the part of the House.
M. M. NEELY, EDWARD R. BURKE, WARREN R. AUSTIN, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 1708) to amend the Employers' Liability Act, submit the following statement in explanation of the effect of the action agreed upon in conference and recommended in the accompanying conference report:

The Senate bill provided that in actions brought under the Employers' Liability Act employees shall not be held to have assumed the risks of their employment where injury or death results in whole or in part from the negligence of the carrier. The House amendment limited this provision to cases where the employees the same of the carrier of the carrier of the carrier.

House amendment limited this provision to cases where the employee had not had actual notice of a negligently maintained condition or practice. The conferees agreed to the provisions of the Senate bill.

The Senate bill contained a provision that no action shall be maintained under the act unless commenced within 2 years from the day the cause of action accrued. The House amendment contained no provision with reference to limitation of time within which suit may be brought. The conferees agreed to a limitation

which suit may be brought. The conferees agreed to a limitation of 3 years.

The Senate bill also contained a provision which made illegal and void any efforts to prevent railroad-company employees from furnishing voluntarily information to a person in interest with reference to the facts incident to the injury or death of any railroad employee. It made it a criminal offense, punishable by a fine of not more than \$1,000, or imprisonment for not more than 1 year, or both, to attempt to coerce an employee to prevent him from furnishing such information or to discipline or discharge him from furnishing such information or to discipline or discharge him

from furnishing such information or to discipline or discharge line for so doing.

While the House amendment did not contain this provision, the House last Congress passed a bill containing such provision, and this session the Judiciary Committee reported to the House a bill, H. R. 4989, containing the same provision with the following proviso: "Provided, That nothing herein contained shall be construed to void any contract, rule, or regulation with respect to any information contained in the files of the carrier, or other privileged or confidential reports."

The conferees agreed to this provision with the proviso above quoted.

The conferees agreed to a Senate provision, not contained in the House amendment, which is intended to broaden the scope of the Employers' Liability Act so as to include within its provi-sions employees of common carriers who, while ordinarily engaged in the transportation of interstate commerce, may be, at the time of injury, temporarily divorced therefrom and engaged in intra-

of injury, temporarily divorced therefrom and engaged in intra-state operations.

The question whether an employee, at the time of his injury, is engaged in interstate or intrastate commerce is frequently difficult of determination. Under the rule laid down by the Supreme Court of the United States, an employee of a railroad company who may be injured must be found to have been engaged, at the time of the infliction of the injury, "in transportation or work so closely related to it as to be practically a part of it" (Shanks v. D., L. & W. R. R.).

EMANUEL CELLER, ARTHUR D. HEALEY, FRANCIS E. WALTER, U. S. GUYER EARL C. MICHENER,
Managers on the part of the House.

Mr. CELLER. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2185) to provide for the appointment of additional district and circuit judges.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MICHENER. The House substitute includes among others an additional district judgeship for New Jersey?

Mr. WALTER. That is correct.

Mr. MICHENER. I do not think there will be any objection if it is the purpose of the committee to offer an amendment to strike out the New Jersey judgeship.

Mr. WALTER. It is the purpose of the committee to permit the gentleman from New Jersey [Mr. HARTLEY] to offer an amendment which will strike from the bill the

New Jersey provision.

Mr. MICHENER. So that everybody will understand, may I say, that if passed this will go to conference, and there is nothing to prevent the conferees from putting New Jersey back in the bill. A vacancy exists amongst the New Jersey judges at the present time and has existed for 13 or 14 months. It has not been filled, yet here we are asked to authorize another judge. As I understand the situation, the trouble is that the Department of Justice cannot find the "right" man, and the difficulty in finding the "right" man is that Senator SMATHERS wants one man, whom he considers the right man, appointed, while Mr. Hague, the political boss, has another man whom he considers the right man. The effect of this provision in the bill is to give them each a judge-two new judges to be appointed. If the President has not filled this vacancy for 14 months, the House certainly is not justified in authorizing another judgeship just to iron out a political squabble.

Unless we can have some assurance that the conferees will insist on keeping the additional New Jersey judgeship out of the bill there certainly will be objection on this side.

I voted to report this bill out because it had the recommendation of the judicial conference. It was shown that they needed an additional judge up there. I did not know that they have had an unfilled vacancy for more than a year. If the Attorney General cannot find the "right" man to fill one vacancy, why make his task more difficult by asking him to find two new judges.

Mr. WALTER. I do not know whether what the gentleman from Michigan has stated is the fact. I do know that the Judicial Conference and the Attorney General of the United States recommended an additional judge, and that every judge in the State of New Jersey recommended this additional judgeship. In addition to that there was submitted to the Committee on the Judiciary recommendations from bar associations together with complaints of the condition of the docket.

Mr. MICHENER. That is true, and for that reason I voted to report the bill out but I did not know at that time that they wanted this additional judge just so Senator Smathers could name a judge and Hague could name one, too. If they have been 14 months without this judge, and the new appointee cannot be confirmed until Congress convenes next January, I do not see the haste in authorizing another judge now. The Judicial Conference will meet in Washington in September and at that time if another judge is needed the Conference will report it, and the Committee on the Judiciary, without any doubt, will unanimously report the bill the Judicial Conference recommends, provided, of course, the present vacancy has been filled. Surely the wheels of justice turn slowly when it comes to selecting judges by the Department of Justice and the President.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HART. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting in the Appendix of the Record an address delivered to the Young Democrats of Virginia by the distinguished chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. DOUGHTON].

The SPEAKER. Without objection it is so ordered. There was no objection.

DISTRIBUTION OF SURPLUS FISHERIES PRODUCTS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5681), to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry, with Senate amendments and concur in the Senate amendments with an amendment which I send to the Clerk's desk.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, after "shellfish", insert "mollusks and."
Page 1, lines 9 and 10, strike out "and similar forms of aquatic life and byproducts thereof)."
Page 2, line 3, after "funds", insert "not to exceed \$1,500,000 per year."

Page 2, after line 9, insert: "Sec. 2. (a) From the fund authorized to be transferred by section 1 hereof, the Secretary of Agriculture is authorized to transfer to the Secretary of Commerce sums as follows to be maintained in a separate fund: \$75,000, which shall be used by the Secretary of Commerce to promote the free flow of the domestically produced fishery products in commerce by conducting a fishery educational service; and \$100,000, which shall be used by the Secretary of Commerce to develop and increase markets for fisheries products of domestic origin."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The Clerk will report the amendments offered by the gentleman from Virginia.

The Clerk read as follows:

Amendments offered by Mr. BLAND: Page 1, line 3, insert after the

word "funds" the following: "not to exceed \$1,500,000 per year", and strike out the same words on page 2, line 3.

Strike out the words "Secretary of Commerce" where they appear in section 2 and insert in lieu thereof "Secretary of the Interior."

The amendments to the Senate amendments were agreed

The Senate amendments as amended were agreed to, and a motion to reconsider was laid on the table.

EVELYN MARY LOCKE

Mr. WALLGREN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1815) for the relief of Evelyn Mary Locke.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. WALLGREN]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of deportation heretofore issued against Evelyn Mary Locke. Hereafter such alien shall be deemed to have been lawfully admitted to the United States for permanent residence on October 12, 1937, at the port of Blaine, Wash

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid

AUTHORIZING SECRETARY OF THE INTERIOR TO EMPLOY ENGINEERS. ETC.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 6379, to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Utah [Mr. Robinson]?

Mr. TABER. Mr. Speaker, reserving the right to object, what is this bill?

Mr. ROBINSON of Utah. Mr. Speaker, I may say this is the bill to which the gentleman from Pennsylvania [Mr. RICH] objected, but he has agreed to two amendments which I have sent to the desk and the bill will be amended in that particular.

The SPEAKER. Is there objection to the request of the gentleman from Utah [Mr. Robinson]?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That section 1 of the act of February 28, 1929 (45 Stat. 1406), authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on im-

employ engineers and economists for consultation purposes on important reclamation work, is hereby amended to read as follows: "That the Secretary of the Interior is authorized, in his judgment and discretion, to employ for consultation purposes on important reclamation work 15 consulting engineers, geologists, appraisers, and economists, at rates of compensation to be fixed by him, but not to exceed \$50 per day for any engineer, geologist, appraiser, or economist so employed: Provided, That the total compensation paid to any engineer, geologist, appraiser, or economist during any fiscal year shall not exceed \$9,000: Provided further. That notwithstanding the provisions of any other act, ther, That notwithstanding the provisions of any other act, retired officers of the Army or Navy may be employed by the Secretary of the Interior as consulting engineers in accordance with the provisions of this act."

Mr. ROBINSON of Utah. Mr. Speaker, I offer two amendments which I send to the Clerk's desk.

The Clerk read as follows:

Amendments offered by Mr. Robinson of Utah: Page 1, line 10, strike out "fifteen" and insert "ten."
Page 2, line 6, strike out "\$9,000" and insert "\$5,000."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

SIGNATURE TO ENROLLED BILLS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent for the immediate consideration of a House concurrent resolution which I send to the desk.

The SPEAKER. The Clerk will report the concurrent resolution offered by the gentleman from Texas.

The Clerk read as follows:

House Concurrent Resolution 35

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Seventy-sixth Congress, the President of the Senate and the Speaker of the House of Representatives be and they are hereby authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly

The SPEAKER. Is there objection?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

OF WATER CONSERVATION A CONSTRUCTION OF AND UTILIZATION

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1802) authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection of the request of the

gentleman from Montana [Mr. O'CONNOR]?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, as I understand it, the amendments which I have shown to the gentleman, and which I intend to offer, are satisfactory to him.

Mr. O'CONNOR. That is correct.
The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to undertake the construction, including acquisition of water rights, rights-of-way, and other interests in land, of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

SEC. 2. Any moneys expended on such construction from appropriations made under the authority of this act shall be repaid to the United States by the water users in not to exceed 40 annual installments. Any labor or materials supplied for such construction by the Work Projects Administration, the Civilian Conservation Corps, or any other Federal agency shall be utilized in such manner as the President may determine, and for such labor and materials the water users shall reimburse the United States in such amounts and on such terms as the President may fix for each

SEC. 3. No moneys may be expended on a project pursuant to the authority of this act unless and until (1) the Secretary of the Interior has found, and has certified to the President, that the project has engineering feasibility and that the moneys to be expended on the project from appropriations made under the authority of this act probably can be repaid by the water users within 40 years; and (2) the President has approved said findings and has determined that labor and materials for the construction of the project should be made available to the Department of the Interior by the Work Projects Administration or a similar Federal agency. project should be made available to the Department of the Interior by the Work Projects Administration or a similar Federal agency, in the amount found by the Secretary of the Interior to make up the difference, if any, between the estimated cost of construction and the amount which can be expended from appropriations made under this act and probably can be repaid by the water users: Provided, That the Secretary of the Interior may accept for the construction of the project such labor or materials as may be offered by any State of political subdivision thereof, State agency, or municipal corporation, and may reduce by the amount thereof the estimated cost of construction to be met by the expenditure of Federal moneys. Federal moneys.

SEC. 4. In undertaking any project pursuant to the authority of this act the Secretary of the Interior, by cooperative agreements with the Department of Agriculture or other Federal agencies or State agencies, may arrange for such cooperation of governmental agencies in the construction or operation and maintenance of the project as he deems desirable.

Sec. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this act, including investigations and surveys of projects proposed under the authority of this act, any sums appropriated to be subject to transfer by the Secretary of the Interior, in such amounts as he deems necessary to executive departments or other Federal agencies pursuant to cooperative agreements entered into under section 4 of this act; and, from such sums appropriated or transferred, expenditures may be made for personal services in the District of LXXXIV.—701

Columbia and may be made for the same purposes and under the same conditions as included in the appropriation acts for the departments, establishments, and other agencies to which sums may be made available by appropriation or transfer.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Interior is hereby authorized to undertake the construction, including acquisition of water rights, rights-of-way, and other interests in land, of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

"Sec. 2. Any moneys expended on such construction from appropriations made under the authority of this act shall be repaid to the United States by the water users in not to exceed 40 annual installments. Any labor or materials supplied for such construction by the Work Projects Administration, the Civilian Conservation Corps, or any other Federal agency shall be utilized in such manner as the President may determine, and for such labor and materials the water users shall reimburse the United States in such amounts and on such terms as the President may fix for in such amounts and on such terms as the President may fix for each project.

each project.

"Sec. 3. No moneys may be expended on a project pursuant to the authority of this act unless and until (1) the Secretary of the Interior has found, and has certified to the President, that the project has engineering feasibility and that the moneys to be expended on the project from appropriations made under the authority of this act probably can be repaid by the water users within 40 years; and (2) the President has approved said findings and has determined that labor and materials for the construction of the project should be made available to the Department of the Interior by the Work Projects Administration or a similar Federal agency, in the amount found by the Secretary of the Interior to make up the difference, if any, between the estimated cost of construction and the amount which can be expended from appropriations made under this act and probably can be repaid by the water users: Provided, That the Secretary of the Interior may accept for the construction of the project such labor or materials as may be offered by any State or political subdivision thereof, State agency, or municipal corporation, and may reduce by the amount agency, or municipal corporation, and may reduce by the amount thereof the estimated cost of construction to be met by the expenditure of Federal moneys.

"SEC. 4. In undertaking any project pursuant to the authority of this act the Secretary of the Interior, by cooperative agreements with the Department of Agriculture or other Federal agencies or State agencies, may arrange for such cooperation of governmental agencies in the construction or operation and maintenance of the project as he deems desirable.

"SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this act, including investigations and surveys of projects proposed under the authority of this act, any sums appropriated to be subject to transfer by the Secretary of the Interior, in such amounts as he deems necessary to executive departments or other Federal agencies pursuant to cooperative agreements entered into under section 4 of this act; and, from such sums appropriated or transferred, expenditures may be made for personal services in the District of Columbia and may be made for the same purposes and under the same conditions as included in the appropriation acts for the departments, establishments, and other agencies to which sums may be made available by appropriation or transfer."

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Case of South Dakota: Strike out all of section 4 and in section 5 strike out the following words: "Any sums appropriated to be subject to transfer by the Secretary of the Interior in such amounts as he deems necessary to executive departments or other Federal agencies pursuant to cooperative agreements entered into under section 4 of this act."

The amendment to the committee amendment was agreed

The committee amendment as amended was agreed to. The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill was laid on the table. A motion to reconsider was laid on the table.

GRANTING PENSIONS AND INCREASE OF PENSIONS TO CERTAIN HELP-LESS AND DEPENDENT CHILDREN OF VETERANS OF THE CIVIL

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6898, granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War, with Senate amendments thereto, and to agree to the Senate amendments.

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The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 26, after line 6, insert:

Page 26, after line 6, insert:

"The name of John Dudley, helpless and dependent child of Seth B. Dudley, late of Company I, Twenty-third Regiment Maine Volunteer Infantry, and pay him a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Velma G. Rose, helpless and dependent child of Daniel D. Rose, late of the United States Signal Corps, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Minnie O. Draper, helpless and dependent child of Alvin L. Draper, late of Troop B, First Regiment Rhode Island Volunteer Cavalry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

Page 26, after line 6, insert:

"The name of Mary E. Farrar, helpless and dependent child of Thomas J. Farrar, late of Company C, First Regiment Kentucky Infantry, and Company C, Fifteenth Regiment Veterans' Reserve Corps, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Roy Joyce, helpless and dependent child of Minos Joyce, late of Company H, Fourteenth Regiment United States Colored Infantry, and pay him a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

Page 26, after line 6, insert:
"The name of Alma Blanche Shipman, helpless and dependent child of Wesley C. Shipman, late of Company F, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the

Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Clarence Edward Shipman, helpless and dependent child of Wesley C. Shipman, late of Company F, Nineteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of William Edward Fugatt, helpless and dependent child of Edward Fugatt, late of Company A, Fourth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of \$20."

Page 26, after line 5, insert:

Page 26, after line 6, insert:

"The name of Katie Glenn, helpless and dependent child of Thomas Glenn, late of Company E, Eighteenth Regiment Kentucky Infantry, and Company B, Twenty-third Regiment Veteran Reserve Corps, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:
"The name of Edward Morgan, helpless and dependent child of
Sylvester Robinson, known as Charles Morgan, late of Company
H, Fourteenth Regiment United States Infantry, and pay him
a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Sam H. Hadley, helpless and dependent child of Edwin Hadley, late of Company C. South Cumberland Battalion, Kentucky State Troops, and pay him a pension at the rate of \$20

Pag 26, after line 6, insert:

"The name of Fieldon Adkins, helpless and dependent child of James P. Adkins, late of Company G, Forty-seventh Regiment Kentucky Infantry, and pay him a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Ann M. Callery, helpless and dependent child of Phillip Callery, late of Company B, Ninth Regiment Connecticut Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Gertrude Claypool, helpless and dependent child of Augustus Lewis Claypool, late of Company H, Sixty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Nora A. Kitchen, helpless and dependent child of William N. Kitchen, late of Company I, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving."

Page 26, after line 6, insert:

"The name of Blanche Walker, helpless and dependent child of William C. Walker, late of Company A, Eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Excella Lague-Leyo, helpless and dependent child of Legal Leyo, alias Joseph Leyo, et al. 18 per late, of Company E. Second

"The name of Excelia Lague-Leyo, helpless and dependent child of Joseph Leyo, alias Joseph LeJane, late of Company E, Second Regiment New Hampshire Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:
"The name of Delta Teachout, helpless and dependent child of Royal B. Teachout, late of Company G, Eleventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:
"The name of William H. Kelly, helpless and dependent child of William Kelly, late of Company I, Twenty-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per month."

Volunteer infantry, and pay min a person per month."

Page 26, after line 6, insert:

"The name of Oscar Hinson, helpless and dependent child of Allen Hinson, late of Company B, One Hundred and Fifty-fourth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Margaret A. Silva, helpless and dependent child of Joseph Silva, late of the United States Navy, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Hattie E. Lamb, helpless and dependent child of John W. Lamb, late of Company C, Forty-ninth Regiment Indiana Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:

"The name of Nora J. Buchanan, helpless and dependent child of Charles H. Buchanan, late of Company K, Fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

of \$20 per month."

Page 26, after line 6, insert:

"The name of Viola L. Buchanan, helpless and dependent child of Charles H. Buchanan, late of Company K. Fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

Page 26, after line 6, insert:
"The name of Amanda M. Evert, helpless and dependent child of Frederick Evert, late of Company E, Twenty-fourth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$20 per month."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Somers]?

There was no objection.

The Senate amendments were concurred in. A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RANDOLPH and Mr. HARNESS asked and were given permission to extend their own remarks in the RECORD.

MARY COHEN BIENVENU

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 72) readmitting Mary Cohen Bienvenu to citizenship.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

Senate Joint Resolution 72

Resolved, etc., That Mary Cohen Bienvenu, a native citizen of the United States, born in Atlanta, Ga., the daughter of John Sanford Cohen, a former Senator of the United States from the State of Georgia, who is alleged to have forfeited her citizenship by marriage with an alien in 1934, be, and she is hereby, on her own application unconditionally readmitted to the character and privileges of a citizen of the United States of America.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. Rees of Kansas, Miss Sumner of Illinois, Mr. Kinzer, and Mr. Dirksen asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. Lambertson, Mr. Murdock of Arizona, and Mr. Voor-HIS of California asked and were given permission to extend their own remarks in the RECORD.

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain articles and editorials regarding the Philippine situation.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial appearing in the Bergen Evening Record.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a radio address delivered by the Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial from the Atlanta Journal.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on the bill (S. 2240) to provide for a national census of housing.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record with reference to the distinguished public career of the late Hon. William F. Kopp, who represented the district I now represent.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an article from the Oregon Daily Journal.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend in the Record the remarks I made today and include therein a few brief extracts from several letters and publications.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein some resolutions passed by the Washington State Grange.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the Record and include therein several editorials and financial reports from the newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. COCHRAN and Mr. CHURCH reserved the right to object.

Mr. COCHRAN. Financial reports on what subject?

Mr. SABATH. On the financial situation and increasing business profits in the United States.

Mr. COCHRAN. To that I have no objection, Mr. Speaker. Mr. CHURCH. I have no objection to that, Mr. Speaker.

Mr. CHURCH. I have no objection to that, Mr. Speaker. Mr. SABATH. Was the gentleman afraid about the report?

Mr. CHURCH. Regular order, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an article from the Tampa Tribune on the industries of Florida.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a letter from the International Cigar Makers Union.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

FAIR LABOR STANDARDS ACT

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Speaker, I desire at this time to discuss the situation which confronts agriculture as a result of the misapplication and misinterpretation of the terms of the Fair Labor Standards Act, generally referred to as the wage-hour law, by the present Administrator. It is pathetic and yet true that so many misstatements have been made and so much misleading propaganda has been disseminated in an attempt to mislead the American public as to the purpose and contents of H. R. 7133. In fact, this propaganda has reached the point that Administrator Elmer F. Andrews and the chairman of the Labor Committee have resorted to name calling and insinuations through various press releases, radio speeches, and committee hearings. In my opinion, neither of them will be very proud of this after the smoke of battle clears away. This procedure has not greatly disturbed those interested in the measure, for it is a fairly well recognized fact that name calling and unpleasant insinuations are usually resorted to where logic and good sound reasoning are not available to support one's stand.

There is no disposition on my part to call anyone names or to question their motives or sincerity. I like to accord everyone the right to stand up for their conscientious convictions, whether I agree with them or not. To do otherwise would be to embrace that despicable monster called intolerance. So without discussing this angle further, I would like to rest my contentions and arguments upon bare, cold, undeniable facts, which, in my opinion, are far more powerful and acceptable to the American people than name calling—a recent exhibition of this has certainly not proven any too ac-

ceptable to the American people.

When the wage-hour law was passed by Congress, it was generally understood that agriculture and agricultural operations were exempted from the operation of the law, and especially those operations which have a direct bearing upon the prices received by the farmers for their products. In order to clearly present this picture, I desire at this point to quote from Public, No. 718, Seventy-fifth Congress, generally referred to as the Wage-Hour Act. I quote from section 3, paragraph F, which is as follows:

Agriculture includes farming in all its branches, and, among other things, includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

I also desire to quote from the maximum-hour provision, section 7 of the existing law, as follows:

No employer shall, except as otherwise provided in this section, employ any of his employees who is engaged in commerce or in the production of goods for commerce—

production of goods for commerce—
(1) for a workweek longer than 44 hours during the first year from the effective date of this section;

(2) for a workweek longer than 42 hours during the second year from such date; or

(3) for a workweek longer than 40 hours after the expiration of the second year from such date, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at

which he is employed.

No employer shall be deemed to have violated subsection (a) by employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed for a period or periods of not more than 14 workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature. In the case of an employer engaged in the first processing of milk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of surer beets sugarprocessing of cottonseed, or in the processing of sugar beets, sugar-beet molasses, sugarcane, or maple sap into sugar, but not refined sugar, or into sirup, the provisions of subsection (a) shall not apply sugar, or into sirup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than 14 workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

It can be clearly seen from the above that the only confusing term used is "within the area of production (as defined by the Administrator)." I also desire to quote from section 13 (a) of the existing law.

The provisions of sections 6 and 7 (which relate to wages and hours respectively) shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce; or (3) any employee employed as a seaman; or (4) any employee of a carrier by air subject to the provisions of title II of the Railway Labor ployee employed as a seaman; or (4) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or (5) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or byproducts thereof; or (6) any employee employed in agriculture; or (7) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (8) any employee employed in connection with the publication of any weekly or semiweekly newspaper with a circulation of less than 3,000 the major part of which circulation is within the county where printed and published; or (9) any employee of a street, suburban, or interurban electric railway, or local trolley or motorbus carrier, not included in other exemptions contained in this section; or (10) to any individual employed within the area of production (as defined by the Administrator) engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

It will be noted that the only confusing term in this section is the same term to which I have called your attention to-Within the area of production as defined by the Administrator.

During the early part of this session of Congress, Mr. Andrews, the Administrator, wrote a letter to the Speaker of the House calling to his attention the necessity for amendments and at the same time submitted printed memorandum to the Labor Committee insisting upon amendments to the Fair Labor Standards Act, wherein he called to the attention of the committee the absolute need for clarification of the term "area of production" and in discussing this situation, and after recounting the various methods of attempting to arrive at a solution he stated the following, and I quote:

This procedure of investigation and redefinition for individual industries will not produce satisfactory results. In each instance it is clear that no amount of care or study can result in a definition of "area of production" which will not create a discriminatory estruction

tion of "area of production" which will not create a discriminatory situation.

The term "area of production" as used in section 7 (c) and section 13 (a) (10) is ambiguous and is subject to a great variety of possible interpretations. The term was used previously in the N. R. A. definition of "agriculture" and was the cause of great administrative difficulties at that time. It has had an even more disturbing history to date under the Fair Labor Standards Act.

The difficulties of arriving at any approximate definition of what constitutes the "general vicinity" or "rural regions" are apparent. All of these considerations lead to the conclusion that any precise.

All of these considerations lead to the conclusion that any precise,

definite, uniformly applicable and at the same time equitable and justifiable definition of "area of production" as used in the act cannot be found. Its elimination or clarification of its meaning by the Congress therefore appears necessary.

Further quoting from Mr. Andrews' statement as follows:

No matter what approach might be used to define this area, material inequities would result.

He then turned his attention to certain contradictory terms used in section 7 (c) and 13 (a) (10) and referred to them as discriminations and with reference to the flexibility of hours he stated the following:

There is no question about this matter as nearly all farm products must be harvested quickly and as soon as harvested must be prepared for market immediately to prevent deterioration or reduced prices.

He stated emphatically that cotton ginning should be exempted without any limit of "area of production." He recommended changes with reference to industrial homework provision of the act in words as follows:

As the act is now written, it is extremely doubtful whether the wage and hour standards which it establishes can be enforced as to industrial homework. Under present practices in industrial homework industries, the Administrator is unable to secure proper records on the wages and hours of homeworkers.

He recommended that salaried employees drawing a monthly salary of \$200 per month be entirely exempted from the provisions, and I quote from him this language:

An amendment to exempt salaried workers who earn more than a stated salary each month will afford the Administrator more time to concentrate on the problem of raising the wages and improving the hours and other conditions of exploited workers.

He very definitely recommended the exemption of small telephone exchanges in the following term, a part of his statement being as follows:

An exemption for small telephone exchanges is necessary in order to insure uninterrupted telephone service for the farmers and for the small rural communities—small rural telephone companies on the whole are unable financially to comply to the wage provisions of the statute.

Further quoting from his statement:

Our figures indicate that the rate of return on the investment is only slightly affected if the exemption is set at 500 stations rather than 250 stations.

He then recommended what was termed a section to take care of "hot goods" which found their way into the hands of innocent purchasers, and upon that I quote from him as follows:

This amendment would provide administrative machinery to avoid hardship to innocent purchasers and would promote the free movement of goods.

He then recommended a section to deal with injunctions and venue. All of these suggested subjects are dealt with in H. R. 7133.

At the conclusion of his statement he estimated and gave figures for each agricultural operation set out in the sections previously quoted to wit: Section 7 (c) and 13 (a) (10), including cotton ginning, poultry, fresh fruits and vegetables, dairying, and so forth, showing a total of 1,037,315 engaged in those operations.

In his letter to the Speaker of the House he stated as follows:

There are approximately 1,000,000 employees who are affected by the exemptions from the maximum-hour requirements of the act in section 7 (c) or from both the wage and hour requirements in section 13 (a) (10).

In Administrator Andrews letter of July 15 to Hon. Mary T. Norton, he showed a total affected under the present act of only 268,000 and yet showed a total affected by H. R. 7133 of 1,129,000, and as time went on he swelled this figure to approximately 2,000,000. When putting his own statement to the committee and to the Speaker of the House, he reported that there were only 1,000,000 engaged in the activities. The figures speak for themselves. H. R. 7133 does not exempt one single employee that Congress did not originally intend to exempt.

The great problem confronting the agricultural areas is not how many Mr. Andrews can take jurisdiction over but who is going to feed those who are thrown out of employment if the act is made to apply to something Congress never intended.

The agricultural people and farmers wonder how they can continue to exist facing an upward trend of cost of living and a downward trend of agricultural commodity prices. The agricultural prices today are less than 89 percent of pre-war prices, while they are paying for supplies and materials purchased 122 percent of pre-war prices.

Is it possible that the Administrator and his corps of young legal lights are more interested in power than they are in prosperity and peace among agricultural people?

The facts, conditions, and circumstances heretofore related caused the Labor Committee to set about in an attempt to clarify the Wage-Hour Act as it related to agriculture.

As a result of that effort the committee reported out H. R. 5435 by a vote of 16 to 2 and I happened to be one of those who voted in the affirmative. This bill did not include everything it should have included but it was better than no bill at all, and may I state here that not one single person representing agriculture was permitted to appear and testify before the committee, even though several requests were made for such privilege.

At the time the bill was reported out the chairman of the committee, Hon. Mary T. Norton, was specifically directed by the committee and I quote "to employ every parliamentary procedure to secure its consideration by the House." The chairman did not request the Rules Committee to grant a rule but decided to ask the Speaker for recognition to place the bill before the House by suspension of rules, which requires a two-thirds vote and does not permit of any amendments. The matter was presented; the House refused to permit the bill to be considered in that manner.

Approximately 2 days after that, Administrator Andrews released to the press his first blast at the Norton bill. It then became very apparent that the chairman would not take any further steps to bring the bill to the floor of the House, and in fact told the committee that she would not take any further steps.

I did not believe that Congress had a right to leave this act in its present form wrapped around the neck of agriculture for another year when the Administrator himself said that it was unfair and incapable of fair administration. He had proven this to be true by issuing his famous "10mile-circle area" rule throughout the country. He had, at that time, agriculture going around in enough circles without creating 10,000 new ones, but this apparently was of little concern to the Administrator or to the chairman of the Labor Committee-either because they did not know and understand agriculture or because they did not care. I prefer to be charitable and assign the first reason, for I quote the gentlewoman from New Jersey, the Honorable Mary T. Norton, in a debate on the floor of the House on May 11, which statement is carried on page 5460 of the RECORD, when she said:

May I say, however, that I have never lived on a farm, so all of these operations on a farm are very difficult for me to understand. All my life has been spent in the city. I am not familiar with farming operations.

And to be equally as charitable to the distinguished Administrator and to illustrate his extensive knowledge and sympathy for agriculture—or should I say lack of?—I quote from his radio speech delivered by him over the National Broadcasting Co. red network on Monday, June 19, 1939, as follows:

When you think of a farm you probably have in mind a man who works 40 or 60 acres by the side of the road. He grows a little wheat and hay and corn and keeps a few cows and raises a few pigs and has an apple orchard and berry patch. He works his farm with the help of his wife and children and occasionally employs a hired man.

Are you surprised, Mr. Speaker, at agriculture, as we know it, being alarmed over its plight? Why he picked out 40

acres and left off the mule and added "he works his farm with the help of his wife and children" is astounding to say the least.

Could it be that Administrator Andrews is willing to see the women of the agricultural areas and children sweating their lives away on crops whose prices are to be further lowered by increased handling charges, which would inevitably mean more poverty, more mortgages, and more discomfort to a people who have fed this Nation far too cheaply?

If Mr. Andrews would be one-half as liberal with his interpretations of the act as it is now written as he has been in finding fault with everyone's proposal to aid agriculture, I am sure the situation would be much more bearable and pleasant. His definition of "area of production" is so absurd, unfair, and impracticable that the agricultural people of this country will not and cannot accept it.

The demand for the relief provided in H. R. 7133 is national in scope. In fact, there is considerable demand from the State of New Jersey, the home of our distinguished chairman of the Labor Committee. I desire to quote from a letter dated July 22, 1939, from Bridgeton, N. J., addressed to me, as follows:

DEAR CONGRESSMAN BARDEN: The Cumberland County Board of Agriculture, an organization representing about 2,000 farmers in Cumberland County, N. J., which is an intensive truck-farming area, is deeply in sympathy with the provisions of your bill H. R. 7133

We are contacting the New Jersey legislators in national legislation, prevailing on them to support you in your attempt to have this law enacted. We believe that your law will relieve many of the hardships now existing in the Fair Labor Standards Act and will also correct many of the illusions and other conditions occurring as a result of the definition on "area of production," as released by Administrator Andrews.

This letter is signed by Newlin B. Watson, secretary to the Cumberland County Board of Agriculture, which, I am informed, consists of a very representative group of agricultural people.

It has been very difficult and at times unpleasant to stand by and see the Administrator abandon some of the amendments contained in my bill H. R. 7133, because certain pressure groups had done him a favor, and embrace other provisions of the bill privately when seeking appropriations for his department, and publicly denouncing the amendments as he did in the case with reference to rural handicraft. To further clarify this the first case mentioned was where he abandoned the white-collar amendment for reasons not acceptable to men accustomed to fighting for a principle. The second instance is in his letter to Chairman Norton. He had this to say with reference to the home-work amendment carried in my bill and exactly the same as the amendment carried in Mrs. Norton's bill. I quote:

The proposed amendment runs contrary to the experience of many years but would actually require a Federal agency to sponsor the transfer of workers from the factory to the home.

And yet before the subappropriation committee when the third deficiency bill was being prepared the following colloquy took place between the gentleman from Georgia, Congressman Tarver, and the Administrator:

Congressman Tarver. That bill (the Norton bill) included a provision vesting in you certain discriminations with regard to rural handicraft?

Mr. Andrews. Yes.

Congressman Tarver. That provision also met with your approval?

Mr. Andrews. Yes; as I stated a few minutes ago, I did not oppose that.

These illustrations, together with hundreds of others of similar character, led me to the very definite conclusion that the Administrator of the wage and hour law should be spoken to or should be given a law to enforce with clear, definite, and unequivocal terms to prevent not only his astounding changes of mind, but to enable those engaged in agriculture to know what the law is and what to expect all the time without having to call the Administrator over long-distance phone every Monday morning to find out what the law will be for that week.

Agriculture is united in its support of H. R. 7133. The exemptions contained therein are not new. They are practically the same exemptions set out in the law previously quoted to me, but they are clearly and definitely set out in no mistakable terms in H. R. 7133. I am constrained to believe and feel that the facts and circumstances will support the assertion that it is the Administrator's intention to absolutely sabotage and destroy the exemptions heretofore granted agriculture by a subterfuge; to-wit, an unreasonable construction of the term "area of production"; hence, his unwillingness to let my bill, H. R. 7133 and H. R. 5435 (the Norton bill), or any other similar bill come to the floor for consideration by Congress.

If the law is as bad as he says it is why should anything cause him to change his mind and want to keep agriculture hamstrung, so to speak. The reason assigned by him, to-wit, that the act would be destroyed, is untenable and highly improper coming from the Administrator, in view of the fact that he is a creature of Congress and Congress consists of Representatives elected directly by the people, and sincerely having their interest at heart.

H. R. 7133 does not affect industrial labor as we have always understood it but the propaganda which has been disseminated by the publicity department of the wage-hour division has been of such a character as to have a tendency to arouse, stir-up, and begin a fight between agriculture and labor, which is certainly not to be desired or encouraged by any American citizens.

Agricultural labor and agriculture in general are entitled to a living wage and a fair return for their labor; so is industrial labor. Upon that question no one would differ with me. I am just as anxious as anyone to see the living conditions, standards, and wages of industrial labor raised, and I entertain the same fond hope for agriculture and agricultural labor, but unfortunately under the present set-up, increase in cost of production, and handling of agricultural commodities covered in H. R. 7133 simply means a further reduction of the already too small return to the farmer. The farmers want to pay good prices and at the same time want some comforts of this life for themselves, their wives, and children; but this they are being denied. Every agricultural commodity shipped to the market goes there with a tag attached-how much will you give me for these vegetables, these hogs, and so forth? But every piece of machinery, cloth, supplies, and material that goes to the farmer goes to him with a tag attached with a fixed price, and he either pays that price or he does not get the goods. For example, hogs are now selling in my district for approximately 51/2 cents per pound; and that is all the farmer gets, whether it cost him 5 cents per pound to produce that hog or 10 cents per pound. Potatoes have just been selling for less than \$1 per hundred pounds, and that was all the farmer received, whether those potatoes cost him \$1 or \$3 to produce them. Every increase in cost in handling charges means that the farmer gets just that much less.

This discussion could very easily go on for hours, and many good reasons not already assigned could be given justifying the passage of H. R. 7133, but neither time nor space will permit. I therefore must conclude by saying that, so far as I have been able to learn, every agricultural organization in the United States is enthusiastically in favor of the passage of this legislation.

Many of those interested in other activities familiar with the terms of the bill regard it as highly desirable, and I regret exceedingly that the chairman of the Rules Committee saw fit to keep in his pocket the rule granted by the Rules Committee until it made it practically impossible to realize the passage of this bill during this session. However, it is my sincere belief that right will prevail and that agriculture will eventually realize the exemptions originally granted by Congress. [Applause.]

COMMODITY CREDIT CORPORATION

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, in regard to the amendment that was defeated yesterday providing funds for the Commodity Credit Corporation, I want to say that today I have received the greatest number of telegrams I have received with respect to any legislation. I have received over 500 telegrams from individuals and also from banks, commercial clubs, and other civic organizations in the State. together with farmers asking for a reconsideration of that measure. I speak of this matter now because it is going to conference and will come up again.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield. Mr. MURRAY. I would like to ask the gentleman if he has received any messages from any dairymen in the United

Mr. BURDICK. I have not dissected the number of farmers that have sent telegrams to know whether they are dairymen or not, but I do not believe the unselfish dairymen of the United States are opposed to this legislation.

[Here the gavel fell.]

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills. reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 777. An act for the relief of Banks Business College: H. R. 875. An act for the relief of Okie May Fegley;

H.R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934:

H. R. 1875. An act for the relief of the Women's Board of Domestic Missions:

H. R. 2452. An act for the relief of George Slade;

H. R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States:

H. R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

H.R. 3104. An act for the relief of Kyle Blair;

H. R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.:

H. R. 3375. An act to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River

Canal at or near Beverly, Ohio;

H.R. 3409. An act to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes;

H.R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4260. An act for the relief of J. Milton Sweney;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 4938. An act to amend the act approved June 26. 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes";

H. R. 4998. An act to amend the Packers and Stockyards Act. 1921;

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce: to require certain standards with respect to certain imported seeds; and for other purposes;

H.R. 5747. An act to authorize the addition of certain lands to the Wenatchee National Forest;

H.R. 6049. An act authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa;

H. R. 6353. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.;

H.R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl;

H. R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes;

H.R. 6479. An act amending section 2857 of the Internal Revenue Code:

H. R. 6546. An act for the relief of Benno von Mayrhauser and Oskar von Mayrhauser;

H. R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes;

H.R. 6614. An act to amend the Government Losses in Shipment Act;

H. R. 6634. An act amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes;

H. R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade;

H.R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U.S. C., 1934 ed., title 33, sec. 763), as amended, apply;

H. R. 6874. An act to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38) and amend sections 4885 and 4934 of the Revised Statutes (U. S. C., title 35, secs. 41 and 78):

H.R. 6878. An act to amend section 4894 of the Revised Statutes (U.S. C., title 35, sec. 37);

H.R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation;

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U.S. C., 1934 ed., title 46, sec. 481);

H. R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464); and

H. J. Res. 283. Joint resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 2. An act authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes;

S. 821. An act for the relief of Charles L. Kee;

S. 882. An act to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes;

S. 1164. An act for the relief of Nadine Sanders;

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938":

S. 1448. An act for the relief of Anna H. Rosa;

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as Assistant to the Surgeon General;

S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the

apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes:

S. 2133. An act authorizing the conveyance of certain lands to the State of Nevada;

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

S. 2427. An act authorizing the naturalization of John Ullmann, Jr.;

S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad;

S. 2893. An act to provide for the local delivery rate on certain first-class mail matter;

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an international exhibition of polar exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation to cover the expenses of such participation; and

S. J. Res. 139. Joint resolution to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 777. An act for the relief of Banks Business College; H.R. 875. An act for the relief of Okie May Fegley;

H. R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake, in Platte County, and Sugar Lake, in Buchanan County, in the State of Missouri, during the month of March 1934;

H.R. 1875. An act for the relief of the Women's Board of Domestic Missions;

H.R. 2452. An act for the relief of George Slade;

H. R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States:

H.R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

H.R. 3104. An act for the relief of Kyle Blair;

H. R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.;

H.R. 3375. An act to authorize M.H. Gildow to construct a free movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio;

H.R. 3409. An act to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes;

H.R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4260. An act for the relief of J. Milton Sweney;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes";

H. R. 4998. An act to amend the Packers and Stockyards

Act, 1921;

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes;

H. R. 5747. An act to authorize the addition of certain lands

to the Wenatchee National Forest;

H. R. 6049. An act authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa;

H. R. 6353. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.:

H.R. 6435. An act to authorize cancelation of deportation

in the case of Louise Wohl;

H. R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes;

H.R. 6479. An act amending section 2857 of the Internal

Revenue Code;

H. R. 6546. An act for the relief of Benno von Mayrhauser

and Oskar von Mayrhauser;

H. R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes;

H.R. 6614. An act to amend the Government Losses in

Shipment Act;

H. R. 6634. An act amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes;

H.R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their

use in coastwise trade;

H. R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 edition, title 33, sec. 763), as amended, apply;

H.R. 6874. An act to repeal section 4897 of the Revised Statutes (U.S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U.S. C., title 35, secs. 41

and 78);

H.R. 6878. An act to amend section 4894 of the Revised Statutes (U.S. C., title 35, sec. 37);

H. R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation;

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934

edition, title 46, sec. 481);

H.R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U.S.C., 1934 edition, title 46, sec. 464); and

H. J. Res. 283. Joint Resolution to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly, at 6 o'clock p. m., the House adjourned until tomorrow, Saturday, August 5, 1939, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1061. Under clause 2 of rule XXVI a letter from the Administrator, Federal Works Agency, transmitting the draft of a proposed bill for the relief of Roy F. Lassly, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. JARMAN: Committee on Printing. House Resolution 288. Resolution authorizing the House Committee on Foreign Affairs to have printed additional copies of the hearings on the "Proposed amendments to the present neutrality law and related legislation affecting the foreign policy of the United States"; (Rept. No. 1454). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. STEAGALL: Committee on Banking and Currency. House Joint Resolution 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; with amendment (Rept. No. 1455). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 285. Resolution providing for expenses in House Resolution 284 (Rept. No. 1456). Committed to the Committee of the Whole House on the state of the Union and ordered

to be printed.

Mr. CHANDLER: Committee on the Judiciary. H. R. 4366. A bill to authorize the payment of additional compensation to special assistants to the Attorney General in the case of United States against Doheny Executors; with an amendment (Rept. No. 1457). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims; without amendment (Rept. No. 1458). Referred to

the House Calendar.

Mr. BURDICK: Committee on Indian Affairs. S. 1036. An act to authorize the purchase of certain lands adjacent to the Turtle Mountain Indian Agency in the State of North Dakota; with ah amendment (Rept. No. 1460). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee of conference. H. R. 6635. A bill to amend the Social Security Act, and for other purposes (Rept. No. 1461). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CELLER: Committee of conference. S. 1708. An act to amend the Employers' Liability Act (Rept. No. 1463). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MASON: Committee on Immigration and Naturalization. S. 1998. An act for the relief of Ernestine Huber Neuheller; without amendment (Rept. No. 1459). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee of conference. S. 2271. An act for the relief of Barnet Warren (Rept. No. 1462). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY of Michigan:

H. R. 7501. A bill to permit the entry into the United States of Canadian-born American Indians who are wives of

citizens of the United States; to the Committee on Immigration and Naturalization.

By Mr. IGLESIAS:

H.R. 7502. A bill to authorize a preliminary examination and survey of certain rivers and their tributaries on the Island of Puerto Rico for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. ROGERS of Oklahoma:

H. R. 7503. A bill appropriating \$96,000,000 to be invested in advertising for the furtherance of prosperity, the economic improvement and the general welfare of the Nation; to the Committee on Appropriations.

By Mr. VOORHIS of California:

H.R. 7504. A bill to control monopoly and to encourage and protect commerce among the States in order to assure continuous economic prosperity and security, increase the national income, and promote adequate and ever-rising standards of living limited only by the productive capacity and natural resources of the Nation; to the Committee on Ways and Means.

By Mr. BOYKIN:

H.R. 7505. A bill to amend the Merchant Marine Act, 1936, as amended, to provide for extending aid to producers of lumber and manufactured timber products; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAWFORD:

H.R. 7506. A bill to amend the Tariff Act of 1930 and tariff rates imposed on imported peppermint oil; to the Committee on Ways and Means.

By Mr. KENNEDY of Maryland:

H. R. 7507. A bill to authorize the Commissioners of the District of Columbia to sell the old Brightwood School to the duly authorized representative of the Church of the Nativity of the District of Columbia; to the Committee on the District of Columbia.

By Mr. LEMKE:

H. R. 7508. A bill to create a Commission directed and authorized to collect or refund all debts or obligations now in default of foreign governments held by the United States of America, any department or agency thereof, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLER:

H. R. 7509. A bill for the relief of the State of Connecticut; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. R. 7510. A bill to provide that State employees employed in connection with programs carried on with the assistance of the Federal Government be selected in accordance with a nonpolitical civil-service plan; to the Committee on the Civil Service.

By Mr. COSTELLO:

H. R. 7521. A bill to protect the financial stability of the Federal Government by limiting interest payments on the public debt and by providing for the liquidation of the outstanding indebtedness of the Government; to the Committee on Ways and Means.

By Mr. LESINSKI:

H.R. 7522 (by request). A bill to equalize the pensions payable to the dependents of veterans of the Regular Establishment with those payable to dependents of veterans of the World War whose death is due to service; to the Committee on Invalid Pensions.

By Mr. PETERSON of Florida:

H.R. 7523. A bill for the payment of full disability compensation to persons who are retired from Government service for disability and who are entitled to veterans' preference; to the Committee on World War Veterans' Legislation.

H. R. 7524. A bill to provide for research into dirigible construction for the purpose of determining the feasibility of using dirigibles for commercial overseas services; to the Committee on Interstate and Foreign Commerce.

H.R. 7525. A bill to amend an act entitled "An act to amend an act entitled 'An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes,' approved August 29, 1935," approved June 24, 1937, known as the Railroad Retirement Act of 1937; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH:

H.R. 7526. A bill imposing a tax on the retail sale of motor-vehicle fuel in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. TINKHAM:

H. J. Res. 380. Joint resolution providing that the United States should maintain a policy of strict neutrality in Asia; to the Committee on Foreign Affairs.

By Mr. PETERSON of Florida:

H. Res. 294. Resolution authorizing and directing the Committee on Merchant Marine and Fisheries to conduct an investigation in the Canal Zone; to the Committee on Rules.

By Mr. AUGUST H. ANDRESEN:

H. Res. 295. Resolution authorizing an investigation by the Committee on Agriculture of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 7511. A bill to provide for the promotion on the emergency officers' retired list of the late Royal C. Johnson; to the Committee on World War Veterans' Legislation.

By Mr. COFFEE of Washington:

H.R. 7512. A bill for the relief of Edmund M. Lawhead; to the Committee on Pensions.

By Mr. GRIFFITH:

H. R. 7513. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Louisiana to determine the claim of Salome D. Sevier, of Baton Rouge, La.; to the Committee on Claims.

By Mr. JOHNSON of Oklahoma:

H. R. 7514. A bill for the relief of W. J. Gastinger and Joseph R. Peller; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 7515. A bill for the relief of Joseph B. Rupinski and Maria Zofia Rupinski; to the Committee on Immigration and Naturalization.

By Mr. LUDLOW:

H. R. 7516. A bill for the relief of Annie Lanagan; to the Committee on Claims.

H. R. 7517. A bill for the relief of Harold H. Wright; to the Committee on Claims.

By Mr. MARCANTONIO:

H. R. 7518. A bill for the relief of Chan Tsork-ying; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Florida:

H. R. 7519. A bill authorizing and directing the Railroad Retirement Board to pay an annuity to Mrs. S. N. Alford, the widow of Samuel Naaman Alford, deceased; to the Committee on Claims.

By Mr. RAYBURN:

H. R. 7520. A bill for the relief of Douglas C. Pyle; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5215. By Mr. CULKIN: Petition of Spencer B. Smith and 15 other residents of Mexico, N. Y., urging enactment of legislation to prohibit advertising of alcoholic beverages in radio and press; to the Committee on Interstate and Foreign Commerce.

5216. Also, petition of Charles P. Wright, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5217. Also, petition of sundry citizens of Watertown, N. Y., to the Secretary of State, protesting against the shipping to Japan either the munitions of war or other commodities convertible into the munitions of war; to the Committee on Foreign Affairs.

5218. Also, petition of Fred Cunningham, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5219. By Mr. GEYER of California: Petition of Florence Thompson, of Los Angeles, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5220. Also, petition of R. L. Dalager, of Los Angeles, Calif., and 125 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects emergency education programs; to the Committee on Appropriations.

5221. Also, petition of Marie L. Kinney, of Los Angeles, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them insofar as it affects the emergency education program; to the Committee on Appropriations.

5222. Also, petition of Joe Casellos, Jr., of Los Angeles, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed, insofar as it affects emergency education programs; to the Committee on Appropriations.

5223. Also, petition of Gustave Albrecht, of Pasadena, Calif., and 15 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed, insofar as it affects the emergency education program; to the Committee on Appropriations.

5224. Also, petition of W. H. Dickinson, of Pasadena, Calif., and 20 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education program; to the Committee on Appropriations.

5225. Also, petition of Marcus Z. Lytle, of Glendale, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5226. Also, petition of Grace Lovejoy, of Burbank, Calif., and 250 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5226½. Also, petition of Eva Jernigan, of Glendale, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5227. Also, petition of Sidney J. Fraser, of Los Angeles, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5228. Also, petition of Ralph Lovejoy, of Burbank, Calif., and 100 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief

bill, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5229. Also, petition of Juanita A. Cummings, of Los Angeles, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education program; to the Committee on Appropriations.

5230. Also, petition of A. N. Sandover, of Azusa, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against, insofar as it affects the emergency education program; to the Committee on Appropriations.

5231. Also, petition of Sarah E. Nims, of Los Angeles, Calif., and 50 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against the liberal provisions of the relief bill, insofar as it affects the emergency education program; to the Committee on Appropriations.

5232. Also, petition of Helen B. Paulsen, of Los Angeles, Calif., and 25 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education program; to the Committee on Appropriations.

5233. Also, petition of Theodore W. Shafer, of Los Angeles, Calif., and 50 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency educational programs; to the Committee on Appropriations.

5234. Also, petition of Louis Kaminsky, of Los Angeles, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who voted against those provisions, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5235. Also, petition of Margaret A. Martin, of Los Angeles, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5236. Also, petition of Zetta Bricker, of Los Angeles, Calif., and 75 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education programs; to the Committee on Appropriations.

5237. Also, petition of Florance Venice, of Hollywood, Calif., and 125 others, commending those Congressmen who voted for the liberal provisions of the relief bill and condemning those who opposed them, insofar as it affects the emergency education programs; to the Committee on Appropriations.

*5238. By Mr. HAVENNER: Petition of several thousand residents of San Francisco, to amend the Federal Emergency Relief Act of 1939; to the Committee on Appropriations.

5239. By Mr. HILL: Petition of 266 citizens of Prosser and Pasco, Wash., respectfully urging the Seventy-sixth Congress to enact House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5240. By Mr. HINSHAW: Petition containing the signatures of many residents of Los Angeles, urging the Congress to consider changes in the Wagner Labor Act; to the Committee on Labor.

5241. By Mr. LYNDON B. JOHNSON: Petition of Paul Mikulin, of Dime Box, Tex., and 118 others, favoring enactment of House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5242. By Mr. MICHAEL J. KENNEDY: Petition of the Filipino Nationals' Council of New York, urging enactment of House bill 7239; to the Committee on Immigration and Naturalization.

5243. Also, petition of the Amalgamated Clothing Workers of America, representing 6,000 workers, opposing all proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5244. Also, petition of J. Corrado, president, Shirt Cutters and Shipping Clerks Union, opposing proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5245. Also, petition of Alex Cohen, manager, New York Joint Board Shirt Makers Union, opposing all proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5246. Also, petition of the New York State Industrial Union Council, of New York City, representing 700,000, unanimously endorsing House bill 2888; to the Committee on Banking and Currency.

5247. Also, petition of H. Schwartz, president, Shirt Makers' Union, opposing proposed amendments to the Wage and Hour Act; to the Committee on Labor.

5248. Also, petition of the Cleaners and Dyers' Union, Local No. 239, A. C. W. of A., urging defeat of all proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5249. Also, petition of the Laundry Workers' Joint Board of Greater New York, representing 30,000 members, opposing all proposed amendments to Fair Labor Standards Act; to the Committee on Labor.

5250. Also, petition of 109 Works Progress Administration teachers of Commerce High School, protesting against the Woodrum Act, and urging enactment of pending amendments thereto; to the Committee on Appropriations.

5251. Also, petition of Clark Perry, chairman, legislative committee, Plumbers' Union No. 463, representing 2,500 members, urging immediate enactment of Wagner-Steagall housing bill; to the Committee on Labor.

5252. Petition of Ichabod T. Williams & Sons, protesting against the provisions of the Barden bill (H. R. 7133); to the Committee on Labor.

5253. By Mr. KEOGH: Petition of the New York State Industrial Union Council, New York City, concerning House bill 2888; to the Committee on Banking and Currency.

5254. Also, petition of Alex Cohen, manager, New York Joint Board Shirt Makers Union, New York City, concerning proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5255. Also, petition of H. Schwartz, president, Shirt Makers Union, New York City, concerning proposed amendments to the wage and hour law; to the Committee on Labor.

5256. Also petition of the Cleaners and Dyers Union, Local 239, A. C. W. of A., New York, concerning proposed amendments to the Fair Labor Standards Act; to the Committee on Labor

5257. Also, petition of J. Corrado, president, Shirt Cutters and Shipping Clerks Union, New York City, concerning proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5258. Also, petition of the Amalgamated Clothing Workers of America, Washable Clothing, Sportswear and Novelty Workers Local 169, New York City, concerning proposed amendments to the Fair Labor Standards Act; to the Committee on Labor.

5259. By Mr. LARRABEE: Petition of A. F. R. Hostetler, W. B. Adams, and 29 others, of Anderson, Ind., memorializing Congress to enact House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5260. By Mr. MICHENER: Petition of William H. Wait and numerous other Work Projects Administration workers, of Jackson, Mich., urging adequate appropriations for Michigan Work Projects Administration projects to relieve growing unemployment in the State; cancelation of the enforced 30-day lay-off for Work Projects Administration workers who have been employed 18 months; cancelation of provision requiring local communities to raise 25 percent of the cost of future Work Projects Administration projects; and reinstatement of the prevailing wage scale on all Work Projects Administration projects; to the Committee on Appropriations.

5261. By Mr. MOTT: Petition signed by R. H. Lewis and 14 other citizens of the State of Oregon, urging the enact-

ment of House bill 11, the improved General Welfare Act, as perfected by the House bill 5620; to the Committee on Ways and Means.

5262. Also, House Joint Memorial No. 8 of the Legislature of the State of Oregon, memorializing the Congress of the United States to act quickly in the consideration and enactment of proper legislation which will tend to ameliorate the existing crisis in the railroad industry and contribute to the solution of the national railroad problem; to the Committee on Interstate and Foreign Commerce.

5263. By Mr. PATMAN: Petition of H. S. Rorie and 375 other farmers of Delta County, Tex., favoring House bill 193, providing for the payment of the 1935–36 cotton certificates; to the Committee on Agriculture.

5264. By Mr. POAGE: Petition of L. J. Robertson and 30 other cities, of Waco, Tex., urging enactment of House bill 5620; to the Committee on Ways and Means.

5265. Also, petition of C. B. Thomas and 23 other citizens of Waco, Tex., urging enactment of House bill 5620; to the Committee on Ways and Means.

5266. By Mr. PFEIFER: Petition of Alex Cohen, manager, New York Joint Board Shirt Makers Union, New York City, concerning the Fair Labor Standards Act; to the Committee on Labor.

5267. Also, petition of J. Corrado, president, Shirt Cutters and Shipping Clerks Union, New York City, concerning the Fair Labor Standards Act; to the Committee on Labor.

5268. Also, petition of H. Schwartz, president, Shirt Makers Union, New York, concerning the wage and hour law; to the Committee on Labor.

5269. Also, petition of the Cleaners and Dyers Lccal 239, A. C. W. of A., New York City, concerning the Fair Labor Standards Act; to the Committee on Labor.

5270. Also, petition of the Greater New York Joint Board, Textile Workers Union of America, New York City, concerning proposed amendments to the wage and hour law; to the Committee on Labor.

5271. Also, petition of the Amalgamated Clothing Workers of America, New York City, concerning the Fair Labor Standards Act; to the Committee on Labor.

5272. Also, petition of Cary D. Waters, president, Brooklyn Chamber of Commerce, Brooklyn, N. Y., urging enactment of House bill 6635; to the Committee on Ways and Means.

5273. Also, petition of the New York State Industrial Union Council, New York City, concerning House bill 2888; to the Committee on Banking and Currency.

5274. By Mr. SANDAGER: Memorial of the Board of Aldermen, Newport, R. I., opposing the removal of the U. S. S. Constellation from Newport, R. I.; to the Committee on Naval Affairs.

5275. By Mr. SECCOMBE: Petition of Mrs. F. O. Todd and members of the Alliance Garden Club, of Alliance, Ohio, urging the Ways and Means Committee to make permanent the earmarking of the excise tax on sporting arms and ammunition for the purpose set forth in the Pittman-Robertson Act instead of limiting it to 2 years; also urging the enactment of the Mundt bill (H. R. 6723) regarding stream pollution, and opposing the Barkley bill for the same purpose; and urging the enactment of House bill 6321; to the Committee on Rivers and Harbors.

5276. By Mr. THOMASON: Petition of sundry residents of El Paso, Tex., requesting the Seventy-sixth Congress to enact the improved General Welfare Act (H. R. 5620); to the Committee on Ways and Means.

5277. Mr. THOMAS of Texas: Petitions of J. E. Adams, president, Truck Drivers and Helpers, Local Union No. 367; C. M. Baker, business agent, Local No. 4, Boiler-makers; James R. Connell; G. W. Brown; R. B. Crawford, secretary and treasurer, Local No. 367, Truck Drivers and Helpers Local Union; L. A. Galloway, president, Millmen, Local No. 724; R. H. Jett; Rene W. Schroeder, secretary, Sheetmetal Workers, Local No. 54; May E. Morgan; C. P. Robertson; C. F. Davis; G. C. Fairfield; Wm. H. Geibig; Earl Williams, business representative, Furniture Workers Federal Labor Union No. 19766; Elizabeth White; Leslie Spangler;

Ralph C. Leader; Hy. Meineke, all of Houston, Tex., in behalf of House bill 5620, the proposed General Welfare Act;

to the Committee on Ways and Means.

5278. By Mr. WIGGLESWORTH: Petition of the Senate of the Commonwealth of Massachusetts, favoring the presentation to Eire of a statue of Commodore John Barry, "The Father of the United States Navy"; to the Committee on the Library.

SENATE

SATURDAY, AUGUST 5, 1939

(Legislative day of Wednesday, August 2, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O gracious Father, we humbly beseech Thee for the United States of America; that Thou wouldst be pleased to prosper it with all truth, in all peace. Where it is corrupt, purify it; where it is in error, direct it; where in anything it is amiss, reform it. Where it is right, establish it; where it is in want, provide for it; where it is divided, reunite it; for the sake of Him who died and rose again, even Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, August 4, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lodge	Shipstead
Andrews	Downey	Lucas	Smith
Ashurst	Ellender	Lundeen	Stewart
Austin	George	McCarran	Taft
Bailey	Gerry	McKellar	Thomas, Okla.
Bankhead	Gibson	Mead	Thomas, Utah
Barkley	Guffey	Miller	Townsend
Borah	Gurney	Minton	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Nye	Vandenberg
Byrd	Hatch	O'Mahoney	Van Nuvs
Byrnes	Havden	Pepper	Wagner
Capper	Herring	Pittman	Walsh
Chavez	Johnson, Calif.	Radcliffe	Wheeler
Clark, Idaho	Johnson, Colo.	Russell	White
Clark, Mo.	King	Schwartz	25707384
Connally	La Follette	Schwellenbach	
Danaher	Lee	Sheppard	

Mr. MINTON. I announce that the Senator from Ohio [Mr. Donahey], the Senator from Virginia [Mr. Glass], the Senator from Kentucky [Mr. Logan], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. Reynolds] are unavoidably detained.

The Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Michigan [Mr. Brown], the Senator from Arkansas [Mrs. Caraway], the Senator from Iowa [Mr. Gillette], the Senator from Rhode Island [Mr. Green], the Senator from Pennsylvania [Mr. Guffey], the Senator from Alabama [Mr. Hill], the Senator from West Virginia [Mr. Holt], the Senator from Delaware [Mr. Hughes], the Senator from Connecticut [Mr. Maloney], the Senator from West Virginia [Mr. Neely], the Senator from Illinois [Mr. Slattery], and the Senator from New Jersey [Mr. Smathers] are absent on important public business.

The VICE PRESIDENT. Sixty-nine Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one

of his secretaries, who also announced that the President had approved and signed the following acts:

On August 3, 1939:

S. 2065. An act to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes; and

S. 2666. An act providing for the exchange of certain park lands at the northern boundary of Piney Branch Parkway, near Argyle Terrace, for other lands more suitable for the use and development of Piney Branch Parkway.

On August 4, 1939:

S. 281. An act to amend further the Civil Service Retirement Act, approved May 29, 1930;

S. 522. An act to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 75 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes;

S. 1722. An act for the relief of Hannis Hoven;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death; and

S. 1882. An act for the relief of Thomas A. Ross.

TAX EXEMPTION—AMERICAN FRIENDS SERVICE COMMITTEE—VETO MESSAGE (S. DOC. NO. 127)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the District of Columbia and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, S. 2139, an act "To exempt from taxation certain property of the American Friends Service Committee, a nonprofit corporation, organized under the laws of Pensylvania for religious, educational, and social-service purposes."

The purpose of the bill is to exempt from taxation the property situated in square 153, in the District of Columbia, described as lot 804, being 1708 New Hampshire Avenue Northwest, which property is used as a residence for students attending educational institutions in the District of Columbia.

In recommending disapproval of the bill, the President of the Board of Commissioners raises a number of fundamental objections. The basic theory upon which exemption from taxation is granted certain institutions is that the exempted institutions perform work which might otherwise have to be carried on by the Government at the expense of the taxpayers and conversely that the exemption of such institutions contributes to the continuance of their work, thereby materially lessening the burden upon the taxpayer. In the instant case, the exemption of this property from taxation would increase the tax burden on other residents of the District of Columbia, since the use of the premises as living quarters for students of different nationalities, 50 percent of whom are reported as Americans, does not in any sense relieve the local government of any definable public burden. As a matter of fact, such exemption would unfairly discriminate against and create a precedent for similar demands from numerous other university organizations, fraternal and otherwise, which provide living quarters for students in the District of Columbia.

I concur in the objections and adverse recommendation of the Board of Commissioners and am, therefore, withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 4, 1939.

PAYMENT TO SAN CARLOS APACHE INDIANS—VETO MESSAGE (S. DOC. NO. 128)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and with the accompanying bill, referred to the Committee on Indian Affairs and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 18, a bill "Authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry."

The bill provides, by a declaration to that effect, for the payment to the San Carlos Apache Indians of \$33,725 for 232,320 acres of land. It would appear, however, that this represents in reality a payment at \$1.25 per acre, for such ceded lands as have been included in homesteads, national forests, power sites, public water reserves, and State of Arizona school land grant, lien or indemnity selections, an area much smaller than that named in the bill.

The bill further provides that, after payment for the lands that have been included in homesteads, and so forth, the remaining acreage of ceded lands shall be reopened to location and entry under the public-land and mineral-entry laws of the United States. While I would not favor legislation that would provide for the payment to the Indians of \$1.25 per acre for this remaining acreage, I would favor its restoration to the Indians. The provision of the pending bill reopening these lands to public entry, and thus depriving the Indians of the future use of the lands and even of their present receipts from such lands, appears to me definitely objectionable.

It seems to me that this legislation is also objectionable because of its specific description of a payment for a total of 232,320 acres of land when it is apparent that the amount provided in the bill represents payment for a very much smaller acreage.

In these circumstances, I feel that this matter should receive the further consideration of Congress, and that I would not, therefore, be justified in approving the present bill.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 5, 1939.

INTERLOCKING BANK DIRECTORATES—VETO MESSAGE (S. DOC. NO. 126)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and with the accompanying bill, referred to the Committee on Banking and Currency and ordered to be printed:

To the Senate:

I return herewith, without my approval, Senate bill 2150, "An act to amend section 8 of the act entitled 'An act to supplement laws against unlawful restraints and monopolies, and for other purposes,' particularly with reference to interlocking bank directorates, known as the Clayton Act." If it was in the public interest in 1935 for the Congress to decide to terminate these relationships, it is in the public interest to terminate them now. Affected banks and affected directorates have had over 4 years to make adjustments. That would seem to be a liberal time.

If the Congress wishes to reverse itself and allow interlocking directorships in the future, it can, of course, do so. But I do not think that the Congress should nullify its policy, declared in 1935, by extending interlocking directorships for another 4 years on top of the 4 years' extension which has already been given.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 5, 1939.

CELEBRATION OF ANNIVERSARY OF WRITING OF THE STAR-SPANGLED BANNER (S. DOC. NO. 129)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the Commission for Participation in the Celebration of the Anniversary of the writing of The Star-Spangled Banner, amounting to \$5,000, fiscal year 1940, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ANNIVERSARY OF FIRST SESSION OF THE SUPREME COURT OF THE UNITED STATES

The VICE PRESIDENT, under the terms of House Concurrent Resolution 33, agreed to subsequently today, appointed the Senator from Arizona [Mr. Ashurst], the Senator from Nevada [Mr. Pittman], the Senator from New Mexico [Mr. Hatch], the Senator from Idaho [Mr. Borah], and the Senator from Vermont [Mr. Austin], members, on the part of the Senate, of a joint committee to make plans and suitable arrangements for fitting and proper exercises, to be held on February 1, 1940, in commemoration of the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States.

AUTHORITY TO SIGN ENROLLED BILLS, ETC., AFTER FINAL ADJOURN-MENT

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 35, which was read, as follows:

House Concurrent Resolution 35

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding the adjournment of the first session of the Seventy-sixth Congress, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly enrolled.

Mr. BARKLEY. I ask for the present consideration and adoption of the resolution.

The concurrent resolution was considered and agreed to.

NATIONAL ADVISORY HEALTH COUNCIL

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1540) to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government, which were, on page 1, lines 9 and 10, to strike out "Secretary of the Treasury" and insert "Federal Security Administrator", and on page 2, lines 6 and 7, to strike out "Secretary of the Treasury" and insert "Federal Security Administrator."

Mr. BAILEY. I move that the Senate concur in the amendments of the House. The amendments are wholly clerical in character.

The motion was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Senate of the State of Massachusetts, which was referred to the Committee on the Library:

Resolutions memorializing Congress in favor of the presentation to Eire of a statue of Commodore John Barry, "the father of the United States Navy"

Whereas there is pending in the Congress of the United States a bill providing for the presentation to Eire of a statue of Commodore John Barry, known as the father of the United States Navy: Therefore be it

Resolved, That the Senate of the Commonwealth of Massachusetts records itself in favor of said bill and respectfully urges the Congress of the United States to enact the same into law; and be it further

Resolved, That the secretary of the Commonwealth send a copy of these resolutions to the presiding officers of both branches of the Congress and to each Member thereof from this Commonwealth.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Public Lands and Surveys:

Assembly Joint Resolution 132

Joint resolution memorializing the Congress of the United States to convey to the State of Wisconsin certain federally owned property at Tomah

Whereas the Federal Government owns a tract of land containing about 360 acres at Tomah, Wis., with certain buildings thereon, which the Federal Government heretofore has used for an Indian school: and

Whereas all of this property, excepting the hospital, has been

Whereas all of this property, excepting the hospital, has been idle for the past 4 years; and
Whereas this property with the buildings thereon, including the hospital, could be used by this State for veteran activities or for other important State purposes; and
Whereas it is considered that the Federal Government would be willing to convey this property to the State of Wisconsin rather than permit it to lie idle and deteriorate: Now, therefore, be it
Resolved by the assembly (the senate concurring), That the Wisconsin Legislature respectfully memorializes the Congress of the United States to convey to the State of Wisconsin the federally owned property at Tomah, including all buildings thereon, which owned property at Tomah, including all buildings thereon, which heretofore has been used as an Indian school; be it further Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress and to each Wisconsin Member

thereof.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Alaska, which was referred to the Committee on Public Lands and Surveys:

Senate Joint Memorial 16

To the Honorable President of the United States, the Speaker of the House of Representatives, President of the Senate of the United States, and the Honorable Anthony J. Dimond, Delegate from Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in

fourteenth regular session assembled, respectively represents:

Whereas the Federal Government officials are again advocating the setting aside of Admiralty Island, off the coast of Alaska, as a national park reserve; and

Whereas there is no need or demand on the part of the people of Alaska or other parts of the United States for such reservation;

Whereas the national-park reservations in the Territory of Alaska have not been administered to the best interests of the people of

have not been administered to the best interests of the people of the Territory and the United States; and

Whereas in national parks already existing in the Territory predatory animals have been allowed to increase and scatter to other parts of the Territory and to maraud to the great destruction of other game and fur-bearing wildlife, both within and without the national parks; and

Whereas it is a matter of record that residents and settlers who have been brought within the bounds of national-park reservations in Alaska in the past have been persecuted and harassed by Park Service officials for the purpose of forcing them to move out of such boundaries: Now, therefore—

Your memorialist strongly urges that Admiralty Island, off the coast of Alaska, do not be made a national-park reservation and that there be no other national-park reservations made in the Territory of Alaska on the grounds that they have proven detrimental to the best interests of the Territory and the United States.

And your memorialist will ever pray.

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a petition from J. W. Stockton, Rensselaer, Ind., praying for reconsideration of the loan program in the interest of farmers, which was ordered to lie on the

He also laid before the Senate a telegram in the nature of a petition from Fairbanks (Alaska) Mine Workers Union, Local No. 444, praying for inclusion of the W. P. A. amendments in a pending appropriation measure, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from Iron Workers Local No. 172, Columbus. Ohio, praying for inclusion in a pending appropriation measure of a prevailing wage-scale provision for workers under the W. P. A., which was ordered to lie on the table.

PENSIONS TO DISABLED WORLD WAR VETERANS

Mr. AUSTIN presented a resolution adopted by the convention of the American Legion, Department of Vermont, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas there are a great number of World War veterans throughout the country who are totally and permanently disabled for gainful employment through various causes and who still are ineligible for the \$30-per-month non-service-connected pension by reason of the stringent regulations covering physical examinations: Now, therefore be it

Resolved, by the Department of Vermont, American Legion, in convention assembled this 29th day of July 1939, That Congress

and the Veterans' Administration be asked to liberalize the requirements of the pension so that unemployability where it exists, and is proven, shall be a first consideration in the adjudi-

cation of such claims, and be it further

Resolved, That copies of this resolution be sent to the Vermont
delegation in Congress, and to the Veterans' Administration in
Washington.

ARTHUR M. FIELDS, JR .- POSTHUMOUS COMMISSION TO GRADUATE OF THE NAVAL ACADEMY

Mr. WALSH. Mr. President, a few days ago the Senate passed a bill authorizing the President to issue a posthumous commission to a graduate of the Naval Academy, class of 1939, who died at the Naval Academy Hospital before he received his commission. I have received from the father of this young man a letter of appreciation, which I ask to have printed in the Congressional Record.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> I. B. KLEINERT RUBBER CO. New York, August 3, 1939.

Senator David I. Walsh.

Senator David I. Walsh,
Senate Building, Washington, D. C.
Dear Senator Walsh: Thank you for sending to me a copy of
the Congressional Record in which is recorded your presentation
of a bill authorizing the President to issue a posthumous com-

of a bill authorizing the President to issue a posthumous commission of ensign to my son Arthur, Jr.

I noted with considerable interest that you had met Arthur at the exercises of presentation of awards. Although you had but a momentary glimpse of the boy, when compared to my 23 years with him, I believe that you, too, can see, as I do, that such things do not "add up." Just now two and two no longer add up to four.

You are right when you state that a commission issued to Arthur would be of comfort to his mother and myself, in that he was truly a Navy man and throughout his illness could see nothing except the day when he would join his ship and view the blue Pacific. His becoming an officer of the United States Navy, we know, would be the one thing he would want, and which wish we desire so much to satisfy.

I want to thank you, as does his mother, for the efforts that you have put forward in his behalf.

Sincerely yours,

Sincerely yours,

A. M. FIELDS.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 6259. An act for the relief of Jack D. Collins; and

H. R. 6808. An act for the relief of Matilda Larned Bouck. The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6898) granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War.

The message further announced that the House had agreed to the amendments of the Senate numbered 1 and 2 to the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry, and that the House had agreed to the amendments of the Senate numbered 3 and 4 to the bill, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 6379) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 628. An act to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years;

S. 1617. An act for the relief of John Nicholas Chicouras; S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims;

H.R. 1428. An act for the relief of First Lt. Samuel E. Williams;

H. R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider. Jr.:

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H. R. 2344. An act for the relief of James McConnachie;

H.R. 2363. An act for the relief of the estate of Harvey T. Combs:

H. R. 2440. An act for the relief of Thomas J. Smith;

H.R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H.R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren;

H.R. 3676. An act for the relief of C. E. Hendrickson and Stephenville Hospital, Stephenville, Tex.;

H.R. 3689. An act for the relief of the Columbus Iron Works Co.:

H. R. 3853. An act for the relief of Floyd Elton;

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3962. An act for the relief of Grace Campbell;

H. R. 4033. An act for the relief of Albert R. Rinke;

H.R. 4062. An act for the relief of Clarendon Davis;

H. R. 4072. An act for the relief of Emmitt Courtney;

H. R. 4141. An act for the relief of Celia Press and Bernard Press:

H. R. 4252. An act for the relief of J. George Bensel Co.;

H.R. 4275. An act for the relief of Harry Vrountas and

Theodore Vrountas;
H R 4300 An act for the relief of Anton Saganey, John 3

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H. R. 4482. An act for the relief of Byron MacDonald;

H.R. 4549. An act for the relief of William H. Radcliffe;

H.R. 4554. An act for the relief of Francis A. Leete and Sarah Leete;

H.R. 4601. An act for the relief of Paul W. McCoy;

H.R. 4606. An act for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio;

H. R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4726. An act for the relief of James W. Gilson;

H. R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe;

H. R. 4875. An act for the relief of Mamie Hoffman;

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H.R. 5266. An act for the relief of Mina Keil;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters; H. R. 5350. An act for the relief of Caryl Burbank, Preston

A. Stanford, and Fire Association of Philadelphia;

H. R. 5383. An act for the relief of H. A. Dixon;

H.R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5557. An act for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey;

H. R. 5607. An act for the relief of George A. Meffan, United States marshal, district of Idaho;

H.R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H. R. 5704. An act to amend Private Law No. 310, Seventyfifth Congress, first session, an act for the relief of D. E. Sweinhart:

H. R. 5803. An act for the relief of Clyde Equipment Co.;

H. R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County;

H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation";

H.R. 5894. An act for the relief of John E. Garrett;

H.R. 5895. An act for the relief of James D. Larry, Sr.; H.R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H.R. 5931. An act for the relief of Elizabeth Hessman; H.R. 5951. An act for the relief of the heirs of Emma J. Hall:

H. R. 5953. An act for the relief of Marie Heinen;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935;

H. R. 6021. An act to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site;

H. R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River at or near Kettle Falls, Wash.;

H.R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H.R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Bar-

racks, Mo.;

H.R. 6490. An act for the relief of W.R. Fuchs, former disbursing clerk, Department of Agriculture; J.L. Summers, former disbursing clerk, and G.F. Allen, chief disbursing officer, Division of Disbursements, Treasury Department;

H.R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H. R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, De-

partment of Agriculture, Santa Rosa, N. Mex.;

H. R. 6662. An act granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H.R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation; H.R. 6805. An act for the relief of Sam E. Woods;

H.R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes;

H. R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes";

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.;

H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939";

H. J. Res. 341. Joint resolution to dissolve the United

States Supreme Court Building Commission;

S. J. Res. 160. Joint resolution to provide for the maintenance for public use of certain highways in the Shenandoah National Park; and

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 6804) for the relief of George E. Miller, reported it without amendment and submitted a

report (No. 1153) thereon.

Mr. CONNALLY, from the Committee on the Judiciary, to which was referred the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard: to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, reported it without amendment and submitted a report (No. 1154) thereon.

He also, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 7293) to amend section 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States,

reported it without amendment.

Mr. KING, from the Committee on the Judiciary, to which was referred the bill (H. R. 4532) to make effective in the District Court of the United States for Puerto Rico rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States, reported it with an amendment.

Mr. PITTMAN, from the Committee on Mines and Mining, to which was referred the bill (H. R. 7327) for the relief of the Nevada Silica Sands, Inc., reported it without amend-

VIOLATIONS OF FREE SPEECH AND RIGHTS OF LABOR-REPORTS OF A COMMITTEE

Mr. LA FOLLETTE. Mr. President, due to the log jam at the Government Printing Office which always occurs at the end of every session, two reports of the Subcommittee of the Senate Committee on Education and Labor under Senate Resolution 266 have not been revised in page form and bound. One, part III, deals with the labor policies of employers' associations, the National Association of Manufacturers; and the other, part IV, Citizens' Committees. I ask unanimous consent that these reports may be given report numbers by title, and, when they are finally bound, that they may be filed with the Secretary of the Senate after the adjournment.

The VICE PRESIDENT. Without objection, the request of the Senator from Wisconsin is granted.

USE OF REFRIGERATOR CARS

Mr. SHIPSTEAD. Mr. President, a subcommittee of the Senate Interstate Commerce Committee is conducting a hearing on a very important bill and will shortly submit a report on it. As chairman of the subcommittee, I ask unanimous consent that, as soon as the report may be prepared, I may file it and have it, together with a short statement and a copy of the bill itself, printed in the Congressional Record.

The VICE PRESIDENT. Without objection, it is so ordered. Mr. Shipstead submitted the following report for printing

The subcommittee of the Senate Committee on Interstate Commerce, to whom was referred the bill (S. 2753) to amend the Interstate Commerce Act, as amended, to require the continuation of the present practice of supplying special types of refrigerator cars for the transportation of fresh meats, packing-house products, butter, eggs, cheese, and dressed poultry, having considered the same, recommend its enactment.

The bill, S. 2753, represents a sound and carefully considered method of meeting a serious emergency that now confronts the shippers of the farm products above described.

Ever since the movement of said farm products by railroad began, the shippers thereof have supplied themselves with suitable special refrigerator cars, specially designed and constructed for these products by private refrigerator-car companies. The shippers obtain these cars from the private car companies owning them.

S. 2753 provides as follows:

"A bill to amend part I of the Interstate Commerce Act, as amended, with respect to the use of refrigerator cars "Be it enacted, etc., That subsection (11) of section 1 of part I of the Interstate Commerce Act, as amended, is amended by adding

of the Interstate Commerce Act, as amended, is amended by adding at the end thereof the following new sentence: 'Shippers in interstate commerce of fresh meats, packing-house products, or dairy products (including butter, eggs, cheese, and dressed poultry) shall have the right to supply themselves with such safe and adequate refrigerator cars as they deem efficient and proper for the transportation of such products; and it shall be unlawful for any common carrier to refuse to accept such cars for transportation in interstate commerce of such fresh meats, packing-house products, or dairy products (including butter, eggs, cheese, and dressed poultry)." poultry).

A ruling of the American Association of Railroads, which claims A runing of the American Association of Rairroads, which claims to be a combination of practically all first-class railroads, effective September 1, 1939, suddenly and arbitrarily will deprive small independent packers, cooperatives, and shippers of dairy products of the right they have always exercised of selecting suitable special refrigerator cars for their traffic. But said arbitrary ruling will leave unaffected the large packers in the full and undisturbed use of their

thanected the large packers in the full and undisturbed use of their special refrigerator cars without any interference whatever.

These large packers will continue to ship large quantities of butter, eggs, cheese, dressed poultry, fresh meat, and packing-house products in their fine special cars in direct competition with the cooperatives, small packers, and dairy shippers, who under the ruling will be thrown back upon inferior cars that they have never before been compelled to use.

The railroad refrigerator cars that will be substituted for the special refrigerator cars are inefficient and wholly unsuitable for these perishable farm products. The small packers and dairy shippers and cooperatives will thus be seriously discriminated

against.

The position of the railroad association is that under the present law they have the right to furnish cars. They admit, however, that they do not have the special kind of refrigerator cars required by these perishable farm products to serve all shippers alike. Therefore, they propose to permit the large packers to continue to use the special cars, several thousand of them, that these large packers

In other words, this discriminatory rule is directed only against the competitors of the large packers, namely, the farm cooperatives,

the competitors of the large packers, namely, the farm cooperatives, small packers, and dairy-product shippers.

S. 2753 does not change present practices, but its purpose is merely to continue an operation of equality that has existed at all times in the past, and which this combination of railroads is arbitrarily and suddenly changing. S. 2753 puts all shippers of these farm products, large and small, under the same rule for obtaining the special refrigerator cars demanded by these years parishable. the special refrigerator cars demanded by these very perishable farm products.

The subcommittee of the Committee on Interstate Commerce

recommends the enactment of S. 2753.

HENRIK SHIPSTEAD, Chairman. HOMER T. BONE. TOM STEWART.

Mr. Shipstead submitted the following statement for

The above report is signed by all the members of the subcommittee who conducted hearings. It is a unanimous report of this committee.

The hearings conducted by the subcommittee on this Senate bill 2753 are the basis of the report made by the committee. These hearings are available to Members of the Senate and will show that hearings are available to Members of the Senate and will show that large shippers for farm cooperatives, small and independent meat packers, object very strenuously to the order agreed to by the Associated Railway Executives. This order, unless rescinded, will take effect September 1 this year, 1939. The effect of it will be that small packers and cooperative shippers who have had the kind of refrigerator cars that they want and that are built especially for the dairy and poultry trade will be taken over by a competing company, the General American Co.

It appears that the so-called North American Co. have built

these cars to meet a special trade. They have rendered a special service according to the shippers. The shippers claim that this company has given them cleaner cars for dairy products and for the shipment of eggs, and because of their heavier insulation they have saved them a great deal of money on icing cost and

packing cost.

packing cost.

The large packers like Armour, Cudahy, and others are permitted to use their own cars. The Swift Packing Co. sold their cars to the General American Car Co, which is now expected under the agreement of the Associated Railroads to take over the cars that have been used by the cooperatives and smaller packers. These people will then not continue to enjoy these cars built especially for them and which have been found so satisfactory, and they claim that under this rule they will have to take the

"run of mine" of cars which had proven so unsatisfactory to them

in the past.

It is interesting to note that it is stated that Swift & Co. are large stockholders in the General American Co. that are to take over the cars of the North American Co. These independents and cooperative shippers will then be compelled to hire cars from a company in which one of their chief competitors is a heavy

Stockholder.

The testimony of Mr. Gormley before the committee and speaking for the Associated Railroads—said with full knowledge of what had been done and what was intended to be done—answered questions asked him, as follows, hereafter:

"Senator Shipstead. You claim that these companies that these people talk about got their business not because they are able to save money by it, or because they furnish them better cars, but because they have better solicitors; and you want to stop that

solicitation?

solicitation?

"Mr. Gormley. That is not the whole story, Senator. The North American Car Co. dealt with all these people through the years. They had no railroad contracts; they had no other means of using their cars, and on account of the relationship they established through these years, by the money that the shippers made from the use of these cars, naturally they still have a kindly feeling for that company. We would not object to that. But when, since this decision of the Commission, they still persist in going out and, through I do not know what kind of methods, upsetting a contract that another car line has with a shipper who is entirely satisfied. that another car line has with a shipper who is entirely satisfied, but for some other reason wants to change to something else, that has an upsetting influence and it must be eliminated.

has an upsetting influence and it must be eliminated.

"Senator Shipstead. How long has it been since these various practices were stopped?

"Mr. Gormley. In 1935, by the issuance of that order.

"Senator Shipstead. Did I understand you to say that you intend to buy some of these private companies?

"Mr. Gormley. Yes; negotiations are under way.

"Senator Shipstead. The railroad association?

"Mr. Gormley. No; not the association, but the railroad-controlled car lines and other lines that have contracts with railroads.

"Senator Shipstead. What lines are they?

"Senator Shipstead. What lines are they?
"Mr. Gormley. The Pacific Fruit Express, the Fruit Growers Express, the General American—I have not a list of them here.
"Senator Shipstead. They have contracts?

"Mr. GORMLEY Yes.

"Senator Shipstean. And negotiations have been going on?
"Mr. Gormley. Yes. They do not propose to buy those cars that are strictly in the meat-packing business. They have asked that we take the whole thing over.
"Senator Shipstead. The car lines?

"Mr. GORMLEY. Yes.

"Senator Shipstead. The car lines have asked you to take them

over?
"Mr. Gormley. This particular North American Car Co. So that is what we are going to do—take all of their cars.
"Senator Shipstead. Has the North American Co. asked you to

buy them?
"Mr. Gormley. No; but we told them we would.

"Senator Shipstead Under this ruling can they continue to

"Senator Shipstead. Under this ruling can they continue to operate without selling?
"Mr. Gormley. No. They can as to certain of their cars.
"Senator Shipstead. Not their own?
"Mr. Gormley. Yes: certain of their own that are assigned to meat-packing companies. But they wanted us to take those with the others. We are going to pay them a fair price for them. A lot of this investment was made after 1927 when they were notified, and also all the financial houses were notified that some way was going to be found to stop this practice.
"Senator Shipstead. Who owns the North American? Is it a stock company?

stock company?

"Mr. Gormley. I assume so.
"Senator Shipstead. Who owns the General American?
"Mr. Gormley. The General American Car Co.
"Senator Shipstead. Who are the owners?
"Mr. Gormley. All the stockholders.
"Senator Shipstead. Do you know who they are?
"Mr. Gormley. Oh, no.
"Senator Shipstead. The stockholders."

"Senator Shipstead. Is it only one company that you intend to

buy or that you have to buy?

"Mr. Gormley. No. The North American and the Dairy Shippers Dispatch. Those are the principal ones.

"Senator Shipstead. Have you told them you would buy them

also?

"Mr. GORMLEY. Yes.

"Senator Shipstead. Do they have to sell, under this rule, or go out of business?

"Mr. Gormley. That is what they pretty nearly have to do. We will continue the use of those cars. The Dairy Shippers Dispatch cars are very old cars.
"Senator Shipstead. Will the American Association of Railroads

have a subsidiary to take them over?

"Mr. Gormley. All we do is to act as the intermediary in handling it for the car lines that take them over.
"Senator Shipstead. You want other car lines to take them over?
"Mr. Gormley. Yes; railroad-controlled car lines.

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"Senator Shipstead. You make this rule that they cannot continue in business so they will have to sell?

"Mr. Gormley. Yes.

"Senator Shipstead, Who negotiated this arrangement for the American Association of Railroads? Did they have a meeting of the board of directors?

"Mr. Gormley. Oh, yes. It was considered by the board. "Senator Shipstead. Were you present at that meeting?

"Mr. GORMLEY. Yes.

"Senator Shipstead. Was there a record made?

"Mr. GORMLEY. Yes.

"Senator Shipstean. A record was made of that meeting? "Mr. Gormley. Yes.

"Senator Shipstead. May we have a copy of that record?

"Mr. Gormley. Yes, sir.
"Senator Shipstead. Was it part of the understanding that all the railroads would have to agree on this? They all agreed on this, did they?
"Mr. GORMLEY. Yes, sir.

"Mr. Gormley. Yes, sir.

"Senator Shipsten. It is the action of the association?

"Mr. Gormley. Yes. We have no dissenting opinions about it.

"Senator Shipsten. You have the authority from the association?

"Mr. Gormley. Yes, sir. That is right.

You will notice in his testimony that he says that the North American Co. that has furnished these cars to the cooperatives and independent packers must, under the rule issued by the Associated Railroads and going into effect September 1, sell to a competitor company and go out of business. This looks very much like coercion and blackjacking of a company that has rendered service of great satisfaction to its customers. I believe this transaction will warrant a further investigation by the Senate of the United States and the Federal Trade Commission for the purpose of learning how far such transactions trespass upon the antitrust law and the unfair trade practices under the Federal Trade Commission Act.

The Department of Justice might well go to the depths of this transaction to learn whether or not the concerted action of the Associated Railroads in this case constitutes a conspiracy to prohibit competition among shippers and car companies furnishing them service and to destroy a company in its right to do business and intractions of the concerted action of the service and to destroy a company in its right to do business

them service and to destroy a company in its right to do business and injure shippers who have benefited by extraordinary efficient service rendered by such company.

I regret this matter came to the Congress too late in the session

to pass remedial legislation.

HENRIK SHIPSTEAD.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolutions:

On August 4, 1939:

S. 2. An act authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public purposes;

S. 821. An act for the relief of Charles L. Kee;

S. 882. An act to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other

S. 1164. An act for the relief of Nadine Sanders;

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938":

S. 1448. An act for the relief of Anna H. Rosa;

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General;

S. 1989. An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes;

S. 2133. An act authorizing the conveyance of certain lands to the State of Nevada;

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

S. 2427. An act authorizing the naturalization of John Ullmann, Jr.;

S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad;

S. 2893. An act to provide for the local delivery rate on certain first-class mail matter;

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an international exhibition of polar exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation; and

S. J. Res. 139. Joint resolution to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

On August 5, 1939:

S. 628. An act to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from

S. 1617. An act for the relief of John Nicholas Chicouras; S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims:

S. J. Res. 160. Joint resolution to provide for the maintenance for public use of certain highways in the Shenan-

doah National Park; and

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PEPPER:

S. 2967. A bill to provide for a Bureau of Fine Arts; to the Committee on Finance.

By Mr. BARKLEY (for Mr. Brown):

S. 2968. A bill to amend the Immigration Act of 1924, as amended; and

S. 2969. A bill for the relief of Louise Thorne; to the Committee on Immigration.

By Mr. GIBSON:

S. 2970. A bill for the relief of Linn D. Taylor; to the Committee on Claims.

By Mr. HAYDEN:

S. 2971. A bill authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry; to the Committee on Indian Affairs.

By Mr. LODGE:

S. 2972. A bill to repeal the second sentence of subsection (a) of section 15 of the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

(Mr. CONNALLY (for himself and Mr. Sheppard) introduced Senate bill 2973, which was passed, and appears under a separate heading.)

By Mr. HAYDEN:

S. 2974. A bill to assist the States in the improvement of highways; to the Committee on Post Offices and Post Roads. By Mr. NYE:

S. J. Res. 186. Joint resolution providing that the United States should maintain a policy of strict neutrality in Asia; to the Committee on Foreign Relations.

AMENDMENT OF BANKRUPTCY STATUTES

Mr. McCARRAN. Mr. President, on yesterday the Senate entered an order for the printing of 10,000 additional copies of the report on Calendar No. 1092, Senate bill 1935. I ask that that order made yesterday at my request be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ACCEPTANCE ADDRESS BY VICE PRESIDENT GARNER AT PHILA-DELPHIA, JUNE 27, 1936

[Mr. Guffey asked and obtained leave to have printed in the Appendix of the RECORD the speech of acceptance delivered by Hon. John Nance Garner. Vice President of the United States, at Franklin Field, Philadelphia, Pa., June 27, 1936; which appears in the Appendix.]

DIGEST OF LEGISLATION, SEVENTY-SIXTH CONGRESS, FIRST SESSION

[Mr. Barkley asked and obtained leave to have printed in the RECORD a digest of legislation enacted by the first session of the Seventy-sixth Congress and data on the economic situation, which appear in the Appendix.]

GENERAL LEGISLATION OF PUBLIC INTEREST PASSED BY SEVENTY-SIXTH CONGRESS. FIRST SESSION

[Mr. Minton asked and obtained leave to have printed in the Appendix a list of laws of public interest passed by the Seventy-sixth Congress, first session, which appears in the Appendix.]

RAILROAD LEGISLATION-ADDRESS BY SENATOR WHEELER

[Mr. Truman asked and obtained leave to have printed in the Record a recent address by Senator Wheeler on the subject of railroad legislation; which appears in the Appendix.]

SPEECH OF SENATOR PEPPER AT MEETING OF INTERPARLIAMENTARY UNION, THE HAGUE, 1938

IMr. Shipstead asked and obtained leave to have printed in the Record a speech delivered by Senator Pepper before the Interparliamentary Union, The Hague, in 1938; which appears in the Appendix.]

ADDRESS BY SENATOR DAVIS IN LOS ANGELES, CALIF.

[Mr. Davis asked and obtained leave to have printed in the RECORD a speech delivered by him at the First Baptist Church, in Los Angeles, Calif., on August 22, 1926, which appears in the Appendix.]

THE SOUTH-ECONOMIC PROBLEM NO. 1

[Mr. Balley asked and obtained leave to have printed in the RECORD an address by President Graham, of the University of North Carolina, and an address by himself, on the subject The South as Economic Problem No. 1, together with additional data by way of supporting statements, which appear in the Appendix.]

THE PROGRESSIVE DESTRUCTION OF THE SOUTH'S ECONOMY

[Mr. Balley asked and obtained leave to have printed in the RECORD an editorial published in the Charlotte (N. C.) Observer of June 8, 1939, on the subject The Progressive Destruction of the South's Economy, which appears in the Appendix.]

IMPORTANT SHIFTS IN CONSTITUTIONAL DOCTRINES-ADDRESS DELIVERED BY FRANK J. HOGAN

[Mr. Austin asked and obtained leave to have printed in the RECORD an address delivered by Frank J. Hogan, president of the American Bar Association, at the association's sixty-second annual meeting, San Francisco, Calif., July 10, 1939, entitled "Important Shifts in Constitutional Doctrines." which appears in the Appendix.]

THE FEDERAL GOVERNMENT'S ENCROACHMENT UPON THE STATES—ADDRESS BY CONSUELO NORTHROP

[Mr. Austin asked and obtained leave to have printed in the RECORD an address on the subject The Federal Government's Encroachment Upon the States, delivered by Consuelo Northrop on July 20, 1939, at a conference at Hanover, N. H., held under the auspices of the Braman Fund Committee for Defense of the Constitution, which appears in the Appendix.]

MODERNIZATION OF RAILROAD EQUIPMENT-ARTICLE BY GEORGE H. PEDERSEN

[Mr. La Follette asked and obtained leave to have printed in the RECORD certain excerpts from an article by George H. Pedersen dealing with the subject of the modernization of railroad equipment, which appears in the Appendix.1

DISCHARGE OF 18-MONTHS'-SERVICE W. P. A. EMPLOYEES

IMr. Wagner asked and obtained leave to have printed in the RECORD an editorial from the New York Post of August 1, 1939, relative to the discharge from W. P. A. rolls of employees who have had 18 months' service, which appears in the Appendix.]

FOOD STAMP ACTIVITIES OF SURPLUS COMMODITIES CORPORATION

[Mr. Schwellenbach asked and obtained leave have printed in the RECORD an editorial from the Seattle (Wash.) Post-Intelligencer relative to the administration of the food-stamp activities of the Surplus Commodities Corporation, which appears in the Appendix.1

TRANSPORTATION FACILITIES IN THE NORTHWEST—EDITORIAL FROM THE SEATTLE POST-INTELLIGENCER

[Mr. Schwellenbach asked and obtained leave to have printed in the RECORD an editorial from the Seattle (Wash.) Post-Intelligencer on the subject Transportation Facilities in the Northwest, which appears in the Appendix.]

NATIONAL HEALTH BILL, ADMISSION OF REFUGEE CHILDREN, IMMIGRATION, ANNIVERSARY OF DEATH OF JUSTICE CARDOZO

[Mr. Wagner asked and obtained leave to have printed in the Record speeches and articles on problems affecting the national health, admission of German refugee children, immigration, and an address on the anniversary of the death of Hon. Benjamin N. Cardozo, which appears in the Appendix.]

PROPOSAL FOR INVESTIGATION OF CERTAIN IRRIGATION PROJECTS IN NEBRASKA

[Mr. Schwellenbach asked and obtained leave to have printed in the RECORD an article published in the World-Herald of Omaha (Nebr.) August 3, 1939, with respect to a proposal by Senator Bringes for investigation of Nebraska irrigation projects, which appears in the Appendix.1

PURCHASE BY RECONSTRUCTION FINANCE CORPORATION OF RAILROAD OBLIGATIONS

Mr. TRUMAN. Mr. President, day before yesterday I introduced by request Senate bill No. 2956, which has been referred to the Committee on Interstate Commerce. The purpose of this measure is to authorize the Reconstruction Finance Corporation to purchase the obligations of railroads or to make loans to railroads so as to enable them to purchase such obligations.

At the present time approximately one-third of the mileage of all the railroads of the country is in bankruptcy or receivership. The obligations of another third of the railroads, which comprise many roads of importance and undoubted stability, are selling at large discounts from face value, in some cases at 20, 30, and 40 cents on the dollar. The roads in this latter group are having difficulty meeting their fixed charges.

For various reasons which I need not elaborate at the moment, no major road has been reorganized successfully in the last 10 years. Undoubtedly influenced by this fact, this Congress has passed the so-called Chandler bill, whose purpose is to permit certain roads to work out compositions with their creditors for the postponement of principal or interest maturities, but it is not probable that under this bill these roads will get permanent relief, since under the bill it is unlikely that there can be effected any substantial shrinking of the debt structures. S. 2956 provides a definite method for reducing the debt structure of a railroad.

This is a "request bill." I have introduced it during the closing hours of this session in order that it may have study and discussion during the recess. Legislation of this character must be so safeguarded that there is no probability of loss to the Federal Government through its operation. Likewise, railroad investors must be safeguarded against any speculative practices which will prevent them from securing a full measure of the benefits contemplated by such an act.

Mr. President, a vast amount of railroad bonds have been purchased by thrifty American citizens as an investment for their savings. Many of these people are not familiar with the intricacies of corporate finance. These investors have already been subjected to severe losses because so many railroads have been unable to pay interest on their debts and have had to resort to the courts. Others are faced with similar losses. We must, therefore, so safeguard legislation of this character that the undoubted benefits

which will flow from the enactment of such a measure will accrue to the small investor as well as to the large institutional holder of railroad securities. If this request measure, S. 2956, does not meet these essential requirements, it should be amended so that it will.

Mr. President, many persons familiar with the complexities of the railroad problem, including some high Governmental officials, have advocated legislation of this character. Among these is National Conference of Investors, a Nation-wide organization of many thousands of railroad investors. This organization has submitted to me a memorandum regarding the scope and purpose of legislation of this character, which I ask unanimous consent to place in the Record at this point in my remarks, so that Senators may have opportunity to give the matter careful consideration during our recess.

Mr. VANDENBERG. Mr. President, may I add to what the Senator has said, for his encouragement, that a special committee of the Senate, which investigated the subject of incentive taxation, agreed on only one principle, among the two or three presented, and that was the precise principle for the painless reorganization of the railroad debt structure to which the Senator addressed himself. I am glad he offered his bill. I think it is as sound as a nut.

Mr. TRUMAN. I think it contains a great deal of merit, and I hope it will be carefully studied to be sure there are no flaws in it.

I ask unanimous consent for the inclusion in the RECORD at this point of the memorandum to which I referred.

The VICE PRESIDENT. Without objection, it is so ordered. The memorandum is as follows:

WASHINGTON, D. C., August 4, 1939.

WASHINGTON, D. C., August 4, 1939.

Hon. Harry S. Truman,
Senate Chamber, Washington, D. C.

Dear Sir: This organization, through its national board of directors and with the approval of its State units, has urged the enactment of legislation which will authorize the R. F. C. to purchase railroad obligations or make loans to railroads so that the railroads themselves may buy in such bonds. Senate bill 2956, which yesterday you introduced at request, carries this authority to the R. F. C.

NECESSITY FOR PROPOSED LEGISLATION

A major problem of many railroads is their inability to service their debts with current low earnings. In the case of many carriers interest payments are being paid in part from surpluses which are

interest payments are being paid in part from surpluses which are rapidly vanishing.

Unless their earnings increase, a number of important railroads may be forced into bankruptcy or reorganization.

As a consequence, the bonds of these border-line railroads are selling at depressed prices. These market prices not only reflect the low current earnings of the railroads but the possibility of bankruptcy. For example, the 5-percent bonds of an important railroad are currently selling at 30 cents on each dollar of their face value, in spite of the fact that the road, during the past 5 years, earned on the average more than 80 percent of its fixed charges and at the the average more than 80 percent of its fixed charges and at the present time is earning them in full. That is to say, of the \$50 which the subject railroad is obligated to pay as interest on each \$1,000 of its outstanding bonds, it earned over \$40 (on the average during the past 5 years). If that road could borrow funds from the R. F. C. at, say, 3 percent, with which to purchase a substantial amount of its bonds at an average price of \$50 (and pledge the bonds so purchased as collateral for the loan), the R. F. C. would hold \$2,000 of such bonds for each \$1,000 it loaned. On the basis of the last 5 years' earnings, it would have earned \$80 with which to pay the \$30 annual interest due to the R. F. C. on the \$1,000 which was borrowed to purchase \$2,000 face value of bonds mentioned above.

This is two and two-thirds times interest requirements and constitutes an exceedingly sound loan for the R. F. C.

RESULTS IF S. 2956 IS ENACTED

Several results in the public interest would be achieved:

 The road would escape bankruptcy.
 Those of its bondholders who sold their bonds will receive a better market price than they would obtain otherwise, and would sell their bonds at a price that more nearly approximates their true

value.

3. Those holders who did not sell would have greater assurance of receiving their future interest, as the total interest payment of the

railroad would be reduced.

4. Because the annual interest requirement of the railroad would be reduced, it would have larger funds available for maintenance and capital improvements, with resulting increases in employment. REVENUE ACT CONTEMPLATES THIS LEGISLATION

Legislation which will permit transactions of this character was contemplated in the Revenue Act of 1939, which exempts from taxation book profits accruing therefrom.

Many railroads could improve their financial positions through the loan operations contemplated by S. 2956. To give a concrete

illustration, we cite the case of the Boston & Maine, an outstanding and well-managed railroad, as presented in the June 22 issue of Standard Statistics:

"THEORETICAL OPERATIONS

"If R. F. C. funds were made available to the Boston & Maine at 3 percent for this purpose, for example, that road might well be able to get in half of the \$103,777,500 mortgage bonds outstanding in the hands of the public at an average price of 50 or less. Its total bond interest would thereby be reduced by \$2,447,957 annually, offset in part by \$770,829 interest on the \$25,694,325 R. F. C. loan that would be needed to finance the operation, or a net annual saving of \$1,677,128.

"Total fixed charges would thus be reduced for the same and the s "If R. F. C. funds were made available to the Boston & Maine at

"Total fixed charges would thus be reduced from \$7,428,554 to \$5,751,426. Charges were actually covered an average of 0.84 time over the past 5 years; on the indicated reduced basis they would have been covered an average of 1.10 times. Applying the same

formula to the Katy, the 5-year average of fixed-charge coverage of 0.66 time would be raised to 0.94 time.

"Other roads that might adopt such a method of reducing charges other roads that hight adopt such a method of reducing charges include the Lackawanna, Illinois Central, Southern Pacific, Southern Railway, Nickel Plate, New York Central, and Pittsburgh & West Virginia. Institutions would be provided with a market in which to reduce their holdings of speculative rail bonds. Investors who elected to retain their holdings, as well as stockholders, would benefit from the reduction in fixed charges.

"In a word, this is the one legislative proposal that would provide a partial immediate solution to the railroad problem. Agitation in its behalf is coming so late in the legislative session, however, that the chances of adoption are narrow unless investors can be stirred from their normal lethargy and give it more than passive support." passive support.

We submit that S. 2956 is in the public interest; that it provides ample safeguards to the Government and to investors; and that its enactment will be beneficial to railroads which avail themselves of its provisions, to their investors, their employees, and patrons, and, by releasing funds for investment, will contribute to national recovery.
Yours truly,

NATIONAL CONFERENCE OF INVESTORS, By ROBT. E. SMITH, Chairman.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Mary-

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases:

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924; and

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Art Practice Act, District of Columbia, 1928, approved February 27, 1929.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5734. An act for the relief of World War sailors and marines who were discharged from the United States Navy or United States Marine Corps because of minority or misrepresentation of age; and

H.R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 33), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of five Members of the House of Representatives and five Members of the Senate shall be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, which is empowered to

make plans and suitable arrangements for fitting and proper exercises, to be held on the 1st day of February 1940, in commemoration of the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States, held at the city of New York on Monday, the 1st day of February 1790.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 1042. An act for the relief of the Epes Transportation Corporation;

S. 1815. An act for the relief of Evelyn Mary Locke;

H. R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities;

H.R. 3927. An act for the relief of Marijo McMillan Wil-

H. R. 3959. An act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes;

H. R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States:

H.R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States;

H. R. 4965. An act for the relief of J. Harry Walker:

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping;

H.R. 5333. An act to amend the acts granting increased compensation to civilian employees for the period July 1, 1917. to June 30, 1924;

H.R. 5835. An act to authorize the President to render closer and more effective the relationship between the American republics;

H. R. 6037. An act to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States", approved March 4, 1909 (35 Stat. L. 1088);

H. R. 6259. An act for the relief of Jack D. Collins;

H. R. 6808. An act for the relief of Matilda Larned Bouck;

H. R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War;

H.R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co., approved May 21, 1934; and

S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H.R. 5734. An act for the relief of World War sailors and marines who were discharged from the United States Navy or United States Marine Corps because of minority or misrepresentation of age; to the Committee on Naval Affairs.

H.R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes; to the Committee on Post Offices and Post Roads.

H.R. 6379. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406); to the Committee on Irrigation Reclamation.

AMENDMENTS TO SOCIAL SECURITY ACT-CONFERENCE REPORT

Mr. KING. Mr. President, on behalf of the Finance Committee of the Senate, I submit a conference report on House bill 6635, proposing amendments to the Social Security Act.

The VICE PRESIDENT. The report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes, having met, after full and free conference, have agreed to recom-

mend and do recommend to their respective Houses as follows:
That the Senate recede from its amendments numbered 1, 3, 4,
22, 23, 57, 58, 69, 70, 103, 104, 117, 118, 153, 154, 166, 168, 169, 176,

177, and 182.

177, and 182.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 59, 60, 62, 63, 64, 65, 66, 71, 72, 73, 74, 76, 77, 78, 80, 81, 84, 85, 86, 87, 88, 89, 90, 91, 92, 94, 95, 96, 97, 98, 99, 100, 101, 102, 105, 106, 108, 109, 110, 111, 112, 113, 114, 115, 116, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 155, 156, 158, 159, 160, 161, 162, 165, 167, 170, 171, 172, 173, 174, 175, 178, 179, and 181, and agree to the same.

Amendment numbered 2: That the House recede from its discontinuation.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter to the same with an amendment, as follows: In flet of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the

Senate agree to the same.

Amendment numbered 40: That the House recede from its

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(14) Service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than ten net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws termining the register tonnage of merchant vessels under the laws of the United States); or" and the Senate agree to the same.

Amendment numbered 61: That the House recede from its dis-

agreement to the amendment of the Senate numbered 61, and

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and wildlife"; and the Senate agree to the same. Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods;" and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such presheaf," and the Senate agree to the same.

no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods;" and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensations. authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods;" and the Senate agree to the same. Amendment numbered 79: That the House recede from its dis-

agreement to the amendment of the Senate numbered 79, and agreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows: In lieu of the

matter proposed to be inserted by the Senate amendment insert

the following:

"Sec. 508. (a) Section 531 (a) of such Act is amended by—

"(1) Striking out '\$1,938,000' and inserting in lieu thereof **'83,500,000'**.

*3,500,000'.

"(2) Striking out '\$5,000' and inserting in lieu thereof '\$15,000'.

"(3) Inserting before the period at the end thereof a colon and the following: 'Provided, That the amount of such sums apportioned to any State for any fiscal year shall be not less than \$20,000'.

"(b) Section 531 (b) of such Act is amended by striking out '\$102,000' and inserting in lieu thereof '\$150,000'."

And the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: On page 17.

agree to the same with an amendment as follows: On page 17, line 1, of the Senate engrossed amendments, strike out "\$12,-000,000" and insert "\$11,000,000"; and the Senate agree to the

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert matter proposed to be inserted by the Senate amendment insert the following: "(14) Service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than ten net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States); or"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate agree to the same.

agreement to the amendment of the Senate numbered 157, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and wildlife"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its dis-

agreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods"; and the Senate agree to the same. Amendment numbered 164: That the House recede from its dis-

Amendment numbered 164: That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with amendments as follows: On page 26, line 12, of the Senate engrossed amendments, strike out "old-age assistance" and insert "aid to the blind"; on page 96, line 3, of the House engrossed bill, strike out "clause (1) of"; in line 7, strike out "clause" and insert "subsection"; in line 21, strike out "clause (1) of"; and on page 97, lines 18 and 19, strike out ", increased by 5 per centum"; and the Senate agree to the same. Amendment No. 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows: In addition to the matter proposed to be inserted by the Senate amendment.

matter proposed to be inserted by the Senate amendment, on page 36, line 2, of the Senate engrossed amendments insert the following new sentence: "No interest shall be allowed or paid on the amount of any overpayment refunded or credited by reason of the provisions of this section."

And the Senate agree to the same.

WILLIAM H. KING. WALTER F. GEORGE, DAVID I. WALSH, ROBERT M. LA FOLLETTE, JR., ARTHUR CAPPER,
Managers on the part of the Senate. R. L. DOUGHTON, THOS. H. CULLEN, JOHN W. McCORMACK. JERE COOPER, ALLEN T. TREADWAY, FRANK CROWTHER, THOMAS A. JENKINS, Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, it is important that the conference report be disposed of as soon as possible. The hour of adjournment approaches, and it would be most unfortunate if the work of the House and the Senate during this

session of Congress—which resulted in the preparation of the so-called security measure now before us—should prove unavailing. The original Social Security Act was hailed by many American citizens as an important achievement, and its operations were regarded with more or less concern. It was hoped by its earnest supporters that it would meet the high expectations of the people and prove an important subject in the direction of promoting the general welfare of the people. Even those who were most optimistic concerning its benefits and advantages recognized that imperfections would be discovered in its framework and in its administration.

The Committee on Ways and Means of the House, early in the session, addressed itself to the task of modifying and amending the provisions which had proved unsatisfactory. The work of the committee was painstaking and met with general satisfaction. The bill came to the Senate and was referred to the Committee on Finance, which sympathetically addressed itself to the study of the bill. Generally speaking, I think it may be said that the Senate committee and the Senate itself gave general approval of the measure as it came to the Senate. The Committee on Finance, after due consideration, reported the bill back to the Senate with a number of amendments, and the Senate, after considering the work of the Committee on Finance, passed the bill after having made a number of amendments. I should say in passing, however, that most of the amendments were not of great importance, but many of them were rather of a clarifying or explanatory nature. Following the passage of the bill by the Senate, conferees were appointed by the House and the Senate for the purpose of considering the Senate amendments and with a view to reconciling any differences found to exist between the two bodies. The conferees met upon many occasions during a period of 20 days and earnestly addressed themselves to the task before them. Most of the amendments offered by the Senate were disposed of within a few days but a number (and I might say the most important ones) engaged the attention of the Senate for a number of days thereafter. An agreement was finally reached and a report prepared to be submitted to the House and the Senate.

The House has approved the report of the conferees and it is now before the Senate.

There has been so much discussion during this session of Congress, and particularly during the past few days, that I shall pretermit any extended remarks in submitting the report for action by this body. I regret exceedingly that the report was not submitted by the distinguished chairman of the committee [Mr. Harrison]. He and the able and distinguished Senator from Texas [Mr. Connally] were not in agreement with the other conferees of the Senate with respect to an important provision in the bill. It is a great pleasure to state to the Senate that both of these Senators, with great zeal and earnestness, discharged the responsibilities resting upon them as conferees. They battled courageously and earnestly for all of the amendments which were adopted by the Senate, and made important contributions to the perfecting of the measure which is now before us.

One of the most controversial provisions of the bill was the so-called Connally amendment which had been adopted in the Senate. For many days in the consideration of the bill this amendment was referred to and all of the conferees on the part of the Senate and the managers on the part of the House considered this amendment. I emphasize the fact that the distinguished Senator from Texas [Mr. Connally] was the author of the proposed amendment, and during the consideration of the bill while in conference he, with very great ability and zeal, battled to secure its adoption. As stated, the other Senate conferees stood with him and joined in urging the managers on the part of the House to yield in their opposition to the amendment.

As I have indicated, after more than 20 days of discussion—earnest, serious, and sometimes most vigorous—an agreement by the conferees of the House and the Senate was reached.

As stated above, the Senator from Mississippi [Mr. Harrison] and the Senator from Texas [Mr. Connally] were unwilling to yield on the so-called Connally amendment and, as a result, the report submitted fails to have their signatures to the same. As I have stated, this I very much regret. It affords me very deep and profound regret not to have these two able and distinguished Senators parties to this conference report.

Mr. President, as I have indicated, the House accepted most of the Senate amendments, including those of great importance. I think substantially all of the amendments adopted by the Senate, which were of magnitude, were accepted by the House.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. KING. I yield.

Mr. WAGNER. I beg to differ with the Senator in regard to that. I am not complaining, because I know that the conferees on the part of the Senate did everything possible to uphold the amendments which I offered and which were adopted by the Senate. I regard them as exceedingly important. One provided for a study, similar to that made by the Council on Old Age Insurance. That study was of great use, and, I am sure, guided the committee in its deliberations and conclusions upon the amendments which were considered and adopted by the Senate. I wanted a similar study to be made of the many complex issues of unemployment insurance. I thought that was a very important amendment which was not kept in the bill.

If I may refer to the other, it provided for a study of disability insurance. Under the law a very unfortunate situation exists. Those who might have contributed for 10 or 15 years to an old-age insurance fund, because of illness and inability to continue their occupation are left without any aid at all until they reach the age of 65, if they do live that long, or may even be disqualified altogether.

Mr. KING. Mr. President, if the Senator desires to address the Senate in opposition to the conference report, I shall be glad, after I have concluded my observations, to yield the floor to him.

Mr. WAGNER. I merely wanted to call the attention of the Senator to the fact that I thought he was minimizing the amendments which were adopted by the Senate with reference to the studies, because he said that the House agreed, except as to the Connally amendment, to all of the important amendments adopted in the Senate. I want to express, however, my appreciation of the Senate conferees' action in urging these amendments on the House conferees, as strongly and as long as they did.

Mr. KING. Mr. President, every person regards his view as of primary importance. I appreciate the devotion of the Senator from New York to the social-security plan and to policies relating to labor and matters relating to the welfare of the country.

Mr. WALSH. Mr. President-

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. KING. I yield.

Mr. WALSH. I join with the Senator in what he has said, in commendation of the devoted and able services of the distinguished and able chairman of the Committee on Finance, the Senator from Mississippi [Mr. Harrison]. Before he proceeds to another aspect of this conference report, I desire to record my commendation of the tireless efforts, the fine leadership, and devotion to duty the chairman of the committee exemplified during the long and arduous hours and days we have been preparing this legislation. And what I have said about him applies equally to the Senator from Texas. Both these able Senators are entitled to the fullest praise and credit for the many beneficial provisions embodied in this bill and which will be a distinct advance in the social-welfare program of the country.

Mr. KING. Mr. President, with reference to the observations made by the Senator from New York [Mr. WAGNER], may I say that the conferees upon the part of the Senate

urged the adoption of the amendment, but if I may be permitted to speak of Members of the body at the other end of the Capitol, the House conferees were adamant. In the statement which was submitted by the conferees on the part of the House the following appears:

The managers on the part of the House also desire to state that there are two very important proposals to which the conferees gave a great deal of attention. These are the so-called Connally amendment, providing for greater Federal matching in the case of old-age assistance, and the Massachusetts plan which would enable the States to make a State-wide reduction in unemployment compensation contribution rates under certain conditions. The conferees believe that a comprehensive study of the subject matter covered by these two proposals should be undertaken which will enable the Congress to deal more intelligently with the problems involved than is possible at the present time.

Mr. President, it was the view, I believe, upon the part of the managers of the House, that it was unnecessary at this time to undertake the study to which the Senator from New York [Mr. Wagner] refers, but that at a more propitious time a further study would be made of the entire social security system—a study perhaps broader than that contemplated by the Senator from New York.

Mr. President, as I have observed, after prolonged discussion by the conferees of the two Houses, substantially all of the amendments offered by the Senate were accepted. I believe I am not inaccurate in stating that all of the differences were reconciled, leaving a sole controversial matter; that is, that relating to the Connally amendment. As I have stated, it was only with great reluctance that the four Senate conferees yielded on this point. We believed, from the attitude of the managers upon the part of the House, that unless the Senate receded upon that point, the conference would end in failure; that is, there would be no legislation at this time dealing with social security.

Without being critical of the managers upon the part of the House I feel constrained to say that they were unyielding upon the so-called Connally amendment, and if the Senate conferees had insisted upon its adoption, the conference would have ended in failure.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BORAH. Will the Senator advise us what the great objection was to the Connally amendment on the part of the House?

Mr. KING. Mr. President, after hours and days of discussion, and consideration of the various views presented, it would be impossible in a limited time even to present a fragment of the multitudinous arguments which were assigned by the managers upon the part of the House, but, generally speaking, their view was—and I think I am interpreting their objection accurately—that it would disturb a system which had been adopted, and that if we began to modify the plan which was the basis of the social-security program, other changes would be made, which might ultimately so mutilate it as to work its destruction.

They had in mind, and it was suggested in the consideration of the conference, the condition of the social-security laws in Germany and in England.

As Senators know, the social-security systems of the countries referred to finally met with disaster; that is, they failed to meet the requirements made of them. Their funds were depleted and resort was had to their respective treasuries. Reorganizations were instituted and even then there were serious impairments of the plans provided.

In reply to the inquiry from the Senator from Idaho, I think I am accurate in stating that the managers upon the part of the House believed that to accept the Connally amendment would be an impairment of the social-security system which had, generally speaking, commended itself to the American people. They believed, as I interpreted their attitude, that we should give trial to the present law and that to make such a material change in the theory upon which the social-security system rested would be unwise.

Both the House bill and the Senate bill provided for raising the maximum amount to be matched from \$30 per month to \$40, so this provision will be included in the bill

without the necessity of action on the part of the conference committee.

The House has receded on the amendment to the unemployment-insurance provisions, the purpose of which was to allow the States to reduce their unemployment-insurance contributions if a certain reserve fund has been attained and minimum-benefit standards have been provided. It was felt that further study and experience was necessary before such action could be taken.

Mr. President, in my opinion a further study of the social-security system will call for additional amendments to the present law, as well as to the measure now before us, if it shall be enacted into law. Important measures dealing with social relations and public welfare grow out of experience. It is conceded by those who have given much study to social problems and to plans akin to those found in social-security legislation that mistakes are made and that through evolutionary development weaknesses are discovered and eliminated. Undoubtedly Congress will give further study to the provisions of the social-security law and, as stated, will, as the years go by, find changes necessary in order to meet developing and changing conditions.

Mr. President, referring to the bill before us we find that provision is made for taxing workers over age 65 and their employers, beginning January 1, 1939, instead of January 1, 1940. It is these individuals who have already reached age 65 who will be the first to retire, but the present law disregards for both benefit and tax purposes all wages after 65, thereby making it most difficult for all these individuals to qualify. This amendment has the approval of the Treasury Department and the Social Security Board.

After considerable discussion, agreement was reached to provide that the States participating under the Federal social-security program must provide a plan for the establishment and maintenance of personnel standards on a merit basis. And I am sure that will commend itself to my friend the Senator from New York, and also to the distinguished Senator who is now occupying the chair [Mr. La Follette].

The amendment worked out by the conference committee provides, however, that the Board shall exercise no authority with respect to the selection, tenure of office, or compensation of any particular employee appointed in accordance with such State plan. These provisions will cover old-age assistance, aid to dependent children and the blind, unemployment compensation, and maternal and child-welfare services.

The conferees have retained the increases made by the Senate in the authorizations for appropriation for maternal and child-welfare services. However, instead of the additional \$4,000,000 per year voted by the Senate for publichealth work, this sum has been cut to \$3,000,000 per year.

The House bill increased the authorization for vocational rehabilitation from \$1,938,000 to \$2,938,000. The Senate, as Senators will recall, struck out this provision and increased the authorization to \$4,000,000. The conferees have agreed upon the sum of \$3,500,000.

With respect to Indians under the public-assistance programs the Senate has receded from its amendment so that the situation is left the same as under the present law. In view of the many questions arising out of this amendment, the House conferees felt that it was imperative that any action on this subject be deferred until the Ways and Means Committee could give more detailed consideration to the many ramifications of the proposal.

Mr. President, the Senate has receded on its amendments to create advisory councils to study and report on unemployment insurance and disability benefits. It was thought best, as I indicated a few moments ago, not to include reference to temporary councils in permanent legislation of this kind.

Before concluding my remarks I should like to state that the attention of the conference committee was directed to the question of the effect of the definition of agricultural labor contained in this bill upon questions which have heretofore arisen concerning the meaning of the term "agricultural labor" used in the present law. Agricultural labor is

exempt under the present law, but the term is not defined. The definition in this bill will not take effect until January 1, 1940. A number of questions have arisen as to whether particular activities are or are not within the meaning of the term "agricultural labor" under the present law. Some of these questions are now in litigation. It was the sense of the conference committee that these questions now in dispute should be determined in the ordinary way, by the courts or otherwise, and that the Congress should not at this time attempt to indicate what meaning should be given to the term "agricultural labor" with respect to its application before the time arrives for the new definition to take effect.

Mr. President, I shall not take the further time of the Senate in discussing the report. While it may not meet with entire satisfaction, I cannot help but believe that if the measure before us is enacted into law, it will be received with general satisfaction. It will prove of benefit to employers as well as to employees as it deals in a more generous and humane manner with various groups of persons who are brought within its terms.

As I have indicated, the report meets with the approval of the House conferees and, as I am advised, it met with the unanimous approval of the House. The statement submitted by the managers upon the part of the House, which had been printed in the Record, sets forth in a very clear manner the various amendments and the disposition made of the same.

Mr. President, I move the adoption of the report.

Mr. HARRISON obtained the floor.

Mr. CONNALLY. Mr. President, I suggest the absence of a quorum.

Mr. HARRISON. Will the Senator withhold his suggestion?

Mr. CONNALLY. Mr. President, I wish, so far as possible, that all Senators may hear the statement about to be made by the Senator from Mississippi.

Mr. HARRISON. I thank the Senator from Texas. I want the Senators to hear the statement of the Senator from Texas also. However, I hope the Senator will not ask for a quorum call at the present time.

Mr. President, I find myself in a very embarrassing position. Naturally one who has taken a great deal of interest in the formulation of a piece of legislation, such as the Social Security Act amendments, and has followed it through the meanderings of committee hearings, through debate on the Senate floor, and through a long conference between the House and Senate conferees, and who cannot subscribe to the report which was finally agreed to, should make an explanation of his position. For that reason, and for that reason only, am I stating to the Senate the reasons for my failure to sign the conference report.

Mr. President, I feel that the report embodies some farreaching and very beneficial provisions. In many respects the legislation is of a highly constructive character. I will not take the time of the Senate by discussing in detail all of those particular provisions. I do desire, however, to mention briefly some of the provisions which, as I have stated, I feel are of a very important character. Considerable tax relief is granted by the freezing of the old-age insurance pay-roll taxes, which becomes effective January 1, 1940, and should prove very helpful to our general economic situation. Taxpayers are granted additional relief through the provision that only the first \$3,000 an employer pays an employee for a year is taxed under the unemployment-compensation provisions. This provision already exists with reference to oldage insurance. Tax penalties against the taxpayer are greatly modified and past delinquencies are adjusted. The legislation eliminates the so-called nuisance taxes which have been collected from fraternal and other nonprofit organizations. The old-age insurance provisions adopted by the House and further liberalized by Senate amendments, and agreed to in conference, will greatly help those who have already reached the age of 65 and will give them a chance to earn retirement quickly.

The amendments liberalize the present law by increasing old-age insurance benefits, and also provide benefits for the wife, the surviving widow, the children, and, in some instances, the parents of deceased wage earners. The report contains increased authorizations for many very worth-while services, including maternal and child health, public health work, services to crippled children, and vocational rehabilitation. All of these are splendid contributions to social advancement. The change from one-third to one-half of the Federal share of costs in granting aid to dependent children will be extremely beneficial. Some assistance to the poorer States is provided in the new basis of sharing the cost of Federal administration of the State public-assistance programs. The legislation clarifies the present situation which exists with reference to the definition of agricultural labor.

Mr. President, I should have been delighted to have signed the report. However, I was greatly interested in the principle embodied in the Connally amendment, and because of the failure on the part of the House conferees to permit the amendment to be reported to the House for a roll-call vote, and their failure to accept the Connally amendment, either in the form agreed to by the Senate or in some modified form, as suggested by the Chairman of the Social Security Board, which reduced the amount carried in the original Connally amendment from \$120,000,000 to around \$13,000,000 annually, I could not subscribe to that method of procedure, and, therefore, I felt I could not sign the report.

Mr. LA FOLLETTE. Mr. President, will the Senator

The PRESIDING OFFICER (Mr. Wagner in the chair). Does the Senator from Mississippi yield to the Senator from Wisconsin?

Mr. HARRISON. I yield.

Mr. LA FOLLETTE. Mr. President, I should like to say, as one member of the committee, that it was a matter of deep regret to me that the Senator from Mississippi [Mr. Harrison] and the Senator from Texas [Mr. Connally] did not feel that they could conscientiously sign the report. I should like to say for the Record, in case in the future anyone should be searching it and not find the names of the Senator from Mississippi and the Senator from Texas upon the report, that I accord to them a full measure of credit for any of the improved features which were put in the bill by the Senate Finance Committee, or which were put in the bill on the floor of the Senate, or were obtained after a long and protracted conference as concessions from the managers on the part of the House.

Mr. HARRISON. I thank the Senator from Wisconsin. Of course the big question which wrought the sharp differences between the conferees of the House and those of the Senate was over the so-called Connally amendment.

Mr. President, it would have been easy for the House conferees to take the Connally amendment back to the House and obtain a roll call vote on it. I went so far as to say that if there had been an opportunity afforded the House to vote, and if on a yea-and-nay the House had turned down the Connally amendment, I would then have been willing to sign the report. I am sure the Senator from Texas took the same position, as did other Senators on the conference committee. All the Senate conferees appealed to the House conferees to do that; but they were adamant and refused.

Mr. President, I think I know something about the rules of the House. I once served in that body. The House has not changed its procedure under which conferees may bring in a partial report and obtain a vote of the House on any particular matter in disagreement; but the House conferees refused to do that. I do not presume to dictate the course of action which must be followed by House conferees, but I could not sign the report under those circumstances. I presume the House conferees considered that a matter of principle was involved, but I cannot see any great principle involved in the 50–50 matching provisions of the present law. The social-security bill itself contains other bases of grantsin-aid to States. The issue of making a more reasonable

provision for the Federal share of assistance to the aged will be before the country until better provision is made. It would not destroy but would preserve this great socialsecurity system if, in the poorer States, the Federal Govern-

ment made a little larger contribution.

I, for one, do not subscribe to the Townsend plan. My friend from California [Mr. Downey] recently made a very eloquent speech in support of it. I have opposed, and will continue to oppose, this plan because I do not think it workable or practical. However, I believe that when the people of my State, or any other poor State, cannot provide more than six or seven dollars a month from a combined Federal and State contribution, the Federal Government should come in and contribute in the ratio of at least 2 to 1 up to \$15, or some like amount.

I know that the House conferees felt that there had been a vote in the House on this question. In the consideration of the bill in the House an amendment had been offered which carried a Federal contribution of 4 to 1 for old-age assistance. That amendment was voted down, but it was voted down by a teller vote, not a roll-call vote. Then an amendment was offered providing a 3-to-1 contribution, and later an amendment was offered providing a 2-to-1 contribution on the part of the Federal Government, but each amendment was voted down in the House. However, in the Senate we went on record. Every man showed his colors. Why should the House membership be protected by not having a record vote on the Connally amendment?

Mr. CONNALLY. Mr. President, will the Senator yield? Mr. HARRISON. I yield.

Mr. CONNALLY. I ask the Senator if it is not his view that if the Senate conferees had insisted on the House conferees taking the amendment back to the House for a vote, we should have obtained a vote in the House?

Mr. HARRISON. Mr. President, there is often a division among Senate conferees. I do not desire to criticize any of my colleagues. My own personal view is that if there had not been a sufficient number to sign the report the House conferees would have taken the amendment back to the House. I am assuming my own responsibility for not signing the report. I was strongly in favor of the idea expressed in the Connally amendment. However, there is so much good in the report, and so much that will be of benefit to the working people of the country as well as to the taxpayers, that I shall vote for the report if it comes to a roll

Mr. President, I want the Senate and the country to know that I shall also continue to exert my efforts toward a real liberalization in Federal contributions for old-age assistance. It would have been a narrow and partisan view to have voted against the larger pension which will be shared equally by Federal funds, though it benefited only those in richer States. I feel that Members of the House as well as my colleagues of the Senate will be equally generous with those citizens of our country in the poorer States.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. PEPPER. I ask the Senator if he does not think that the Senator from California [Mr. Downey], the Senator from Florida [Mr. PEPPER], and other proponents of the Townsend plan owe a debt of gratitude to the committee for the impetus it has given to the Townsend plan by the action which the Senator did not approve?

Mr. HARRISON. I think the action taken in the report, refusing to give larger Federal assistance to the States, will give great encouragement to those who shout and talk and plead for increased old-age pensions along the lines of the Townsend plan. It was with the idea of helping the poorer States which cannot help themselves, that I supported the so-called Connally amendment in the committee and fought for it on the floor, even against my own committee.

Mr. KING. Mr. President, will the Senator yield? Mr. HARRISON. I yield.

Mr. KING. Is it not true that day in and day out all the conferees on the part of the Senate insisted upon the Connally amendment? I know that up to the last moment I pleaded with the House conferees to take the matter back to the House and obtain a vote. I do not think I am betraying any confidences when I say that the conferees on the part of the House stated that they would not under any circumstances take the matter back to the House, and that if the Senate conferees insisted upon their view there would be

Mr. HARRISON. The Senator insisted, up to the last day, that the House conferees take the amendment back to the House for a vote.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. HARRISON. I yield. Mr. SCHWELLENBACH. The Senator will remember the question which I raised in connection with the bill concerning employees in the fishing industry.

Mr. HARRISON. Yes.

Mr. SCHWELLENBACH. Would the Senator object to stating briefly for the RECORD the result of the conference in that connection?

Mr. HARRISON. The measure as finally agreed upon is entirely along the lines of the Senator's suggestion. The limitation as to tonnage of vessels employed in that industry is even lower than the tonnage we discussed. I have forgotten the exact figure of the Senate as to the tonnage.

Mr. KING. The figure was 20 tons.

Mr. HARRISON. I believe it was reduced to 10 tons. The amendment was broadened from the viewpoint of the Senator from Washington.

Mr. SCHWELLENBACH. Mr. President, I wish to express to the Senator from Mississippi and other members of the conference committee my appreciation of the very sympathetic and clear way in which a study was made of this subject. It was unfortunate that when the bill was brought into the Senate it was subject to criticism. Having confidence in the Senator from Mississippi, I permitted the Senate amendment to be adopted, even though I was opposed to it, he having assured me that the subject would receive study, and that if the Senate amendment were in error the error would be corrected. I wish to say that the Senator from Mississippi and the employees of the committee cooperated fully in the study of the subject.

Mr. KING. Mr. President, the tonnage was reduced from 400 to 20 tons; and the Senator will find a full explanation on

page 2 of the report.

Mr. HARRISON. Mr. President, that is all I have to say. Mr. GEORGE. Mr. President, I desire to say just a word. First, I wish to direct my attention to a statement made in the report by the Finance Committee to the Senate when the social security bill was reported to the Senate, and a similar statement-in fact, identical-which was contained in the report submitted by the House Ways and Means Com-

mittee to the House of Representatives.

The matter to which I refer has to do with the definition of farm labor, particularly as it applies to maple sirup, gum, turpentine, and rosin. The conference committee made a supplemental statement in the conference report to the House upon that question; and the Senator from Utah [Mr. KING], who has submitted the report to the Senate, likewise has incorporated the statement in his report.

The purpose of bringing this matter to the attention of the Senate is to comment on the definition of farm labor. Farm labor, of course, is excluded from the Social Security Act. The definition is somewhat broadened or clarified by the provisions of the House bill, which provisions were not amended in the Senate. In the report it was stated that after January 1, 1940, certain workers would not be included in the Social Security Act because thereafter, by virtue of the amendment, they would become farm laborers.

It so happens, Mr. President, that litigation had arisen with respect to the producers of gum turpentine and rosin, and had been going on for several months; and the statement, therefore, might have been interpreted as an opinion by the committee that under the original act the producers of gum turpentine and rosin were not, in fact, farmers, and were subject to the pay-roll tax. So that the statement now submitted by the managers on the part of the House and on the part of the Senate is to the effect that it is not the purpose of the Congress in clarifying and broadening the definition of farm labor, to affect adversely pending litigation or the question involved in pending litigation.

In that connection, I wish to make a further statement. The producers of gum turpentine and rosin have been recognized as farmers, and the laborers employed by them as farm laborers by act of the Congress. In the Farm Agricultural Marketing Act approved August 15, 1929, as amended by the act approved March 4, 1931, they are expressly classed as farmers. In the Soil Conservation and Domestic Allotment Act the producers of gum turpentine and rosin are recognized as farmers, and, under the soil-conservation program, they are receiving benefits. Furthermore, they are expressly recognized as farmers in the terms of the Wage-Hour Act. Likewise, they have been the recipients of loans by the Commodity Credit Corporation, and only the producers of farm products are eligible under the act of Congress for loans under the Commodity Credit Corporation Act.

So, Mr. President, it seems proper that some note be made of the insertion in the report filed by both the Ways and Means Committee and the Senate Finance Committee on the social security bill when the bill was laid before the respective Houses for action. It is not the intent of the Senate Finance Committee, at least, and it may be stated with reference to the Ways and Means Committee, to prejudge the contention made, continuously insisted upon and now insisted upon, in the courts by the producers of gum turpentine and rosin that they are, in fact, farmers and are not within the terms of the act. The statement made in Finance Committee report was inadvertently made.

Mr. President, I desire to make a further statement. The Senator from Utah [Mr. KING] has called the attention of the Senate to the fact that the conference committee on the bill proposing amendments to the Social Security Act has been in session for 3 weeks. Among the most difficult of the amendments considered by the conference was the Connally amendment. There were many other amendments on which there was, of course, prolonged discussion by the members of the conference. The distinguished chairman of the committee of the conference on the part of the Senate, the Senator from Mississippi [Mr. Harrison], in the Finance Committee, on the floor of the Senate, and in the conference steadfastly, ably, and conscientiously insisted upon the retention of the Connally amendment. I myself supported that amendment in the Finance Committee and on the floor of the Senate, and in the conference.

I may say, I think, without any impropriety, that I never voted to recede from insistence upon the Connally amendment. I believed that the principle was sound, and I believed it was advisable to insert the provisions of the Connally amendment in the old-age benefit provisions of the Social Security Act. I still believe so, because the wide inequality of treatment of our old people by the Federal Government, based upon any premise that may be imagined, cannot be maintained permanently as a part of our law. It is true that the inequality of treatment of the worthy aged people in the several States is predicated upon the failure of the States to make adequate provision or to match the full contribution which the Federal Government itself is authorized to make; but I said on this floor, and I now repeat, that it does not matter whether that is true; there is that inequality; it is inequality between American citizens, and it is no answer to say that, because the State has not done so and so, therefore the Federal Government was not called upon to do so and so, when the Federal Government established this system and invited the States to come in, believing, of course, that the States would all make a contribution under the law as it was passed of \$15 per month for their worthy aged citizens and thereby make available the \$15 which the Federal Government was authorized to provide. Under the conference-report agreement now before the Senate, the amount has been increased to \$20 per month; but, as a matter of fact, some of the States have not contributed \$15 per month or anything like it; as a matter of fact, some of the States are not able to pay \$15 per month. But it does not make any difference, in my judgment, so far as the issue is concerned, whether the States are unwilling or unable to match the full Federal contribution or at least so much of that contribution as will provide the bare physical necessities to the aged people of this country who are eligible under both State and Federal law.

So, I believed in the Connally amendment; and I still believe in it. It would have given at least a minimum benefit to the aged people of each State, a minimum that would have, at least, taken care of what may be described, even strictly, as the barest necessities of life. But we failed in the conference to induce the House conferees to accede to that amendment and to recede from the position taken by the House.

The distinguished Senator from Mississippi has already made a statement regarding the effort to induce the House conferees to take this amendment back to the House of Representatives for a vote. I will not repeat that, but I do wish to say that, so far as the Senator from Mississippi [Mr. Harrison] and the junior Senator from Texas [Mr. Connally], the author of the amendment, are concerned, and so far as I am concerned, we insisted upon the amendment to the last, and certainly no two Senators could have presented with more ability, more earnestness, and more seriousness the position taken by the Senate in its vote upon the Connally amendment than did the distinguished Senator from Mississippi and the distinguished Senator from Texas.

Mr. CONNALLY. Mr. President, I happen to have been one of the Senate conferees on the bill proposing amendments to the Social Security Act. I did not sign the conference report, and I want the Senate and the country to know why I did not sign it.

The attitude of the House conferees from the beginning was that of stubborn resistance to permitting the House to have an opportunity to vote by a record roll-call vote on the so-called Connally amendment. That was soon apparent to every Senate conferee who attended the conference, as they all did. Knowing that attitude of the House, I felt that a mere request of the Senate conferees that the House conferees take the amendment back to the House for a separate vote would be entirely futile and of no effect.

If four of the Senate conferees had stood their ground as they stood it throughout the deliberations up until the last conference, I feel confident that the House of Representatives would have had a chance to vote upon this amendment; and if it had had such a chance, and had rejected the amendment, my feelings about the matter would be very different from those which I entertain at the present moment. With all due deference to my colleagues on the conference committee, I feel that the Senate conferees, in undertaking to carry out the mandate of the Senate, should have insisted and demanded that the House conferees take this subject back to the House of Representatives for a separate vote. That, however, was not done.

Mr. President, two very important amendments were pending before the conference. One was the so-called Connally amendment. The other was an amendment moving back from 1940 to 1939 the coverage into the old-age insurance system of about 250,000 persons who will become 65 years of age during the present year, and are not covered by the present law; but under the Senate amendment they will secure old-age assistance for their allotted period, to the cost to the fund of \$695,000,000. That \$695,000,000 does not come out of the Treasury of the United States, but comes out of the trust fund accumulated by the payments by employers and employees under the old-age insurance system. The effect of the amendment is to take \$695,000,000 out of that fund and give it to persons, who under the present law are not entitled to old-age insurance, and take

it away from those who are paying it in now, and expect to get the benefits in future years. Had they not been brought in—they have paid for insurance for only a year or two—under the present law they could have applied for what they had paid in upon becoming 65, and could have received its return; but instead the other amendment brings them in, 250,000 of them, and hands them \$695,000,000 cut of the trust fund. That amendment was the price of the rejection of the Connally amendment. The House accepted that Senate amendment, and then, as the price of it, they killed the Connally amendment by the change of attitude on the part of one of the Senate conferees.

Mr. President, I now desire to talk a little while about the Connally amendment. I thank the distinguished Senator from Mississippi [Mr. Harrison] and the distinguished Senator from Georgia [Mr. George] for their very generous and kind remarks with respect to the amendment.

Under the present Federal law it is provided that for old-age assistance the Federal Government simply pays to the beneficiary the same amount that the State in which he resides may pay him. Under that system a rich State receives more, and a poor State receives less. It receives less when it needs more—and it gets more when it needs less. The President of the United States has indicted the present system. The President of the United States, in transmitting to the Congress of the United States the report of the Social Security Board, drew an indictment against the present system when he said—I read from the President's message of January 16, 1939—

I particularly call attention to the desirability of affording greater old-age security. The report suggests a twofold approach which I believe to be sound. One way is to begin the payment of monthly old-age insurance benefits sooner, and to liberalize the benefits to be paid in the early years. The other way—

I want Senators to listen to this. I want the House of Representatives, which did not have an opportunity to vote upon this question, to listen to this. I do not care about the House conferees listening to it, because it would have no effect upon them. They assumed to act without referring this matter to their own body, whose commission they bore. Whether they feared the result there, or whether it was simply a spirit of self-opinionated, aggressive action on the part of the House conferees, I am not prepared to say. But what does the President say?

The other way is to make proportionately larger Federal grants-in-aid to those States with limited fiscal capacities, so that they may provide more adequate assistance to those in need. This result can and should be accomplished in such a way as to involve little, if any, additional cost to the Federal Government.

Mr. President, those are the words of the President of the United States. Those words are an indictment of the present 50-50 matching system. He says it is not fair—not in so many words, but the result of his suggestion is that the present 50-50 system of old-age assistance matching is not just and is not sound.

What is the attitude of the Social Security Board? The Social Security Board recommended that there be a variable grant with reference to old-age assistance. This is what the Social Security Board said in its report, which was transmitted by the President:

VARIABLE GRANTS

Federal grants-in-aid under the three public assistance provisions of the Social Security Act will total approximately a quarter of a billion dollars during the current fiscal year. These grants are made to all States on the same percentage basis, regardless of the varying capacity among the States to bear their portion of this cost. The result has been wide difference between the States.

I am glad the Senator from South Carolina [Mr. BYRNES] has entered the Chamber, because in a moment I propose to make reference to his activity.

The result has been wide difference between the States, both in number of persons aided and average payments to individuals. Thus in the case of old-age assistance the number of persons being aided varies from 54 percent of the population under 65 years of age in the State with the highest proportion to 7 percent in that with the lowest proportion. Similarly State averages for payments to needy old people range from about \$32 per month to \$5.

These are not my words. These are the words of the Social Security Board, which is supposed to know more about this system than anybody else. These are the words of the President of the United States in approving the attitude of the Board:

While these variations may be explained in part on other grounds, there is no question that they are due in very large measure to the varying economic capacities of the States.

The Board believes that it is essential to change the present system of uniform-percentage grants to a system whereby the percentage of the total cost in each State met through a Federal grant would vary in accordance with the relative economic capacity of the State. There should, however, be a minimum and maximum limitation to the percentage of the total cost in a State which will be met through Federal grants.

The junior Senator from South Carolina [Mr. Byrnes]. after his very fine work on the unemployment committee, filed in the Senate a report proposing the adoption by the Congress of the theory of variable grants in old-age assistance. He is entitled to great credit for the work he has done along that line. When this bill was in the Finance Committee, consideration was given both to the plan proposed by the Senator from South Carolina and to the amendment which I afterward offered. There was no difference between us as to securing results; but because of there being so many objections to the theory of variable grants, on the theory that it would give some States proportionately more than others and would thereby take money from the richer States and hand it over to the so-called poorer States, it was felt that my amendment, which treats all States alike and gives to each the same percentage, probably would command more support. Therefore, when the bill reached the Senate I offered the amendment which provides that the Federal Government shall contribute \$2 to the State's \$1 up to the amount of \$15, and that thereafter there shall be an equal division as between the State and the Federal Government.

Mr. President, what is the present system, and what is the result in the various States? I hold in my hand a table showing the amounts received, average payment per recipient of old-age assistance, for June 1939, which is the latest available report.

What is the result, under the present matching system, of old-age assistance in the various States? There are 16 States, I believe, which are now paying jointly, between both the Federal Government and the State Government, less than \$15 a month. Half of these sums are paid by the Federal Government and half by the State governments.

For instance, the State of Connecticut pays \$26.03. In other words, in Connecticut, out of the Federal Treasury, out of money which all the people pay, out of taxation contributed by the poor States as well as the rich States, out of money contributed by every little fellow who buys a gallon of gasoline for his old, worn-out Ford, out of that kind of money the Federal Government pays \$13 to the old-age recipient in the State of Connecticut, and pays \$3.01 to the same sort of an individual residing in the State of Arkansas. Is that a balanced program? Is that equality?

Is that carrying out the theory of real old-age assistance and generosity through this system we have inaugurated?

In the State of Maine the Federal Government pays \$10.26½ per capita. In Massachusetts it pays \$14.16½. In New Hampshire it pays practically \$12 a month. In Rhode Island it pays \$9.46. In New York the Federal Government pays half of \$23.57. In Delaware, however, it pays \$5.48. If an old fellow happens to live over on the Delaware border, in Delaware, the Federal Government says, "You need only \$5.48 of Federal money." If he lives a quarter of a mile farther west, over on the Pennsylvania side, the Federal Government says, "Old fellow, I will give you \$10," as against what is received by the man a quarter of a mile away, who resides in Delaware. It is the same Federal Government, the same sort of an individual, a citizen of the same Republic, occupying the same standard of need, occupying the same condition of want, but the Federal Government gives to the one a large amount and to the other a small amount.

Within the District of Columbia the Federal Government pays \$12.78. In Maryland the Federal Government pays one-half of \$17.42, whereas in North Carolina the Federal Government pays the same sort of an individual one-half of \$9.59, or \$4.79, as against \$8.70 in the State of Maryland.

I am sorry the junior Senator from Virginia [Mr. Byrd] is not in the Chamber at the moment. In Virginia the man who is in want, the old citizen 65 years of age, gets out of the Federal Treasury \$4.81, while a citizen similarly situated, if he happens to be a resident of California, would get \$16 out of the Federal Treasury.

Mr. DOWNEY. Mr. President-

The PRESIDING OFFICER (Mr. Davis in the chair). Does the Senator from Texas yield to the Senator from California?

Mr. CONNALLY. I yield.

Mr. DOWNEY. Let me make this comment, that under the amendments about to be accepted the amount in California will automatically be lifted to \$20.

Mr. CONNALLY. Exactly.

Mr. DOWNEY. So that the senior citizen in California will be getting really about six or seven times as much as those in Virginia, and I may say to the Senator from Texas that we in California do not want to take advantage of the other States in the Union.

Mr. CONNALLY. I thank the Senator from California for his very helpful suggestion and for his interruption.

Under a provision of this bill the maximum contribution has been raised to \$40 a month, instead of \$30 a month, and States like California, which are able to avail themselves of it, no doubt will avail themselves of it, and, as a result, the old-age pensioner in California will get \$20 out of the Federal Treasury as against \$3 in Arkansas, and \$4.70 in the State of Virginia. That is what will happen. That is happening under the present system, under this system which is so sublimated and so perfect that we must not lay our hands upon it at all.

Mr. President, if the measure of responsibility is to be according to the ability of the States and their economic condition, why did the Federal Government ever invade the field of old-age assistance? Why did it not leave it to the States? Why did it not say to the States, "Raise your own money, and disburse it among your old-age citizens"? But the Federal Government steps in and says, "This is a Federal responsibility, at least to some degree." It says, "The Federal Government has an interest in this matter. We will set up a Federal system," a system which practically coerces and influences every State to come into the system, and then it makes these pitiful provisions with respect to the amount each State will receive.

Mr. President, in West Virginia the Federal Government pays its old-age pensioners \$6.76. In Kentucky the old-age pensioner receives \$4.325 of Federal money. Michigan, which is richer, has drawn a lot of its riches from the contributions of Kentuckians, who ride in automobiles, and who buy articles from Michigan; yet the old-age pensioner in Kentucky receives \$4.325 as against \$8.22 in the State of Michigan. Every old pensioner in the State of Michigan gets practically \$2 of Federal money for every dollar of State money. Yet Senators say it is unfair to provide that we shall reverse that proposition and pay him \$2 of Federal money for each dollar of State money up to a maximum of

In Ohio the Federal Government pays \$11.28; in Illinois, \$9.61; in Indiana, \$8.58. In Wisconsin the old-age pensioner receives \$10.60, whereas in Alabama the old-age pensioner receives \$4.64.

Is there any justice in that? Is there any equality in it? I am talking about Federal funds now; I am not talking about State funds. A State can pay all it may desire to pay. There is no inhibition, there is no prohibition, there is no impediment to a State's paying what it pleases, but it is our responsibility as to the amount of Federal money that is paid to the old-age pensioners, whether they live in California or whether they live in Arkansas, or Alabama, or North Carolina, or Virginia, or in the city of New York.

Is a man's want any less, if he lives in circumstances of penury, whether he resides in Alabama or resides in New York? Is there any climatic condition with respect to this system which makes it any easier for an old man to get bread and meat in Florida than in Colorado or in California? No, Mr. President; but that is the system.

I shall not weary the Senate by detailing all the States in which old-age pensioners get less than \$15. Under the terms of my amendment every State in the Union would be treated exactly as every other State. My amendment would stimulate and lift up the ones in the very low bracket to somewhere near a decent level. It would make possible, in my opinion, the payment of at least \$15 a month to every old-age pensioner in the United States. From then on the States and the Federal Government would contribute equally in additional payments.

Mr. President, I ask to have this table printed in the

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average payment per recipient of special types of public assistance in States with plans approved by the Social Security Board, by regions and States, June 1939

	Average payment per recipient for June 1939		
Region ¹ and State	Old-age assist- ance	Aid to dependent children ²	Aid to the blind
Total	\$19.42	\$31. 19	\$23. 15
Region I:			
Connecticut	26, 03	37. 53	25, 00
Maine	20, 53 28, 33	56. 96	23. 0
New Hampshire	23. 64	40. 44	22, 5
Rhode Island	18.95	46. 27	
Vermont	15.09	29.06	20. 9
Vermont Region II: New YorkRegion III:	23. 57	47. 52	24. 2
Delaware	10.96	30, 89	Late Contract
New Jersey	19, 59	29. 72 35. 11	22. 8
Pennsylvania	21. 34	35. 11	
Region IV: District of Columbia	25, 57	43, 21	26.6
Maryland	17. 42	30. 82	21.0
North Carolina	9. 59	15.38	14. 59
Virginia	9, 63	22, 51	13.0
West Virginia	13. 53	21.05	16.87
Region V: Kentucky	8, 65	United at Acres	he world
Michigan	16, 44	34. 10	23. 33 19. 75
Ohio	22, 57	38.84	19. 7
Region VI: Illinois	19. 23		
Indiana	17.17	27, 48	19.69
Wisconsin	21. 20	36, 61	22.7
Region VII:		3 11 1	
Alabama	9. 29	12.44	8.8
Florida Georgia	13. 86 8. 12	25. 72 20. 49	14.6 10.0
Mississippi	7.34	20. 13	7.1
Mississippi South Carolina	8.18	16, 23	7.1
Tennessee.	13. 21	18.35	14.6
Region VIII:	19, 90	The state of the s	23.3
Minnesota	20. 67	35. 13	25. 1
Nebraska	15, 45	24. 18	15.9
North Dakota	17. 70 18. 30	32.34	19.7
Region IX:	18. 30		17.0
Arkansas.	6, 02	8, 14	6, 5
Kansas.	17. 67	26, 66	18.8
Missouri	17. 67 18. 77 17. 72	19. 27	
OklahomaRegion X:	17. 72	12.02	14.7
Louisiana.	10, 52	21, 39	13. 4
New Mexico	11. 85	21.31	14.8
Texas	14.16		
Region XI:			
Arizona	26, 34	31. 90 29. 68	24.9
Idaho	26, 34 28, 20 21, 45	26, 90	27. 7 21. 4
Montana	17. 02	23, 43	21.0
Utah	20. 76	33. 57	25. 7
Wyoming Region XII:	23. 03	30. 90	28. 1
California	32. 45	41.99	48, 0
Nevada	26. 57		
Oregon Washington	21. 38	40. 03	25. 2
Washington Territories:	22. 15	29. 27	30. 4
Alaska	27. 65		
Hawaii	12.62	35. 59	14. 9

Social Security Board administrative regions. Average per family.

Mr. CONNALLY. Mr. President, I have another table, one relating to the per capita income in the various States, and that is the test of ability to pay; that is the test as to taxation resources.

In New York State the average income is \$700 a year.

In North Dakota the per capita income is \$260 per year. Can it be said that the people of North Dakota are as well able to contribute by way of taxation as are the citizens of New York, who on an average receive twice as much income as those who live in North Dakota?

In Connecticut the per capita income is \$607 a year compared with South Dakota per capita income of \$275 per year.

The average per capita income in California is \$605 per year, compared with the average annual per capita income in Louisiana of \$300 a year. The income of the individual in California is twice that of the individual in Louisiana.

Mr. President, I ask that the table to which I have just referred be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average old-age-assistance payment per recipient (title I), December

******	Park and	1336	A10 FF
United St	tates		 \$19.55
California			32, 43
			29.99
			28.56
Connecticut			 26.66
Nevada			 26.46
			26.10
			24. 18
New Hampshire			 23.08
Ohio			 23.01
Washington			 22. 10
Wyoming			 21.62
Idano			 21.55
			21.30 21.19
Pennsylvania			 20.78
Wisconsin			 20. 70
			20.48
			20.45
			20, 42
			20.04
			19.94
			19.82
Kansas			 19.62
New Jersey			 19.32
Rhode Island			 18.78
			18.52
Missouri			 18.48
Maryland			 17.51
			17.38
			17.12
			17.11
			16.53
			14. 47 13. 84
Florida			 13.84
West Virginia			 19 70
			13.79 13.23
			11. 15
			10.84
			10.26
Virginia			 9.54
Alabama			 9.51
North Carolina_			 9.36
			8.76
Kentucky			 8.73
Scuth Carolina			 7.40
			6.92
Arkansas			 6. 15
		income by States	
United St	ates		 . \$432
New York			 700
Collifornia			
Massachusetta			 545
Wyoming			 539 526
Pennsylvania			 478
Michigan			 473
Maryland			 473
Wisconsin			 467

Ohio	
New Hampshire	
Washington	
Minnesota	
Colorado	
Indiana	
Arizona	
Oregon	
Iowa	
Missouri	
Vermont	
Kansas	
Nebraska	
Florida	
Utah	
Idaho	
New Mexico	
West Virginia	
Texas	
Virginia	
Louisiana	
South Dakota	
North Dakota	
Oklahoma	
North Carolina	
Georgia	
Kentucky	
Tennessee	
South Carolina	
Alabama	
Arkansas	
Mississippi	
District of Columbia	
District of Colditions	

Per capita income by States 1935-Continued

Mr. CONNALLY. Mr. President, the table reveals the reason why the States in the lower economic brackets have not been able to provide adequate old-age-pension payments.

I wish to refer to Arkansas. In Arkansas the per capita income is \$182 per year. Think of it; \$182. Yet the conferees on the part of the House insist that the man living in Arkansas, with an income of \$182 per year, is just as able to pay by way of taxes as the citizens of New York whose income is \$700 a year.

In Mississippi the per capita income is \$170 a year. Yet it is said that that State is just as able to pay old-age assistance as Connecticut, where the average income is \$607 per year.

In the District of Columbia the per capita income is \$966 per year. That is higher than the per capita income of any State in the United States. Yet it is not required to pay any more than the State of Arkansas or the State of Alabama.

What about Alabama? The per capita income in Alabama is \$189 a year, compared with \$605 in California, \$590 in Delaware, \$561 in Rhode Island, and \$545 in Nevada.

The per capita income in South Carolina is \$224 per year. In Tennessee it is \$232, in Kentucky it is \$240, in Georgia it is \$253, and in North Carolina it is \$253, Oklahoma \$259, and in Louisiana \$300.

Mr. President, there is a reason for that. Many States such as Georgia, Mississippi, and Alabama have large colored populations. Under the laws of those States the colored population, of course, and very justly, receives the same consideration in matters of this kind that people of the white race receive, and yet they contribute practically nothing in the way of tax payments to the resources of the State. That means that out of the meager resources of the other portion of the population, due to the economic condition in which they find themselves by reason of the policies of this Government for the past 75 years, they find themselves unable through taxation resources to provide adequate or sufficient sums to make decent payments for old-age assistance.

Mr. President, I need not rehearse the economic reasons for the condition of a large section of the Republic in regard to its income and its resources. We know what those policies have been in the past. The South and Southwest are agricultural sections. We have contributed to the growth of the industrial sections of the Republic through high-protective tariffs which have drained from our agricultural areas

our resources of money, and transferred them to other sections of the Republic.

Today in the matter of freight rates the South and the Southwest pay a heavier toll, they pay a higher tribute in the way of freight rates than any other part of the American Union. That results from the law of the United States. It is because of the policies of the Federal Government. It is not because of any fault of ours.

Mr. President, what is the result? The result is that our sections have been impoverished by these policies, and because we are impoverished we have to suffer another humiliation by reason of the fact that the Federal Government contributes five times as much to an American citizen in California as it does to another American citizen, for the same causes and under the same conditions, simply because he resides in the State of Arkansas. He receives four times as much if he resides in the State of New York as he does if he resides in the State of Arkansas. If he resides in the State of Alabama he receives \$4.87, and if he resides in Connecticut he reecives \$13.33.

It is not just, it is not fair, it is not equitable, it is not sound, and I shall tell the Senate why. Unless the Federal Government recognizes the necessity of making an adequate contribution to old-age assistance to those in the lower brackets we shall have here thundering at the doors of the Senate and thundering at the doors of the House of Representatives waves of protests which will be in the forms of demands along the line of new schemes of pensions, either in the form of the Townsend plan or a wholly Federal system.

Senators need not delude themselves about that. They need not pretend that they cannot hear or they cannot see, because those who can see and can hear are bound to know that those results are inevitable. But if we can adopt my amendment and assure every old-age pensioner at least \$15 a month, with a contribution over that sum as the States may be able to contribute, we will give the strongest answer, we will give the firmest resistance, we will give the best argument on earth against these other wild schemes that are going to be forced upon us.

Let Senators not fool themselves that they are not going to yield either. Public opinion is the master in this Republic. When it is aroused, when it is stimulated, when it is vibrant, when it is aggressive, public opinion is stronger than any political ruler, any functionary that holds a place under the American flag. It is stronger than the edicts of Congress; it is stronger than any executive pronouncement. Public opinion, when it is formed and molded and fashioned, and is aggressive, is the most compelling force in America today.

Let Senators not delude themselves that politicians—and statesmen—are going to be resistant. They always have responded, or they have gone home, and if there is one thing a Senator or a Representative does not want to do it is to go home for good. [Laughter.] He might not mind going home for a vacation, but if it is a question of going home for good, he is opposed to it.

Mr. President, I wish to talk a little more about the details of the conference. I wish to be plain. Mr. President, I do not see the Senator from Wisconsin [Mr. La Follette]. I should like to have him present in the Chamber, because there may be something said which might interest him.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Clark, Idaho Clark, Mo. Connally Adams Andrews Ashurst Hatch Hayden Herring Johnson, Calif. Johnson, Colo. Danaher Austin Bailey Bankhead Barkley Borah Davis Downey Ellender George King La Follette Lee Lodge Bulow Gerry Gibson Lucas Burke Byrd Byrnes Guffey Lundeen McCarran McKellar Capper Harrison Chavez Mead

Miller Minton Murray Nye O'Mahoney Pepper Pittman Radcliffe Russell Schwartz Schwertz Schwellenbach Sheppard Shipstead Smith Stewart Townsend Van Nuys
Taft Truman Wagner
Thomas, Okla. Tydings Walsh
Thomas, Utah Vandenberg Wheeler

The PRESIDING OFFICER. Sixty-nine Senators have answered to their names. A quorum is present.

AUGUST 5

White

Mr. CONNALLY. Mr. President, a moment ago I was discussing the economic injustices which have been inflicted in the past and are now being inflicted upon the people in certain sections of the United States in the matter of freight rates, in the matter of tariffs, and in the matter of building up industrial sections at the expense of agricultural sections—all done by the Government. There is even a more recent instance of injustice and inequality practiced by the Government itself. I refer to the wages paid to Works Progress Administration employees in the various sections of the United States.

It will be remembered that under the old system the W. P. A. wage in the South was about \$19, as I recall. I do not have the figures before me. The wage in the South was about \$19 as against more than twice that much in other sections.

Mr. HARRISON. More than three times as much.

Mr. CONNALLY. I wish some Senator who has the figures available would supply me with the figures. From two to three times as much was paid to W. P. A. workers in New York and New England and industrial areas as was paid to W. P. A. workers in the State of Texas and other Southern and Southwestern States. Is that economic justice? Yet, it is demanded that out of our want and penury we must contribute toward old-age pensions as large an amount as the opulent and prosperous States in the Union. Under the present system States which are wealthy are given more, and the poor States are given less.

For whosoever hath, to him shall be given, and he shall have more abundance; but whosoever hath not, from him shall be taken away even that he hath.

That is the doctrine of the present system, Mr. President. To the rich, powerful, and opulent State which is able to pay \$30 a month the Federal Government says, "We will give you \$15 per head." To the poor State which is in penury and rags it says, "We will give you \$3.08."

Mr. President, I now wish to discuss the reasons why the Connally amendment was done to death. From the beginning of the conference the House conferees refused to take back to the House of Representatives the so-called Connally amendment. There had never been a record roll-call vote in the House of Representatives. The attitude of the House conferees was such that the only way by which the Senate could have secured a yea-and-nay vote in the House was for the Senate conferees to have stood just as stubbornly as the House conferees stood. But the Senate conferees did not do that. When it takes a club to get results it does not do any good with a very soft, purring voice to say, "Please take it back to the House for a vote." When a bludgeon is the only instrument that can get the desired results, it is useless to employ a feather duster.

I wish someone would notify the Senator from Wisconsin that I should like to have him attend the session at this time, for he is largely responsible for the funeral, and I think he ought to attend it. [Laughter.]

Had the Senate conferees told the House conferees, in so many words, that they would not recede until the House conferees should take the so-called Connally amendment back to the House of Representatives and obtained an expression upon it from their supposed masters, their theoretical masters, the House would have voted upon it.

I wonder why they did not take it back. Were they afraid to get an expression of the views of the Members of the House of Representatives itself? They owed it to themselves, they owed it to the country, and they owed it to the Senate of the United States to secure a yea-and-nay vote in the House; and the Senate conferees owed a duty to the Senate of the United States, their masters, to demand and insist that the House of Representatives should have a separate vote on this amendment.

If the House had had such a vote and had rejected by a decisive vote the Connally amendment, the Senator from Texas would not now be submitting these remarks. But I feel a sense of resentment that the conferees on the part of the House of Representatives took the course they followed, and I feel a very deep sense of disappointment that the Senate conferees did not regard it as their duty to the Senate to demand that the House conferees submit the amendment to a vote of the House.

I have the highest regard for all the Senate conferees, but I feel that they owed the duty to their associates on the conference committee and to the Senate itself, after the Senate had solemnly expressed itself on a record roll-call vote on that particular amendment to insist that the House of Representatives do the same thing.

This is supposed to be a democratic Government; ours is supposed to be a representative system; it is supposed to be a Government of constitutional processes. One of those processes is that the House of Representatives, initiating legislation of this kind, shall express itself whether the conferees or whether their masters desire it to do so or not.

I am sorry the Senator from Wisconsin is not in the Chamber. I should like to have him here, Mr. President, for I desire to submit some remarks that I think the Senator from Wisconsin will be interested in. I have undertaken to have him come here; but if he does not come in, I am going to make the remarks anyway. If anyone is interested in having him here, I suggest that he send for him.

Mr. President, I was undertaking to point out a few moments ago what I thought should have been done with respect to securing a separate vote in the House of Representatives on the so-called Connally amendment. I stated that I thought it was the duty of the Senate conferees, representing the Senate and not their own personal views, to have insisted, not by saying, "Won't you please take it back to the House?" but by demanding that the House conferees take the amendment back to the House for a separate vote by that body. The Senate conferees for a while insisted, but at the final conference one of the members changed his mind, and the result was that the conference agreed.

Mr. President, there were three members of the conference who voted against the Connally amendment when it was proposed in this body. That is all right, of course; we knew where they stood. The Senator from Utah [Mr. King], the Senator from Massachusetts [Mr. Walsh], and the Senator from Kansas [Mr. Capper] were those three Senators. The Senator from Wisconsin [Mr. La Follette], the Senator from Mississippi [Mr. Harrison], the Senator from Georgia [Mr. George] and myself voted for it.

So the conference was composed of seven members, three whose personal views were against the Connally amendment, and four whose personal views were supposed to be for the Connally amendment. The Senate voted for the amendment and the conferees were the delegates, the agents of the Senate.

There was another amendment, however, which I have already explained, which takes \$695,000,000 out of the social security trust fund and gives it to people who are not now under the law eligible and who will not have paid into the fund more than a mere pittance. The Senator from Wisconsin [Mr. La Follette]-and I am glad he is now present, for I do not desire to say anything about his attitude unless he is here—the Senator from Wisconsin was very anxious to secure that amendment and as a result, here, near this door, on the day before the last conference the throat of the Connally amendment was cut from ear to ear. As a further result, the House "caved in" on the amendment in which the Senator from Wisconsin was interested, involving the sum of \$695,000,000 to come out of this trust fund-not out of the Treasury-and to go to the aged who become 65 years of age this year, and as a consequence the Senator from Wisconsin would not further insist that the House vote on the amendment. The result was, of course, that the Connally amendment collapsed, and the Senate conferees collapsed. Those are the facts.

If there is any Senate conferee here who disagrees with that view, I should like to have him rise and say so.

Mr. LA FOLLETTE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Wisconsin?

Mr. CONNALLY. I yield.

Mr. LA FOLLETTE. I prefer to make my statement in my own time, because I desire to review the entire conference, and I do not want to interrupt the Senator's speech.

Mr. CONNALLY. I suggested that anyone who wanted to deny what I said should rise on the floor and do so.

Mr. LA FOLLETTE. I simply did not want that statement of the Senator to pass without saying what I did say.

Mr. CONNALLY. Well, was it not true?

Mr. LA FOLLETTE. No; not as the Senator states it. Mr. CONNALLY. No other Senator has denied it, and there are four of them on the floor who were on the conference committee.

Mr. KING. Mr. President, I do not know what the Senator means—

Mr. CONNALLY. The Senator heard what I said about the change of view of the Senator from Wisconsin when he got his own amendment or the one he favored, for it was not his amendment, but was worked out by the Social Security Board and the Senator from Mississippi. The price of the defeat of the Connally amendment was the \$695,-000,000 which is to be taken out of the trust fund, paid by employers, and by those who hope to get an old-age insurance some day out of their money, and which is to be given to people who become 65 years of age this year and who have paid in only 1 or 2 years' payments. That is the fact of the matter. So the result was that it was all left to the Senator from Wisconsin, who might as well have been the conference all by himself.

I feel very keenly that the Senate conferees did not discharge the duty to make the House of Representatives vote on this amendment. Following the precedent established by the Senator from Wisconsin about putting in the Record other Senators' votes on other occasions, I should like to have set down in the Record, following the speech he is going to make explaining his attitude, his vote in the Senate in behalf of the Connally amendment. Then I should like to have printed in the Record, following that, his appointment as a conferee, and his instructions to stand by that vote.

The Senator on yesterday saw fit to undertake to attack some of us who have voted, as he conceived, one way on one occasion and another way on another occasion, and to have our votes printed in the RECORD. I am very happy that he did that. Under the old Roman system, you know, they had what they called censors. A censor could remove a Senator who displeased him. We have no constitutional provision for a censor, but it is delightful to know that we have a volunteer censor who is prepared to remove any Senator who does not meet the views of the censor. I congratulate the Senator from Wisconsin. He is not only the whole conference committee, but he is now the censor of the Senate. It is splendid to have that sort of a situation. I think it is fine. We have an All-seeing Eye, but that Allseeing Eye is a celestial being, and He is far away. He sits on a distant throne. I think it is fine to have a terrestrial all-seeing eye with superlative powers of moral and intellectual television by which he can look into the hearts and consciences and minds of Senators, and placard them as they ought to be placarded before their constituents. I think it is splendid.

Mr. President, that is the situation with which the Senate is confronted. I, of course, do not expect the Senate to reject the conference report. That makes it all the more important. We know what the prestige of a conference report is when it comes here in the closing days of a session. Of course, Senators say, "Oh, it is either that or no bill." That fact but accentuates and makes stand out prominently the importance of conferees carrying out the wishes of the

body that appoints them, and at least seeing that the other body respects the Senate as much as we respect the House of Representatives. We had a record vote. Every Senator here had to get right up and toe the mark. He had to say where he stood. But the House of Representatives was not permitted to vote on the matter. Nobody knows how individual Members stand.

It is suggested by the Senator from Mississippi [Mr. Harrison] that in the original consideration of the bill the House Members claimed that they had a teller vote or a rising vote on this amendment. Nobody knows how anybody voted. There were only a handful of Representatives on the floor when the matter was voted on. But had it happened then, it would have been quite a different situation that they voted upon than after the Senate had adopted the provision, and it was in the bill, and it came to them as a Senate amendment. All Senators know that it would then have more prestige, and more appeal, and more likelihood of being adopted, than if it had come up on an original proposition when the bill was originally sponsored, with practically all the members of the Ways and Means Committee against it. It might have been a wholly different result.

Mr. President, conferences are necessary, of course. I realize that there must be an accommodation of views, naturally; but in the accommodation of those views the Senate ought to be represented by those who are earnestly and sincerely in sympathy with and propose to carry out the wishes of the body appointing them, the Senate of the United States. I feel that the Senate conferees should have insisted to the last that the House go back and vote upon this amendment. Had that been done, and had this amendment then been rejected, you would not have heard the Senator from Texas speaking in his present tenor on this floor. I feel a sense of outrage about it all.

Mr. President, I want to say in closing that no one need beguile himself that this is the final chapter in this scene. I expect to continue at the next session of the Congress the effort to obtain substantially this particular amendment to the Social Security Act. I shall be unwilling then, as I am unwilling now, for the Federal Government to say to one citizen who resides in a rich and a powerful State, "We will give you cut of the Federal Treasury, because of old-age assistance, five times as much as we give another citizen, similarly situated as to yourself, because he lives across a State border, because he lives in another geographical section of the Republic." I am willing for the States to make contributions and think they ought to make contributions, but those contributions ought to bear some relationship to the ability of the States to pay them.

What do you expect when you pass the hat in church? You do not expect the pauper to give on an equal basis with the prosperous banker who sits by his side. When you go to the United States tax collector's office you do not expect the man with \$1,000 income to pay upon the same ratio or to pay the same amount as the man with \$25,000 a year income or \$100,000 a year income. If there is to be no humanity in the administration of this act, if it is to be based purely, cold-bloodedly upon the theory that we will match only the amounts of money contributed by the various States, then we have not made any approach to the real solution of this problem, in which the Federal Government has put its hand to the plow. This amendment of mine would practically result in every old-age beneficiary in the United States receiving at least a minimum of \$15 per month. If he lived in a prosperous State, he would then receive a very substantial amount above that sum, but those in the very poorest States would get \$15 per month.

Mr. LUNDEEN. Mr. President-

Mr. CONNALLY. I yield to the Senator from Minnesota.
Mr. LUNDEEN. I am very much interested in the able statement of the Senator. I desire to say that if any plan is enacted to give four times as much to one State as to another, it is an un-American plan; and I think the so-called social security that we have before us needs much amendment if it is not to be social insecurity.

Mr. CONNALLY. I thank the Senator from Minnesota. That is the effect, though not in the language. It is not so written in the law that one State shall get four times as much as another. On the written page and in theory the law operates uniformly, of course, in every State; but the effect of it, the result of it, is that in some States the oldage pensioner gets only one-fifth as much as he gets in other States. Under the present amendment that limit is raised to \$20, and if it is complied with in the rich States some of the States will pay six times as much to an old-age pensioner as another old-age pensioner will receive in another State.

Mr. President, this conference report no doubt will be adopted. I desire to enter here my solemn protest against the injustices inflicted by the final result. This fight is not over. Those of us who are interested in this amendment will renew the contest in January, when Congress again meets. If the House of Representatives is ever given the opportunity to vote upon this amendment, not in the cloakroom, not out on the street, but in the House Chamber where the roll is called and where the Members go on record, I have a sublime faith that the House of Representatives will vote in favor of it. I have had many assurances from Members of the House that they wanted an opportunity to vote, and that if they had that opportunity they had high hope of being able to adopt the amendment. I do not know whether they could or not. It is not for me to pass upon that question, but it is for me to pass upon the question of the right of the membership of the House to vote upon it. It is up to me to pass upon the question as to the right of the Senate to demand that the House conferees take this back for a separate vote. If there is to exist comity between the two bodies, if there is to be that mutual respect as between the two bodies, whenever the Senate has gone on record by a roll-call vote on an amendment, the House of Representatives owes it to the Senate, it owes it to the bicameral system of a House and a Senate, to take the amendment back and have it voted upon, and secure a final result.

Mr. President, the amendment is not dead; it is just going to slumber a little while. Under the sedative which has been administered to it, it is going to sleep for a while, but it is going to come out of the coma, it is going to come out of the slumber which has been brought on, and about next January it will be again urged, and it will continue to be urged until this plan, in substance, shall be adopted by the Congress of the United States.

Mr. LA FOLLETTE. Mr. President, it is a matter of very deep regret to me that the Senator from Texas has seen fit to question the honorable character of my conduct as a representative on the part of the Senate in the conference on the important amendments to the social-security bill. For the Senator from Texas I have always had a deep personal affection and a great respect. Nothing he has said here, so far as I am personally concerned, shall alter that feeling. I do think, however, that I should make a brief statement, because I am easy in my own conscience so far as the discharge of my responsibility to this body as a member of the conference committee is concerned.

I voted for the amendment offered by the Senator from South Carolina [Mr. Byrnes] to provide a system of variable grants to States for the old-age assistance title to the Social Security Act, in accordance with the recommendations of the Advisory Council and the President, when it was submitted in the Committee on Finance. I voted for the amendment offered by the Senator from Texas in the Senate Committee on Finance, although we were unfortunately unable to obtain a majority in the committee. When the proposal came up on the floor of the Senate, I voted for the amendment.

I believe that the principle involved in the amendment offered by the Senator from South Carolina, and recommended by his select Committee on Unemployment, recommended by the Advisory Council on Social Security, and by the President, is a principle which must be written into Title I of the Social Security Act if it is to remain upon the statute books. Personally I preferred that amendment to

the Connally amendment because I believed that it was predicated upon the sound principle of endeavoring to ascertain the capacity of the respective States to meet in some measure the problem of assistance to the aged, rather than a flat increased contribution on the part of the Federal Government to all States, regardless of their financial capacity to meet this problem, which today is one of the most serious problems confronting the country.

Mr. President, in the conference I fought as hard and as long as I could for the Connally amendment, but during the progress of the conference—and I make this statement only in view of the attack which the Senator from Texas has made upon the Senator from Wisconsin—after we had argued and debated the amendment with the managers on the part of the House for many days, and it became apparent that the attitude of the House managers was adamant, I went to the Senator from Mississippi [Mr. Harrison] for whom I have great respect—and I think I may say without exaggeration that, during my service upon the Committee on Finance, we have enjoyed a cordial and friendly and mutually respectful relationship—and asked him to call a meeting of the Senate conferees in order that there might not be any misunderstanding among us.

At that meeting I stated that I believed that the Connally amendment was of grave importance, but that I personally did not regard that particular amendment as of sufficient importance to warrant a failure of the conferees to come to an agreement on the bill and to bring in a report, so that the differences between the two Houses might be composed. I stated in the meeting of the Senate conferees that I would stand by the Connally amendment up to and until we had made every honorable effort to persuade the managers upon the part of the House to take the Connally amendment back to the House for a separate record vote.

I stated, however, that, so far as I was personally concerned, I wanted my colleagues on the conference representing the Senate to know that when that stage was reached I, as an individual conferee, discharging my responsibility to the Senate, and accepting the full measure of that responsibility, would exercise my judgment that the conference should not be frustrated because of that particular amendment.

As I recall, thereafter there were several meetings of the conference; there was further debate upon the Connally amendment, and a further effort was made to have the managers on the part of the House take the Connally amendment back to the House of Representatives for a separate and a record vote.

When the conference met on Thursday, however, in the Ways and Means Committee room in the Capitol the question again arose as to whether or not the managers on the part of the House would take the Connally amendment back to the House for a separate vote. A statement was made in the conference by a member of the conference committee representing the Senate, and who was an ardent supporter of the Connally amendment, that, in his judgment, even if the amendment went back to the House for a separate vote under the conditions at which we had then arrived, and in view of the approaching adjournment of Congress, the House would without question overwhelmingly support the position upon the amendment originally taken by the managers on the part of the House. He further stated that, even if such action were taken, insofar as he was concerned he did not think it would alter the situation, and he did not think that there would be a bill at this session of Congress.

When that statement was made on Thursday I felt that I had done everything I honorably could to get the managers on the part of the House of Representatives either to recede with an amendment, or to recede altogether, or to take the Connally amendment back to the floor of the House of Representatives for a separate vote.

Following the adjournment of the conference I went to the Senator who had made this statement and said, "Now I feel that I must exercise my individual judgment. I feel that I must, in order to bring about an agreement between the two Houses, take the position that the time has arrived when

the Senate should recede upon the Connally amendment"; and I think I state accurately what he said to me—namely, in effect, that he believed that I had fought valiantly and honorably for the Connally amendment, and that, so far as any action which I might take in the remaining conferences was concerned, I was certainly free to exercise my individual judgment.

Mr. President, the Senator from Texas has implied—or perhaps I should put it more bluntly, has stated—that there was a price upon my action in this matter. I have been a Member of this body for nigh on to 14 years; it will be 15 years next December. The Senator from Texas, so far as I know, is the first man, in or out of this body, to question the integrity of the Senator from Wisconsin.

Mr. President, there was not any price. The question which confronted me was whether or not, in my judgment as a duly appointed conferee on the part of this body, the Connally amendment was of sufficient importance to prevent an honorable agreement between the two Houses upon this bill, and preclude the possibility of its enactment.

Early in the proceedings I had notified my fellow conferees—I had put them upon notice—that I did not believe that any one amendment should stand in the way of an honorable agreement.

Mr. President, there were still three amendments in disagreement when the conference met on Friday morning last.

There was the 2.75 amendment. There was the so-called Massachusetts or State plan. There was the question of making wages creditable as of January 1, 1939. And there was the Connally amendment.

Mr. President, there was a sincere and an earnest effort to agree made on Friday morning—time has slipped away from me, but that is a little more than 24 hours ago. Everyone knew that the Congress was about to adjourn, but still there was a conscientious effort made to get the managers on the part of the House to agree to a partial report, to settle the remaining items of difference with the exception of the Connally amendment, and to present a partial report, and to ask for further instructions upon the Connally amendment.

The managers on the part of the House unanimously, so far as I can remember, took the position that they could not honorably take that course; that if they were going back for instructions on any one of the remaining amendments they must go back on all. I think it is fair to say they did not contend that such were the rules of the House, but they contended that such was the practice of the House, and that it would be unfair to managers on the part of the House who were interested in other amendments remaining in disagreement, aside from the Connally amendment, to agree to compromise those differences and to take the Connally amendment back as a naked issue.

Mr. President, I have never been a Member of the House. I have, however, been honored by this body in the past as a conferee representing the Senate. But it seemed to me that upon the question of whether or not they could honorably take certain action I must defer to the opinion of the House conferees; That I could not decide for myself the question of their conduct toward their fellow conferees.

Assuming that they took a sound position, assuming that they felt that they had to go back to the House for instructions on all the amendments still in disagreement—the Connally amendment, the 2.75 amendment, the Massachusettsplan amendment, and the date of January 1, 1939, to make wages creditable for title 2—what would have been the situation? There was not a senatorial conferee who did not believe and know that if the powerful representatives of the Ways and Means Committee, as managers on the part of the House, went back to the House of Representatives and asked for instructions upon these amendments, they would be overwhelmingly instructed to adhere to the original position of the House upon them. And what situation would we then have been in, with the life of this session of Congress measured in terms of mere hours?

Everyone who is at all familiar with legislative procedure knows that if the managers on the part of the House had gone back for instructions on these three important amendments, and then had come back into conference, they would have been adamant on all of them, and any opportunity for compromise or discussion or adjustment of the differences between the two Houses would have been gone, and that the measure would have had to lie over until the next session of Congress. Furthermore, be it said, if such action had been taken, the instructions thus placed upon the managers upon the part of the House would have still been binding in January when we met.

Mr. President, I would be the last to claim that the pending conference report or that these amendments make satisfactory adjustments and changes in the Social Security Act. But the Senator from Mississippi, the chairman of the committee, whose name appeared upon the original legislation, if I remember correctly—in any case, he participated in the framing and the enactment of the original law, and the consideration of all amendments that have been proposed since that time-has stated upon the floor of the Senate that, in his deliberate judgment, despite his disappointment at the elimination of the Connally amendment, which I share, he believes the amendments are of such importance to the country that he would cast his vote for the conference report if it came to a vote.

Mr. President, I do not desire to go any further in revealing what took place in the conference. I hope I have not gone too far. If I have, I plead, Mr. President, that I was placed in such a situation, by the suggestion by the Senator from Texas, that, in order to defend before my colleagues my conduct as a representative of this body, it was essential for me to do so.

Mr. HARRISON. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield.

Mr. HARRISON. I merely rise to state that I personally found no fault with the position taken by the Senator from Wisconsin. The Senator from Wisconsin stood loyally for the Connally amendment, and I appreciate that the only reason why he finally accepted the compromise offered by the House conferees was because he felt we ought to have a conference report, and to vote otherwise might endanger the passage of the amendments. What the Senator has stated with reference to his conversation with me is correct.

I think, since my name has been brought into the discussion, that it is incumbent upon me to make this state-

Mr. LA FOLLETTE. Mr. President, I thank the Senator from Mississippi for that statement.

In conclusion let me say that it was my firm and deliberate judgment that if the managers on the part of the Senate had insisted upon the conferees on the part of the House going back to the House and obtaining additional instructions on all these propositions, we not only thereby would have sealed the doom of the measure so far as any action at this session of Congress was concerned, but we would have prejudiced indefinitely, even when we met in January, the possibility of an honorable compromise being arranged between the two Houses.

Mr. President, in the past I have never hesitated to accept any responsibilities that have been placed upon me, and I shall never hesitate to do so in the future. The remarks which have been made by the Senator from Texas shall not in the least cause me to deviate so much as a hair's breadth from the course which I regard as honorable in the discharge of my official responsibilities.

Mr. DOWNEY obtained the floor.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. CONNALLY. I want to say just a word, with the indulgence of the Senator from California.

Mr. President, I do not care to add to the length of this debate. I feel, however, that I am called on to say a word further: The Senator from Wisconsin seemed to imply, or rather affirm, that I attacked his personal integrity. I never made any claim that he benefited personally by it at all. All I stated-and I shall repeat it-that the Senator from Wisconsin was very much interested in another amendment, the \$695,000,000 amendment, which takes money out of the trust funds and gives it to people who are not entitled to it under the present law.

I said he was more interested in that than he was in the Connally amendment, and that he preferred to secure that amendment rather than the Connally amendment. I here and now repeat that when the conference was over the Senator from Wisconsin went out of the room with his own amendment in his pocket, and the Connally amendment got the ax. I repeat that. I do not mean that the Senator from Wisconsin obtained any personal advantage from it. I did not attack his personal integrity. I have simply stated the fact.

Mr. LA FOLLETTE. Mr. President, will the Senator from California yield?

Mr. DOWNEY. I yield.

Mr. LA FOLLETTE. I wish to say, with the permission of the Senator from California, that the statement made by the Senator from Texas is not correct. I had no preference as between any of these amendments. But when I found that the House was adamant upon his amendment I felt that, after we had made a fight which lasted 21 days. the time had come when some amendment had to give way, and the amendment which had to give way was the one upon which the House Members were adamant. Had it been the amendment to which the Senator refers, or any other amendment, I would have felt exactly the same way.

Mr. DOWNEY. Mr. President, before the amendments as embodied in the conference report shall become law I desire to comment very briefly upon the Social Security Act from the point of view of my pension philosophy as it will be with these amendments which have been discussed. I wish to reiterate what I have said in two prior speeches in the Senate—that, in my opinion, the present Social Security Act marks the high tide of futility, impotency, and stupidity of statesmanship. The Senator from Texas has very abundantly illustrated the first issue upon which I shall comment. A law which wrings out of the poorer States money for the Federal Treasury for the benefit of the richer States cannot be characterized as other than unjust, inequitable, and absurd.

Yes, Mr. President; under the present law California, because it is a richer State, will take from the Federal Treasury at least \$4 for every pensioner, as compared with \$1 for Arkansas or Mississippi. Under this law we are capitalizing the misery and distress of the poorer citizens of this State of the Union. Under this law we are giving to the citizens in the richer States four times what we give to the citizens in the less fortunate States, and if that does not violate every rule of decency, common sense, and taxation, I do not know what could.

However, I desire to call to the attention of the Senator from Mississippi [Mr. HARRISON] and the Senator from Texas [Mr. Connally], as well as the Senator from Georgia [Mr. George], the fact that the principles and views which they have so logically and properly expressed carry them a long, long way toward the philosophy which I am advocating; that is, the Townsend plan. I ask those Senators if it is inequitable and unfair to give to the citizen of a wealthier State, from the Federal Treasury, four times what is given to a citizen in a poorer State, is it not also unjust to give twice as much? Under the amendment of the Senator from Texas, in conjunction with the present law. California, Massachusetts, New York, and others of the more wealthy States would be entitled to \$20 from the Federal Treasury for every pensioner, while 15 or 20 of the poorer States would receive only half that amount. If a fourfold contribution is not just, I ask the Senator from Mississippi if a twofold contribution by some strange process of reasoning is to be justified? I think not.

I say to Senators that by their eloquent speeches on the amendment, which should have been accepted by the House of Representatives, they have given a tremendous impulse, thank God! to a philosophy of abundance and a decent, |

logical, Christian pension system.

Mr. President, let me briefly advert to another grotesque and absurd phase of the Social Security Act. I see in the Chamber certain Members whose names are revered and blessed in the labor temples of America. I cannot believe that those Senators understand what this law will do to the workers in the covered occupations. Under this strange, grotesque, obscene law, we plan to take 6 percent of the pay roll from the workers in the covered occupations and to penalize the workers, for we tax them 6 percent every month and give them substantially less than we now give as a matter of governmental charity and subsidies. I wonder how the Senators who hold the confidence of the workingmen of America can go back and say to them, "We have voted for a bill which will impose upon your pay roll a 6-percent tax, and for that we are going to give you a pension even more meager than that which we now give in most of the States as a matter of governmental subsidy."

Mr. President, I shall have to go back to the State of California and tell the workers in the covered occupations this strange and unbelievable story; and if those who hear my voice do not believe I am speaking the truth, I do not wonder, because the situation has reached the point of absurdity and

is almost unbelievable. In the next year in the State of California the workers in the covered occupations who are being taxed upon their salaries will receive annuities of \$16 or \$17 on the whole, while we shall pay \$40 a month under this law as a matter of charity. Looking 40 years ahead, a worker in California earning an average of \$100 a month, working every month in the 40 years, will receive substantially less than California now pays as a matter of governmental subsidy.

It may be that my sense of logic is wrong, and that some Senators who understand and know labor better than I do can go back to labor in the United States and say, "Yes; we supported a bill which will take \$6 out of your pay check for every \$100 every month; and in return we promise to pay you, 40 years from now, less than is now paid in many of the States as a matter of governmental subsidy." I cannot believe that the workers of America will understand that strange kind of philosophy.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. DOWNEY. I yield.

Mr. LUCAS. How much would the Townsend Plan take out of the covered worker's check every month?

Mr. DOWNEY. Mr. President, I want my remarks to be brief and limited. I am merely commenting upon the measure before the Senate. However, next January I shall be happy indeed to discuss that issue before this body.

Mr. President, let me also point out to the Senate that in the United States today there are about 6,000,000 or 7,000,000 people between 60 and 65 years of age. Most of them are totally unemployed, most of them living in misery and insecurity. Any social security act which does not provide for that great body of citizens between 60 and 65 will not meet the approval of the great majority of American

Mr. President, I should like to make a further brief comment. The Social Security Act, which betrays the worker as opposed to the recipient of charity, will give to those in need who are past 65 an average of only \$20 a month; and we Senators of the United States are placing our edict back of a law to degrade, humiliate, and starve people, because no one can live in decency on \$20 a month.

One Senator said that a man could not starve in 5 months. Perhaps not, if he is receiving \$20 a month; but he had better starve and have it over with than to exist in misery, insecurity, and degradation on \$20 a month.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LUNDEEN. In my State of Minnesota the Republican administration now in power has passed a law by which the State compels aged individuals to sign away even their little homesteads. They are not permitted to have a dollar's worth of property in their homesteads. They must sign it away to the State before they receive even a crust of bread. Then when they pass from the earth they are not permitted to leave a single dollar to their children.

Mr. DOWNEY. I thank the Senator from Minnesota for his contribution, and for directing my attention to that situation. Let me tell him of a press notice which I have just received from Sacramento, Calif. A man 81 years of age had been receiving a pension in Sacramento. The State officials found that he had secreted and hidden out the tremendous sum of \$654. Under our law no man who has over \$500 is entitled to a pension; so the State attached the money and charged the man with fraud. The man. 81 years of age, loosed the chickens he had on his little ranch, obtained a gun, and blew out his brains. Undoubtedly he did the smart thing; for when a government becomes so small and oppressive as to haunt and pursue a man because of a breach of that kind, the unfortunate citizen had better seek a hannier world

Mr. President, in concluding let me say that the pension philosophy which we are advocating is a philosophy of abundance. We know that the farms and factories of America can produce sufficient wealth to deluge every American citizen with all the good and needed things of life. Those who say we cannot pay decent wages and decent pensions are merely saying that we must continue to live in an era of poverty. We can now produce in the United States almost

twice as much as we do produce.

When I suggest that the senior citizens of America should be paid sufficient to enable them to live in decency, and some Senators say, "We are just too poor; it cannot be done," they are not referring to the workers and the businessmen and the factories and the farmers of America, because those could produce in generous abundance for every retired citizen and worker in the land. When it is said we are too poor, yes, we are too poor in ability to work out the means of distributing to the retired citizens and the workers of America that which our wealth could so abundantly pro-

Mr. President, I have intruded upon this body longer than I should. I desire in closing merely to say that the Senator from Texas is right; this question is not ended. In a land of opulent wealth, "flowing with milk and honey," with our farms and factories operating at 50 percent, retired workers, kicked out of employment in a technological civilization, will not be satisfied with any law condemning them to penury and distress when ample wealth to allow them to live in dignity and security is all around them.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolutions of the Senate:

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes;

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress; and

S. J. Res. 185. Joint resolution to authorize the Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations;

H. R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of

Columbia, and for other purposes; and

H.R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes", approved August 25, 1937.

The message further announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to the following bills of the Senate:

S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich;

S. 1269. An act for the relief of Emil Friedrich Dischleit;

S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas).

The message also announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the House to each of the following bills of the Senate:

S. 1654. An act for the relief of Mrs. Pacios Pijuan; and S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas).

The message further announced that the House had passed a joint resolution (H. J. Res. 381) to provide funds for the maintenance and operation of the Administrative Office of the United States Courts for the fiscal year 1940, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1708. An act to amend the Employers' Liability Act;

S. 2240. An act to provide for a national census of hous-

S. 2271. An act for the relief of Barnet Warren.

PURCHASE AND DISTRIBUTION OF SURPLUS PRODUCTS OF FISHING

The PRESIDING OFFICER (Mr. Longe in the chair) laid before the Senate the action of the House of Representatives on the amendments of the Senate on the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute products of the fishing industry which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,

Resolved, That the House agree to the amendments of the Senate numbered 1 and 2 to the bill (H. R. 5681) to authorize

Senate numbered 1 and 2 to the bill (H. R. 5681) to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

That the House agree to the amendment of the Senate numbered 3 to said bill with the following amendment:

Omit the matter proposed to be inserted by said amendment and on page 1, line 3, of the House engrossed bill after "funds", insert "not to exceed \$1,500,000 per year,"

That the House agree to the amendment of the Senate numbered 4 to said bill and concur therein with the following amendment.

bered 4 to said bill and concur therein with the following amend-

ment:

In the matter proposed to be inserted by the said Senate engrossed amendment strike out "Secretary of Commerce" and insert "Secretary of the Interior" where it appears each time in said

Mr. ANDREWS. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3 and 4.

The motion was agreed to.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF FIRST SESSION OF SUPREME COURT

The PRESIDING OFFICER laid before the Senate a concurrent resolution coming over from the House of Representatives which was read as follows:

House Concurrent Resolution 33

Resolved, etc., That a joint committee consisting of five Members of the House of Representatives and five Members of the Senate shall be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, which is empowered to make plans and suitable arrangements

for fitting and proper exercises, to be held on the 1st day of February 1940, in commemoration of the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States, held at the city of New York on Monday, the 1st day of February 1790.

Mr. BARKLEY. Mr. President, I ask unanimous consent for the consideration of the resolution, and, if that consent be given by the Senate, I shall then move the adoption of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution? The Chair hears none.

Mr. BARKLEY. I move the adoption of the resolution. The motion was agreed to.

WATER CONSERVATION PROJECTS IN THE GREAT PLAINS AREA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1802) authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States, which were, on page 3, to strike out all of section 4; and on page 3, line 17, to strike out all after "Act", down to and including "Act", in line 21.

Mr. WHEELER. I move that the Senate concur in the House amendments

The motion was agreed to.

AMENDMENTS TO SOCIAL SECURITY ACT-CONFERENCE REPORT

The Senate resumed consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) to amend the Social Security Act, and for other purposes.

Mr. LEE obtained the floor.

Mr. KING. Mr. President-

Mr. LEE. I yield to the Senator from Utah.

Mr. KING. There are on the calendar a number of House bills which our leader is very anxious to have disposed of, and nothing can be done in that direction until the conference report shall have been disposed of. I do not desire to interfere with the Senator, but we would like to expedite the consideration of the calendar.

Mr. LEE. I will say to the Senator from Utah that I do not

anticipate taking much time.

Mr. President, I wish to read into the RECORD an editorial from the Austin American, of Austin, Tex., under the heading Deserters Repudiate Their Party Pledge: "No Man Shall Starve," by Charles E. Green:

[From the Austin (Tex.) American]

DESERTERS REPUDIATE THEIR PARTY PLEDGE: "NO MAN SHALL STARVE" (By Chas. E. Green)

Roosevelt-hating Democrats joined hands with reactionary Re-

publicans and had their say this week.

Eager to discredit the administration, they scuttled the bill for
"recoverable expenditures"—the lending bill—and destroyed the housing program.

These two measures remained, with the curtailed relief program, mainstays of the Government's effort to carry the Nation on toward reemployment, busy factories, buying capacity, business stimulus.

Their wreckage shows that partisan politics of '40 already has stifled the Nation's hopes of constructive action by this Congress.

Many of these Democratic House Members rode into the Nation's confidence in Franklin D. Roosevelt, his policies, and aims. Many persons believed with the President that wealth must be better distributed in every part of the country—jarred from the control of the money barons of Wall Street.

the control of the money barons of Wall Street.

They now have destroyed much of the effect of the lending-spending works program of the past. They have blasted the hopes of hundreds of thousands of workers' families for food and shelter and clothing this winter. They have played into the hands of unemployment; they have put terror into the minds of those people who were told that "nobody shall starve in this Nation."

But, most of all, they have played into the hands of the bourbon aristocracy of the Republican ranks, who could never see further than the inside of their money vaults.

They have scuttled the hopes for reform of the masses who can no longer look toward a liberal viewpoint of the Democratic Party.

no longer look toward a liberal viewpoint of the Democratic Party. Their action strikes at the hopes of the Democratic Party in 1940. In 1924 the Republican Party was well pleased with the choice of John W. Davis as the Democratic nominee. Republicans approved it. They chuckled over it. Whether Coolidge or Davis went in, a good conservative was in the saddle.

They approved Davis' selection and voted the Republican ticket. In 1940 there may be some parallel. In 1919 people began to tire of the idealism of Woodrow Wilson; of the reforms he sought. In this cynicism, they turned to Harding and his materialism, which brought on the subsequent Hoover debacle.

Wilson failed to stem the flight of the masses because he was a tired stell may be was defeated in suit and soul. He had been

wison lailed to stem the light of the masses because he was a tired, sick man. He was defeated in spirit and soul. He had been broken on the rack of political persifiage.

Today there are many who are tired of Roosevelt; tired of his ebullient idealism. The arch conservative who prates of rugged individualism and the Constitution has snatched his lantern and is galloping down the highway shouting, "The Communists are coming."

Wall Street, which no longer can dictate the interest rate that business pays on investments, is disgruntled with "this meddling Government," that won't let it exact its full tribute from the "principalities" that constitute "their" United States of America.

Government," that won't let it exact its full tribute from the "principalities" that constitute "their" United States of America. But being tired of Roosevelt is a poor excuse for stranding hundreds of thousands of American families, still the victims of Hoover's depression, to bleak hopelessness of a return to Hoover policies—rewards for the powerful; subsidies and tax refunds for the rich; contempt for the poor; starvation for the jobless.

Thus it is that, while the Senate might have been expected to start the weeksness Democrate in the House have stunged the

start the wreckage, Democrats in the House have stunned the Nation the worst since an inane Congress mumbled politics while Republicans' crushed the wealth from the land and their livelihood from the people back in 1930–31.

Let the coalition of Democrats and Republicans take the political

destiny of this Nation from the hands of the masses and invest it again with the eastern moneyed interests. Let them plant it under the same standard that nearly crushed a mighty nation in 1930, 1931, and 1932. Let them count their votes and chuckle in the cloakrooms and rub their hands in glee.

But there will be a day of reckoning. The man in the White House today is not a sick, tired individual. The revolters against the sell-out of the party will have a virile leader. In the districts of these deserter Democrats and elsewhere there will be rumblings. growlings. Human misery knows no season-and no political party.

Mr. President, we have in the United States sufficient natural resources, sufficient labor, and sufficient capital to develop those resources to feed every hungry mouth, to clothe every half-clad body, and to furnish shelter for every family in need in the Nation. This administration is undertaking to bring those three things together in a proper relation; it has undertaken to redistribute the national income in such a manner that every person would have a buying power. It is not so much that we need more loans in this country; it is not so much that we need construction of new factories, although that would follow certainly; what big business needs today is not so much so-called confidence as it needs cash customers, because cash customers will result in confidence.

Since this depression began labor-saving inventions have displaced millions of laborers. I recently rode through the city of Pittsburgh where there were pointed out to me factories in which I was told one could walk for a block and not see a worker; yet those factories were operating by mechanical devices. Mechanical inventions have so displaced labor that if we were "back to normal" in some regards we still would have a great army of unemployed.

It is not enough to shrug our shoulders and say that these people can live; they will get along. How will they get along? Some say, "Balance the Budget." I should like to balance the Budget all right; but balancing the Budget will not give employment to persons who are out of jobs because

of mechanical inventions.

There is enough of wealth in this country. The problem is to get it into circulation in the proper manner. This administration has undertaken to cut down the number of hours and distribute the work. This administration has undertaken to cut off labor unemployment at both ends by the youth program on the one hand and pensions for needy old people on the other. This administration has undertaken to set up Government force pumps that force money out to the forks of the creek, so that it will come back in the form of buying power.

It has been charged that we have a deficit. Indeed we have. I wish we could pay. I believe we can pay. We have \$55,000,000,000 worth of tax-exempt bonds. There is \$55,000,000,000 of wealth in this country which is not contributing to taxation, \$55,000,000,000 that does not pay tax either as to income or as to principal; and then we are told that we cannot have an economy that will provide merely a buying power for the necessaries of life for all the people in this country. I believe we can.

There are those who have temporarily stymied this program, but I challenge them. There is no mistaking the issues. It is the same fight that was fought and the same group that marched under the banner of the Liberty League in 1936. There has been some attempt to confuse the issues. There is no confusing of the issues. It is the same invisible financial government that wrecked this country before by the concentration of wealth into the hands of the few with the accompanying poverty on the part of the many.

Money gravitates toward the hands of a few just as surely as heavy bodies fall, pulled by the law of gravity. Divide all the money equally tonight, and tomorrow night some persons would be rich and some would be broke. second night the rich would be richer and fewer, and the poor would be poorer and more numerous; and that process continues. The poor cannot stop it, or they never would be poor. The rich will not stop it, because to do so does not square with human conduct. There is only one power that can stop it. There is only one power that can set up an offsetting pressure, bringing about a constant redistribution of purchasing power, and that is the Government. I understand that the purpose of Government is to protect the weak from the strong, to prevent the strong from exploiting the weak.

Some persons talk about the right to make money. One fellow's right is tempered by the other fellow's right. One man's right to make money is tempered by another man's right to make a living. When his children tug at his coat and beg for bread, he has a right for a day's labor to give them shelter and food and clothing and schooling.

Yes; we have made mistakes. We would be foolish to say that we have not. We have made mistakes; but we did not make the mistake of doing nothing when men were hungry and out of employment and could not get it. That is the one mistake we have not made. The trouble is, too many people, like the window washer, just see the dirt on the window in front of them-the little W. P. A. trouble down here, the rough spot over there somewhere-and they say, "Look at those things," and point them out to us. Yes; they are mistakes. The window washer up on the skyscraper sees the dirt on the window. That is all he sees. He does not see the great foundation stones that support the building. He does not see the great sweep of architectural beauty. He does not see the tiers of useful offices. All he sees is the dirt on the window in front of him.

Back away and take a panoramic view of this administration. Look at America today and look at her in 1932, and you will be impressed by the difference between what this administration has done for America and what the other administration did to America.

There is no mistaking the issue. The opponents of the administration are marching under the same banners. They shouted "Rugged individualism!" in 1932. They shouted "Save the Constitution!" in 1936; and that is just what we did. We took it off the shelf and made it a living, breathing, dynamic document.

They say, "Save the Constitution!" We say, "Save labor from economic slavery!"

They say to us, "Save the Constitution!" We say, "Save home owners from being driven out from under their

They say, "Save the Constitution!" We say, "Save children from going to bed at night hungry."

They say, "Save the Constitution!" We say, "Save the workers from sweatshops."

They say, "Save the Constitution!" We say, "Save the old people from the disgrace of a poorhouse!" and that is what we have done. It is the same battle. This program has been thwarted and stymied by the same forces which marched under the banner of "Save the Constitution from the Democrats!" and that is funny.

Out of 67 unconstitutional laws passed since the Government was organized down to this administration, 21 were passed by Democratic Congresses and 42 were passed by Republican Congresses.

I think Abraham Lincoln was a great man, a great American, and a great constitutional lawyer; and yet in his administration Republican Congresses passed six unconstitutional laws.

I think Theodore Roosevelt was a great man and a great American, and yet under Theodore Roosevelt Republican Congresses passed seven unconstitutional laws.

Under the administration of Ulysses S. Grant 12 unconstitutional laws were passed, more than half as many as had been passed by all the Democrats from the organization of this Government down to this administration.

"Save the Constitution!" That is what we have done. We have saved it and made it a living, breathing document. We have made it a tower of strength, a haven of refuge for the weak; and that is what our opponents cannot stand. They have hamstrung the people's program. The wage earner has been thrown for a loss. The unemployed have been kicked in the teeth. This Congress has let the people down. But we are not discouraged. We will meet you at the polls, those of you who have stopped this program.

You say we have a debt. Why, the increase in the value of securities on the stock market alone would pay the increase in the public debt. The increase in the national income alone would pay much of that debt. Any man judges a balance sheet by both sides; not alone by the one side which simply shows the liabilities, but also by the side which shows the assets.

Look across America today, and you see a rising tide of prosperity. You see monuments of this administration; you see school buildings, libraries, public buildings, fine roads, everywhere standing as monuments.

Yes; the issues are drawn. They are clear. Those who are marching with the financial hierarchy that wants again to take control of the Government, I put you on notice: This is the people's program which has been temporarily thwarted, and the people will meet you at the polls.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. KING. I move the adoption of the report.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. Logan]. I understand that if he were present he would vote as I am about to vote. Therefore, I am at liberty to vote. I vote "yea."

Mr. HARRISON (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. McNary] and in his absence I withhold my vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the necessary absence of the Senator from New Jersey [Mr. Barbour] and the Senator from Oregon [Mr. McNary]. Both of these Senators if present would vote "yea."

Mr. MINTON. I announce that the Senator from Washington [Mr. Bone], the Senator from Michigan [Mr. Brown], the Senator from Idaho [Mr. Clark], the Senator from Iowa [Mr. Gillette], the Senator from Virginia [Mr. Glass], the Senator from Rhode Island [Mr. Green], the Senator from West Virginia [Mr. Holt], the Senator from Delaware [Mr. Hughes], the Senator from Connecticut [Mr. Maloney], the Senator from West Virginia [Mr. Neely], and the Senator from New Jersey [Mr. Smathers] are necessarily detained from the Senate. I am advised that if present and voting, these Senators would vote "yea."

The Senator from Mississippi [Mr. Bilbo], the Senator from Arkansas [Mrs. Caraway], the Senator from Ohio [Mr. Donahey], the Senator from California [Mr. Downey], the Senator from Alabama [Mr. Hill], the Senator from Louisiana [Mr. Overton], and the Senator from North Carolina [Mr. Reynolds] are unavoidably detained.

Mr. RADCLIFFE. I announce that my colleague [Mr. Typings] is unavoidably detained. I am advised that if present and voting, he would vote "yea."

Mr. STEWART. I have a general pair with the Senator from Oregon [Mr. Holman]. I transfer that pair to the Senator from New Jersey [Mr. Smathers] and vote.

Mr. BURKE. I desire to announce that the junior Senator from Virginia [Mr. Byrd] is unavoidably detained. If present he would vote "yea."

Mr. BARKLEY. I wish to announce the unavoidable absence of my colleague, the junior Senator from Kentucky [Mr. Logan], and to announce that if he were present he would vote "yea."

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote as I am about to vote. I vote "yea."

Mr. LUCAS. My colleague, the junior Senator from Illinois [Mr. SLATTERY], is unavoidably detained. If present he would vote "yea."

Mr. McKELLAR (after having voted in the affirmative). I have a general pair with the senior Senator from Delaware [Mr. Townsend] which I transfer to the Senator from Connecticut [Mr. Maloney] and allow my vote to stand.

The result was announced—yeas 59, nays 4, as follows:

odan

Adams	Davis	Lodge	Sheppard
Andrews	George	Lucas	Shipstead
Ashurst	Gerry	Lundeen	Smith
Austin	Gibson	McCarran	Stewart
Bailey	Guffey	McKellar	Taft
Bankhead	Gurney	Mead	Thomas, Okla.
Barkley	Hale	Miller	Thomas, Utah
Borah	Hatch	Minton	Truman
Bulow	Hayden	Murray	Vandenberg
Burke	Herring	Nye	Van Nuys
Byrnes	Johnson, Calif.	O'Mahoney	Wagner
Capper	Johnson, Colo.	Pittman	Walsh
Chavez	King	Radcliffe	Wheeler
Clark, Mo.	La Follette	Schwartz	White
Danaher	Lee	Schwellenbach	
	NA	VC 4	

NAYS-4

Connally	Ellender	Pepper	Russell
	NOT	VOTING-33	
Barbour Bilbo Bone Bridges Brown Byrd Caraway Clark, Idaho Donahey	Downey Frazier Gillette Glass Green Harrison Hill Holman Holt	Hughes Logan McNary Maloney Neely Norris Overton Reed Reynolds	Slattery Smathers Tobey Townsend Tydings Wiley

So the report was agreed to.

SURVEY OF INDIAN CONDITIONS-EXPENSES

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1159, Senate Resolution 81, relative to a survey of Indian conditions.

The PRESIDING OFFICER. The resolution will be read. The Chief Clerk read the resolution (S. Res. 81) submitted by Mr. Thomas of Oklahoma February 16, 1939, as follows:

Resolved, That the Committee on Indian Affairs, authorized by Resolution No. 79, agreed to February 2, 1928, and continued by subsequent resolutions, to make a general survey of the condition of the Indians in the United States, hereby is authorized to expend from the contingent fund of the Senate \$10,000 in addition to the amounts heretofore authorized for such purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others"

H. R. 5506. An act to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.;

H.R. 6099. An act for the relief of Mrs. S. F. Sewell; and H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens.

MILITARY AND NAVAL ESTABLISHMENTS OF AMERICAN REPUBLICS

The Senate resumed the consideration of the joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American Republics to increase their military and naval establishments. and for other purposes, which had been reported from the Committee on Foreign Relations, with an amendment, on page 3, line 7, after the name "United States," to insert "And provided further, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes", so as to make the joint resolution read:

Resolved, etc., That (a) the President may, in his discretion, authorize the Secretary of War to manufacture in factories and arsenals under his jurisdiction, or otherwise procure, coast-defense and antiaircraft materiel, including ammunition therefor, on behalf of the government of any American republic; to sell such behalf of the government of any American republic; to sell such matériel and ammunition to any such government; to test or prove such matériel and ammunition prior to sale or delivery to any such government; to repair such matériel on behalf of any such government; and to communicate to any such government plans, specifications, or other information relating to such matériel and ammunition as may be sold to any such government.

(b) The President may, in his discretion, authorize the Secretary of the Navy to construct vessels of war on behalf of the government of any American republic in shipyards under his jurisdiction: to manufacture armament and equipment for such

jurisdiction; to manufacture armament and equipment for such vessels on behalf of any such government in arsenals under his jurisdiction; to sell armament and equipment for such vessels to jurisdiction; to sell armament and equipment for such vessels to any such government; to manufacture antiaircraft artillery and ammunition therefor, on behalf of any such government in factories and arsenals under his jurisdiction; to sell antiaircraft artillery and ammunition therefor to any such government; to test or prove such vessels, armament, artillery, ammunition, or equipment prior to sale or delivery to any such government; to repair such vessels, armament, artillery, or equipment on behalf of any such government; and to communicate to any such government plans, specifications, and other information relating to such vessels of war and their armament and equipment or antiaircraft plans, specifications, and other information relating to such vessels of war and their armament and equipment or antiaircraft artillery and ammunition therefor, as may be sold to any such government or relating to any vessels of war which any such government may propose to construct or manufacture within its own jurisdiction: Provided, That nothing contained herein shall be construed as authorizing the violation of any of the provisions of any treaty to which the United States is or may become a party or of any established principles or precedents of international law: And provided further, That no transaction authorized herein shall result in expense to the United States, nor involve the extension of credits by the United States: And provided further, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

and other equipment for its own purposes.

SEC. 2. In carrying out transactions authorized by section 1, the Secretary of War and the Secretary of the Navy are authorized, in their discretion and provided that it be not inconsistent with any defense requirements of the United States or of its possessions, to communicate or transmit to the government of any American republic or to any duly authorized person for the use of such government information pertaining to the arms, ammunition, or implements of war sold under the terms of that section or to any vessels of war constructed within the jurisdiction of any such government, and to export for the use of any such government. ernment coast defense and antiaircraft matériel and ammunition therefor, and vessels of war and their armament and equipment involving such information: *Provided*, That any information thus communicated or transmitted or involved in any such arms,

ammunition, implements of war, or equipment when exported shall cease to be considered restricted after 1 year from the date that such communication or transmission has been authorized or such exportation made.

Sec. 3. All contracts or agreements made by the Secretary of War or the Secretary of the Navy for the sale to the government of any American republic of any of the arms, ammunition, or implements of war, the sale of which is authorized by this joint resolution, shall contain a clause by which the purchaser undertakes not to dispose of such arms, ammunition, or implements of the sale to the government of the sale of the sal

takes not to dispose of such arms, ammunition, or implements of war, or any plans, specifications, or information pertaining thereto, by gift, sale, or any mode of transfer in such manner that such arms, ammunition, implements of war, or plans, specifications, or information pertaining thereto, may become a part of the armament of any state other than an American republic.

Sec. 4. The Secretary of War or the Secretary of the Navy, as the case may be, shall, when any arms, ammunition, implements of war, or equipment are exported pursuant to the provisions of this joint resolution, immediately inform the Secretary of State, Chairman of the National Munitions Control Board, of the quantities, character, value, terms of sale, and destination of the arms, ammunition, implements of war, or equipment so exported. Such information shall be included in the annual report of the Board. Board.

Sec. 5. (a) There is hereby authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this joint resolution.

(b) All moneys which may be received from the government of any American republic, in payment for any article delivered or service rendered in compliance with the provisions of this joint resolution, shall revert to the respective appropriations or appropriations out of which funds were expended in carrying out the transaction for which money is received, and such moneys shall be available for expenditure for the purpose for which such expended funds were appropriated by law, during the fiscal year in which such funds are received and the ensuing fiscal year.

Sec. 6. The Secretaries of War and of the Navy are hereby

SEC. 6. The Secretaries of War and of the Navy are hereby authorized to purchase arms, ammunition, and implements of war produced within the jurisdiction of any American republic if such arms, ammunition, or implements of war cannot be produced in the United States.

Mr. PITTMAN. Mr. President, this is quite a simple measure, although we are assured by the State Department, by the Secretary of the Navy, by the Secretary of War, and by General Marshall, that it is of great value to the United States. The title itself does not quite suggest what it means. The title is:

To authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

I may say that the joint resolution deals solely with war vessels, antiaircraft guns, and coast-defense weapons. It does not deal with arms and ammunition, in the sense of rifles, and things of that kind. It deals purely with defensive materials.

Let me read the first paragraph of the joint resolution, with regard to antiaircraft matériel and coast-defense matériel:

That (a) the President may, in his discretion, authorize the Secretary of War to manufacture in factories and arsenals under his jurisdiction, or otherwise procure, coast-defense and antiaircraft matériel.

It will be noted that there are inserted the words "or otherwise procure." Those words were offered as an amendment in the House of Representatives, because the Secretary of War suggested that the private arsenals have this matériel, but under contracts with the United States Government they are not at liberty to sell them to any other government until a year after they deliver them to the United States. Therefore, unless this power to procure is granted to the Secretary of War, it will be impossible for the South American republics to obtain any of these materials by reason of contracts with the United States Government. So the word "procure" was inserted.

On page 2 it is provided:

The President may, in his discretion, authorize the Secretary of the Navy to construct vessels of war on behalf of the government of any American republic in shipyards under his jurisdiction.

Let me say at the beginning that it is very probable that particular provision will not be used for some time to any great extent. Admiral Leahy, testifying before our committee, stated that our own requirements would practically monopolize the capacity of our navy yards for years, except that there were certain characters of ships which might be constructed which would not interfere with or delay the operations of our navy yards for our own use. Yet there was a fear in the minds of some of the committee that the use of these words might interfere with or delay the use of some yards to carry out our own program. So the following amendment was offered in the Senate committee to the bill as it passed the House, and it will be submitted and passed on by the Senate:

And provided further, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

That answers that question.

Then another question was raised. When Admiral Leahy and General Marshall were before our committee they were asked whether or not this would involve any expense to the United States Government, and they said it would not. They were asked whether or not it would involve the extension of any credit on behalf of the United States, and they said it would not.

The question arose as to what benefit it would be to the South American republics to build ships or obtain anti-aircraft guns from the United States Government. The answer was the Government of the United States would furnish them without profit, and no private plants can afford to do that.

They were asked again whether even then ships could not be constructed in foreign yards cheaper than in the United States, and they said they could be. But some of the South American republics, if not all of them, would rather pay more for American ships, and for American antiaircraft guns and coast-defense guns, than to buy them at a lower figure in foreign countries.

Mr. President, it was also stated that some of the South American countries which had had experience in buying antiaircraft guns, coast-defense guns, and so forth, in countries other than the United States, had found them quite inferior to those supplied from this country, and they desired to have them from the United States.

Mr. GERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Danaher in the chair). Does the Senator from Nevada yield to the Senator from Rhode Island?

Mr. PITTMAN. I yield.

Mr. GERRY. I should like to ask the Senator from Nevada a question. What would be the situation in the event the United States went to war, and certain vessels were being constructed in American shipyards at that time? Would the United States take them over? Was there not a precedent for such action established in the World War by England? I do not remember whether the ships which were taken over by England at the time of the outbreak of the war were being constructed in private yards or in government shipyards.

Mr. PITTMAN. Mr. President, contracts entered into by the Navy with regard to ships, and by the Army with regard to antiaircraft guns and coast defense guns, would undoubtedly take into consideration the event of war. I think the history of the World War in every case shows that contracts of that character which existed were canceled, even if they were with private industry, if it was in the interest of the United States to do so.

Mr. GERRY. In other words, if the vessels were being constructed in American yards, and were near completion, in the event of war we would get the advantage of them, if it was decided that we were justified in taking them over?

Mr. PITTMAN. Undoubtedly that would be the proper procedure, because it has been the procedure followed in the past.

Mr. RUSSELL. Mr. President, will the Senator yield? Mr. PITTMAN. I yield. Mr. RUSSELL. There are a number of employees of the

Mr. RUSSELL. There are a number of employees of the Federal Government who have patents on various inventions which are used in connection with antiaircraft guns, machine guns, tanks, and other implements of war. Under

their patent rights they are not entitled to obtain a royalty when these guns or similar materials are manufactured for the use of the Government of the United States. When any such materials are manufactured in private munitions plants for sale in foreign countries they receive a royalty. It occurs to me that as the resolution is worded such persons would be deprived of their royalties on their inventions in connection with the sales which were made to South American republics.

Mr. PITTMAN. That is possibly true. I cannot pass on that legal question. Does the Senator desire to pursue that question?

Mr. RUSSELL. If that situation obtains, I shall ask to be recognized in my own right when the Senator shall have concluded.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. WALSH. Is it understood, as clearly stated in the language of the bill, that these arms, ammunition, and vessels have to be sold at the exact cost to the Federal Government?

Mr. PITTMAN. It is not.

Mr. WALSH. Is a discount to be allowed?

Mr. PITTMAN. No discount is to be allowed. The matériels are supposed to be sold at cost, according to the testimony.

Mr. WALSH. The republics of South America that are to purchase a vessel or vessels constructed in the navy yards are to pay the exact cost of the construction of the vessels in the navy yards?

Mr. PITTMAN. That is the intention of the measure, as well as that of the Secretary of the Navy and the Secretary of War.

Mr. WALSH. I call attention to section 3 on page 4, which was probably inserted in the bill in accordance with the suggestion I made to the State Department when they first submitted the matter to me for my opinion as chairman of the Committee on Naval Affairs. It prevents the disposition of—

Such arms, ammunition, or implements of war, or any plans, specifications, or information pertaining thereto, by gift, sale, or any mode of transfer in such manner that such arms, ammunition, implements of war, or plans, specifications, or information pertaining thereto, may become a part of the armament of any state other than an American republic.

I do not observe "vessels" in that language.

Mr. PITTMAN. Vessels are governed by treaties.

Mr. WALSH. Naval vessels?

Mr. PITTMAN. Yes.

Mr. WALSH. I am glad to have that information.

Mr. PITTMAN. We have several treaties of limitation, and all those treaties provide that it shall be contrary to the treaties to transfer a war vessel to any other government.

Mr. WALSH. So that in the event we use navy yards to build one or more naval vessels for a South American republic, it could not under any existing treaty transfer that vessel to another country?

Mr. PITTMAN. It could not.

Mr. WALSH. Even to another South American republic? Mr. PITTMAN. I am not sure about that, since the Senator has asked me the question. I would rather read the language:

SEC. 3. All contracts or agreements made by the Secretary of War or the Secretary of the Navy for the sale to the government of any American republic of any of the arms, ammunition, or implements of war, the sale of which is authorized by this joint resolution, shall contain a clause by which the purchaser undertakes not to dispose of such arms, ammunition, or implements of war—

And so forth

Mr. WALSH. Does the Senator think the phrase "implements of war" includes naval vessels?

Mr. PITTMAN. No; it does not.

Mr. WALSH. It does not?

Mr. PITTMAN. No. Now, as to ships, I say that all the treaties which have been entered into in the last several years, even after the treaty of Washington in 1922, as a part of the limitation of armaments, so as to govern the pro rata proportion of ships, have expressly provided against the transfer of any war vessels to any other governments.

Mr. WALSH. I am glad to have that information. want to ask the Senator one other question.

Mr. PITTMAN. Mr. President, in that connection let me call attention to a proviso:

Provided, That nothing contained herein shall be construed as authorizing the violation of any of the provisions of any treaty to which the United States is or may become a party or of any established principles or precedents of international law.

It was stated to us by Mr. Sumner Welles, Under Secretary of State, that the proviso was inserted particularly for the purpose of excusing us from selling any war vessels to any of the Latin American republics.

Mr. WALSH. Briefly stated, the bill then provides for the building by our Government of naval vessels upon the order of or contract from any of the republics of South America, and the selling to them of any arms or implements of war at cost to the United States Government, and in addition a proviso is attached which would prevent such a government selling to any other government, except to a republic of South America?

Mr. PITTMAN. They could not even sell it to a republic of South America.

Mr. WALSH. But they could sell implements of war?

Mr. PITTMAN. Yes; and arms, but not vessels, because we are bound by an agreement with respect to vessels.

Mr. WALSH. I am in accord with the position the Senator has taken. I see no reason why we should not render this service to our neighboring South American republics. But I should like to ask the Senator if he has thought of the wisdom of limiting section 3 to a given number of years.

Mr. PITTMAN. That was answered by Admiral Leahy and by General Marshall. They stated that with respect to war materials, and so forth, the local manufacturers who have knowledge of these inventions were required to preserve secrecy for the period of 1 year, and that at the end of a year the information would become public through other sources anyway. No other confidential information is given. And they would not give any confidential information except that which would be expected to be published at the end of the year anyway. That is all.

Let me state further that when this bill was first introduced and referred to the Committe on Foreign Relations-I introduced it at the request of the State Departmentthere was a question-

Mr. ADAMS. Mr. President, will the Senator yield when he reaches a convenient point in order that a conference report may be presented?

Mr. PITTMAN. I will be through in 1 minute. I think it is quite appropriate, however, to read one more proviso which is a limitation on the Secretary of War and the Secretary of the Navy in making contracts. I have read two. This is the third:

And provided further, That no transaction authorized herein shall result in expense to the United States, nor involve the extension of credits by the United States.

While that was the intention, as shown by the testimony of Admiral Leahy, General Marshall, and the Secretary of State, that amendment was offered in the House to make it absolutely certain that there should be no expense whatever to the Government; and the Senate committee, to make the intent absolutely certain, added:

And provided further, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own

The situation is that these countries are today buying such materials abroad. They do not like to buy them abroad. They do not like to have commissions come over to show them how to use them, and they do not think the materials are as good as ours. It is to our interest to provide such materials so long as we are not interfered with or delayed.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. WALSH. And provided they are willing to pay the added cost of having the materials constructed in the United

Mr. PITTMAN. Mr. Sumner Welles testified that even though it cost more, they were glad to do it.

Mr. WALSH. I think the provision to which the Senator has referred, which was inserted in the House, removes any doubt as to whether or not these vessels or munitions are to be sold at less than the actual cost.

Mr. PITTMAN. I think so.

THIRD DEFICIENCY APPROPRIATIONS-CONFERENCE REPORT Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: follows:

That the Senate recede from its amendments numbered 15, 24,

26, 27, 56, 57, 58, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 16, 17, 18, 22, 23, 28, 29, 30, 31, 32, 33, 37, 41, 42, 43, 45, 46, 48, 49, 50, 51, 52, 23, 58, 55, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, and 71; and agree to the

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,000,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its dis-

agreement to the amendment of the Senate numbered 10, and agree

agreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$450,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$850,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the

agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,500,000"; and the

Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$40,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and

agreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum "\$2,500,000" named in said amendment insert "\$1,750,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the mentage inserted by said amendment insert the following: matter inserted by said amendment insert the following:

"SECURITIES AND EXCHANGE COMMISSION

"For an additional amount for five Commissioners and other personal services in the District of Columbia, and for all other authorized expenditures of the Securities and Exchange Com-mission in performing the duties imposed by or in pursuance of law, including the employment of experts when necessary, fiscal year 1940, \$100,000, including the same objects specified under this head in the Independent Offices Appropriation Act, 1940: Provided, That no part of such sum shall be available for the conduct of a foreign office."

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$200,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

"To complete the compilation and publication of a history of the formation, signing, ratification, and establishment of the Constitution, including such historical facts and data as the Commission may deem pertinent relative to the commencement of the First Congress of the United States under the Constitution; the proceedings and ceremonies in connection with the inauguration of George Washington as the first President of the United States under the Constitution; the adoption and ratification of the Bill

of Rights, and the first meeting of the Supreme Court of the United States; including therein also a final report of the activi-ties of the Commission during the Nation-wide observance of the one hundred and fiftieth anniversary of the formation, ratification. and establishment of the Constitution, fiscal year 1940, \$15,000, of which not to exceed \$5,000 shall be available exclusively for personal services."

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"AGRICULTURAL-MARKETING SERVICE

"United States Warehouse Act: For an additional amount to enable the Secretary of Agriculture to carry into effect the provisions of the United States Warehouse Act, fiscal year 1940, \$17,500, of which not to exceed \$3,200 may be expended for personal services in the District of Columbia."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and

agreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Defraying deficits in treasuries of municipal governments, Virgin Islands: For an additional amount for defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1940, municipality of Saint Thomas and Saint John, \$15,000, and municipality of Saint Croix, \$20,000, in all, \$35,000, to be paid to the said treasuries in monthly installments."

And the Senate agree to the same.

And the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$18,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree

to the same with an amendment as follows: In lieu of the sum

proposed insert "\$272,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$7,500"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$1,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$500,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$915,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and

agreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For expenditure, in the discretion of the Secretary of the Navy, for chartering and commissioning the steamship Bear as a vessel of the United States Navy for the purposes of the survey of the Antarctic regions to be made by the United States Antarctic Service as authorized by the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939 Public, No. 160 Seventy-sixth Congress: Provided, That such Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939, Public, No. 160, Seventy-sixth Congress: Provided, That such expenditure shall be made from the amounts appropriated for this purpose for the Department of the Interior under the head of Expenses, Division of Territories and Island Possessions' in the Second Deficiency Appropriation Act, fiscal year 1939, approved May 2, 1939, and the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939."

And the Senate agree to the same.

ALVA B. ADAMS, KENNETH MCKELLAR, CARL HAYDEN. JAMES F. BYRNES, RICHARD B. RUSSELL, FREDERICK HALE, JOHN G. TOWNSEND, Jr., GERALD P. NYE, Managers on the part of the Senate. EDWARD T. TAYLOR. C. A. WOODRUM, CLARENCE CANNON. Louis Ludlow, J. BUELL SNYDER, GEO. W. JOHNSON, W. P. LAMBERTSON,

Managers on the part of the House.

Mr. LA FOLLETTE. Mr. President, does the Senator from Colorado intend to make a brief statement as to what the conference report provides?

Mr. ADAMS. I shall do so.

Mr. President, the conferees of the Senate and House have gone over the bill in great detail, of course. The Senate conferees obtained recessions on the part of the House with respect to some 50 Senate amendments. The Senate has receded from five of its amendments, one of which was made up of three parts. I assume that the Senate is particularly concerned in the Senate amendments from which the Senate conferees receded.

One of those was the Civil Aeronautics Authority item. with respect to which the House had provided an appropriation of \$3,000,000, and the Senate had increased it to \$5,675,000. The conference agreement was \$4,000,000, which, I may say, is the figure submitted to us by the junior Senator from Wyoming [Mr. Schwartz] at the time of the hearing as an appropriate figure. It does not represent an agreement. In the situation the conferees felt it was not an inappropriate figure.

With respect to the Federal Housing Administration, the House had put in nothing for additional administrative expenses under titles I and II. The Senate had added \$500,000 and \$1,000,000, respectively. The conference agreement was the result of the Senate conferees receding on the \$500,000 item, so that the amount is \$450,000, and the recession on the \$1,000,000 item was to \$850,000.

With respect to the social-security items, there was considerable discussion. As Senators know, the information we have is not personal information, but comes from Budget estimates and statements made. On those items there was a compromise by reducing the amounts 50 percent, with the idea, as the House conferees said to us, that in January, if the development of the new program shows that larger amounts are needed, increased amounts can be made available. The Senate conferees acceded to that suggestion.

With respect to the Securities and Exchange Commission. the Senate had placed \$110,000 in the bill. There was some complaint, and that item was reduced to \$100,000, a reduction of only \$10,000, with the understanding that it should be made clear in the report that we were not appropriating money for the maintenance of a London office. The original request provided for the maintenance of a London office, which the Senate had not included, but the House asked that the situation be made clear in the report.

The Senate had included an additional amount for warehousing in connection with the Federal Surplus Commodities Corporation. The Senate had added \$35,000. That was compromised, on a 50-percent basis, at \$17,500. I am stating the detailed type of compromises with which Senators are familiar.

On the item for the Virgin Islands there was a 50-percent reduction in the amount, which did not seem unreasonable.

With respect to the Federal public-building item, the Senate will remember that there was some discussion of that item. The Senate conferees receded from the \$1,000,000 item on that point.

There was an item of \$6,500 for expenditures for the maintenance of a Mormon-cricket laboratory in Bozeman, Mont. A concession on the part of the Senate was made as to that.

The Senate had stricken out an item for the purchase of certain lands for the Colville Indians. We found upon investigation—and were corroborated by the House conferees that the gentlemen who appeared before us, and who, we understood, represented the Indians generally, did not represent the tribe, and that the House was correct in its position. The Senate receded from that amendment.

With respect to reindeer, the House had included a provision for the purchase and operation of reindeer herds. Some members of the conference committee very reluctantly agreed to that item; so if the conference report is adopted. the United States Government will be the largest operator

of reindeer herds in the world.

There were three provisions in reference to the consolidation of Coast Guard and Lighthouse Service funds. The House conferees insisted that we should await further development of the reorganization plans. There seemed to be no emergency, so the Senate receded on those items. They were merely accounting and administrative items.

Two items were the final items of contention among the conferees. One was the \$119,000,000 item for the restoration of the Commodity Credit Corporation capital. The House conferees were quite insistent that the House had refused to increase the capital, and that they ought not to be asked to agree to the item. The Senate conferees, instructed not only by the action of the Senate in support of its committee, but by a roll-call vote, insisted that they could not and would not recede on that matter.

The other item under consideration at the same time was the wage and hour appropriation. The House Committee on Appropriations had made no appropriation for that item. On the floor of the House \$1,000,000 was added. In the Senate committee that amount was increased by \$500,000. On the floor of the Senate an additional \$500,000 was added. The House conferees were very insistent that they could not and would not agree to any increase in the appropriations over the \$1,000,000 which the House had included. They said to us that there was a very definite understanding in the House.

I shall ask the Senator from South Carolina [Mr. Byrnes] to make that part of the explanation, because he had some conversations on the subject.

Mr. BYRNES. Mr. President, the situation with reference to this particular item as it developed in the conference was that the managers on the part of the House stated that during the consideration of the bill-and the committee was opposed to any appropriation at all-quite a number of Representatives, headed by the chairman of the Labor Committee [Mrs. Norton] conferred with the committee on the floor of the House, and agreed that if the sum of \$1,000,000 were included in the bill they would not seek any increase in the amount, and would be opposed to an increase. At first the managers on the part of the House were of the opinion that representatives of the Wage and Hour Administration were parties to the agreement. Upon inquiry it was found that that was not true; but the chairman of the House Committee [Mrs. Norton] advised me that she and the Members of the House Committee were agreed on their own account and had formally entered into an agreement not to ask for any additional funds, and to support the committee. The Senate conferees were therefore in the position that if the bill were taken back to the House, under the agreement which existed in the House, both sides would have stood by their position, and there would have been no increase. By the compromise the Senate conferees effected, the appropriation is increased by \$200,000 more than the House provided. The Senate added a million dollars; the conferees agreed upon \$200,000, which is \$200,000 more than we ever would have gotten had the matter gone back to the House.

Mr. PEPPER. Mr. President, I wish to say that I have nothing but sympathy and understanding for the managers on the part of the Senate in the dilemma in which they were placed; but I think the Senate is not going to forget that it did vote for \$1,000,000 additional, therefore providing the \$2,000,000 recommended by the Bureau of the Budget. I believe the Senate is keenly conscious of the necessity of affording this agency a reasonable amount of funds so as to make possible a substantial enforcement of the Wage and Hour Act. So I have hope that in January when, no doubt, a situation will exist which will still justify the consideration of a proposal to provide additional funds for the Wage and Hour Administration, the managers of the conference on the deficiency bill will recall the efforts they have put forth on this occasion.

Mr. ADAMS. Mr. President, the compromise which provided that of the amount which the Senate had added only \$200,000 should go in is unsatisfactory to the Senate con-

ferees, it is unsatisfactory to the Senate, and it is my own judgment that a larger sum of money would be needed for the proper enforcement. That was the statement I made to the Senate when the matter was before the Senate; that is my present judgment.

We were confronted with a series of problems. One was the Commodity Credit Corporation item, which was a major item, and the other was the wage and hour problem, and the \$200,000 for the Wage and Hour Administration is all that the Senate conferees could secure from the House conferees.

Now it is entirely up to the Senate. If the Senate wishes to reject the conference report, that is for the Senate to decide. All the Senate conferees say is that they have exacted from the House \$200,000, which the House conferees were extremely reluctant to grant, and which they said they would not grant. I think it is the judgment of the Senate conferees that had the bill gone to the House for a separate vote we would surely have lost the \$200,000 and might have lost the Commodity Credit Corporation item as well.

Mr. HAYDEN. Mr. President, I wish to confirm the statement made by the chairman of the subcommittee. Owing to the agreement that was made in the House by the members of the Committee on Labor they were in honor bound to support their committee, and if the amendment went back there would have been no increase at all. So we are just \$200,000 ahead.

Mr. GEORGE. Mr. President-

Mr. ADAMS. I yield to the Senator from Georgia.

Mr. GEORGE. I merely rise to say that no doubt the conferees did right in increasing, insofar as they could, the appropriation for the wage and hour administration. There are from 19,000 to 20,000 complaints now unexamined; and if the Wage and Hour Administrator puts into effect the 321/2-cents-per-hour minimum under the Industries Committee's report for the textile industry and approximately 35 cents per hour as a minimum wage in the shoe industry, it will take from ten to twenty million dollars a year to enforce the Wage and Hour Act. Even then it will not be enforced, Mr. President, because under the act the minimum wage is not based upon the productive capacity or power of the laborer or worker; nor does it necessarily have any relation to the economic value of the services rendered. Therefore, it is just beginning another N. R. A., and it cannot be enforced. If the minimum wage in the textile industry is stepped up to 321/2 cents an hour when under the law a minimum wage of 30 cents an hour goes into effect on October 24 next, and if the shoe industry committee steps up the minimum wage to 35 cents an hour when under the law the minimum of 30 cents an hour goes into effect next October, there will be 50,000 cases for the Wage and Hour Administrator to examine. Until we are willing to recognize the fact that it is impossible to make an industry pay a wage without regard to the productive capacity of the worker and of the minimum possibilities of the industry to meet that wage, we are going to have an impossible situation.

Mr. ADAMS. Mr. President, these statements cover, I think, quite fully the details of the conference report. There was a recession by the House of the full amount for the Commodity Credit Corporation capital. We were confronted, as every conference committee is, by a variety of propositions. It was suggested to us that they might be willing to concede an increase in the borrowing capacity of the Commodity Corporation rather than an increase in its capital. It was suggested that we accept reductions in the capital increase in varying amounts. I think the Senate will agree that the conferees have done the best it was possible to be done under the circumstances. We are not satisfied, and I assume it is rare that a conference committee is satisfied. All I can say is that it is for the Senate to approve or to reject the report which we have submitted.

Mr. McKELLAR. Mr. President, now will the Senator vield?

Mr. PITTMAN. I yield.

Mr. McKELLAR. I want to corroborate everything the Senator from Colorado has so well expressed about the conference report. I think the Senate conferees have done exceedingly well. At any rate, we got everything for which the Senate stood that it was possible to get. I think there was nothing left undone or unsaid to represent the views of the Senate in the conference; and I hope that the conference report will be adopted.

Mr. LUCAS. Mr. President-

Mr. ADAMS. I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I cannot let this opportunity pass by, in the closing hours of the session, without sincerely commending the conferees upon the part of the Senate for persuading the House conferees to restore the \$119,000,000

item to the Commodity Credit Corporation.

Realizing to the full extent the problems that exist among the farm population in my section, especially the problem of the corn farmers, and knowing something about mandatory corn loans which have been written into the law and realizing that every cooperating farmer in the corn commercial production areas of America fully understood when he entered into the contract with the Government that mandatory corn loans would be accessible to him, I am constrained to say at this hour that the conferees have done a remarkable job for the farmers of America as well as for the Nation itself. Had not the Senate and the House agreed to the \$119,000,000 restoration of the capital stock of the Commodity Credit Corporation, I say, without fear of successful contradiction, that we would have been repudiating an honest obligation that we owed to the farmers of America, for every individual representing Uncle Sam in the Farm Belt, when he talked to a farmer about his contract, gave the farmer to understand that mandatory corn loans would be given to him in the event he became a cooperator in the program. Again I congratulate the conferees, and the Senator of Illinois is certain that they will have the everlasting gratitude of every farmer in America whether he be a cooperator of the program or otherwise.

Mr. ADAMS. Mr. President, I have concluded all I wish

to say unless it is desired to ask me questions.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 878) to amend the act of August 26, 1937.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5515) for

the relief of Mrs. Virgie B. Weaver.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution and they were signed by the Vice President:

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government;

S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States;

H. R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations;

H.R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of Co-

lumbia, and for other purposes;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver;

H. R. 5681. An act to authorize the Federal Surplus Commodies Corporation to purchase and distribute surplus products of the fishing industry;

H.R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia: to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937;

H. R. 6635. An act to amend the Social Security Act, and

for other purposes; and

S. J. Res. 185. Joint resolution to authorize the Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

PAYMENT OF ATTORNEY'S FEES FROM OSAGE TRIBAL FUNDS-CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

ELMER THOMAS, B. K. WHEELER, HENRIK SHIPSTEAD, Managers on the part of the Senate. WILL ROGERS, JAS. F. O'CONNOR, USHER L. BURDICK Managers on the part of the House.

The report was agreed to.

SALE OF SURPLUS AGRICULTURAL COMMODITIES

Mr. BYRNES. Mr. President, will the Senator from Nevada yield to me?

Mr. PITTMAN. I yield.
Mr. BYRNES. Mr. President, there is upon the calendar of the Senate a joint resolution (H. J. Res. 375) which has reference to the sale of 150,000 bales of cotton to Switzerland and France. When the Senate bill relative to that matter was called up during the present week the Senator from Georgia [Mr. George], and my colleague, the senior Senator from South Carolina [Mr. SMITH] desired to look into the measure. I understand they have now no objection to it, with an agreement that two amendments shall be offered which are acceptable to them.

I ask unanimous consent at this time for the consideration of the House joint resolution, because if it is not considered now it cannot be passed at the present session.

Mr. AUSTIN. Mr. President, I inquire if the joint resolution has been referred to a Senate committee?

Mr. BYRNES. The Senate bill was reported unanimously, but it would be useless to offer the Senate bill because of the near approach of adjournment. This joint resolution unanimously passed the House and is on the Senate calendar. It is a House measure. It provides for the sale by the Commodity Credit Corporation, for cash, of 175,000 bales of cotton.

Mr. JOHNSON of California. I recall it.

Mr. GEORGE. Mr. President, I desire to say that with the amendments which have been agreed upon by the Senator from South Carolina and myself and others interested in the matter I have no objection, and I hope the Senate will pass the measure.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. JOHNSON of California. I have no objection, of course, but I wish to make an inquiry after the joint resolution is taken up.

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 375) to authorize the sale of surplus agricultural commodities, and for other pur-

Mr. JOHNSON of California. Mr. President, I desire to make an inquiry. If the joint resolution is now before us, all right.

What is the design for the rest of this day? Is the calendar to be called? Are we to take up bills? Are we to determine what bills shall be taken up and proceed with them?

Mr. BARKLEY. It is my intention, as soon as the pending joint resolution is disposed of, to seek consent of the Senate to call the calendar for the consideration of House bills alone to which there is no objection. It is useless to pass any Senate bills now; they cannot be considered by the House; but on the calendar there are several House bills which should be passed. This joint resolution, though, is of a peculiarly emergent character, and I hope there will be no objection to its consideration.

Mr. JOHNSON of California. I am not objecting to this joint resolution.

Mr. BARKLEY. I think the pending business can soon be disposed of, and we can proceed to consider other House bills on the calendar before adjournment.

Mr. JOHNSON of California. It depends on what the Senator means by "soon be disposed of."

Mr. BARKLEY. That is, of course, a relative term.

Mr. JOHNSON of California. Yes. Has the Senator the resolution of final adjournment?

Mr. BARKLEY. I have it, but I have not introduced it.

Mr. JOHNSON of California. I understand that. Will the Senator produce it?

Mr. BARKLEY. Not at this moment. I will say to the Senator that I will produce it at an appropriate time, and I think that will not be long delayed.

Mr. JOHNSON of California. I simply want to know "where we are at." Then we are going to hear the calendar, are we?

Mr. BARKLEY. I hope so.

Mr. JOHNSON of California. All right. We will proceed with the hearing of the calendar. I am willing to stay here. I am not objecting to that course.

Mr. BARKLEY. I understand. I am trying to facilitate the orderly consideration of some matters that ought to be disposed of before we adjourn. It may require us to stay here 2 or 3 hours longer, but I do not think that ought to be a matter of great inconvenience.

Mr. JOHNSON of California. What is the House doing? Mr. BARKLEY. The House is waiting on us.

Mr. JOHNSON of California. And it is going to wait for

the bills that we consider?

Mr. BARKLEY. The bills that I have in mind are bills which probably will require no amendment on the part of the Senate, or only formal amendments which will be agreed to by the House, so that there will be no delay on account of them.

Mr. VANDENBERG. Mr. President, may I ask the Senator what is the use, then, of finishing the unfinished business, which has in it amendments which must go to the House for action?

Mr. BARKLEY. The Senate has made it the unfinished business, and it will remain the unfinished business until it is disposed of, unless it is set aside, and I do not want to see that done. I think it will be disposed of without great delay.

Mr. JOHNSON of California. Let me make a suggestion, so that we will not delay the Senator from Nevada [Mr. Pittman]. Here is a joint resolution which, because it has an amendment of the Senate, cannot be acted upon at this session. Is not that correct?

Mr. PITTMAN. I have not information of that character. I assume that if a conference should be required, it could not be acted upon; but if a message went over from the Senate transmitting the joint resolution with an amendment, I do not know whether or not the House would act on it as we are acting on House messages. I am not prepared to say.

Mr. JOHNSON of California. I am not asking these questions with a desire to be at all obstreperous. I am simply asking so that we shall know what we are doing. Here is a joint resolution which has one amendment on it, and may have other amendments. Is it possible for that measure to be acted upon by the House?

Mr. BARKLEY. I think it is, if the Senate sends it back to the House. I think it is possible and probable that speedy action will be taken on the amendment; but, of course, if it were not taken by the House, then both Houses would determine whether or not they would remain in session any longer for the consideration of any amendment sent over on a House bill. What I am trying to do is to have such House bills as we do pass with any amendments sent back to the House as soon as possible, so as to see whether they can take action on our amendments. The matter immediately before the Senate is the joint resolution presented by the Senator from South Carolina.

Mr. JOHNSON of California. Very well. My question remains unanswered. I do not know "where I am at," but I am perfectly willing to proceed in any way that is desired.

Mr. BARKLEY. I have done my best to enlighten the Senator. I have said that as soon as this joint resolution is disposed of—and I cannot say just when that will be—I am going to ask unanimous consent to have all House bills on the calendar called for consideration, if there is no objection. If there are no amendments to them, that ends the matter. If there are any amendments, they take their chances on going back to the House and getting action on the amendments.

Mr. JOHNSON of California. What are the chances?

Mr. BARKLEY. How do I know?

Mr. JOHNSON of California. I thought the Senator would with his experience.

Mr. BARKLEY. No; I do not know what the House will do about any of the amendments, but I hope they will be agreed to.

Mr. JOHNSON of California. Will they act?

Mr. BARKLEY. I think they will. I cannot guarantee it. Mr. JOHNSON of California. Very well, we will proceed on that basis. Pardon me for delaying the Senator from South Carolina.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment.

Mr. BYRNES. Mr. President, I offer two amendments, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 1, line 4, it is proposed to strike out "upon terms, conditions, and in quantities prescribed by the Secretary of Agriculture and approved by" and insert "with the approval of."

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 19, after the word "selected", it is proposed to insert a colon and the words "Provided further, That in case of a sale, settlement must be made within 60 days after delivery, and not more than 500,000 bales of cotton shall be sold upon the terms and conditions provided in this joint resolution."

The amendment was agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed, as follows:

Resolved, etc., That notwithstanding any other provision of law, the Commodity Credit Corporation, with the approval of the President, is authorized to sell surplus agricultural commodities, acquired by such Corporation through its loan operations, to foreign governments on the condition that, except for rotation to prevent deterioration, such commodities shall be held in reserve by such governments for a period of not less than 5 years from the date of acquisition, and shall not be disposed of unless a war or war emergency results in a serious interruption of normal supplies of such commodities: Provided, That under this joint resolution no concession below the prevailing world market price for the unrestricted use of such commodities, as determined by the Secretary of Agriculture, shall be granted, in consideration of the obligation assumed by such governments to hold such commodities in reserve as required hereinbefore, in excess of a maximum amount equal to the average carrying charges, as estimated by the Secretary of Agriculture, that would be incurred if such commodities should be held for an additional 18 months' period by the Commodity Credit Corporation. In determining specific cotton to be sold under this act, the determination shall be made by sampling and selection at the place where the cotton is stored on the date of signing any sales agreement or contract under this

act, and no cotton shall be sold under any such sales agreement or contract which, after such date, is transported to any other place and there sampled and selected: *Provided further*, That in case of a sale, settlement must be made within 60 days after delivery, and not more than 500,000 bales of cotton shall be sold upon the terms and conditions provided in this joint resolution.

The PRESIDING OFFICER. Without objection, Senate bill 2904, dealing with the same subject, will be indefinitely

ADMINISTRATIVE OFFICE OF UNITED STATES COURTS

Mr. HATCH obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. HATCH. I yield to the Senator from Tennessee. I

know what the Senator from Tennessee wants.

Mr. McKELLAR. Mr. President, a few days ago, as Senators will all remember, the Congress passed a bill providing for the establishment of an administrative office of the United States courts. The House has passed a joint resolution providing that as much as \$150,000 of the funds already in the hands of the courts may be used for the purpose of establishing the administrative office. The act goes into effect, under the terms thereof, on November 1, 1939. The joint resolution has been thought by many to be of sufficient importance for the Appropriations Committee to be polled. The committee has been polled, and a majority of the committee is in favor of the joint resolution. I ask unanimous consent for its immediate consideration without interfering with the measure that is now pending.

The PRESIDING OFFICER. The Chair lays before the Senate a joint resolution from the House of Representatives

which will be read.

The joint resolution (H. J. Res. 381) to provide funds for the maintenance and operation of the administrative office of the United States courts for the fiscal year 1940 was read twice by its title.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

PERNICIOUS POLITICAL ACTIVITIES

Mr. HATCH. Mr. President, I have been asked repeatedly by many people to interpret section 9 of Senate bill 1871. which recently passed the Senate, and is now the law. I have refused to give my own interpretation of that section, because I believe that after a measure becomes law, the interpretation of the law belongs to another branch of the Government. However, that section is an exact duplication of the present civil-service rule relating to employees in the classified service.

I have taken the interpretation and rules of the Civil Service Commission almost in their exact language, and have digested the language, setting forth in part what the Civil Service Commission says may or may not be done under the rule. I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, the matter to which I have referred.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

POLITICAL ACTIVITY UNDER SECTION 9-SENATE BILL 1871

The law applies to officials and employees in the executive branch of the Government.

In addition to the President and Vice President, the following are excepted from the prohibitions of the law:

(a) Heads and assistant heads of executive departments.(b) Officials who determine policies of the Government.

(c) Officials and employees of the legislative branch of the

The pertinent language in section 9 is practically a duplication of the civil-service rule prohibiting political activity of employees under the classified civil service.

The section provides in substance, among other things, that no such officer or employee shall take any active part in political management or in political campaigns.

The same language of the civil-service rule has been construed

as follows:

1. Rule prohibits participation not only in national politics, but also in State, county, and municipal politics.

2. Temporary employees, substitutes, and persons on furlough or leave of absence with or without pay are subject to the regulation.

Whatever an official or employee may not do directly he may not do indirectly or through another.

4. Candidacy for or service as delegate, alternate, or proxy in

any political convention is prohibited.

5. Service for or on any political committee is prohibited.

6. Organizing or conducting political rallies or meetings or tak-

6. Organizing or conducting political rallies or meetings or taking any part therein except as a spectator is prohibited.

7. Employees may express their opinions on all subjects but they may not make political speeches.

8. Employees may vote as they please, but they must not solicit votes; mark ballots for others; help to get out votes; act as checkers, marker, or challenger for any party or engage in other activity at the polls except the casting of his own ballot.

9. An employee may not serve as election official unless his failure or refusal so to do would be a violation of State laws.

10. It is political activity for an employee to publish or be connected editorially, managerially, or financially with any political newspaper. An employee may not write for publication or publish any letter or article signed or unsigned in favor of or against any political party, candidate, or faction. political party, candidate, or faction.

11. Betting or wagering upon the results of a primary or general election is political activity.

12. Organization or leadership of political parades is prohibited but marching in such parades is not prohibited.

13. Among other forms of political activity which are prohibited

are distribution of campaign literature, assuming political leadership, and becoming prominently identified with political movements, parties, or factions or with the success or failure of supporting any candidate for public office.

14. Candidacy for nomination or for the election to any national,

State, county, or municipal office is within the prohibition.

15. Attending conventions as spectators is permitted.

16. An employee may attend a mass convention or caucus and cast his vote but he may not pass this point.

17. Membership in a political club is permitted, but employees may not be officers of the club nor act as such.

18. Voluntary contributions to campaign committees and organizations are permitted. An employee may not solicit, collect, or receive contributions. Contributions by persons receiving remuneration from funds appropriated for relief purposes are not permitted

Mr. HATCH. Mr. President, in this connection, I have a letter from the President of the Civil Service Commission further interpreting the matters, and I ask unanimous consent that the letter be printed in the RECORD at this point also.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> UNITED STATES CIVIL SERVICE COMMISSION, Washington, D. C., July 28, 1939.

Hon. Carl A. Hatch, United States Senate.

DEAR SENATOR HATCH: I am pleased to acknowledge receipt of your letter of July 26, 1939, regarding the interpretation of Senate bill 1871, to prevent pernicious political activities, which has passed both branches of Congress and is now awaiting action by the President.

Section 9 of the enactment reads substantially the same as section 1 of civil-service rule I, and your interpretation of section 9 appears to be the same as the interpretation which the Commission has placed on civil-service rule I. I am enclosing a copy of a has placed on civil-service rule I, I am enclosing a copy of a pamphlet published by the Commission giving detailed information regarding the civil-service rules, Executive orders, and statutes concerning political activity and political assessments of Federal office-holders and employees, and am indicating below for your convenience the page and section of this pamphlet in which the particular types of political activity are discussed.

Section 1 of civil-service rule I is interpreted to prohibit the following types of political activities on the part of employees in

following types of political activities on the part of employees in the classified civil service:

1. The holding of office in political party organizations (p. 4, secs. 14 and 15)

2. Attendance at caucuses or conventions as delegates (p. 4, sec. 12).

sec. 12).

3. Holding office or other activity at political conventions or caucuses (p. 4, sec. 13).

4. Soliciting campaign contributions (p. 5, sec. 16). The solicitation of political contributions by any person who is in the service of the United States or who is receiving compensation for services from money derived from the Treasury of the United States, regardless of whether such person is in the classified civil service or not, from any other such officer or person is a violation of section 118 of the Criminal Code (p. 17, sec. 39, et seq.).

5. Making political speeches or soliciting votes or support in behalf of candidates or parties in primaries or general elections (p. 5, secs. 18 and 19)

Becoming a candidate for office or nomination in primary conventions or general elections.

Such activity on the part of a classified employee is prohibited under section 1 of Civil Service rule I, except in such cases where special permission has been extended by Executive order, such as in the case of employees residing in municipalities adjacent to the District of Columbia and in the case of employees at navy yards or arsenals and military establishments of the War Department (p. 7, sec. 29; pp. 12 and 13).

Section 1 of Civil Service rule I has been construed to permit

Section 1 of Civil Service rule 1 has been construed to permit classified employees to engage in the following types of activity:

1. Membership in clubs or organizations formed for purely partisan political purposes (p. 4, secs. 13 and 14), provided the employee is not an active member, an officer, or a member of any committee.

2. The making of a voluntary contribution to political parties (p. 5, sec. 16). It is a violation of section 121 of the Criminal Code, however, for an employee to make such a contribution to

(p. 5, sec. 16). It is a violation of section 121 of the Criminal Code, however, for an employee to make such a contribution to another Government employee, regardless of whether or not either employee is in the classified civil service (p. 19, sec. 46).

3. The private expression of political opinions (p. 5, sec. 18).

As you point out, the Civil Service Rules confine classified employees to a private expression of opinion, whereas the word "privately" has been omitted from section 9 of S. 1871. It is believed, however, that even under S. 1871 an expression of opinion which so far exceeds the limits of a private expression of opinion and converge the expression of opinion and opinion and the expression of opinion and opinion and the expression of opinion and op assumes the aspect of a campaign speech or a canvass for votes, would be in violation of the general prohibition against taking an active part in political management or in political campaigns.

4. Attendance at political meetings as a spectator (p. 5, sec. 17; p. 4, secs. 12 and 13).

5. Attendance at social functions where political speeches may be made and the proceeds from the sale of dinner tickets may be used for political purposes, such as at Jackson Day dinners.

Commission construes attendance at such functions as in the same light as attendance at political meetings, and a classified employee may therefore attend such functions as an inactive participant. Although the contributions made at such functions purport to be the purchase price of the dinner tickets, they are in actuality political contributions and must not be made or solicited in violation of the statutes which I have already mentioned prohibiting the solicitation or receipt of political contributions between Federal employees.

I trust the information herein will serve your purposes. If there is any further way in which I can be of assistance, I shall be happy

to do so.

Sincerely yours,

HARRY B. MITCHELL, President.

Mr. BURKE. Mr. President, will the Senator yield? Mr. HATCH. I yield. Mr. BURKE. I noticed today a newspaper article bearing

on the matter the Senator has just been discussing, and I ask for his opinion in reference to it. This newspaper article, of recent date, from one of the Pittsburgh papers, outlines a plan to revive the Black News. It is as follows:

PLAN TO REVIVE BLACK NEWS TOLD AT SOUTH PARK RALLY—DOUDS, N. L. R. B. OFFICIAL, INDICATES C. I. O. AND A. F. OF L. HAVE AGREED TO MOVE

A move to revive the Black News, a publication which in the past has served for bitter attack on legislators who have opposed the wishes of organized labor as regards State laws, was begun last night at a small gathering in South Park, addressed by Charles T. Douds, regional director of the National Labor Relations Board.

Invitations to the meeting had been sent out by the Progress-

sive League of Allegheny County, signed by B. J. Hovde, now connected with the National Housing Authority and last year county chairman of the Guffey-Kennedy campaign here, and by Sarah

Limbach, secretary.

Imbach, secretary.

The principal speaker at the meeting, at which less than 50 were present, was Dr. John H. Ferguson, professor of economics at Penn State, who said it was proposed to get union backing for the Black News, so that the unions would purchase and distribute copies. Douds said this proposal had been discussed with both A. F. of L. and C. I. O. groups here, and indicated that such an agreement had been reached. Douds credited the Black News of several proposed to the proposed

years ago with having been largely responsible for Democratic control of the legislature on labor issues. Hovde was not pres-ent. Mrs. Limbach, supervisor, International Ladies Garment Workers Union, presided.

The Black News of 1934 and 1935 listed legislators as voting "wrong" or "right," or with having been absent when a vote was taken on the legislation in which its sponsors, then the Pennsylvania Security League, were interested. Douds said the paper had attained a circulation approaching 1,000,000.

This appeared the day before the bill was signed, I believe:

Douds expressed fear that the Hatch bill, if signed, might prevent the participation of Federal employees in the movement, but doubted that this activity could be regarded as political.

Would the Senator be able to tell us, for the benefit of Mr. Douds and others similarly situated, whether that kind of an activity would be political, and therefore come within the prohibitions of the Hatch law?

Mr. HATCH. Mr. President, in answer to the Senator from Nebraska, I must say that there was so much confusion I did not understand all the Senator read, but I think I understand the question. Is it whether or not a Federal employee may engage in the publishing of a political paper or magazine?

Mr. BURKE. Yes. Mr. HATCH. I will not answer that in my own language. As I have stated, I have refused to state my own interpretation of the law, because I do not think that is my province, as a member of the legislative branch of the Government. In the matter I have just sent to the desk, however, there is a paragraph taken from the Civil Service Commission's interpretation, which reads as follows:

It is political activity for an employee to publish or be connected editorially, managerially, or financially with any political newspaper. An employee may not write for publication or publish any letter or article signed or unsigned in favor of or against any political party, candidate, or faction.

As I stated, those are not my words. That is the rule which has been governing civil-service employees throughout the years.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. SCHWELLENBACH. I fully appreciate and agree with the position of the Senator that it is not his function, as a Member of this body, despite the fact that he is the author of the legislation to interpret it. However, I submit this situation, which indicates that interpretations are going to be made repeatedly in reference to this act.

I call attention to a letter I received this morning from a young man in the State of Washington who was an officer of an organization, a Slovak society, which is not a political organization but is a social organization. However, the organization in the past has seen fit from time to time to endorse candidates of both political parties who were on the ticket. This young man is employed by the Works Progress Administration in the State of Washington. He was informed a few days ago that unless he would sever his connection with this organization he would have to resign his position with the Works Progress Administration. seems to me that, unless very soon a general understanding is given of the act, it is going to result in discrimination and result in hardship to certain individuals.

I cannot conceive by what stretch of the imagination a man connected with a purely social organization which happens to have its membership limited to people of the Slovak race should be compelled to resign from his activity in that organization, because it happens that upon occasions, perhaps every 2 years, the organization would make endorsement of political candidates. I do not think that was within the conception of the act or the conception of the author of the act.

Mr. HATCH. Mr. President, I can say, I think, with all propriety, that such a situation was not within the conception of at least one of the authors of the act.

I hold in my hand, if Senators are interested, a pamphlet issued by the United States Civil Service Commission, form 1236, entitled "Political Activities and Political Assessments of Federal Office Holders and Employees," printed at the Government Printing Office. The pamphlet can be obtained by any Senator, and in it will be found an answer to almost every question which can be raised in regard to the law. It is from that pamphlet that I have made this condensed statement I have asked to have printed in the RECORD today, and in it will be found an answer to the question the Senator from Washington has propounded.

Even if it were a political club, the Senator would find that throughout the years the rule has been construed, as to civil-service employees, to be that membership in a political club is permitted, but employees may not be officers

of the club, and they must not act as such. That is the rule which has guided civil-service employees, and I think the same rule applies under the law, because the law is almost an exact duplication of the civil-service rule, and it was intended to put employees under the classified civil service and those in the nonclassified service under exactly the same rule.

Mr. ADAMS. Mr. President, will the Senator yield for a question?

Mr. HATCH. I am delighted to yield.

Mr. ADAMS. Does the Senator feel that the regulations and interpretations of the Civil Service Commission or their rules are to be accepted as a final interpretation of the Hatch law?

Mr. HATCH. So far as I am concerned, I am perfectly willing for them to be.

Mr. ADAMS. I was asking whether or not their interpretation would be binding upon the Federal employee who is affected by the Hatch law, which a Senator is not.

Mr. HATCH. Does the Senator mean whether the interpretation given by the Civil Service Commission is binding on Federal employees?

Mr. ADAMS. Yes.

Mr. HATCH. Not necessarily, but I will say to the Senator from Colorado that I think it is quite likely that if this law is ever construed by the courts, the courts will adopt and follow the construction of the rules which the authors of the bill followed in drafting the legislation, and the same interpretation put on the law as was given it by the President of the United States in his message to the Congress. It is not an unknown rule of law that when we adopt language, statute, or rule knowingly, then the courts will follow the interpretation which has been theretofore placed upon the language or statute. That is a well-known rule of law.

Mr. ADAMS. If the State of New Mexico adopted a

Mr. ADAMS. If the State of New Mexico adopted a statute such as existed in Colorado, it would be presumed that it was adopted in the light of the decisions of the Colorado courts as to their statute. But here there is no parallel, that is, we are dealing here with an administrative body, the Civil Service Commission, and I am inquiring whether they could have final jurisdiction over interpretation, not being a judicial body.

Mr. HATCH. The Senator did not have to ask me whether they would have a final, arbitrary, last action and say. Of course they would not.

Mr. ADAMS. Let me cite one instance to show the Senator what is the prevalent situation. The Senator from Connecticut [Mr. Maloney] was going to my city of Denver to make one speech, and he was asked whether he might make a political speech, and we discovered that a substantial number of Federal employees thought it would be improper, in view of the Hatch law, for them to attend a political meeting. Of course there is no basis for that, but I am saying that that is the extent to which misinformation has gone abroad, and I think it would be very valuable if the author of the law could see to it that a correct interpretation is sent forth.

Mr. HATCH. Mr. President, that is exactly what I am trying to do in inserting this material in the Record at this time. Much of what has gone abroad is entirely misinformation. I think it is wise and well that the Record be made straight, and for that reason I have gone to the trouble of condensing the Civil Service interpretation.

PRINTING OF SPEECHES IN APPENDIX BY MR. GUFFEY

Mr. GUFFEY. Mr. President, I ask unanimous consent that after adjournment I may put into the Appendix of the Record an address I am going to deliver in Pittsburgh on August 11, and one on August 19.

The PRESIDING OFFICER. Is there objection?

Mr. GEORGE. Mr. President, I do not intend to object, I know the Senator will make a very delightful speech, but I have been a Member of the Senate for some years, and I have never yet heard of any addresses being entered in the RECORD which were to be delivered in the future.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield. But before I do so I wish to say that I am not raising any objection. The request strikes me as being a bit unusual. However, I have no objection.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. Requests of this kind have been granted heretofore. I recall that, especially in Presidential years, consent has always been given in advance to the printing in the Record of speeches to be delivered at a national convention, either Democratic or Republican, and it has always been granted. Usually the Senate has consented that in the final edition of the Congressional Record matters may be printed that have not actually transpired on the floor prior to adjournment. I submitted such a request as that yesterday, and the Senator from Vermont [Mr. Austin] objected to it.

I had myself intended to ask unanimous consent to put into the Record a summary prepared by me of legislation at this session, which cannot be ready by the time we adjourn tonight, and probably one or two other items of that sort. It has been done previously, and there is nothing particularly unusual about it. But I can appreciate the Senator's viewpoint, that it might not always be a good idea to do it.

Mr. GEORGE. I am not making objection. I want to say to the Senator from Pennsylvania and the Senator from Kentucky—

Mr. JOHNSON of California. Mr. President, may I ask what is the nature of the speech?

Mr. GUFFEY. One of the speeches I expect to deliver is a political speech, and the other is a historical speech concerning my native county.

Mr. JOHNSON of California. That is all I wanted to

Mr. GUFFEY. I consulted the minority leader, and he said he would have no objection provided I fixed the date, the time, and the place of the speech.

Mr. JOHNSON of California. How long is it to be before the speech shall be made?

Mr. GUFFEY. One is to be made next Thursday, and one a week from next Thursday.

Mr. JOHNSON of California. I should like to ask consent, and we will agree with each other then that it shall be done, to put six political speeches in the Record which I shall make in the next 4 months. [Laughter.]

Mr. GUFFEY. I was following a custom, and I consulted-

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. GEORGE. I yield.

Mr. BARKLEY. Of course, no speeches or other material can be put in the Record later than the final edition of the Congressional Record, which will be about 10 days after we adjourn, as always.

Mr. JOHNSON of California. The Senator from Pennsylvania is going to make two speeches, which he proposes to put in the Record, and they are not contemplated to be made within the next 10 days, are they?

Mr. BARKLEY. In that event they could not be put in the Record, unless there was a volume of the Record printed after next week.

Mr. JOHNSON of California. We might extend the printing of the Record, then, and instead of having it conclude its edification of the public in the next 10 days, we might make it a monument to Senators who desire to put speeches in the Record in the next 6 months. [Laughter.]

Mr. BARKLEY. Mr. President, let us dispose of this request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. BORAH. Mr. President, as I understand, the Senator from Pennsylvania has requested that he be permitted to print in the Congressional Record two speeches not to be made in connection with any transaction of business here in the Senate, but, I presume, political speeches. I think that is a very extraordinary precedent to establish. I do not think the Senator from Pennsylvania should urge such a request. There will be a number of speeches delivered this

summer and fall upon a subject which is indirectly, if not directly, connected with the transactions of this body. I should feel that I ought to be permitted to have those speeches printed in the Record under the precedent which the Senator is about to establish. But where will we stop?

Mr. GUFFEY. Mr. President, I was simply following the

custom-

Mr. BORAH. I do not want to draw the line with respect to the action of any particular Senator, and it ought not to be drawn as against any particular Senator, but I certainly should ask for permission to print a certain line of speeches upon the subject of foreign affairs during this summer and fall if it is to be established as a precedent here that speeches may be published after Congress shall have adjourned

Mr. GUFFEY. Mr. President, I remember distinctly that in 1912, 1916, 1932, and 1936 speeches made at the national conventions were placed in the Record, and I thought that was a common practice. I consulted the Senator from Vermont today. He said he would offer no objection provided I fixed the dates. I am perfectly willing to withdraw the motion. I do not want to establish a precedent. I thought I was following what had been the custom heretofore.

Mr. BORAH. I think some political speeches which should not have been placed there have been printed in the RECORD heretofore.

Mr. GUFFEY. Mr. President, I withdraw my request. But I hope the Senator from Idaho will be able to have his speeches printed in the RECORD.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, may I ask the cooperation of Senators on both sides of the Chamber, that at this juncture, in the last day of the session, they not inject extraneous matters into the deliberations of the Senate until we shall have disposed, in an orderly way, of the matter pending before us. The bill pending before the Senate now is in charge of the Senator from Nevada. It ought to be disposed of as speedily as possible one way or the other. There are other bills which ought to be disposed of before we adjourn, and I ask the cooperation of Senators not to delay the disposal of these bills by the introduction of extraneous matter, or requests for unanimous consent, or discussions on other subjects. Otherwise we will not finish our work today. After we shall have adopted the adjournment resolution providing that when we finish today we adjourn sine die, there will be plenty of time to attend to all these extraneous matters, but while there is legislation awaiting the consideration of the Senate I think extraneous matters should wait.

Mr. AUSTIN. Mr. President, I should like to ask the floor leader of the majority if he can specify what bills will be taken up, so that we ourselves may make some calculation as to the situation.

Mr. BARKLEY. I will say to the Senator from Vermont and other Senators that as soon as the unfinished business is disposed of it is my purpose to ask unanimous consent to call the calendar for House bills only, to which there is no objection. That would include also House bills at the desk which have not been printed in the calendar, although I realize the difficulties of considering bills when there are no reports on the calendar. But it seems to me that is the only way to give everyone a fair chance. If I or any other Senator should try to pick out half a dozen bills which we thought ought to be considered first, it might be unfair to some Senator who was interested in a bill that he thought should be considered, or some bill that had come over from the House. Of course, any Senator can object to any of those bills. So, if they are taken up later, they will have to be taken up on motion.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. As I view this problem immediately, the method suggested by the floor leader of the majority would not be a fair transaction of business, for I know of cases

of House bills, exactly identical in every respect with Senate bills that are now on the calendar, having been reported favorably by standing committees of the Senate, while other House bills, in committees or on the table, have not been passed upon by Senate committees, and in view of the lateness of the hour cannot be passed upon by Senate committees. In some cases committees will not permit the release of those House bills. Therefore they cannot be acted upon here by the Senate. But in other cases a committee may be more liberal in its attitude, and be willing to proceed less formally as the House bills come over to the Senate. The result is an inequality and an unfairness which ought not to obtain.

We have had a very busy time closing up the legislative business of this session, and I venture the opinion that it is time that the Senate adjourn. There is no conference action awaiting consideration, and I ask the leader of the majority if he will not consider a limitation, so that we may know definitely the procedure for the remainder of the session. I would suggest this for a limitation, that we consider only those House bills which have been favorably reported by standing committees of the Senate.

Mr. BARKLEY. I will say to the Senator that is all I have in contemplation.

Mr. AUSTIN. I am besieged by Senators with requests for action on House bills which have never been referred to a standing committee of the Senate, but merely endorsed and sent here for immediate consideration.

Mr. BARKLEY. Of course, the Senator knows that now and then in an emergency a committee is polled on the floor of the Senate for a favorable report on a bill. But the request which I had in mind to make, and which I will not make until the pending matter shall have been disposed of—that is, I have no present intention of making it until then—only contemplated the calling of House bills which have been referred to a committee or have been acted on by a Senate committee and are now awaiting action at the desk.

Mr. AUSTIN. Mr. President, I shall not object to that request.

PERNICIOUS POLITICAL ACTIVITIES IN COLORADO

Mr. JOHNSON of Colorado. Mr. President, it is gratifying to me that the Senate Civil Service Committee has acted so promptly upon the Presidential suggestion to apply the principles of the Hatch bill to State employees expending Federal funds, and has accordingly reported out favorably for that purpose the so-called Neely bill, Senate bill 282.

Yesterday the Senator from West Virginia [Mr. Neely] stated on the floor of the Senate that while he would not press his bill in the closing hours of this session, he was certain that it would pass early next year, and would effectively keep out of the 1940 political campaign State employees whose departments expend Federal funds. The Senator's assurance was indeed good news to me, for I know the desperate necessity in Colorado for a curb on pernicious political manipulation aided and abetted by Federal revenues.

Unfortunately in that State we have a political boss at the head of the highway department who openly tries to dominate the politics of the State. This State agency spends literally millions of dollars of Federal funds every year. I refer to Charles D. Vail, State highway engineer. He is under civil service, but with the great power supplied in part by Federal money he has debauched the State civil service commission. That commission recently held a "kangaroo court" in which he was the defendant. It was no surprise to Colorado that one of the commissioners sitting as a trial judge was more active in his defense than was his own attorney.

Mr. Vail, the highway engineer, using the power of the allocation of highway projects and highway funds, which include Federal funds, has favored, threatened, or bull-dozed county officials for the one purpose of controlling their political action. He has shaken down contractors on

Federal-aid highways to raise funds for political purposes. No contractor dares to admit it, however, because that would result in his immediate and utter ruin. He also has shaken down oil companies from whom the State has purchased highway-surfacing oil. These companies dare not admit it, either. Following the last election, a well known, responsible Colorado citizen of unquestioned integrity and intelligence gave me the following data on this official's connection with political shake-downs in Colorado:

Husby Oil Co., of Cody, Wyo.: \$1,000 to Charles D. Vail, W. G. Burke, 1340 Corona Street, the Denver agent.

Gilmore Oil Co., Los Angeles, Calif.: \$6,000 to Mr. Vail through an agent named Bill Julian.

Texas Oil Co. to Mr. Vail by Ted Ellis: \$4,000.

Road contractors handling State highway jobs—an aggregate of over \$30,000. Individual projects were tied up on three or four occasions until they had made their contributions.

I find that the Department of Justice is powerless to stop such flagrant abuses because in these instances no Federal law has been directly violated. I want a law enacted by Congress which will specifically stop the outrageous violations of political decency now indulged in by State officials who are spending Federal funds.

Mr. President, I should like to point out that when we passed the Hatch bill we only made a start. If it is our purpose completely to clean up everything insofar as pernicious political activities are concerned, we must go beyond the provisions of the Hatch bill.

The Colorado official to whom I refer has highway employees in every county and in every district in the State who do his political bidding; and through them he directs the vilest kind of a pernicious political machine.

Mr. Thomas H. MacDonald, commissioner of public roads, recently stated that Colorado is the only one of the 48 States headed by a highway official whose word is not valid.

Whenever a State accepts Federal highway aid on a cooperative basis the Neely bill as amended will stop pernicious political activity, intimidation of voters, favoritism to county officials, and solicitation and acceptance of political contributions from highway contractors and oil companies and persons furnishing other highway material. The Neely bill, so far as Colorado and political decency are concerned, is "must" legislation since the Hatch bill has been passed.

MILITARY AND NAVAL ESTABLISHMENTS OF AMERICAN REPUBLICS

The Senate resumed the consideration of the joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

Mr. RUSSELL. Mr. President, I offer an amendment to the joint resolution which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. It is proposed to add a new section 6, as follows:

The Secretary of War and the Secretary of the Navy shall in all contracts or agreements for the sale of such matériel fully protect the rights of all citizens of the United States who have patent rights in and to any such materiel, which is hereby authorized to be sold, and the funds collected for royalties on such patents shall be paid to the owners and holders of such patents.

And to renumber the next section as section 7.

Mr. PITTMAN. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

Mr. BORAH. Mr. President, I do not know that I have any objection, if I fully understand the purpose of the Senator.

Mr. RUSSELL. Mr. President, under existing law employees of the Government of the United States who have patents on matériel of war, such as antiaircraft guns, tanks, searchlights, and other such implements of warfare are not allowed to collect any royalties from the Government of the United States when any such articles are manufactured for the Government of the United States. However, if any of those articles are manufactured in a private corporation's plant with the consent of the Government of the United States, the holder of the patent rights is entitled to collect a royalty thereon. My amendment merely protects the rights of the holder of a patent on any attachment to antiaircraft guns, tanks, or other implements of war.

Under the provisions of the joint resolution as it stands at present, all moneys collected from the sale of the various implements of war are covered into the Treasury of the United States; and the holder of a patent would be absolutely unprotected unless the Congress were to adopt some such amendment as the one I have proposed, to which the Senator from Nevada states he has no objection.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. VANDENBERG. I am curious to know just how the amendment would work. Inasmuch as the Government of the United States pays no royalty upon any of these things, if under the new arrangement it takes an order to furnish some of this equipment to a South American republic, it then is required, as I understand, to charge a royalty against the buyer in South America. How does it know what royalty to charge, inasmuch as no standard of royalties is fixed in our Government's relationships on the subject?

Mr. RUSSELL. How does the Senator from Michigan think the Government will arrive at the cost of the guns and munitions which are sold to South American countries? No prices are provided in the joint resolution. The royalty would be subject to agreement and negotiation in arriving at the contract which the joint resolution says the Secretary of War or the Secretary of the Navy shall enter into with the South American republic. When guns are purchased by the Government of the United States and then go to South American countries, my amendment merely gives the American citizen who holds a patent the same protection that that citizen would have if the guns were purchased in the first instance by some munitions manufacturer within the United States.

Mr. VANDENBERG. I completely sympathize with the Senator's objective, and I am not quarreling at all with his purpose to protect American inventors. I am merely trying to find out how it would ultimately work in furtherance of the good-neighbor purposes which the proposed legislation is alleged to facilitate. In the name of good neighborliness we will now charge our neighbors some agreed-upon royalty upon the matériel which we ourselves do not pay when we purchase it. Is that correct?

Mr. RUSSELL. The Senator is correct.

Mr. VANDENBERG. The amount will have to be stipulated by barter and agreement when the contract is made.

Mr. RUSSELL. It would be subject to negotiation. might say to the Senator from Michigan that there is nothing complex or complicated about the question. When guns are manufactured in the Government arsenals today, many of them are manufactured at a great loss to our Government; yet we cannot take a loss, if I correctly understand the measure, on guns sold to South American republics. The Government of the United States, in manufacturing some of the highly intricate antiaircraft guns today, takes an enormous loss; but under the provisions of the joint resolution we must require to be paid by the South American governments the full cost of the matériel, because as I understand the joint resolution no loss may be involved to the Treasury of the United States. The amendment merely makes subject to negotiation the royalty rights of American citizens in and to such implements of war.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. PITTMAN. Mr. President, I ask that the committee amendment on page 3 be stated.

The PRESIDING OFFICER. The committee amendment will be stated.

The CHIEF CLERK. On page 3, line 7, after the words "United States", it is proposed to insert:

And provided further, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

Mr. PITTMAN. Mr. President, I move the adoption of the amendment.

Mr. VANDENBERG. Mr. President, several Senators who are very much interested in the joint resolution are absent from the Chamber. If we are to proceed with it, I must suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following
Senators answered to their names:

Lodge Shipstead Adams Davis Andrews Downey Smith Stewart Lundeen McCarran Ashurst Austin Bailey Bankhead George Gerry Taft. McKellar Thomas, Okla. Gibson Guffey Thomas, Utah Mead Miller Townsend Truman Barkley Minton Borah Gurney Tydings Vandenberg Hale Harrison Murray Nye O'Mahoney Burke Byrd Hatch Van Nuvs Wagner Walsh Hayden Pepper Pittman Byrnes Capper Herring Radcliffe Russell Johnson, Calif. Wheeler Clark, Idaho Clark, Mo. White Johnson, Colo. Schwartz Schwellenbach King La Follette Connally Lee Sheppard

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Sixty-nine Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

Mr. VANDENBERG. Mr. President, there is a very substantial opposition to this joint resolution. I desire to make

a preliminary statement about it.

I think all of us are in complete sympathy with the purposes of the State Department to encourage the closest possible relationships throughout Pan America and the Western Hemisphere, but there is frequently a great difference of opinion as to the best means of promoting this highly worthy objective. The pending joint resolution proposes to do it by making what the Senator from Washington [Mr. Bone], if he were here, would call an arms huckster out of Uncle Sam. There are many of us who do not believe that by putting the Government of the United States into the arms-huckstering business we can promote good will anywhere, at any time, or in any way.

A few years ago the Senate had a special select committee which investigated the munitions industry. The able Senator from North Dakota [Mr. Nye] was the chairman of the committee. I was permitted the privilege of serving as a member of it; likewise the able Senator from Missouri [Mr. CLARK], the Senator from Washington [Mr. Bone], and the former Senator from Idaho, Mr. Pope. We went particularly into many of the relationships and contacts that were involved in the sale of American arms in South America; and, to our amazement, we found that there were many malignant repercussions from that trade. We found that even governmental influence itself-and I speak about the governmental influence of our own Government here in Washington-frequently was available for the promotion of very doubtful purposes. So far as the private sale of arms in South America was concerned, we discovered upon more than one occasion that these sales were used actually to incite one good neighbor against another good neighbor.

The private sale of arms under these unfortunate circumstances is now rather well limited by law. I very much doubt whether the Government of the United States can make

itself the successor of the private-arms huckster in South America any more successfully, relatively speaking, than was the result heretofore.

The language in line 5 on page 1 of the joint resolution states, I remind you, that the Secretary of War is not confined to the manufacture of these commodities in arsenals and factories under the jurisdiction of the Government of the United States. These supplies do not necessarily come from Government plants. They may be "otherwise procured." In other words, Uncle Sam becomes a procurer for the munitions makers of America.

I am not speaking invidiously of the munitions makers of America. Thank Heaven, we have munitions makers. They are utterly essential to the development and maintenance of our national defense; and so far as the representative munitions makers of this country are concerned, they scrupulously undertake to maintain their operations on a basis of highest integrity and honor and fair play, and with complete subservience to the patriotic obligation they owe to the foreign policy of the United States itself. The fact remains, Mr. President, that when we go into the business of arming South American countries on the theory that we are arming them against some foreign foe in some other land, we are nevertheless arming them against each other; and that was the precise result which flowed from the American arms traffic which the Munitions Committee explored and exploded. I submit that we cannot insulate ourselves against that net result simply by making the Government of the United States the intervening procurer of these war materials. Uncle Sam is officially and legally the procurer, but he may find himself not only the procurer but unwittingly the agent provocateur of actual trouble among those whom we are theoretically binding closer together as so-called good

Mr. President, that is the first objection I have to the joint resolution; and I submit the objection in the greatest good faith. I submit that it puts the Government of the United States into a business that it has no right whatever to be in, and that, far from encouraging the notable objective to which the joint resolution is presumably addressed, the net result may well be something totally otherwise.

This is no isolated objection that I am submitting. I think it will be amply apparent, before the debate is concluded later in the evening, that there is a very substantial objection on the Foreign Relations Committee itself. I might submit parenthetically that when a joint resolution of this importance is opposed by the Senator from Idaho [Mr. Borah], by the Senator from Minnesota [Mr. Shipstead], by the Senator from Minnesota [Mr. Shipstead], by the Senator from Maine [Mr. White], and by the senior Senator from Michigan, speaking only of those who are on the Foreign Relations Committee itself, it is neither wise nor fair to attempt to press it to passage under the circumstances which surround us at the present time, and, so far as I am concerned, it will not pass if passage can be prevented.

Now let us proceed with the analysis. I have submitted the first reason, which I think all by itself suffices to defend the position of those who resist the passage of this joint resolution. I concede that the able Under Secretary of State. Mr. Welles, has presented a very persuasive argument to the Committee on Foreign Relations upon the subject. I concede that in their anxiety, for some reason which passes my understanding, to get this measure upon the books, the State Department has during the last few months communicated time and time again with the various so-called South American republics for the purpose of demonstrating to us, or attempting to demonstrate to us, that there is a great accord throughout the two continents upon the subject. But none of the evidence which has been submitted has been impressive or conclusive in the slightest degree, from my point of view; and, much as I dislike to stand in such determined opposition, on a matter of such relatively minor importance, to the distinguished Secretary of State and his Department, I feel it very necessary that the Senate should fully know

why many of us consider that it would be a profound error in sound foreign policy for the United States to proceed down this road.

Mr. President, I have given the first reason; namely, that it is utterly doubtful activity for the United States to go into the business of being an arms huckster in South America, because our experience with arms hucksters in South America heretofore, and our observations of armed hucksters in South America heretofore, have clearly warned us that that way lies involvement and trouble, not only for ourselves but for these neighbors of ours for whom we are presumably trying to be so solicitous.

In the second place, Mr. President, let us see how it would work; let us see the practical effect from the standpoint of this so-called good neighborliness, which is the highly laudible objective.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. I am asking purely for information, so that I may be governed in other matters. Does the Senator feel that he can conclude his remarks within 30 minutes?

Mr. VANDENBERG. No; the Senator cannot, because, in his very earnest judgment, the subject merits the extended consideration which some of us intend it shall have, and, with great respect, I submit to the Senator that our good faith purpose is to explore the subject as we deem its necessities require.

Mr. BARKLEY. Will the Senator yield further, that I may propound an inquiry to the Senator from Nevada?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. In view of what the Senator has stated, and the notice which has been served on the Senate practically that the joint resolution cannot be passed without some delay, and in view of the further circumstance that the leader of the House of Representatives has advised me that they will not be in a position to consider any House bill which comes back to the House with an amendment on it before adjournment, does the Senator from Nevada feel that it is worth while to proceed further with the pending measure?

Mr. PITTMAN. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. PITTMAN. I think that the Senator from Michigan has made his intent quite clear. He has not used the obnoxious word "filibuster"; in fact, I have never heard him use it. Personally, I should enjoy hearing him speak for an hour or two; I always enjoy hearing him speak; but I must realize, of course, that there are a number of Senators who are interested in House bills which are either on the table or on the calendar, and naturally I would not want to engage in a futile undertaking; nor would I, in an effort to get a vote this evening, which apparently, I may say, is obviously impossible, interfere with other Senators attempting to have measures enacted. Therefore I voluntarily am willing to consent that the joint resolution go to the calendar.

Mr. BARKLEY. Mr. President, will the Senator from

Michigan yield to me further?

Mr. VANDENBERG. I yield the floor. That is perfectly

Mr. BARKLEY. Mr. President, I ask unanimous consent that the unfinished business be set aside, and that the joint resolution be returned to the calendar; and that thereupon the Senate shall proceed to the consideration only of House bills which have been acted upon by Senate committees, and are now on the calendar or at the desk, pursuant to such committee's action, to which bills there would be no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky, who asks unanimous consent that the pending joint resolution be laid aside and returned to the calendar, and that thereafter the Senate proceed to the consideration of unobjected-to House bills on the calendar or at the desk which have been acted upon by standing committees of the Senate?

Mr. ASHURST. Mr. President, I wish to be heard for only a moment.

I believe that one of the reasons for the superb success which the Senator from Nevada [Mr. PITTMAN] has achieved as a statesman is due in no small degree to the fact that he is a realist; he knows a fact when he faces it. I think he has done a proper and a handsome thing, in appreciating, earnest and able as his efforts have been in connection with the measure which was the unfinished business, that it could not be passed. I am glad he has asked that it be laid aside. and I know with what regret he did so.

However, Mr. President, the able Senator from Kentucky has now asked that the Senate give unanimous consent to a proposal which I think contains a phrase which would shut out and preclude the Senate from considering at least two bills which I believe should be considered. I have no personal interest in them. They are House bills. I had nothing to do with their draftsmanship. I endorse them. I believe they should pass, for I am anxious at all times, as is every other Senator, to urge measures which will promote the efficiency, the supremacy, and the progress of this country.

I refer first to the House bill which we call the protectionof-witnesses bill. I have several times vexed the ears of the Senate by reading the bill. It provides that the same protection thrown around witnesses in Federal courts shall be accorded witnesses who appear before congressional committees or before boards, commissions, or other agencies of the Federal Government. That is the first bill. It is House bill 6832; it has passed the House, and is on the desk.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. ASHURST. Of course, I yield.

Mr. BURKE. I believe that if the Senator will consult his calendar he will find that the bill is on the calendar, Calender No. 1156, and within the rule laid down by the majority leader.

Mr. ASHURST. The able Senator from Nebraska is correct.

Mr. BARKLEY. That bill will be one coming under the program.

Mr. ASHURST. The bill will be one to come under the program.

Mr. JOHNSON of California. The second one is not.

Mr. ASHURST. The second one—and I solicit the support and criticism of other Senators-is not, and, for several reasons, I have a reluctance about pressing the second one. It is the so-called ship-gambling bill. I need not enter into a long explanation of what it is more than to say that floating palaces are anchored off the coast of southern California. beyond the 3-mile limit; that so-called motor taxis take citizens out to them to gamble, and upon those floating palaces, as I suggested last night, may be heard at all times the thud of the dice, the rattle of the ivory poker chips, and the whirr of the roulette wheel. Citizens anxious to engage in a tilt with Madame La Chance go to these palaces.

Mr. President, the Attorney General of the United States has solicited the passage of this bill, and the attorney general of California has urged its enactment.

Mr. BARKLEY. Mr. President, let me ask the Senator, what is the status of the bill?

Mr. ASHURST. The bill has been passed by the House, and is on the desk. It has not been referred to a committee, so far as I know.

Mr. President, I believe the bill should be considered. One objection would send it back to the calendar, and I have no argument to make more than to ask for a reading of the bill, because within their four corners each of these bills carry their own argument, if they carry any.

Mr. BARKLEY. I may say to the Senator that the second bill, of course, not being on the calendar, and not having been considered by a Senate committee, would not come within my unanimous consent request.

Mr. ASHURST. That is true.
Mr. BARKLEY. But at the conclusion of the call of the calendar for House bills under my unanimous consent request, the Senator of course would be at liberty to make an effort to secure consideration for the bill. Whether the effort would succeed of course I cannot now say.

Mr. ASHURST. My reason for showing this solicitude is that, by the evolution of time, and the partiality of my constituents, I have been here sufficiently long to become chairman of the Senate Committee on the Judiciary, and it falls to my lot to try to secure the passage of bills.

The PRESIDING OFFICER. Is the Senator from Arizona asking unanimous consent that the Senate immediately

proceed to the consideration of the bill?

Mr. ASHURST. No; I was calling attention to the fact that one phrase in the request made by the Senator from Kentucky might preclude consideration of these two bills. But the Senator from Nebraska corrected me, and now I ask that when the Senate shall have concluded the consideration of the House bills on the calendar, the Senate recur to such bills as are on the desk which have not been considered by committees.

Mr. BARKLEY. I wonder whether the Senator would be willing to defer that request until we have finished with

the call of House bills on the calendar.

The PRESIDING OFFICER. The question before the Senate is the request of the Senator from Kentucky for unanimous consent.

Mr. ASHURST. If the Chair will pardon me, that is debatable, and we are trying to reach an agreement.

The PRESIDING OFFICER. The Chair will recognize

Senators who desire to debate.

Mr. JOHNSON of California. Mr. President, let me say to the Senator from Kentucky that the gambling-ship bill has been considered by the Committee on the Judiciary, but the Committee on the Judiciary has rendered no report upon it, so it is in peculiarly unique position. I am correct in that, am I not?

Mr. ASHURST. The Senator is correct; it has been discussed by the Senate Committee on the Judiciary.

Mr. JOHNSON of California. It is an emergency bill.

Mr. BARKLEY. I appreciate that, and I am for the bill.

Mr. JOHNSON of California. The ships are defying the authorities at the present time, and if the authorities do not obtain relief——

Mr. BARKLEY. The difficulty I am in is that if I include in the request all House bills which have been messaged over to the Senate and have not been reported by Senate committees, I cannot get consent for the consideration of even those on the calendar which have been considered by committees.

Mr. ASHURST. Mr. President, I do not perceive why we could not exclude the phrase from the Senator's request to which I have referred, and he need have no fear, because when a bill is called at you desk the objection of one Senator of course would send it back to the calendar.

Mr. BARKLEY. Mr. President, I will say to the Senator that the universal rule, when the calendar is called, is to call only the bills that are on the calendar.

Mr. ASHURST. That is true, sir.

Mr. BARKLEY. I included in my request not only all bills on the calendar from the House but bills at the desk which have been acted upon by Senate committees.

I do not like to couple any other requests with that, because I may not get any of them agreed to, but after the conclusion of the call of the calendar for House bills which are legitimately on the calendar and at the desk by reason of the action of committees, I shall certainly not only ask, if there is no objection, but shall urge that the Senator's maritime gambling bill, whatever it is, be taken up. But I am afraid if I include that in my request now there will be objection.

Mr. BURKE. Mr. President, I will say in connection with the bill which was described by the Senator from Arizona [Mr. Ashurst], that two bills were filed concurrently in the Senate and the House, and the Senate bill was referred to a subcommittee of the Committee on the Judiciary, of which the Senator from West Virginia [Mr. Neely] was chairman. That committee about a month ago unanimously reported the bill favorably to the full committee. It was there discussed on a number of occasions, but chiefly on my objection went over.

When it was under discussion in the full committee, I will be frank to say that I was one of those who urged that there were objectionable features in the bill, and that it should be passed over and considered more at length. It was under discussion on two or three different occasions in the full committee, and largely because of my objection it was not acted upon by the committee. After the bill had passed the House and I had ascertained that the senior Senator from California was heartily in favor of it, I took occasion to examine the bill as it came from the House, and found that certain amendments had been made in the House which largely removed certain objections I have. Because of the fact that the senior Senator from California feels it is a meritorious measure, and the fact that it had been considered by the Senate committee, and has unanimously been supported by a subcommittee, I believe this bill could be added to the list.

Mr. BARKLEY. Mr. President, I will modify my request in this way, that the calendar be called for the consideration of unobjected to House bills on the calendar and at the desk, which have been reported by Senate committees. That at the conclusion of that call the bill referred to by the Senator from Arizona be then taken up for consideration.

Mr. AUSTIN. Mr. President, reserving the right to object, I give notice now that, because of a sense of responsibility and a belief that the Senate should not hastily pass legislation which deserves deliberation and care, I shall object to the proposal, however great respect and regard I have for the proponents of the measure—and certainly I know everyone realizes my affection and respect for the distinguished chairman of the Judiciary Committee, with whom I have served, and that my attitude is, therefore, taken reluctantly. However, in the interest of the public good and of the public welfare, and so that we may not do things now hastily, I give notice that I shall object to every bill that has not had at least the consideration of a standing committee and been reported to the Senate. For that reason I object to the request which has been made.

Mr. BARKLEY. Mr. President, I renew the request as I made it originally, to call the calendar for consideration only of House bills that have been reported from standing com-

mittees of the Senate.

The PRESIDENT pro tempore. The request of the Senator from Kentucky is that the pending business be laid aside and returned to the calendar, and that the Senate proceed to the consideration of unobjected-to House bills which are on the calendar and at the desk, but which have been passed upon by standing committees of the Senate.

Is there objection?

Mr. JOHNSON of California. Does that include a report by a committee?

The PRESIDENT pro tempore. The Chair did not hear the Senator.

Mr. JOHNSON of California. I ask, Does that include a report by a committee of the Senate?

The PRESIDENT pro tempore. It does not. A standing committee may act on a bill without a formal report.

Mr. JOHNSON of California. I hope that we will not consider bills that have not been passed upon by committees.

Mr. BARKLEY. No; but there are certain bills on the desk which have been reported by committees on which no report has been made. There may not have been written formal reports even in connection with bills that are on the calendar itself, but there will be considered no bills at the desk which have not been favorably reported by a standing committee of the Senate.

Mr. CONNALLY. Mr. President, I want to ask the Senator from Kentucky a question if I may. Does this agreement mean that if a bill is objected to it goes to the foot of the calendar, regardless of a motion?

Mr. BARKLEY. No; I do not think it means that a bill goes to the foot of the calendar. It would simply be passed

Mr. CONNALLY. I mean if a bill is objected to when it is called, then would it be in order to move to consider that bill?

Mr. BARKLEY. No.

Mr. CONNALLY. There is a very important House bill here, H. R. 7171, which has been thoroughly considered by the Committee on Finance. It proposes highly necessary legislation. It is an administration measure to aid the Secretary of Agriculture and the Tariff Commission in regard to the exportation of agricultural commodities under the bounty system. It provides for increasing the tariff duties and tariff rates to offset the increased price of commodities which no doubt would return to this country after being exported on the subsidy system. I think that bill should be considered.

I make a motion to take it up.

Mr. BARKLEY. I wish to say to the Senator that under the unanimous-consent agreement I am seeking it would not be in order, when a bill on the calendar is objected to, to move to take it up. But at the conclusion of the call any Senator could move to take up a bill that has been objected to during the call of the calendar.

Mr. GEORGE. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. GEORGE. If that is the meaning of the unanimousconsent agreement, I object to the unanimous-consent agreement, because we will be here all night on the bill to which the Senator from Texas refers. I am willing to take up other bills on the calendar.

Mr. BARKLEY. Mr. President, of course my answer to the Senator from Texas was an obvious and truthful answer, because it is always true that a Senator can move to take up a bill which has been objected to. Whether the motion prevails is a matter for the Senate to determine.

Mr. GEORGE. I thought the object of the unanimousconsent agreement was to bring the session of the Congress

Mr. BARKLEY. Yes.

Mr. GEORGE. I withdraw my objection, but I give notice that I will have to spend the remainder of the night and Sunday on the bill to which the Senator from Texas has referred. Other Senators are also interested in it.

Mr. BARKLEY. I want to say to the Senator from Texas and the Senator from Georgia and to other Senators that at this time it will be futile to act on any House bill to which the Senate attaches an amendment, because I have been definitely informed by the House leaders that no House bill that comes back there with a Senate amendment will receive consideration during the remainder of this session. So we might as well be practical and realistic. If we cannot act upon a bill without amending it, it is futile to act upon it at this time.

Mr. GEORGE. I withdraw my objection, but I will say that I thought we were trying to bring the session of the Senate to a close.

Mr. HARRISON. Mr. President, in connection with the bill H. R. 7171 to which the Senator from Texas [Mr. Con-NALLY] has referred, I desire to place in the RECORD a letter from the Secretary of Agriculture with reference to the bill and strongly urging its passage. I am in favor of the enactment of this proposed legislation and I regret that it is impossible to bring it up for consideration and vote on it before adjournment. I had hoped very much that the bill could be passed, and I am extremely sorry that our efforts to bring it up have not been successful.

I ask unanimous consent that the letter may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARTMENT OF AGRICULTURE Washington, August 5, 1939.

Hon. PAT HARRISON, United States Senate.

DEAR SENATOR HARRISON: This is in response to your request for certain information concerning H. R. 7171, which was passed by the House of Representatives to amend section 22 of the Agricul-

As you know, one of the objectives of several of the existing farm programs is to support the domestic price of certain agricultural commodities at levels above those that would make the

export portion of the crops fully competitive in the low-priced world market. Another objective is to maintain our fair share of the world's exports. Taken together these effects of the farm programs are protecting American farmers against the full fury of the storms now raging in the world markets. The successful operation of such programs requires, of course, that some means be available to prevent a backwash of low-priced exports from coming into, and breaking, the higher-priced domestic market. The purpose of section 22 of the Agricultural Adjustment Act of 1933 is to provide this kind of protection. It does so by vesting in the President the authority, upon investigation and recommendation by the United States Tariff Commission, to impose such quotas as may be necessary to prevent importations that are found to condex ineffective certain form programs.

quotas as may be necessary to prevent importations that are found to render ineffective certain farm programs.

The amendments contained in H. R. 7171 would remove the five following shortcomings of section 22 in its present form:

(1) It does not apply to all farm programs.

(2) It can be applied only after excessively large or low-priced importations are actually coming into the United States.

(3) It provides only for quota, and not for import duty, control of imports.

of imports.

(4) Its provisions cannot be made effective in less than 15 days after proclamation by the President.
(5) It fixes minimum quotas on the basis of imports during a

after proclamation by the President.

(5) It fixes minimum quotas on the basis of imports during a historical period composed of fiscal rather than calendar years.

The manner in which H. R. 7171 would remove each of these defects may be explained briefly, as follows:

(1) Originally the protection afforded by section 22 applied only to programs carried out under the Agricultural Adjustment Act of 1933. Later the protection afforded by section 22 was extended to farm programs carried out under the provisions of the Soil Conservation and Domestic Allotment Act. Under the provisions of H. R. 7171 the protection under section 22 could also be applied to the farm programs authorized by the provisions of section 32 of Public, No. 320, approved August 24, 1935. This extension of the protection of the provisions of section 22 is clearly desirable because several farm programs being carried out under the provisions of section 32 undertake to support a level of domestic prices higher than those prevailing in the world market.

(2) Under the provisions of H. R. 7171 the restrictions against foreign importations under section 22 could be applied whenever it becomes practically certain that such importations would defeat the purposes of the farm program. Briefly, it would no longer be necessary to permit increased importations to injure a group of farmers before they could be given the protection provided under the provisions of section 22. This amendment of section 22 is an important improvement because in some instances it is demonstrable beforehand to a point of overwhelming certainty that certain farm programs would be ineffective in the presence of increased foreign importations.

(3) H. R. 7171 would make it possible to restrict imports by the

farm programs would be ineffective in the presence of increased foreign importations.

(3) H. R. 7171 would make it possible to restrict imports by the imposition of duties as well as quotas. This amendment to section 22 is highly desirable because in certain cases quotas are not a practical means of controlling imports. It is often difficult to arrive at a satifactory method of allocating a quota among various countries, yet such allocation is necessary in order to prevent a chaotic situation in which each country would be obliged to rush shipments to the United States in order to utilize a maximum. shipments to the United States in order to utilize a maximum part of the total quota available for all countries. Moreover, the imposition of a quota on the imports from any one country places imposition of a quota on the imports from any one country places a burden upon that country of allocating its quota among its individual producers and exporters. Such a task often proves burdensome because of the difficulty of developing an equitable and satisfactory method of allocation among many different categories of producers. Consequently, the amendment contained in H. R. 7171 which would permit the imposition of either an import fee or an import quota, whichever was found to be best adapted to the contributer purposes would constitute a highly decirable improves particular purpose, would constitute a highly desirable improve-

ment.

(4) Under certain circumstances it may be imperative that the protection afforded under the provisions of section 22 be invoked promptly upon the initiation of a farm program. For this reason it is believed that the effective date for the imposition of a quota

it is believed that the effective date for the imposition of a quota or import fee should be left to the discretion of the President, as would be possible under one of the amendments contained in H. R. 7171.

(5) In its present form section 22 fixes minimum quotas on the basis of the imports into the United States during the 5-year fiscal period 1928-33. The official records of imports, however, are kept on the calendar year basis. Consequently, needless administrative expense is incurred in making the recalculations required to convert official data from the calendar year to a fiscal year basis. H. R. 7171 would eliminate this anomaly by adopting as a basis for minimum quotas the imports during a historical period composed of 5 calendar years.

H. R. 7171 contains no provisions other than the five improve-

H. R. 7171 contains no provisions other than the five improve-ments which have been described above. Although the bill is of a

ments which have been described above. Although the bill is of a technical nature, it is of great importance to the welfare of agriculture which requires in certain instances that an administratively practical means be provided for preventing low-priced imports from breaking a higher structure of domestic prices. I am advised that some persons who oppose export subsidies have criticized the provisions of H. R. 7171 as a means of facilitating the expanded use of subsidy programs. In this connection it may be important to note that export subsidy programs can be adequately protected by the provisions of section 22 in their present form. The amendments contained in H. R. 7171 would

serve primarily to make that control more practical administratively. Moreover, it should be pointed out that export subsidies were employed in the case of both cotton and wheat only as a temporary and last resort to maintain our normal and fair share of the world export market, pending the adoption of satisfactory long-term programs. I believe that this was made clear in a statement that I made on July 13, 1939, to a conference of representatives of all branches of the cotton industry.

"We sincerely hone that the need for making payments on ex-

sentatives of all branches of the cotton industry.

"We sincerely hope that the need for making payments on exports will be only temporary. Such payments can be discontinued without sacrifice as soon as two long-term measures have been adopted. In the first place, there is an obvious and great need for an international agreement not only assuring each exporting country its fair share of the world market but also supporting a reasonable level of world prices. A successful international agreement would furnish an admirable supplement to the reciprocal trade agreement program. In the second place, we need an administratively practical and economical method, such as the old tax-and-payment plan or the proposed certificate plan, for maintaining domestic prices at an adequate level, while at the same time permitting American cotton to be offered on the world market at fully competitive prices at all times.

"As a primary step in placing ourselves in a position in which payments on exports may at some time in the future be abandoned, we have taken the initiative in arranging for a preliminary meeting of representatives of the various cotton-exporting countries.

meeting of representatives of the various cotton-exporting countries. It will be convened here in Washington early in September."

tries. It will be convened here in Washington early in September."

I am advised that some persons have opposed the provisions of H. R. 7171 on the ground that it could be used in connection with programs to increase the price of farm products in the United States substantially above the prevailing prices in the world markets. The answer to this objection is twofold: In the first place, American agriculture has approximately 24 percent of the population and 30 percent of the children, but only about 11 percent of the national income. In the interest of the general welfare, the income of agriculture should be increased. In the second place, the disrupted and disorganized condition of world markets and certain new and highly effective methods of competition make it necessary not only to protect the farmers against ruinously low prices but also against the loss of their fair share of the world markets—either of which obviously would have seriously damaging repercussions on the economy of the entire Nation.

H. R. 7171 will expedite the operation of farm programs designed

H. R. 7171 will expedite the operation of farm programs designed to bolster the incomes of farmers producing the export com-modities. I believe it deserves the support of those interested in

farm welfare and general welfare. Sincerely yours,

H. A. WALLACE, Secretary.

Mr. ASHURST. Mr. President, I have been accustomed for many years to rely on the sagacity and judgment of the senior Senator from Nevada, and I think I would now best serve the Senate and the country by being realistic enough to realize and know that I cannot get up the ship-gambling bill. Without any irritation or bad temper I recognize the situation. But I am consoled and much comforted by the reflection that the other bill, H. R. 6832, for the protection of witnesses would come within the rule.

Mr. BARKLEY. Undoubtedly. Mr. ASHURST. Before I sit down, as a Roland for the Oliver of my dear friend the Senator from Vermont [Mr. AUSTIN], I ask unanimous consent to have printed in the CONGRESSIONAL RECORD-not in the Appendix, please, but at this juncture in my remarks-an article from the Times-Herald of Friday, August 4, 1939, Washington Daily Merry-Go-Round, by Drew Pearson and Robert S. Allen, which contains a just compliment to the Senator from Vermont.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. BURKE. If the Senator from Arizona will take occasion to read that article now to the Senate and to the galleries, I am sure the Senator from Vermont would withdraw his objection to the passage of the bill.

Mr. ASHURST. No, Mr. President; his State produces granite, and I presume he grew up with that adamantine granite determination, which would cause him to continue to object.

Mr. AUSTIN. Mr. President, I appreciate the compliment.

There being no objection, the article referred to was ordered to be pritned in the RECORD, as follows:

[From the Washington Times-Herald of August 4, 1939] WASHINGTON DAILY MERRY-GO-ROUND

(By Drew Pearson and Robert S. Allen) Behind the headlines of turbulent wind-up battles on Capitol Hill are political developments of great significance.

One was the emergence of a Republican leader—courtly, square-shooting Senator Warren R. Austin, of Vermont.

In Acting Floor Leader Austin the G. O. P. has a sturdy con-

servative and loyal party supporter, but a man who also believes that principles come before partisan interest. Illustrating his attitude were his votes to confirm Justice Felix Frankfurter and Attorney General Frank Murphy, and his vigorous defense of the sale of warplanes to the French.

sale of warplanes to the French.

Other Republicans raged against the two appointments and rushed to make political capital out of the plane deal. But AUSTIN, who would never have named Frankfurter and Murphy himself, readily conceded their ability and integrity. And regarding the sale of planes to France, he said, "I will not allow partisanship to influence me in a stand that might be construed as detrimental to my country."

Sixty-two, stocky, and well-dressed, AUSTIN is a hard fighter but always a fair one. This quality has won him a host of warm

always a fair one. This quality has won him a host of warm friends in all quarters.

One of his intimates was the late Senate Democratic floor leader, Joe Robinson, of Arkansas. Another is Postmaster General Jim Farley, whom he vigorously assailed for canceling the air-mail ontracts but who later sent him a photograph with this inscription: "To a real fellow whose friendship I prize."

Note: Austin's closest friend is his 91-year-old mother, to whom he writes every day he is away from his Vermont home.

Mr. WHEELER. Mr. President, recently the Senate passed certain bills, among which were two bills which I introduced, which the administration favors. Then the House, instead of taking up the Senate bills, passed two House bills and sent them to the Senate. The House bills are almost identical with the Senate bills, and those of us who are interested in the bills are willing to accept the House bills.

Mr. BARKLEY. I think to all intents and purposes it might be said that a bill of that sort has had a report from a standing committee of the Senate and would come within

the request

Mr. AUSTIN. Mr. President, if that is to be the interpretation which the distinguished leader makes of his request, I would be obliged to object.

NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY submitted the following resolution (S. Res. 181), which was considered by unanimous consent and agreed

Resolved, That a committee of two Senators be appointed by the President of the Senate, to join a similar committee appointed by the House of Representatives, to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn unless the President has some further communication to make to

Under the foregoing resolution the President pro tempore appointed the Senator from Kentucky [Mr. BARKLEY] and the Senator from Vermont [Mr. Austin] the committee on the part of the Senate.

PROTECTION OF WITNESSES

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BARKLEY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 1156, House bill 6832, which is the bill to which the Senator from Arizona referred a few moments ago. It is not the bill having to do with gambling off the coast of California, but the bill having to do with the protection of The bill was presented to the Senate a few days witnesses. ago. Objection was made by the senior Senator from California, which has since been withdrawn; and I understand that there is now no objection to that bill.

The PRESIDENT pro tempore. Does the Chair hear objec-

Mr. AUSTIN. Mr. President, I object.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations of postmasters, which were referred to the Committee on Post Offices and Post Roads.

[For nominations this day received, see the end of Senate proceedings.]

REPORT OF A COMMITTEE

Mr. McKELLAR. From the Committee on Post Offices and Post Roads, I report back favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

WORK PROJECTS ADMINISTRATION

The legislative clerk read the nomination of S. L. Stolte to be Work Projects administrator for Minnesota.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Linus C. Glotzbach to be regional director, district No. VII, Work Projects Administration.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. McKELLAR. Mr. President, I could not hear because of the confusion in the Chamber. Were the first two nominations on page 1 of the Calendar, S. L. Stolte and Linus C. Glotzbach, confirmed?

The PRESIDENT pro tempore. They were confirmed without objection.

Mr. McKELLAR. Mr. President, there is an objection. The junior Senator from Minnesota [Mr. Lundeen] asked that those nominations go over until January. Under the circumstances it seems to me that they should. I therefore ask that the votes by which the nominations were confirmed be reconsidered, and that the nominations be recommitted to the committee.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The votes by which the nominations were confirmed are reconsidered, and the nominations are recommitted to the committee.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters on the calendar are confirmed

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WALSH. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

POSTMASTERS

Mr. McKELLAR. Mr. President, the nominations of a large number of postmasters have been favorably reported and are on the desk. No nominations of postmasters have been reported which do not have the endorsement of the Senators of the particular States in which the nominees reside. Therefore, I do not ask that they be confirmed en bloc, but that they be read for the information of the Senate and confirmed one by one, so that every Senator may see whether or not the nominations should be confirmed. I ask that Senators pay some attention, so that no mistake may be

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the nominations will be stated.

The legislative clerk proceeded to read sundry further nominations of postmasters.

Mr. AUSTIN. Mr. President, I should like to interrogate the Senator from Tennessee, who is in charge of the nominations, and ask him if at this time we cannot conclude the remainder of the nominations by confirming them en bloc.

Mr. McKELLAR. I think that might be done. My secretary has taken every care and caution possible to see that Senators from the particular States in which the post offices are located have been consulted and have approved the nominations. So I modify my request by asking that the nominations be confirmed en bloc.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the nominations of postmasters are confirmed en bloc.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its clerks, announced that a committee of two Members had been appointed by the House, to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses had completed the business of the session and are ready to adjourn unless the President has some further communication to make to them.

FINAL ADJOURNMENT RESOLUTION

Mr. BARKLEY. Mr. President, I send to the desk a privileged resolution.

The PRESIDENT pro tempore. The resolution will be

The legislative clerk read the resolution (S. Con. Res. 29), as follows:

Resolved by the Senate (the House of Representatives con-curring), That the two Houses of Congress shall adjourn on Saturday, the 5th day of August, 1939, and that when they adjourn on said day they stand adjourned sine die.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution. It is not debatable.

The concurrent resolution was agreed to.

FELICITATIONS FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following communication from the President of the United States, which was read:

> THE WHITE HOUSE, Washington, August 5, 1939.

The honorable the VICE PRESIDENT OF THE UNITED STATES, United States Senate, Washington, D. C.

MY DEAR MR. VICE PRESIDENT: At this time of the adjournment of the first session of the Seventy-sixth Congress, will you be good enough to express to the Members of the Senate my good wishes for a pleasant vacation?

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

INEZ GILLESPIE

Mr. SHEPPARD. Mr. President, I ask to have placed in the RECORD a letter sent to me from the State Department. Mr. KING. Mr. President, I suggest that the letter be read for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the letter will be read.

The legislative clerk read as follows:

DEPARTMENT OF STATE, Washington, August 5, 1939.

The Honorable Morris Sheppard,
Chairman, Committee on Military Affairs,
United States Senate.

Wy Dear Senator Sheppard: I acknowledge your oral request for a report from this Department with respect to a bill pending before your committee for the relief of the widow of the late Julian E. Gillespie, who died on June 23, 1939, while serving as Commercial Attaché of the American Embassy at Istanbul, Turkey. You state that the pending bill is to grant the widow the equivalent of the annual salary which Mr. Gillespie was receiving at the time of his death, that is, \$7,200.

If Mr. Gillespie had lived until July 1, 1939, he would have become an officer of the Foreign Service of the United States under the administration of this Department, in accordance with the provisions of Reorganization Plan No. II, but as his death

the provisions of Reorganization Plan No. II, but as his death

occurred on June 23, 1939, he never became an officer of this Department and was an officer of the Foreign Commerce Service of the Department of Commerce at the time he died. In these circumstances, I regret to inform you that Mr. Gillespie's widow is not eligible to any benefits under the Foreign Service retire-

ment and disability system (act of Apr. 24, 1939).

The late Julian E. Gillespie rendered distinguished service to this Government over a period of many years, during which he was assigned as a commercial attaché to a diplomatic mission under the administration of this Department and I would be gratified if the President and Congress should enact the pending Depictation in healt of his widow. legislation in behalf of his widow.

Very sincerely yours,

SUMNER WELLES, Acting Secretary,

Mr. SHEPPARD. Mr. President, earlier in the day I introduced Senate bill 2973, for the relief of Inez Gillespie. I ask unanimous consent for the present consideration of the bill.

This is one of the usual routine measures, giving the widow of a deceased member of the Foreign Service his salary for a year. I have consulted the chairman of the Foreign Relations Committee and the State Department, and there is no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2973) for the relief of Inez Gillespie was read twice by its title, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Inez Gillespie, widow of Julian E. Gillespie, late American commercial attaché at Istanbul, Turkey, the sum of \$7,200, such sum representing 1 year's salary of her deceased husband, who died June 23, 1939, while in the Foreign Service of the United States of America.

PROTECTION OF WITNESSES

Mr. O'MAHONEY. Mr. President, I was on my feet at the time the Chair declared the Senate in executive session. I rose at that time for the purpose of moving that the Senate proceed to the consideration of Calendar No. 1156, House bill 6832.

Of course, I sense the desire of the Senate to proceed immediately without any undue delay. If I may have the attention of the distinguished and able Senator from Vermont [Mr. Austin], I shall make a brief statement. I shall withhold the motion to proceed to consider the bill; but I ask unanimous consent that the bill may be considered and passed. I do that for the reason that a moment ago the Senator from Vermont made objection when I asked for a similar unanimous-consent agreement. I think that objection must have been made under a misapprehension, because 2 days ago, when the bill was called up, I spoke to the Senator from Vermont with respect to it, and he stated to me that he then had no objection to the passage of the bill.

Mr. AUSTIN. Mr. President-

Mr. O'MAHONEY. I yield to the Senator.

Mr. AUSTIN. That was true 2 days ago.

Mr. O'MAHONEY. May I ask whether or not the Senator has changed his mind since that time?

Mr. AUSTIN. Mr. President, the situation is wholly different at this moment. My objection to the consideration of any legislation at all is based not on the ground of opposition to any of the legislation but on the ground that I consider it in the public interest that Congress adjourn.

Mr. O'MAHONEY. Mr. President, I shall not press the matter.

NOTIFICATION TO THE PRESIDENT

Mr. Barkley and Mr. Austin appeared, and Mr. Barkley said: Mr. President, as chairman of the committee appointed a few moments ago to communicate with the President and to report back to the Senate, I wish to report that the Senator from Vermont [Mr. Austin] and I have performed the arduous duty imposed upon us under that appointment, and that I am prepared to announce that the President has no further communication to make to the Congress before its adjournment.

OPPOSITION TO PRESIDENT ROOSEVELT'S POLICIES

Mr. PEPPER obtained the floor.

Mr. KING. Mr. President

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Utah, who has been attempting for several minutes to obtain the floor?

Mr. PEPPER. Mr. President, I can assure the Senator from Utah that I shall not consume as much as 10 minutes

if he will allow me to proceed.

Mr. President, I am unwilling to let this session of the Congress end without lifting my voice to decry the unrighteous partnership of those who have been willing to scuttle the American Government and the American people and jeopardize the peace of the world because they hate Roosevelt and what Roosevelt stands for. I accuse that alliance of putting personal grudge and party feeling above the welfare and the safety of the American people.

Mr. BURKE. Mr. President, will the Senator yield? Mr. PEPPER. Just as soon as I shall have concluded.

Mr. BURKE. For a question?

Mr. PEPPER. As soon as I shall have concluded.

Mr. BURKE. Not even for a question?

Mr. PEPPER. As soon as I shall have concluded.

I accuse that willful alliance of a designed attempt to withhold aid and meager succor from the unemployed and the aged of America, in the hope that in their mad misery they might raise their hand against a President and an administration who have tried to restore them to the dignity and the opportunity of American citizens.

I accuse that designing alliance of a deliberate attempt to sabotage the first real effort ever made in this Nation to secure for the workers of America industrial democracy

and economic emancipation.

I accuse them of having prostituted their power to serve the United States Chamber of Commerce, the Manufacturers' Association, and the beneficiaries of special privilege. who hate in their hearts the man who has tried to lighten the burden of toil on the back of labor.

Mr. BURKE. Mr. President, I rise to a point of order. The PRESIDENT pro tempore. The Senator will state it.

Mr. BURKE. I challenge the statement of the Senator from Florida as being in violation of rule XIX, in that it makes a direct and positive charge of improper conduct against Members of the United States Senate.

The PRESIDENT pro tempore. Under the rule, the Senator from Florida will have to take his seat until the Senate acts upon a motion that he be permitted to proceed in order.

Mr. MINTON. Mr. President, I move that the Senator from Florida be permitted to proceed in order.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Indiana.

Mr. CLARK of Missouri, Mr. RUSSELL, and other Senators demanded the yeas and nays, and they were ordered.

The PRESIDENT pro tempore. The clerk will call the roll. The Chief Clerk proceeded to call the roll.

Mr. DANAHER (when his name was called). Mr. President, a parliamentary inquiry: In exactly what form is this question pending, please?

The PRESIDENT pro tempore. In the regular form of a motion that the Senator may proceed in order.

Mr. DANAHER. I vote "yea." The roll call was concluded.

Mr. CONNALLY. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state it. Mr. CONNALLY. Is this motion to allow the Senator from Florida to proceed in order or out of order?

The PRESIDENT pro tempore. As it is prescribed in the rules, to proceed in order.

Mr. CONNALLY. In order? I vote "yea." Mr. MINTON. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Mississippi [Mr. Bilbo], the Senator from Washington [Mr. Bone], the Senator from Michigan [Mr. Brown], the Senator from Virginia [Mr. Byrn], the Senator from Arkansas [Mrs. Caraway], the Senator from Idaho [Mr. CLARK], the Senator

from Ohio [Mr. DONAHEY], the Senator from Iowa [Mr. Gillette], the Senator from Virginia [Mr. Glass], the Senator from Rhode Island [Mr. GREEN], the Senator from Mississippi [Mr. Harrison], the Senator from Arizona [Mr. HAYDEN] the Senator from Iowa [Mr. HERRING], the Senator from Alabama [Mr. Hill], the Senator from West Virginia [Mr. Holf], the Senator from Delaware [Mr. Hughes], the Senator from Kentucky [Mr. Logan], the Senator from Minnestota [Mr. Lundeen], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. McCarran], the Senator from Tennessee [Mr. McKellar], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'Mahoney], the Senator from Louisiana [Mr. Over-TON], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Illinois [Mr. SLATTERY], the Senator from New Jersey [Mr. Smathers], the Senator from Oklahoma [Mr. Thomas], the Senator from Maryland [Mr. Typings], and the Senator from New York [Mr. WAGNER], are unavoidably detained.

The result was announced—yeas 34, nays 15, as follows:

	YE.	AS-34	
Adams Andrews Ashurst Barkley Borah Bulow Byrnes Chavez Connally	Danaher Downey Ellender Guffey Hatch Johnson, Calif. Johnson, Colo. King La Follette	Lee Lucas Mead Miller Minton Murray Pittman Radcliffe Russell	Schwartz Schwellenbach Sheppard Thomas, Utah Truman Walsh Wheeler
	NA NA	YS-15	
Austin Bailey Burke Clark, Mo.	George Gerry Gibson Gurney	Hale Nye Smith Stewart OTING—47	Taft Vandenberg Van Nuys
Bankhead Barbour Bilbo Bone Bridges Brown Byrd Capper Caraway Clark, Idaho Davis Donahey	Frazier Gillette Glass Green Harrison Hayden Herring Hill Holman Holt Hughes Lodge	Logan Lundeen McCarran McKellar McNary Maloney Neely Norris O'Mahoney Overton Pepper Reed	Reynolds Shipstead Slattery Smathers Thomas, Okla. Tobey Townsend Tydings Wagner White Wiley

The PRESIDENT pro tempore. On this question the yeas are 34, the nays are 15; so the Senator from Florida may proceed in order.

Mr. PEPPER. Mr. President, I accuse them of having prostituted their power to serve the United States Chamber of Commerce—

Mr. BURKE. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator from Nebraska will state it.

Mr. BURKE. Is it permissible, under the rules of the Senate, for a Senator who doubts whether the Senator from Florida will be able to proceed in order, to retire to the cloakroom? [Laughter.]

The PRESIDENT pro tempore. The Chair does not think the question is a proper parliamentary inquiry. The Senatory from Florida will proceed.

Mr. PEPPER. I accuse them of having prostituted their power to serve the United States Chamber of Commerce, the Manufacturers' Association, and the beneficiaries of special privilege, who hate in their hearts the man who has tried to lighten the burden of toil on the back of labor.

I accuse that intriguing alliance of trying to strike down by emasculation and assassination the Fair Labor Standards Act, to preserve intact the unhampered power of the unconscionable employers who would sweat their fortunes out of the nonresisting bodies of men, women, and children, and wring their dirty dividends from the misery of their fellow citizens even in their own communities.

I accuse this Machiavellian alliance of fostering and encouraging unhappy division in the ranks of labor, not because they love one side more than the other, but because they want to keep the working man helpless and supine, so

that they shall continue to hold him in the tight clutches of economic bondage.

I accuse this scheming alliance of infidelity to their own Government by endeavoring to destroy the competence of that Government to fulfill its international monetary commitments to serve a handful of Wall Street speculators and the little conniving clique of international money changers who know no flag and no cause but money.

I accuse that conniving alliance of giving aid and comfort to the enemy of all their country stands for, by strangling the constitutional power of the President to conduct our foreign policy, which has proved itself by twice being a principal factor in preserving the peace of the world. I accuse them of deceiving the American people in a time of international tension as to the issues involved, and playing upon the credulity of the American people for partisan profit and power.

Mr. GEORGE. Mr. President, will the Senator yield?
Mr. PEPPER. I yield for a question to the Senator from

Mr. GEORGE. I ask the Senator if he will name those whom he places in such an alliance as he is describing, if he is referring to any one in the Senate.

Mr. PEPPER. The Senator from Florida is referring to those who, in the opinion of the Senator from Florida, come within the category he has described.

Mr. GEORGE. Will the Senator be good enough to name them?

Mr. PEPPER. Mr. President, I can make no more explicit or more direct answer than the one I have previously given, except to say that if Senators will scrutinize the remarks I have made they will find that I have not enumerated any particular class and designated them, unless they designate themselves in the categories to which I refer.

Mr. GEORGE. Has the Senator the courage to name anybody?

Mr. PEPPER. The Senator from Florida has the courage to express his opinions whenever and wherever the occasion may be appropriate.

Mr. LEE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oklahoma will state it.

Mr. LEE. Would it not be unparliamentary and a violation of the rules of the Senate if the Senator from Florida should name any person?

Mr. PEPPER. Mr. President, there are many persons in the United States who are not upon the floor of the United States Senate.

Mr. GEORGE. I ask the Senator whether he is referring to any one in the United States Senate.

Mr. PEPPER. I have not designated anybody in the United States Senate, I will say to the Senator from Georgia.

Mr. GEORGE. Is the Senator referring to any one in the United States Senate?

Mr. PEPPER. I have not designated any one in the United States Senate, I will say to the Senator from Georgia. Mr. GEORGE. All right.

Mr. LEE. Mr. President, will the Senator yield? Mr. PEPPER. Not now.

I accuse this premediated alliance of crucifying the lending program, which they knew would have given jobs to the unemployed and profit to the business of the country without a burden to the Nation's taxpayers, because they hated Roosevelt and the faith the people have in him, and they wanted him to fail in his efforts to improve the conditions of the masses of America, so that from their unhappy discontent they might be molded into an angry army to give the government of this Nation back to those who have always been the champions of special privilege. I accuse them of setting fire to the barn for the insurance, and of burning the horses along with the hay.

I accuse this pharisaical alliance of hypocritical lip-service to the cause of constitutional government, while they used the lives, the fortunes, and the futures of the men, women, and children of America as a pawn in a vicious game of petty, personal, partisan politics.

I accuse this heartless alliance of having sacrificed humanity and human value to reaction, property, and Hooverism. I accuse them of having repudiated the obligations they owed to America's present and America's future. I accuse them of having levied political war against the best interests of those whom they should serve.

I accuse this alliance for profit of having sacrificed the best interests of their States, their regions, their businesses, their professions, and their country in order to kill this administration and carve up its corpse for personal, political aggrandizement. I accuse them of undermining their Government from within, of trying to throttle the democratic process to defeat the will of the people and perpetuate the dictatorship of a privileged class.

I have fought these reactionists, these witting or unwitting champions of the uncommon people of America, all my life. I have fought them in my own State and in my own party. I have fought them in the forum and on the platform. I shall continue to fight them by words and deeds until the people of America have shorn them of their destructive power and what they stand for has been repudiated and forbidden by the American people.

I shall fight them because I am a young man, and they work to destroy young men's inheritance. The spirit of America, too, is young and vital; and that indomitable spirit will not be held down by spiderwebs and Liliputians, whatever the artistry of their deceit. I will fight what these men stand for because I think it endangers the security of the country both at home and abroad, and that we stand dishonored before posterity if we do not preserve by every possible effort their heritage, handed to our stewardship by the sacrifice of our fathers.

I shall fight the spirit of that combination because I am a southerner, and because what they stand for harms the South I love. I charge that they would rather turn the efforts of the Government to the aid of the organized money power of the Nation than to make it possible for the people of my State and the South, where I was born, to get an education, to be healthy, and to make a living like honorable men.

In the midst of one of their Nation's greatest crises, confronting problems challenging all that head or heart could offer, when the hungry mouths and heavy hearts of millions of Americans looked to them for relief, they have spurned their cry and castigated them with the unsympathetic bitterness of a tyrant as being unworthy of their Nation's help.

Now the pall of futility hangs over the heads of a sad Nation. Their last and only hope, their Government, has been strangled into the helplessness of the impotent man at the Springs of Bethesda. Into the cavities of their hearts, where but a little while ago hope lingered, one can now hear the trickling drops of despair. Soon a brew of bitterness will begin to corrode the thin walls which hold back the pulsing floods of anger. First from one spot and another, from the heartsick and the heartsore all over this Nation, will rise the rumbling tones of a righteous indignation against what has been done to them, and who has done it, and why it was done.

Men who sink into restless sleep with the muffled sobs of a disconsolate wife dinning their ears, and open their eyes to see the gaunt faces of emaciated and sick children, do not understand the chess game which the ambitious and the designing make out of government, and the cold heartlessness with which bitter men make the helpless suffer when they war for power and the Presidency of the United States.

Even Napoleon could not look without compassion upon the familiar scene of dying men upon the battlefield. Sometimes men need to bend their knees and humble themselves before their God before they can see their wrong, and be ashamed of what they have done and what they have not This great Nation was never more distressed, more sorely pressed by her affliction, than now. If the prayers of the people of America shall be answered, I know that in the mysterious way by which it moves the spirit of right and righteousness shall so touch the hearts and unite the wills of the leaders of America that they shall be emptied of the acid of hate, and filled with a love and determination which shall resurrect a Nation's dead hope and revive her faltering faith to the high and unselfish patriotism of our forefathers.

Mr. BARKLEY. Mr. President, I rise to say just a word before making the final motion that will close this session of the Senate, and as soon as the message comes from the House advising that the House has agreed to the concurrent resolution for adjournment sine die, I shall make the motion.

Mr. President, this has been a hard session of Congress. It has been a hard-working session, and it has accomplished many things which cannot be obscured by any failures which have occurred within the last week or two. In some respects it has accomplished more than it was expected to accomplish when it assembled in January.

Mr. DOWNEY. Mr. President, will the Senator yield? Mr. BARKLEY. I yield.

Mr. DOWNEY. I want to say to the Senator from Kentucky that I desired to make a few remarks in relation to the statement which has just been delivered by the Senator from Florida [Mr. Pepper]. As I understand the procedure, when the Senator concludes, he will move an adjournment, and prevent those remarks from being made.

Mr. BARKLEY. I did not know the Senator from California desired to speak.

Mr. DOWNEY. I endeavored to secure the floor, but the Chair recognized the Senator from Kentucky.

Mr. BARKLEY. If the Senator desires to speak, I will yield to him now.

Mr. DOWNEY. I will appreciate it. I desire to speak for only 3 or 4 minutes.

Mr. BARKLEY. I cannot make the motion I have in mind until the concurrent resolution comes back from the House. I yield to the Senator from California. I did not anticipate that he wanted to make some remarks.

Mr. DOWNEY. Mr. President, reverting to the statement which was just made by the Senator from Florida [Mr. Pepper], I wish to preface my remarks by saying that I have a very deep affection for him, and very high respect for his devotion to public service, and his intelligence. But I must myself express my dissent in a very great measure from what he has said.

I suppose that perhaps among all the Senators in this body my own economic policy is opposed to a greater extent than that of any other Senator; yet I desire to say that I recognize not only the sincerity of the Senators opposing me, but their very high ability and devotion to the public service.

I believe they are wrong, just as they believe I am wrong. But I recognize that in this tremendous crisis, and in the great complications which confront us, men must necessarily differ in their views, and they can and should differ with an appreciation of each other's sincerity, unless they know and recognize some particular indictment they desire to bring against some particular Senator. I believe that we are at the beginning of this crisis. I think that the next 10 years will test to the very limit the enduring strength of Democracy and of Republicanism, and God help us in America is we cannot meet these problems not only with intelligence, but likewise with tolerance and understanding, and a clear admission of the righteousness of the opposition, and of the right of the opposition to have its own views.

My own views have been expressed here at length upon the expanding public debt and the lending program of the United States Government. I recognize that reasonable men may honestly and sincerely differ upon that issue. Some men may honestly believe—and time alone can prove them right—that an ever-increasing debt will destroy us. The man who believes increasing the debt is correct as an emergency and ephemeral program may be right, and the man who sees virtue in a continually expanding program of debt may be right. We should all struggle among ourselves to express our own ideas, but it is my hope and prayer that in the days to come we move forward with tolerance and fair understanding, and an admission of the sincerity of the man who is against our views.

Mr. BAILEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. BAILEY. Would it be in order for a Senator to characterize the remarks of another Senator, insofar as they relate to himself or his friends in the Senate, as cowardly and mendacious? Would that be in order?

The PRESIDENT pro tempore. Any Senator would have a right, if he thought the remarks were out of order, to call the Senator who used the expression to order, and the Senator would have to take his seat until allowed to proceed in order.

Mr. BAILEY. I will just say this, whether in order or not: I shall say it to him privately.

Mr. BURKE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. BURKE. I wish to take this occasion to compliment the junior Senator from California [Mr. Downey] upon his tolerance, intelligence, and statesmanlike attitude toward the matter now under discussion. Contrast is the most illuminating and effective means of bringing out the strength in an argument, and we have before us the extremes in that respect.

Mr. BARKLEY. Mr. President, as I was about to say [laughter]-

GOVERNMENT COMPETITION WITH BUSINESS

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MINTON. I wish to say a word—and this is going to be very brief.

Mr. President, private business enterprise has been clamoring for an opportunity to expand without Government competition. With the appropriations by the Government to make what I believe necessary supplements to economic problems, private business contended that that was an interference, and that they were hindered in their enterprise. While I have maintained and believed that the effort of the administration to pass what is known as the lending-spending bill, introduced by our distinguished leader, the Senator from Kentucky [Mr. BARKLEY], the Congress, because of the refusal of the House, failed to pass that legislation.

Big business has put on what I have designated, and what has been editorially commented upon, as a "sit-down strike," claiming that initiative and individual enterprise were de-

terred by governmental appropriations.

Now that the lending-spending bill will not be enacted, may we not call attention to the fact that if there was sincerity in the statements of some of the leaders of business, they do not now have any legitimate reason for not giving their best efforts for a full return to activity by the toiling millions. There is a definite and substantial economic upturn now. I hope there will be a further increase.

I offer for the RECORD, and ask that it be included in my remarks, an editorial from the Washington Daily News of August 3, 1939, along the lines I have just spoken.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UP TO BUSINESS

When Congress tossed the big spend-lend bill out the window, it

flung a major challenge to private business enterprise. Or, rather, accepted a challenge which business has repeatedly tendered.

Again and again business spokesmen have contended that private industry could not return to normal functioning until it had some evidence that the pump-priming-for-prosperity policy was

Give us, said they, some assurance that the Government has abandoned the fallacy of deficits-for-recovery. Give us some positive proof that Washington powers have given up the spending philosophy in favor of a balanced Budget. Do that, said these

business spokesmen, and then we'll demonstrate how the driving force of private investment can take hold and create real jobs at real wages.

Business now has the assurance for which it has waited. Congress has spoken decisively and emphatically. And Congress is once more the power in Washington. It dramatically refused the spend-lend scheme to give jobs to 500,000 workers because it believed such refusal would encourage private investors and enterpreneurs to create better jobs for many more hundreds of thousands of idle men. thousands of idle men.

Congress will return in January and ask how business is

delivering on its promises.

WORK OF THE SESSION

Mr. BARKLEY. Mr. President, when we began this session of Congress, in January, we began it in a period of uncertainty, chaos, and danger to the international relations of the world because of certain conditions which we all understand and appreciate. At the beginning of the session I daresay none of us could have prophesied that we would do more than merely pass the appropriation bills and amend, strengthen, and expand certain important legislation which had been adopted in recent years by the Congress of the United States.

During the 7 months of our deliberations we have been passing not only through serious international situations, we have not only been required to sail our ship between Scylla and Charybdis in such a way as not to wreck it, but we have also been confronted with very serious internal economic conditions.

We have enacted legislation further benefiting agriculture, we have done what probably none of us thought might be done at the beginning of the session, we have modified the taxes of the United States in the interest of business, and I think we have set in motion, at least I hope we have, by discussion, at any rate, an investigation of our entire tax system, which may result ultimately in its simplification and its improvement so as to eliminate injustices where they may be found, keeping in mind always the needs of the Treasury.

We have recognized the international conditions to such an extent as to put our own house in order. Whatever may be our individual opinions as to the duty and obligation of the United States as one of the great nations of the world, whatever may be our desires, and ambitions, and aspirations, and our prayers concerning the future welfare of our country, not only at home, but in its dealings with other nations, I think we all realize that we cannot exist in a world of conflagration without ourselves running the danger of being scorched or burned. So we have strengthened our defenses, not only from a military and naval standpoint, but I think we have strengthened our defenses from a moral, intellectual, and patriotic standpoint.

Mr. President, we have done many things during the last 7 months which I regard of a constructive and far-reaching and fundamental nature. We have attempted to do some things which have not been consummated as yet, but practically all the things which were attempted during the session have been consummated by the Congress of the United States. I believe that when we shall have returned to our homes and shall have assessed the value of public opinion. and have found the reaction among the people to what we have done and what we have failed to do, we will come back at the next session prepared to finish the work which we have begun, which may remain uncompleted at this time.

In a period such as this we all have our differences. It would be a monotonous world if everyone thought alike on all subjects. We have had our individual opinions. We have expressed them with vigor. We have had our individual disappointments, and we have had our disappointments as a group.

Mr. President, I have faith in the American Republic. I have faith in the American people. I have faith in their representatives. When I lose faith in them I will lose faith in democracy and in the processes by which elected representatives are chosen by the American people.

We have been a nation for 150 years. We have passed through bloodshed and panic and depression and wars. We have come out of those conflicts and situations stronger than ever before, and I believe that fundamentally in the hearts of the American people today we are more united as an American Nation than we have ever been in our entire history. I have had my difficulties. I have had my disappointments.

Mr. President, before the Senate finally adjourns I wish to express my gratitude and appreciation for all the courtesies which I have received at the hands of my colleagues in the Senate. We have not all agreed about public issues. We have fought them out in the open. We have done the best we could. We have given blow for blow in a parliamentary way, abiding the result, whatever it may have been. I wish for every Member of the Senate, without regard to party, without regard to his attitude toward matters which have been of transcendent importance here, a joyful recess. I wish for you strengthening in body and mind and heart. I wish for you, as I wish for myself, that our association with the people, who are after all the foundation of our strength as a nation, may bring us back here happier, prouder, and stronger in our love of our country and in our faith in its destiny.

I wish also for the Vice President and all the officers of the Senate, down to the smallest of the page boys, a happy recess and vacation.

I am satisfied that those of you who return—and I hope that you may all return—will come back prouder that you are Americans, because you will be like that old mythological character whose name I do not recall, but I think it was—

Mr. KING. Antaeus. [Laughter.]

Mr. BARKLEY. Antaeus. I thank the Senator from Utah for his suggestion. I was going to say "Andreas," but it is "Antaeus."

Mr. KING. No; he was Greek and not Scandinavian.

Mr. BARKLEY. At any rate, when he returned to earth and put his feet on the ground he found renewed strength of mind and body. And during my long years' service in the House and Senate, covering a quarter of a century, whatever noises I have heard in Washington, whatever artificial atmosphere there may have been, whatever fright I have felt now and then because of raging storms around us, I have always found that when I returned to my people and put my feet on the ground again my strength was renewed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 29), as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Saturday, the 5th day of August 1939, and that when they adjourn on said day, they stand adjourned sine die.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4540) authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 375) to authorize the sale of surplus agricultural commodities, and for other purposes.

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich;

S. 1269. An act for the relief of Emil Friedrich Dischleit:

S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas);

S.1654. An act for the relief of Mrs. Pacios Pijuan; and S.1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas).

ADJOURNMENT SINE DIE

Mr. BARKLEY. Mr. President, in compliance with the terms of Senate Concurrent Resolution 29, I now move that the Senate adjourn sine die.

The motion was agreed to; and (at 6 o'clock and 35 minutes

p. m.) the Senate adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under authority of House Concurrent Resolution 35, on August 7, 1939, the President pro tempore signed the following enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

S. 878. An act to amend the act of August 26, 1937;

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes:

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases;

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924:

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the "Healing Arts Practice Act, District of Columbia, 1928," approved February 27, 1929;

H.R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds;

H. R. 4540. An act authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes;

H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes;

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress;

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; and

H. J. Res. 381. Joint resolution to provide funds for the maintenance and operation of the administrative office of the United States courts for the fiscal year 1940.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Committee on Enrolled Bills presented to the President of the United States the following enrolled bills and joint resolutions:

On August 5, 1939:

S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich;

S. 1042. An act for the relief of the Epes Transportation Corporation;

S. 1269. An act for the relief of Emil Friedrich Dischleit;

S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas);

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government;

S. 1654. An act for the relief of Mrs. Pacios Pijuan;

S. 1708. An act to amend the Employers' Liability Act; S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid

and semiarid areas of the United States; S. 1815. An act for the relief of Evelyn Mary Locke;

S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas);

S. 2240. An act to provide for a national census of housing; S. 2271. An act for the relief of Barnet Warren;

S. J. Res. 72. Joint resolution readmitting Mary Cohen | Bienvenu to citizenship; and

S. J. Res. 185. Joint resolution to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

On August 7, 1939:

S. 878. An act to amend the act of August 26, 1937;

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes;

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases;

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924;

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27, 1929; and

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS

The President of the United States, subsequent to the final adjournment of the first session of the Seventy-sixth Congress, notified the Secretary of the Senate that he had approved bills and joint resolutions of the Senate, as follows:

On August 5, 1939:

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter:

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;

S. 809. An act for the relief of Jessie M. Durst; S. 1081. An act for the relief of John B. Jones:

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch:

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior:

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;

S. 1429. An act for the relief of Earl J. Reed and Giles J. Gentry:

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7. 1932, providing highest World War rank to retired enlisted

S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2067. An act for the relief of Leslie J. Frane and Charles Frane:

S. 2082. An act for the relief of Hugh A. Smith;

S. 2114. An act for the relief of Virginia Pearson;

S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.;

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2366. An act for the relief of Franklin C. Richardson;

S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells);

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri

River at or near Arrow Rock, Mo.;

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decoration from the Norwegian Government;

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy. Iowa:

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes:

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

S. J. Res. 176. Joint resolution providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner; and

S. J. Res. 185. Joint resolution to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

On August 7, 1939:

S. 188. An act to provide for the administration of the United States courts, and for other purposes;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and, subject to the recommendation of the Attorney General of the United States, to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont .:

S. 765. An act for the relief of Hugh McGuire;

S. 808. An act for the relief of Calliope Minaca Pilavakis;

S. 891. An act for the relief of J. C. Grice;

S. 1092. An act for the relief of Sigvard C. Foro;

S. 1394. An act for the relief of Johannes, or John, Julia, Michael, William, and Anna Kostiuk;

S. 1448. An act for the relief of Anna H. Rosa;

S. 1527. An act for the relief of Joseph Lopez Ramos: S. 1688. An act for the relief of Joseph W. Parse;

S. 1816. An act for the relief of Montie S. Carlisle;

S. 1821. An act for the relief of Harry K. Snyder:

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 1954. An act for the relief of Joannes Josephus Citron;

S. 2023. An act for the relief of C. L. Herren;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2133. An act authorizing the conveyance of certain lands to the State of Nevada;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off. La .:

S. 2408. An act for the relief of Russell B. Hendrix;

S. 2410. An act relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration;

S. 2427. An act authorizing the naturalization of John Ull-

mann, Jr.;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration;

S. 2478. An act to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in

certain cases;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.;

S. 2562. An act to facilitate certain construction work for

the Army, and for other purposes;

S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake & Delaware Canal at St. Georges, Del.;

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County,

Ind.;

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of

the United States," approved June 22, 1936; and

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation.

On August 9, 1939:

S. 1234. An act to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938";

S. 1430. An act for the relief of the legal guardian of

Dorothy Elizabeth Sisson, a minor;

S. 1815. An act for the relief of Evelyn Mary Locke; and S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General.

On August 10, 1939:

S. 28. An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.;

S. 882. An act to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes.

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government;

S. 1654. An act for the relief of Mrs. Pacios Pijuan;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas);

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign coun-

tries;

S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship;

S.J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States; and

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress. (Note: This increases duties and extends life of Joint Committee to Investigate the Adequacy and Use of Phosphate Resources of the United States.)

On August 11, 1939:

S. 628. An act to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years:

S. 796. An act for the relief of Mato, Miljenko, Bozo, and

Augustin Cibilic, or Zibilich;

S. 878. An act to amend the act of August 26, 1937;

S. 1269. An act for the relief of Emil Friedrich Dischleit; S. 1538. An act for the relief of Konstantinos Dionysiou Antichos (or Gus Pappas);

S. 1708. An act to amend the Employers' Liability Act;

S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States;

S. 1823. An act for the relief of William E. Cowen:

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2056. An act for the relief of N. F. Clower and Elijah

Williams:

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes;

S. 2240. An act to provide for a national census of housing; S. 2654. An act to amend subsection (n) section 77, of the Bankruptcy Act, as amended, concerning payment of pre-

ferred claims;

S. 2697. An act to facilitate the execution of arrangements for the exchange of surplus agriculture commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad;

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases;

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924; and

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27,

DISAPPROVAL OF SENATE BILLS AND JOINT RESOLUTION

The President of the United States, subsequent to the final adjournment of the first session of the Seventy-sixth Congress, transmitted to the Secretary of the Senate a list of bills and joint resolutions of the Senate disapproved by him, with his reasons for such action, as follows:

On August 7, 1939:

I have withheld approval of S. 6, entitled "An act to return a portion of the Grand Canyon National Monument to the public domain."

I am constrained to veto this legislation, which proposes to return approximately 148,159 acres within the monument to the public domain, because it appears that insufficient consideration has been given to the matter.

While appreciating the needs of the stockmen, and the desirability of affording them range facilities on the public domain when it can be done without unnecessary damage, I think that the stockmen will not be harmed by the delay necessary for full consideration of this subject. Grazing can be continued under special permits of the Department of the Interior while a further survey on the ground is being made of the lands proposed to be eliminated from the national monument.

Before approving any measure which would eliminate lands from any national monument, I would want to receive a report from representatives of the National Park Service based upon a thorough investigation of the lands proposed for elimination from the monument.

For the foregoing reasons, I am compelled to withhold my approval of the bill. I seek especially a report on the possibilities of this area for tree growth.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 7, 1939.

On August 9, 1939:

I have withheld approval of Senate bill No. 5, entitled "An act to grant certain lands to the Arizona State Elks Association Hospital."

It appears that through error by the association authorities the hospital building of the Arizona State Elks Association, which was supposed to be placed on the SW \(^1\)4SW \(^1\)4 sec. 3, T. 14 S., R. 13 E., Gila and Salt River meridian, Arizona, was actually built so as to extend into the north 200 feet of the NW \(^1\)4NW \(^1\)4 sec. 10 of the township, or upon Government land included in a rifle range. Merely on account of such mistake the bill proposes that a patent issue to the Arizona State Elks Association for the north 200 feet of the NW \(^1\)4NW \(^1\)4 of section 10.

Because of the favorable report that was made on this measure by the Secretary of the Interior, it is with some reluctance that I disapprove it. However, to grant public land without compensation, even in the circumstances set forth in the report on the bill, is not in the public interest.

I am confident that at another session of the Congress the matter can be reconsidered and more suitable legislation enacted.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

I have withheld my approval of Senate bill No. 555, entitled "An act for the relief of Addison B. Hampel."

The indebtedness to the United States represented in this bill resulted from the payment to Mr. Hampel of the compensation of two positions, covering the same periods of time, in contravention of the act of May 10, 1916, as amended, notice of which act had been repeatedly given throughout the Postal Service by published bulletins of that Service. Mr. Hampel has already been relieved under the General Relief Act for the Postal Service, approved March 1, 1929, of \$3,453.69 theretofore illegally paid to himself in his accounts as postmaster, and the amount which the enrolled enactment would authorize to be refunded to him represents the amount of collections made from him to apply against indebtedness, representing payments illegally made to himself thereafter. It would seem that as to these later payments even if not as to the earlier ones he could not plead ignorance of the law regarding dual compensation. Such disregard of the law in this case if condoned by the relief here sought would result in the establishing of a precedent tending to induce disregard of this and other laws enacted for the purpose of limiting and restricting the expenditure of public funds.

For these reasons I do not feel justified in approving this

Franklin D. Roosevelt.

THE WHITE HOUSE, August 9, 1939.

I have withheld approval of Senate Joint Resolution 160, providing for the maintenance for public use of certain highways in the Shenandoah National Park.

The primary objection to this legislation is that it would subordinate national parks standards to local considerations. National parks are created for the benefit of the Nation as a whole, and for the preservation of specific areas in their natural condition, with a minimum of development. Such developments as may be required in national parks are undertaken for general public use, as distinguished from local use. The approval of Senate Joint Resolution 160 would encourage local communities to request the opening of minor

roads in national park areas solely for the purpose of conferring local benefits upon adjacent communities, and would establish a dangerous precedent. Both the Congress and the executive agencies have in the past rejected similar attempts on the part of local interests to force construction of roads within the Yellowstone and other national parks. This proposed legislation for Shenandoah National Park would, therefore, be in direct conflict with an established precedent.

I am informed that these roads are in bad condition, and that they are narrow and have excessive grades and hairpin curves. It has been estimated that it would cost over \$1,000,000 to put these roads in safe condition. In addition, their annual maintenance cost would be approximately \$10,000.

The act of the General Assembly of Virginia ceding to the United States exclusive jurisdiction over the Shenandoah National Park in the State of Virginia, approved March 22, 1928, exempted from that cession only the Lee Highway and Spotswood Trail, thereby indicating that these were to be the only roads to remain free from Federal regulation.

If it can be later shown that the opening of the roads in question would be to the benefit of the Nation, that the large expenditures involved would be justified, and that a precedent contrary to national park policies would not be established thereby, the problem can then be solved administratively.

For the foregoing reasons, I am compelled to withhold my approval of the joint resolution.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

On August 10, 1939:

I am withholding my approval of S. 2, a bill authorizing the Secretary of the Interior to convey certain lands to the State of Nevada to be used for the purposes of a public park and recreation site and other public purposes.

This bill provides for the granting of more than 8,000 acres of federally owned land in the Boulder Dam-Lake Mead area to the State of Nevada. Eighty percent of this land is located within the boundaries of the Boulder Dam national recreational area, and the residue is immediately adjacent thereto. The entire tract is of national interest and value, both for the protection from pollution of the waters impounded in Lake Mead and for the enhancement of the recreational and scenic values created through the building of Boulder Dam.

Since the lands proposed to be conveyed are appurtenant to a project of national importance, their ownership and administration should be retained by the Federal Government. The transfer of control over these lands to a non-Federal agency necessarily would open the door to uses which might be at variance with the national interest in the Boulder Dam-Lake Mead region. All of the people of the United States have a paramount interest in Boulder Dam and its related facilities for water conservation and utilization. Likewise they have a paramount interest in the outstanding recreational and scenic attractions of Lake Mead and the surrounding territory. The expenditure of Federal funds was the chief if not the only factor in producing these values, and the lands proposed to be conveyed are an integral part of them. In the light of these facts, I firmly believe the Boulder Dam-Lake Mead region in its entirety should continue to be administered uniformly by the Federal Government in the interest of the Nation as a

The area from which the proposed grant would be carved is endowed with many features that appear to make it worthy of consideration as a possible national park or monument site. Independently of this, the area is one which has been definitely set apart for Federal purposes and which is actively being used for these purposes. Not only is the control of Lake Mead essential to the operation of Boulder Dam but also the recreational values of the region have attracted to the lake thousands of visitors from all parts of the Union. The recreational use of this area is truly national in character. A grant of the reserved lands would consequently set an undesirable precedent for the grant of other public lands already in actual utilization by the Federal Government, as well as for the grant

of lands which should be retained in Federal ownership because of their potential value to fill anticipated future needs. Were this grant to be made, involving as it does a region of national significance, the denial of other grants affecting lands reserved for national uses would be difficult.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

On August 10, 1939:

I am withholding my approval of S. 68, entitled "A bill for the relief of the San Francisco Mountain Scenic Boulevard Co.," for the following reasons:

The purpose of this measure is to compensate the company in part for the value of a road constructed on Government property under a permit which has been revoked because of the inability of the company to complete its project.

Although the measure does not appear to be wholly devoid of merit, the facts cited in its support do not, in my opinion, import or establish any obligation on the Government to award compensation. No obligation would rest upon a private landowner under like circumstances.

To award compensation in this case would serve as a precedent in other cases involving much larger sums and would imply a moral obligation on the Government that might easily become embarrassing and very burdensome, if not a source of frequent scandal.

Furthermore, if the public interest was not sufficiently involved in the first place to move the Government to undertake such a project, the mere circumstances that private interests have attempted it and failed after making a valuable improvement on Government property is not sufficient reason to justify the expenditure from the public funds.

For these reasons I believe the practice of making compensation in such cases is improvident and unwise.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

I am constrained to withhold my approval from the bill (S. 821) for the relief of Charles L. Kee, of Portsmouth, Va.

The bill proposes to provide for the payment of the sum of \$9,000 to Charles L. Kee as a reimbursement for a loss that he sustained while demonstrating to representatives of the Navy Department a mine invented by him. It appears that during the demonstration the mine was lost at sea.

The purpose of the demonstration was to interest officials of the Navy Department in Mr. Kee's invention. His loss was not caused by any act or neglect on the part of any Government officer, but was apparently an unavoidable accident. At the time that it occurred no Government officer or employee was in control of the apparatus which disappeared at sea.

While it is to be regretted that Mr. Kee sustained this financial loss, no reason appears discernible why he should be compensated by the Government.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

I have withheld my approval of S. 2893, an act to provide for the local delivery rate on certain first-class mail matter. It is understood that the purpose of this bill is to apply the local 2-cent letter rate to the entire county of Queens, N. Y.

I withheld my approval of a similar bill, H. R. 2716, passed by the Seventy-fifth Congress, and set forth my reasons therefor in a memorandum dated June 25, 1938, reading as

I have withheld my approval of H. R. 2716, an act to provide

for the local delivery rate on certain first-class mail matter.

It is understood the purpose of this bill is to make the 2-cent letter rate apply within the entire county of Queens, N. Y. This county is now served by four separate and independent post offices, namely, Long Island City, Jamaica, Flushing, and Far

Under existing law the local rate on first-class matter applies only to such matter addressed for delivery within the postal dis-trict of the mailing office. To extend it to the matter addressed

to postal districts of other offices would mark a departure from the long-established basis for the application of the local rate and constitute a precedent upon which other communities served by separate post offices would justly base requests for a similar concession. It would be difficult, if not wholly impracticable, to apply the local rate under the proposed bill, for it would be an almost hopeless task to educate the public with respect to the territory entitled to the local rate.

In addition to the foregoing objections, the extension of the local rate as proposed would result in a considerable loss in revenue. The purpose of the 3-cent rate is to provide additional revenue in order to balance the postal budget, and as long as the continuance of the 3-cent rate for nonlocal first-class matter is necessary, it is felt there should be no piecemeal legislation making

exceptions to its application.

For the above reasons and because of adverse recommendation of the Post Office Department, I do not feel justified in approving this bill, but I hope that in a few years the growth of Queens County and the development of consolidated postal facilities will justify applying the same rates as now exists in Kings County.

My objections and observations respecting H. R. 2716, Seventy-fifth Congress, have equal application to this bill, S. 2893.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

On August 11, 1939:

I have withheld my approval of S. 839, "An act to amend the Retirement Act of April 23, 1904."

Briefly stated, this bill would extend the act of April 23, 1904, authorizing the advancement by one grade of certain officers of the United States Army who served in the Civil War to include those officers not above the grade of colonel who served in the War with Spain between April 21, 1898, and April 11, 1899, with provision that such advance in grade shall be without any additional pay above that of the grade held by them at the date of retirement. It also amends the act of April 23, 1904, to include cadet service, and officers retired after 30 years' service, including cadet service.

S. 839 would benefit a group of officers who are old enough to have served in the Spanish-American War, excluding those who entered military service after April 11, 1899, and served in later wars. It would also grant advanced rank on the retired list as a reward for war service, and thus utilize the retirement system of the Regular Establishment for a purpose for which it was not intended.

The act of June 21, 1930, advanced officers on the retired list to grades in which they actually rendered service in the World War. The retirement system has been designed and maintained primarily to promote the efficiency of the officers' corps, and its use for other purposes is deemed contrary to sound policy. While not unmindful of the services rendered by these officers during the Spanish-American War, it is felt that any exception to the policy should be made only for the accomplishment of some larger purpose of improving the efficiency of the active officers' corps.

In view of the foregoing I am unable to approve this measure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I have withheld my approval of S. 1042, an act for the relief of the Epes Transportation Corporation.

This bill authorizes and directs the Secretary of the Treasury to pay, out of any money in the Treasury not otherwise appropriated, to the Epes Transportation Corporation the sum of \$6,537.95 in full satisfaction of all claims of such corporation against the United States, such sum (it is alleged) representing taxes (with interest and penalty) paid to the United States by such corporation on account of certain cigarettes and tobacco products which were withdrawn from bonded warehouse in Winston-Salem, N. C., by such corporation (it is alleged) for export to foreign consignees, but which were not exported due to the fact that such cigarettes and tobacco products were stolen from the trucks of such corporation en route to the intended exportation point.

The facts are that no such tax was paid by the Epes Transportation Corporation, nor did it withdraw the cigarettes and tobacco products for exportation. The cigarettes and tobacco products were in fact withdrawn without payment of tax by the R. J. Reynolds Tobacco Co. from its factories for exportation and were delivered to the Epes Transportation Corporation, a common carrier, under contracts for transportation in its trucks to Norfolk, Va. During transit the trucks were hijacked and such cigarettes and tobacco products were stolen. As the products were not in fact exported, the R. J. Reynolds Tobacco Co. paid the internalrevenue tax due on such products and through litigation it has been finally established that such tax was legally due. The transportation corporation, apparently because of its liability as a common carrier for hire, has reimbursed the R. J. Reynolds Tobacco Co. for the amount of the tax and penalties paid by such company and now seeks reimbursement from the United States.

No evidence has been produced to show that the United States was in any way negligent in failing to prevent the theft or that it was in any way responsible for the failure to deliver the tobacco products to the port of exportation. Furthermore, no evidence has been produced to show that the transportation corporation has any just claim against the United States. I do not believe that under the circumstances of this case there is any justification for the use of Federal funds to reimburse the transportation corporation on account of its liability as a common carrier for hire and believe that to do so would establish a bad precedent.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 11, 1939.

I have withheld my approval of S. 1164, a bill for the relief of Nadine Sanders.

It is the purpose of the bill to pay to Nadine Sanders the amount of \$1,096.40 in settlement of her claim against the United States for damages sustained on account of personal injuries received on February 13, 1937, when the automobile in which she was riding was struck by a Soil Conservation Service truck.

The record in this case shows that the expenses of the claimant by reason of this accident aggregated \$96.40, and that she has no permanent injury other than the loss of two teeth, which were extracted and a bridge constructed to replace them. It appears, therefore, that the injury sustained does not justify the payment of the amount proposed by the bill.

I would not object to the enactment of a bill to pay the claimant an amount more commensurate with the injury sustained

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I have withheld my approval of S. 1467, a bill for the relief of the Standard Oil Co., Inc., in Kentucky.

This bill authorizes and directs the Secretary of the Treasury to pay to the company out of any money in the Treasury not otherwise appropriated the sum of \$941.59, an amount alleged to be due by reason of error in making settlement for gasoline furnished the War Department under contract W-535-AC-8868, dated June 13, 1936. The price of the gasoline furnished under this contract was not to exceed the net (tax excluded) posted tank-wagon price on the dates of deliveries. The asserted error, clerical in nature, is said to be attributable to the fact that an entry was made in the company records of a reduction in the price of gasoline of the type called for in the contract when no reduction had in fact been made or authorized, the result being that the company billed the Government and received payment at less than the correct tank-wagon price.

The prices to be charged the Government under the contract were not a matter of public information but were peculiarly within the knowledge of the contractor. The invoices submitted by the company to cover the gasoline delivered were regular on their face, were certified as correct and

just, and were paid under circumstances which led the Government to believe that the amounts shown thereon represented the entire sum due. Where invoices of this nature, prepared on the basis of price information which is peculiarly within the knowledge of the one making claim, are paid from public funds in good faith, the presumption arises that the payment completely liquidates the obligation. The granting of relief to a claimant who, after requesting and accepting payment in full satisfaction of an obligation on the basis of its own certified invoices, alleges in a self-serving statement not substantiated by any conclusive evidence in support thereof that due to the negligence or inadvertence of one of its employees the invoices and certifications were incorrect, would in my judgment be entirely unjustified and establish a dangerous precedent. Furthermore, there is no clear authority under existing law, statutory or general, for the allowance of claims of other claimants under such circumstances, and after consideration of the record in this case I am not convinced that there are here present such elements of equitable merit as would justify the according of preferential treatment to this claimant.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I am withholding approval of the bill S. 1617, entitled "An act for the relief of John Nicholas Chicouras."

The bill proposes to legalize the entry into the United States for permanent residence as of November 25, 1925, of John Nicholas Chicouras.

The records show that the above-named alien, a citizen of Greece, resided in the United States from 1915 to 1923, when he departed for Greece. He reentered this country in 1925 as a seaman and remained unlawfully beyond the period of time for which he was temporarily admitted to pursue his calling as a seaman. He was naturalized in 1928, but his certificate of naturalization was canceled on July 7, 1938, because of false statements made under oath in his petition for naturalization. He was permitted and did voluntarily leave this country on December 16, 1938, for the purpose of obtaining a quota immigration visa and is not now in the United States.

I am withholding my approval of this bill because of my conviction that it represents an unjustified condonation of violations of law on the part of the proposed beneficiary, namely illegally remaining in the United States in 1925 beyond the period of his immigration permit at that time and perjury committed in connection with fraudulent securing of a certificate of naturalization in 1928.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I have withheld approval of S. 1989, an act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

The bill proposes to set up a new procedure whereby the United States would be required to bear a part of the cost of alterations or changes in bridges over navigable waters used and operated for the purpose of carrying railroad traffic, or both railroad and highway traffic, which are found to be necessary by the Secretary of War for free and unobstructed navigation. It provides that the Secretary of War shall determine in such cases the proportionate part of the total cost of alterations or changes to be borne by the bridge owner and by the United States. The bridge owner would be required to pay the cost of such part of the changes as may be attributable to the direct and special benefits which will accrue to him. The United States would be required to pay the remainder of the cost.

The General Bridge Act of March 3, 1906 (34 Stat. 84), authorizes the Secretary of War to require the alteration of any bridge which, in his opinion, may at any time unreasonably obstruct navigation, the cost of such alteration to be borne entirely by the owner. This has been a condition

precedent to the construction of bridges over the navigable waters of the United States, and the owners are fully apprized of the condition before the construction work is undertaken. The Supreme Court has repeatedly held that where a bridge is an unreasonable obstruction to navigation the removal of such obstruction may be required without compensation from the United States, and such removal cannot be regarded as a taking of private property within the meaning of the Constitution. To require the Federal Government to pay the cost of alterations which do not directly benefit the bridge owners would impose upon it heavy financial liabilities. It is the duty of the Government to preserve and protect the navigability of our navigable waters, and when any person, association, corporation, or other body is authorized to build a structure over any such stream, the United States should not be required to bear any part of the cost of alterations which are necessary to avoid obstructions to navigation.

I have, therefore, withheld my approval of the bill, as it does not appear that any valid reason exists for the assumption of this additional burden by the Federal Government.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 11, 1939.

I am withholding my approval from the bill (S. 2061) for the relief of William Hillock.

Mr. Hillock was employed by the Office of Indian Affairs as a carpenter, in charge of a water and sewer system project at Pine Ridge, S. Dak. It appears that in the course of his employment he was required to perform 90 hours of overtime work, because quicksand was being encountered in the excavation. The bill proposes to recompense him in the sum of \$90 for the services so rendered.

The policy of passing special legislation to compensate an individual employee of the Government for overtime services performed by him seems highly questionable. In view of the fact that Government employees frequently, in the course of the performance of their duties, either because so requested by their superiors or of their own accord, feel obliged to work overtime, no reason is perceived why a particular employee should receive special preferential treatment under such circumstances, and be awarded additional compensation not paid to others under parallel conditions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I am withholding my approval of S. 2271, a bill for the relief of Barnet Warren.

It is the purpose of the bill to pay to Barnet Warren the amount of \$2,459.34 for medical services and hospital expenses, and the additional sum of \$100 per month in an amount not to exceed \$5,000 for permanent injury and pain and suffering, in settlement of his claim against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck operated by the National Park Service collided with the said Barnet Warren on March 17, 1939.

While some question might be raised as to the extent of the negligence of the driver of the Government truck, my principal objection to the bill is that the payments proposed appear to me to be excessive. I would not object to the enactment of a bill which would provide payments in this case of a more reasonable amount for expenses, and for an amount more commensurate with the injuries sustained.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 11, 1939.

I have withheld my approval of S. 2306, a bill entitled "An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa."

The bill would amend subsections (a), (b), and (c) of section 29 of the act approved August 30, 1935 (49 Stat. 1072), to authorize the counties of Burt, Nebr., and Monona, Iowa, singly or jointly, to construct, maintain, and operate

a bridge and approaches thereto across the Missouri River between Decatur, Nebr., and Onawa, Iowa. Said counties would be authorized to charge tolls for transit over such bridge. Subsection (d) of section 29 of said act of August 30, 1935, provides that the rates of toll shall be so fixed as to yield a fund sufficient to meet maintenance, repair, and operation costs, and create a sinking fund sufficient to amortize the cost of construction of such bridge and its approaches within not to exceed 20 years from the date of completion thereof. Subsection (d) also provides that after a sinking fund sufficient for its amortization, the bridge shall be maintained and operated free of tolls, or the rates of toll shall be so adjusted as to yield an annual revenue sufficient only for maintenance, repair, and operation costs.

As drafted, the bill gives no assurance that the proposed bridge would be made free after the tolls shall have provided sufficient funds to amortize its cost of construction in addition to meeting the annual maintenance, repair, and operation costs during the toll period. I do not recall the enactment into law of any bridge bills in recent years that have not contained such an assurance; and it seems to me that this is a wise policy to follow.

I am, therefore, disapproving this bill in its present form and suggest that it be revised so as to require definitely that the bridge shall be maintained and operated free of tolls after recovery of the specified costs.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

I have withheld my approval of Senate Joint Resolution 139, "to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes."

This joint resolution is not in conformity with the usual and accepted method of granting the consent of the Congress to the execution of interstate compacts or agreements, in that it lacks a provision requiring the approval by the Congress of such compact or agreement as may be entered into before it shall become effective. I believe that it would be unwise to establish the policy of granting in advance the consent of the Congress to interstate compacts or agreements in connection with subjects described only in broad outline as in Senate Joint Resolution 139.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

CELEBRATION OF ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WRITING OF THE STAR-SPANGLED BANNER

Subsequent to final adjournment of the first session of the Seventy-sixth Congress, the Vice President, pursuant to the joint resolution (S. J. Res. 176) providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, approved August 5, 1939, appointed the Senator from Virginia [Mr. Glass], the Senator from Massachusetts [Mr. Walsh], and the Senator from Oregon [Mr. Holman] members of the commission provided for to formulate and carry out plans for participation by the United States in the celebration above referred to.

NOMINATIONS

Executive nominations received August 5 (legislative day of August 2), 1939

POSTMASTERS

ALABAMA

Gordon G. Stimpson to be postmaster at Daphne, Ala., in place of G. G. Stimpson. Incumbent's commission expired July 1, 1939.

Jesse B. Robinson, Jr., to be postmaster at Waverly, Ala., in place of J. B. Robinson, Jr. Incumbent's commission expired July 1, 1939.

CALIFORNIA

Ada McIntire to be postmaster at Azusa, Calif., in place of Ada McIntire. Incumbent's commission expired July 24, 1939.

Thomas J. Durfee to be postmaster at Bieber, Calif., in place of T. J. Durfee. Incumbent's commission expired February 9, 1939.

Loyal E. Crosby to be postmaster at Del Rey, Calif., in place of L. E. Crosby. Incumbent's commission expired May 13, 1939.

Hazel M. McFarland to be postmaster at Folsom, Calif., in place of H. M. McFarland. Incumbent's commission expired March 19, 1939.

Denny J. McChristy to be postmaster at Imperial, Calif., in place of D. J. McChristy. Incumbent's commission expired July 27, 1939.

William T. Martin to be postmaster at Montague, Calif., in place of W. T. Martin. Incumbent's commission expired March 19, 1939.

Lela Opal Houghton to be postmaster at Newhall, Calif., in place of L. O. Houghton. Incumbent's commission expired March 8, 1939.

Walter A. Oxford to be postmaster at Orosi, Calif., in place of W. A. Oxford. Incumbent's commission expired May 1, 1939.

Ellis T. Tanner to be postmaster at San Jacinto, Calif., in place of E. T. Tanner. Incumbent's commission expired February 9, 1939.

COLORADO

George French Springston to be postmaster at Eaton, Colo., in place of French Springston. Incumbent's commission expires August 27, 1939.

GEORGIA

Charles E. Benns to be postmaster at Butler, Ga., in place of C. E. Benns. Incumbent's commission expired February 28, 1938.

ILLINOIS

Grace Hiller to be postmaster at Ogden, Ill., in place of Grace Hiller. Incumbent's commission expired July 1, 1939.

INDIANA

Audley Dildine to be postmaster at Gaston, Ind., in place of Audley Dildine. Incumbent's commission expired May 15, 1939

Luther M. Shoemaker to be postmaster at Kewanna, Ind., in place of L. M. Shoemaker. Incumbent's commission expires August 27, 1939.

Reginald W. Cook to be postmaster at Montpelier, Ind., in place of R. W. Cook. Incumbent's commission expires August 27, 1939.

IOWA

Lynn O. Smith to be postmaster at Rockford, Iowa, in place of L. O. Smith. Incumbent's commission expired March 20, 1939

KANSAS

Edward H. Malleis to be postmaster at Halstead, Kans., in place of E. H. Malleis. Incumbent's commission expires August 14, 1939.

Lindsey S. Haile to be postmaster at Howard, Kans., in place of L. S. Haile. Incumbent's commission expired July 19, 1939.

Albert W. Balzer to be postmaster at Inman, Kans., in place of A. W. Balzer. Incumbent's commission expired July 27, 1939.

KENTUCKY

Emily Bell Ison to be postmaster at Benham, Ky., in place of E. B. Ison. Incumbent's commission expires August 14, 1939.

Addie F. Owens to be postmaster at Russell Springs, Ky., in place of A. F. Owens. Incumbent's commission expired June 26, 1939.

Murray Swindler to be postmaster at Valley Station, Ky., in place of Murray Swindler. Incumbent's commission expired May 10, 1939.

Verna A. Applegate to be postmaster at West Point, Ky., in place of V. A. Applegate. Incumbent's commission expired July 18, 1939.

Joe C. Cantrell to be postmaster at Wheelwright, Ky., in place of J. C. Cantrell. Incumbent's commission expired May 29, 1939.

MAINE

Eugene E. Ross to be postmaster at Guilford, Maine, in place of E. E. Ross. Incumbent's commission expires August 13, 1939.

MASSACHUSETTS

Francis H. Nolan to be postmaster at Avon, Mass., in place of F. H. Nolan. Incumbent's commission expired July 18, 1939.

Leo B. Corcoran to be postmaster at Hudson, Mass., in place of L. B. Corcoran. Incumbent's commission expires August 26, 1939.

William H. Cabral to be postmaster at Provincetown, Mass., in place of W. H. Cabral. Incumbent's commission expires August 27, 1939.

William F. Ring to be postmaster at Sharon, Mass., in place of W. F. Ring. Incumbent's commission expired July 18, 1939. Robert H. Howes to be postmaster at Southboro, Mass., in

Robert H. Howes to be postmaster at Southboro, Mass., in place of R. H. Howes. Incumbent's commission expired June 26, 1939.

Franklin F. Collins to be postmaster at South Yarmouth, Mass., in place of F. F. Collins. Incumbent's commission expired July 31, 1939.

MICHIGAN

Walter W. Webber to be postmaster at Caspian, Mich., in place of W. W. Webber. Incumbent's commission expires August 21, 1939.

Roscius G. Southworth to be postmaster at Galesburg, Mich., in place of R. G. Southworth. Incumbent's commission expired April 26, 1939.

H. Marr Byington to be postmaster at Grand Ledge, Mich., in place of H. M. Byington. Incumbent's commission expires August 21, 1939.

Jessie M. Stackhouse to be postmaster at Rochester, Mich., in place of J. M. Stackhouse. Incumbent's commission expired April 26, 1939.

MINNESOTA

Charles C. Young to be postmaster at Aitkin, Minn., in place of C. C. Young. Incumbent's commission expired July 11, 1939.

LeRoy M. Schwantz to be postmaster at Evansville, Minn., in place of L. M. Schwantz. Incumbent's commission expired March 12, 1939.

Arthur J. Suel to be postmaster at New Prague, Minn., in place of A. J. Suel. Incumbent's commission expired May 1, 1939.

Lloyd A. Hakes to be postmaster at Stewart, Minn., in place of L. A. Hakes. Incumbent's commission expired May 29, 1939.

Elizabeth A. McCormick to be postmaster at Wilmont, Minn., in place of E. A. McCormick. Incumbent's commission expires August 26, 1939.

MISSISSIPPI

David E. Nabors to be postmaster at Indianola, Miss., in place of D. R. Nabors. Incumbent's commission expired February 15, 1939.

Arthur V. Smith to be postmaster at Pascagoula, Miss., in place of A. V. Smith. Incumbent's commission expired June 18, 1939.

MISSOURI

Phillip S. Cohen to be postmaster at Fredericktown, Mo., in place of P. S. Cohen. Incumbent's commission expired May 17, 1939.

Henry F. Stapel to be postmaster at Rockport, Mo., in place of H. F. Stapel. Incumbent's commission expires August 26, 1939.

MONTANA

Ben Wholf to be postmaster at Opheim, Mont., in place of Ben Wholf. Incumbent's commission expired May 16, 1939.

NEBRASKA

Halford J. Mayes to be postmaster at Rushville, Nebr., in place of H. J. Mayes. Incumbent's commission expired August 1, 1939.

NEW HAMPSHIRE

Hadley B. Worthen to be postmaster at Bristol, N. H., in place of H. B. Worthen. Incumbent's commission expired June 18, 1939.

William J. Neal to be postmaster at Meredith, N. H., in place of W. J. Neal. Incumbent's commission expired July 19, 1939.

NEW JERSEY

Charles F. Haussermann to be postmaster at South River, N. J., in place of C. F. Haussermann. Incumbent's commission expired February 18, 1939.

NEW MEXICO

Anna R. Scott to be postmaster at Logan, N. Mex., in place of A. R. Scott. Incumbent's commission expired April 23, 1939

John C. Leonard to be postmaster at Raton, N. Mex., in place of J. C. Leonard. Incumbent's commission expired June 26, 1939.

Frank O. Papen to be postmaster at Tererro, N. Mex., in place of F. O. Papen. Incumbent's commission expired April 23, 1939.

NEW YORK

William L. Brown to be postmaster at Canisteo, N. Y., in place of W. L. Brown. Incumbent's commission expired January 21, 1939.

Mary F. Villamil to be postmaster at Florida, N. Y., in place of M. F. Villamil. Incumbent's commission expired March 18, 1939.

Leo P. Cass to be postmaster at Huntington Station, N. Y., in place of L. P. Cass. Incumbent's commission expires August 21, 1939.

Percy C. Tatem to be postmaster at Old Westbury, N. Y., in place of P. C. Tatem. Incumbent's commission expired March 23, 1939

Fred Burns to be postmaster at Walden, N. Y., in place of Fred Burns. Incumbent's commission expired March 23, 1939.

NORTH CAROLINA

Alexander E. Waller to be postmaster at Fairbluff, N. C., in place of A. E. Waller. Incumbent's commission expired January 16, 1939.

NORTH DAKOTA

Catherine F. Ross to be postmaster at Arthur, N. Dak., in place of Catherine Ross. Incumbent's commission expired June 18, 1939.

Carl F. Brandes to be postmaster at La Moure, N. Dak., in place of C. F. Brandes. Incumbent's commission expired July 17, 1939.

Edward M. Keller to be postmaster at Sherwood, N. Dak., in place of C. H. Budke, removed.

OHIO

Lee B. Milligan to be postmaster at Lowellville, Ohio, in place of L. B. Milligan. Incumbent's commission expired March 19, 1939.

OKLAHOMA

James H. Sellars, Jr., to be postmaster at Binger, Okla., in place of J. H. Sellars, Jr. Incumbent's commission expired June 26, 1939.

Frank J. Kamphaus to be postmaster at Canute, Okla., in place of F. J. Kamphaus. Incumbent's commission expired June 26, 1939.

William H. Mouser to be postmaster at Cheyenne, Okla., in place of W. H. Mouser. Incumbent's commission expires August 22, 1939.

Ralph M. Peach to be postmaster at Foss, Okla., in place of R. M. Peach. Incumbent's commission expires August 26, 1939.

Thomas F. Green to be postmaster at Meeker, Okla., in place of T. F. Green. Incumbent's commission expired June 26, 1939.

Alvin A. Powell to be postmaster at Ramona, Okla., in place of A. A. Powell. Incumbent's commission expires August 21, 1939.

Eugene P. Estes to be postmaster at Reydon, Okla., in place of E. P. Estes. Incumbent's commission expired July 26, 1939.

OREGON

Marcus A. Hill to be postmaster at Bay City, Oreg., in place of M. A. Hill. Incumbent's commission expired July 18, 1939.

PENNSYLVANIA

Charles A. Sieg to be postmaster at Newfoundland, Pa., in place of C. A. Sieg. Incumbent's commission expires August 27, 1939.

Adam D. Swartz to be postmaster at New Freedom, Pa., in place of A. D. Swartz. Incumbent's commission expired August 2, 1939.

Fred D. Weiss to be postmaster at New Tripoli, Pa., in place of F. D. Weiss. Incumbent's commission expires August 27, 1939.

Robert M. Graham to be postmaster at Newville, Pa., in place of R. M. Graham. Incumbent's commission expired July 3, 1939.

James E. Dereich to be postmaster at Perrysville, Pa., in place of J. E. Dereich. Incumbent's commission expires August 22, 1939.

Philip B. Thompson to be postmaster at Rutledge, Pa., in place of P. B. Thompson. Incumbent's commission expires August 22, 1939.

James S. Fennell to be postmaster at Salina, Pa., in place of J. S. Fennell. Incumbent's commission expired July 27, 1939.

Frederick A. Phoenix to be postmaster at Shinglehouse, Pa., in place of F. A. Phoenix. Incumbent's commission expires August 22, 1939.

Joseph M. Gilliland to be postmaster at Snow Shoe, Pa., in place of J. M. Gilliland. Incumbent's commission expired July 3, 1939.

Edmund P. Lawlor to be postmaster at Terrace, Pa., in place of E. P. Lawlor. Incumbent's commission expired July 22, 1939.

Lillie B. Atkin to be postmaster at Tidioute, Pa., in place of L. B. Atkin. Incumbent's commission expires August 22, 1939.

Ruth B. Walter to be postmaster at Unity, Pa., in place of R. B. Walker. Incumbent's commission expired April 6, 1939.

SOUTH CAROLINA

Olin J. Salley to be postmaster at Salley, S. C., in place of O. J. Salley. Incumbent's commission expired July 9, 1939. DeWitt T. Latimer to be postmaster at West Columbia,

DeWitt T. Latimer to be postmaster at West Columbia, S. C., in place of D. T. Latimer. Incumbent's commission expires August 6, 1939.

VIRGINIA

Florence E. Priest to be postmaster at Scottsburg, Va., in place of F. E. Priest. Incumbent's commission expired July 27, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 5 (legislative day of August 2), 1939.

PROMOTIONS AND APPOINTMENTS IN THE NAVY

MARINE CORPS

To be major

Clarence J. Chappell, Jr. -

To be captain

James M. Masters, Jr.

To be first lieutenant

William F. Kramer

To be second lieutenants

Claude J. Carlson Jr.

Morris E. Flater

POSTMASTERS

ALABAMA

John D. Means, Boligee. Frank A. Bryan, Columbia. Gordon G. Stimpson, Daphne. John T. Cooper, Hartselle. Jesse B. Robinson, Jr., Waverly.

ARKANSAS

Robert E. Pace, Jr., Marked Tree. Ralph McNiel, Piggott.

CALIFORNIA

Ada McIntire, Azusa.
Thomas J. Durfee, Bieber.
Loyal E. Crosby, Del Rey.
Josephine M. Costa, Downieville.
Hazel M. McFarland, Folsom,
Denny J. McChristy, Imperial.
Bessie L. Dunn, Isleton.
Clara M. Scott, Kerman.
Alice E. Tate, Lone Pine.
William T. Martin, Montague.
Lela Opal Houghton, Newhall.
Walter A. Oxford, Orosi.
Ellis T. Tanner, San Jacinto.

COLORADO

Faye P. Steffen, Bennett. Floyd C. Bradfield, Cortez. George French Springston, Eaton. Anna May Durham, Mount Morrison.

CONNECTICUT

William K. Buggie, Cromwell.
William J. Collamore, Essex.
Francis L. Bibeault, Moosup.
Carlos C. Peck, Old Lyme.
Pauline I. Olie, Pequabuck.
Frank R. Stevens, Rowayton.
Robert A. Dunning, Thompson.
George H. Tetreault, Jr., Versailles.
Edward J. Bradley, West Willington.
Inez V. Lawson, Wilton.

FLORIDA

Mark L. Calder, Titusville. Jesse E. Franklin, Glen Saint Mary.

GEORGIA

Charles E. Benns, Butler. Blanche L. Marshall, Reynolds.

ILLINOIS

Benjamin H. Gardner, Ava. John T. Lustig, Bradley. Herschel Victor Lynn, Byron. Robert L. Graham, Dieterich. Earl Grimm, Fairview. Helen E. Goodell, Loda. Wayman R. Presley, Makanda. Harry J. Young, Marissa. Arden O. Murray, Mazon. Howard M. Fox, Nashville. John L. Anheuser, O'Fallon. Grace Hiller, Ogden. Pauline White, St. Joseph. Otto F. Young, Stonington. James F. Boyle, Sycamore. George H. Widmayer, Virginia.

INDIANA

Noel A. Booher, Albany. Clarence E. Steward, Bainbridge. Reuben S. Stwalley, Cloverdale. Earle C. Stewart, Daleville. Robert R. Saunders, Eaton. Merle F. Shepard, Edwardsport. Audley Dildine, Gaston. Luther M. Shoemaker, Kewanna. Reginald W. Cook, Montpelier. Orlin F. Reinhardt, New Salisbury. Edward P. Donnar, Oaktown. Rolla E. Pinaire, Ramsey. Grover T. Van Ness, Summitville.

IOWA

Marjorie M. Sherman, Bancroft.
Mabel Kinney, Elliott.
William Stover, Hospers.
Sophia Hood, Mallard.
Joshia H. Clayton, Paullina.
Lynn O. Smith, Rockford.
John Hynek, Tama.
Clarence P. Lietsch, West Burlington.

KANSAS

John H. Eckhart, Almena. Arthur E. Biberstein, Attica. John H. Jessee, Axtell. Elmer E. Howerton, Blue Mound. Elsie J. Callahan, Burr Oak. Lee A. Perry, Jr., Caldwell. Ivan L. Farris, Cheney. Harriet M. Mayo, Claflin. Thomas Lloyd Lozier, Edna. James Oscar Warren, Eskridge. Clayton J. Connell, Fall River. Max H. Dyck, Fowler. John T. McGrath, Greenleaf. William F. Varvel, Gridley. John C. Patterson, Haddam. Edward H. Malleis, Halstead. John L. A. Wainscott, Hazelton. N. Pearl Helvern, Hiawatha. Lindsey S. Haile, Howard. Mary E. McCreery, Hugoton. Albert W. Balzer, Inman. Orville K. McQueen, Kirwin. Helen M. Collins, Lenexa. Erwin E. Lewerenz, Lincolnville. Donald L. McGregor, Linn. Agnes L. O'Leary, Luray. Henry W. Behrens, Lyndon. Moses P. Davis, Madison. Edward W. Shiney, McCracken. Ernest W. McHenry, McLouth. Joseph S. Dooty, Melvern. Hubert A. Morain, Minneola. Walter B. Ford, Oskaloosa. Charles A. Mardick, Richmond. James A. Wiley, Sedgwick. Michael J. Baier, Shawnee. Alfred L. Hastings, Thayer. George F. Popkess, Toronto. John H. Pennebaker, Virgil. Charles P. Gates, Wakefield. Robert E. Berner, Waterville. Minnie J. Meidinger, Wathena. Verne A. Miller, Weir. John W. Vancil, White Water.

KENTUCKY

George W. Abbott, Bedford.
Emily Bell Ison, Benham.
Virginia L. Stigall, Burnside.
William H. Pettus, Crab Orchard.
Mary Rogers, Guthrie.
William R. Sizemore, Hyden.
Oscar D. Smith, Jamestown.
Harry Greene, Milburn.
Eugene Kelley, Pembroke.
Addie F. Owens, Russell Springs.
Victor B. Stephens, Stanton.
Murray Swindler, Valley Station.
Rolla M. Chafin, Weeksbury.

Verna A. Applegate, West Point. Joe C. Cantrell, Wheelwright. Thomas J. Stevenson, Winchester.

LOUISIANA

Harry G. Simoneaux, Golden Meadow.

MAINE

Raymond S. Joy, Addison. Eugene E. Ross, Guilford. John H. Gilbert, Monson. Don Owen Cate, Richmond. Donald P. George, Thomaston.

MARYLAND

Howard Raymond Hamilton, Cardiff. Maude L. Shives, Hancock.

MASSACHUSETTS

George W. Seymour, Ashby.
Francis H. Nolan, Avon.
Alfred A. Averill, Edgartown.
Bartholomew C. Downing, Hanover.
Leo B. Corcoran, Hudson.
William H. Cabral, Provincetown.
William F. Ring, Sharon.
Robert H. Howes, Southboro.
Franklin F. Collins, South Yarmouth.
Helen K. Hoxie, Sunderland.
Enlo A. Perham, Tyngsboro.

MICHIGAN

Charles W. Holt, Athens.
William A. Young, Bellevue.
Walter W. Webber, Caspian.
Edward Kott, Center Line.
Roscius G. Southworth, Galesburg.
H. Marr Byington, Grand Ledge.
Frances A. Buerker, Pigeon.
Jessie M. Stackhouse, Rochester.
Glenn P. Adgate, Saranac.
Bert Shedd, Tekonsha.
Isla M. Messmore, Utica.
Olive E. Bergey, Vanderbilt.

MINNESOTA

Charles C. Young, Aitkin. Harold E. Otterstein, Amboy. Harriett M. Eleeson, Beaver Creek. Percy L. Hakes, Brownton. Nettie Layng, Bruno. Mary E. Gilbert, Carlton. Clifford Bergland, Clearbrook, LeRoy M. Schwantz, Evansville. Clyde H. Hiatt, Granada. Carl Von Ohlen, Henning. Alfred H. Smith, Heron Lake. Ralph Michael Sheppard, Hoffman. Oliver A. Matson, Kiester. Hattie G. Haas, Lamberton. William Pennar, Laporte. Nels E. Fedson, Lyle. Warren B. Lievan, Mapleton. Arthur J. Suel, New Prague. Mamie A. Sondergaard, New York Mills. George H. Tome, Pine Island. Linus E. Dougherty, Pine River. Robert S. Cowie, Rothsay. Wallace Oscar Merrill, Silver Lake. Lloyd A. Hakes, Stewart. Andrew C. Peterson, Waubun. Elizabeth A. McCormick, Wilmont.

MISSISSIPPI

Samuel N. Shelton, Alcorn. William M. Ferrell, Ashland. Charlie J. Moore, Jr., Bentonia. George D. Myers, Byhalia. Shelton M. Thomas, Jr., Ellisville. Martha B. Lowe, Glendora. David E. Nabors, Indianola. Luther H. Birdsong, Lulu. Alfred H. Jones, McComb. William O. Yeates, Moorhead. John T. Miller, Myrtle. Thomas J. Barnes, Noxapater. Marie J. Sandlin, Parchman. Arthur V. Smith, Pascagoula. Abner W. Flurry, Perkinston. Faye V. Peel, Potts Camp. Ruby W. Bacon, Schlater. Lellie M. Ferriss, Shaw. John Auburn Bethany, Shuqualak Henry E. Wamsley, State College. Mrs. Tommie A. Hamill, Sturgis. Blanche M. Sledge, Sunflower. Augustus Ferdinand Fleck, Terry. Curtis E. Morgan, University. William W. Milner, Vaiden. Will S. Black, Weir. Oliver W. Catchings, Woodville.

MISSOURI

John E. Thomasson, Bolivar.
David Fitzwater, Creve Coeur.
Ella B. Newman, Desloge.
Carl E. Latimer, Frankford.
Phillip S. Cohen, Fredericktown.
Chester M. Eoff, Knox City.
Chester T. Hoover, Laclede.
Fred J. Jacobi, Jr., Martinsburg.
Henry F. Stapel, Rockport.
William E. Murphy, Sumner.

MONTANA

Ira G. Nichols, Alberton. Charles C. Nicholson, Bigtimber. Ben Wholf, Opheim.

NEBRASKA

Harold M. Knapp, Ansley.
Fred B. Householder, Bladen.
Henry A. Georgi, Dawson.
Julius J. Weidner, Humphrey.
Fred C. Johnson, Merriman.
Catherine Childs, Oakdale.
Mable A. Foreman, Palmyra.
Effie E. Adams, Ralston.
Halford J. Mayes, Rushville.
Justus H. LaMunyon, Shelby.
Christopher A. Weber, Spalding.

NEW HAMPSHIRE

Earl X. Cutter, Antrim. Hadley B. Worthen, Bristol. William J. Neal, Meredith. Caroline W. Southworth, North Haverhill. David E. Stevens, Salem Depot.

NEW JERSEY

John J. Kelly, Allendale.
Whitehurst M. Carner, Livingston.
Theodore H. Reed, Pennington.
Charles F. Haussermann, South River.
Alger H. Alpaugh, Succasunna.
Monroe H. Bea, Westville.

NEW MEXICO

Margaret I. Daniels, Cloudcroft. Anna R. Scott, Logan. Bertha R. Yessler, Nara Vissa. John C. Leonard, Raton. Frank O. Papen, Tererro.

NEW YORK

Daniel Grant, Afton. Joseph J. Wienand, Alden. Joseph T. Norton, Allegany. Lewis H. Sears, Ballston Lake. Ruth M. Marleau, Big Moose. Helen F. Hallahan, Brasher Falls. William L. Brown, Canisteo. Morgan Crapser, Central Bridge. Howard L. Akin, Chautauqua. Andrew R. Schmitt, Sr., Cheektowaga. Chester A. Field, Cold Water. Thomas J. McManus, Jr., Corfu. Lee M. Meldrim, Edwards. Sam Rosenberg, Fallsburgh. Mary F. Villamil, Florida. Harold F. Garrison, Fort Montgomery. James E. Robinson, Hermon. Edson S. Miller, Highland Mills. James H. Mulligan, Hillburn. Leo P. Cass, Huntington Station. Clarence M. Magee, Kinderhook. John Joseph Fox, King Ferry. William R. Kraft, Kingston. John G. Winans, Leeds. Frances S. Murphy, Lisbon. Della M. Rexford, Loch Sheldrake. George S. Mackey, Locke. Henry F. McCall, Madrid. Ella M. Hickey, Mechanicville. Robert S. Pearson, Newfield. John S. VanKennen, Norfolk. Harold E. Bollier, North Tonawanda. Percy C. Tatem, Old Westbury. Thomas J. Conmy, Port Jervis. Eva W. Wheat, Rose Hill. Cornelius Edward Conroy, Stanley. Charles F. Pallister, Staten Island. Walter Frank Baltes, Tonawanda. Charlotte House Schoonmaker, Ulster Park. Frank Piliere, Valley Cottage. Anna Marriott, Vernon. Fred Burns, Walden. Charles Merton Stanton, Wellsburg. Arthur E. Murphy, Youngstown.

NORTH CAROLINA

George M. Sudderth, Blowing Rock. Thurla Cole, Cameron.
Joseph C. Peed, Creedmoor.
Alexander E. Waller, Fairbluff.
Joseph Tracy Moore, Greensboro.
Sarah Lucy Cooke, Hildebran.
Lula G. Harris, Macon.
John R. Steele, Ramseur.
Guy S. Crawford, Rowland.
George Glenn Nichols, Sparta.
Bertie L. Matthews, Vass.
Margaret W. Davis, Walnut Cove.

NORTH DAKOTA

Catherine F. Ross, Arthur.
Mildred Peck, Glenburn.
Levurn R. Church, Haynes.
Herbert J. Simon, Lakota.
Carl F. Brandes, La Moure.
Loren J. Savage, Litchville.
Jay J. Eaton, Medora.
Bland Elsberry, Rocklake.
Edward M. Keller, Sherwood.
Hulbert L. Olsen, Van Hook.
William S. McCabe, Walhalla.

OHIO

Edward Wild, Arcanum.
Florence M. DeChant, Avon Lake.
William H. Fike, Bloomville.
William L. Bryan, Bradner.
Charles J. Neff, Canfield.
Dwight C. Banbury, Danville.
Lloyd K. Heckman, Ellet.

Caleb Peter Motz, Fairlawn. Olive R. Kast, Holloway. Archie L. Wardeska, Irondale. Leo A. Bietz, Kent. Ernest A. Rowland, Lodi. Lee B. Milligan, Lowellville. Clifford Carlile, McClure, Leo M. Keller, Nevada. Florence Hunter, Rayland. George R. Kinder, Rockford. Elias Howard Barns, Sabina. Isabel A. Downey, Somerset. John I. Carr, South Charleston. Fred G. Wetmore, Stow. Agnes M. Goll, Stryker. Parke Alden Wehr, Uniontown. Albert S. Keechle, Waverly. Earl I. Ducket, Walbridge. Vance K. McVicker, West Salem.

OKLAHOMA

Mabelene M. Hudspeth, Afton.
James H. Sellars, Jr., Binger.
Frank J. Kamphaus, Canute.
William H. Mouser, Cheyenne.
Fred P. Morrison, Fittstown.
Ralph M. Peach, Foss.
Bryan D. Miller, Forgan.
Grover C. Diedrich, Marshall.
Thomas F. Green, Meeker.
James P. Todd, Oilton.
Alvin A. Powell, Ramona.
Eugene P. Estes, Reydon.
Loula Merry, Valliant.
Ulmer H. Still, Wright City.
Roy Broaddus, Wynona.

OREGON

Marcus A. Hill, Bay City.
Henry LeRoy Straley, Brownsville.
Myrtle L. Elliott, Canyonville.
Isaac R. Howard, Junction City.
Harry E. Mahoney, Oakland.
Pearl A. Lawson, Riddle.
George W. T. Doty, West Linn.

PENNSYLVANIA

John H. Baldwin, Atglen. Henry N. Byers, Bolivar. Harry L. Hause, Catawissa. Reuben S. Lauer, Dover. Francis A. Meehan, Dravosburg. Edna M. Jacobs, East Berlin. Wilmer G. Dimmig, East Greenville. George V. Beech, East Pittsburgh. John J. Botts, Elizabethville. George M. Neely, Fairfield. Charles V. Finley, Flourtown. Stratton J. Koller, Glen Rock. Edna M. Finney, Langeloth. Grover C. Albright, Lansdale. Agnes Ann Flynn, Laporte. Charles H. Held, Loganton. Royal H. Kline, McClure. Edward F. Poist, McSherrystown. William S. Bolinski, Mocanaqua. Charles A. Sieg, Newfoundland. Adam D. Swartz, New Freedom. Fred D. Weiss, New Tripoli. Robert M. Graham, Newville. James E. Dereich, Perrysville. Floyd E. Bashore, Port Royal. Marie E. Potteiger, Progress. Philip B. Thompson, Rutledge. James S. Fennell, Salina. Frederick A. Phoenix, Shinglehouse. John Zelinski, Simpson.

Joseph M. Gilliland, Snow Shoe. Kathryn McFadden, Summit Hill. Edmund P. Lawlor, Terrace. Lillie B. Atkin, Tidioute. Ruth B. Walker, Unity. James K. Bell, Warren, John W. Doyle, Waymart. Francis W. McCartan, Yatesboro.

RHODE ISLAND

William H. Seifert, Chepachet. George W. Jenckes, Slatersville.

SOUTH CAROLINA

Ernest G. Poston, Lake City.
Bessie T. Cooper, Mayesville.
George H. Fogle, Ridgeville.
Olin J. Salley, Salley.
DeWitt T. Latimer, West Columbia.

SOUTH DAKOTA

Perry W. Waltz, Brookings. Frederick S. Countryman, Canova.

TENNESSEE

Rebecca J. Thomas, Alamo.
Maurice Wilson, Middleton.
James J. Darnell, Morrison.
Eugene L. McDade, Mountain City.
William T. Latham, Niota.
Zula A. Humphreys, Puryear.
James Hunt Morris, Ripley.
John L. Vann, Watertown.
Charles M. Haygood, Waverly.

TEXAS

Guy J. Harp, Canyon. Conally Gwyn, Lott.

UTAH

Richard B. Porter, Ogden. Howard Mattsson, Salina.

VIRGINIA

Frank R. Henderson, Nathalie. Howard F. Gilliam, Phenix. Florence E. Priest, Scottsburg.

WASHINGTON

Oscar N. Handel, Electric City. Harry C. Smyth, Mabton.

WISCONSIN

James D. Purvis, Knapp. Walter M. Touhey, Maribel. Hartwig F. Breutzman, Nelson. Earl P. Jamieson, Randolph.

HOUSE OF REPRESENTATIVES

SATURDAY, AUGUST 5, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, we rejoice that Thy Fatherly heart opens with love in response to all our needs. The whole fullness of Thine infinite being is at our disposal. May we ever render unto Thee the tribute of our heartfelt praise.

We are praying for our beloved country and for men everywhere. May health, happiness, and holiness be ours in an ever-increasing measure. May Thy special blessing rest upon our President, our Vice President, our Speaker, the Members of Congress, all the officials and servants of the Government. Grant unto them grace and strength to perform their duties with steadfast loyalty, and may they be abundantly enriched with the tokens of Thine everlasting favor.

When this Congress adjourns, may all receive Thy benediction, "Well done, thou good and faithful servant." We commend one another to Thy care and keeping. We know not what the future holds for us, but we will trust and not be afraid, for as our days so shall our strength be, and no good thing wilt Thou withhold from those who walk uprightly.

May the kingdoms of this world become the Kingdom of

our Lord, in whose name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and

others";

H. R. 5506. An act to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River storage reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.;

H.R. 6099. An act for the relief of Mrs. S. F. Sewell; and H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor

in saving the lives of two of his fellow citizens.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S. J. Res. 182. Joint resolution to amend Public Resolution

No. 112, Seventy-fifth Congress; and

S. J. Res. 185. Joint resolution to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is

requested, bills of the House of the following titles:

H. R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations;

H.R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of

Columbia, and for other purposes;

H.R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing

penalties for the violation thereof; and

H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the follow-

ing titles:

S. 1042. An act for the relief of the Epes Transportation Corporation; and

S. 2240. An act to provide for a national census of housing. The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich;

S. 1269. An act for the relief of Emil Friedrich Dischleit:

S. 1538. An act for the relief of Konstantinos Dionysiou Antichos (or Gus Pappas);

S. 1654. An act for the relief of Mrs. Pacios Pijuan:

S. 1708. An act to amend the Employers' Liability Act;

S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas): and

S. 2271. An act for the relief of Barnet Warren.

REPRESENTATIVE-ELECT ALBERT SIDNEY CAMP

The Speaker laid before the House the following communication which was read:

AUGUST 5, 1939.

The SPEAKER

House of Representatives, Washington, D. C. SIR: The certificate of election in due form of law, of Hon.
ALBERT SIDNEY CAMP as a Representative-elect to the Seventy-sixth
Congress, from the Fourth Congressional District of the State of Georgia, to fill the vacancy caused by the death of Hon. E. M. Owen, is on file in this office.

Respectfully yours,

SOUTH TRIMBLE Clerk of the House of Representatives.

By: H. NEWLIN MEGILL.

SWEARING IN OF A MEMBER

Mr. Albert Sidney Camp, a Representative-elect from the Fourth Congressional District of the State of Georgia, appeared at the Bar of the House and took the oath of office.

AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 10, Seventy-sixth Congress, the Chair appoints as members of the special committee to convey to the members of the American Association of State Highway Officials, an expression of appreciation by the Congress of the praiseworthy accomplishments under their leadership the following members of the House: Mr. CARTWRIGHT, Mr. WARREN, Mr. MOTT.

MERRIMAC-MONITOR COMMISSION

The SPEAKER. Pursuant to the provsions of House Concurrent Resolution 32, Seventy-sixth Congress, the Chair appoints as members of the Virginia (Merrimae)-Monitor Commission the following Members of the House: Mr. Bland, Mr. DREWRY, Mr. WILLIAMS of Delaware.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, it is usual for the majority and minority leaders to evaluate the work of the session of Congress over the radio. I ask unanimous consent that both these gentlemen be permitted to insert their radio addresses in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ONE HUNDRED AND FIFTIETH ANNIVERSARY, FIRST SESSION OF COURT

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution 33 which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 33

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of five Members of the House of Representatives and five Members of the Senate shall be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, which is empowered to make plans and suitable arrangements for fitting and proper exercises, to be held on the 1st day of February 1940, in commemoration of the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States, held at the city of New York on Monday, the 1st day of February 1790.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. I understand that this resolution does not carry any appropriation or expenditure of money.

Mr. BLOOM. No appropriation at all.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

AUTHORIZING ASSISTANT SECRETARY OF NAVY TO SERVE AS ACTING SECRETARY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 185, to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That notwithstanding the provisions of section 180, Revised Statutes, The Assistant Secretary of the Navy may continue to serve as Acting Secretary of the Navy until such time as a Secretary of the Navy shall be appointed to succeed the late Secretary of the Navy, the Honorable Claude A. Swanson, deceased; and the provisions of section 1761, Revised Statutes, shall not be applicable to an appointment to fill the existing received. vacancy in said office.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REAL ESTATE COMMISSION, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5685) to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the Senate amendment as follows:

Page 3, line 9, strike out all after "estate" down to and including "purposes", in line 11.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

PARKING METERS, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5405) authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Strike out all after the enacting clause and insert:
"The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and the District of Columbia under the junior other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners (in addition to those mechanical parking meters or devices installed pursuant to the authority conferred on the said Commissioners by section 11, page 40, Public 458, Seventy-fifth Congress, third session, approved April 4, 1938); and said Commissioners are authorized and empowered to make and approved appropriate the conference of the control of the control of the conference of the control of ered to make and enforce rules and regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

"SEC. 2. In purchasing meters under the terms of this act, the Commissioners may purchase 50 percent of the manually operated type meter, subject, however, to specifications to be approved by the National Bureau of Standards, Department of Commerce."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

AMENDING HEALING ARTS PRACTICE ACT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2779) to regulate the practice of the healing art to protect the public health in the District of Columbia, known as the Healing Arts Practice Act, District of Columbia, 1928, and consider the same.

The SPEAKER. The gentleman from West Virginia asks unanimous consent for the present consideration of the bill which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the "Healing Arts Practice Act, District of Columbia, 1928," approved February 27, 1929, be amended by striking from the first sentence of section 18 thereof the words "beginning on the second Monday in January and July of each year and at such other" and inserting in lieu thereof the words "at such."

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TAX ON MOTOR VEHICLE FUELS IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2778), to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the act of Congress entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, be amended by striking from the last sentence of section 10 thereof the word "thirty" and inserting in lieu thereof the word

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

PREVENTION AND CONTROL OF SPREAD OF COMMUNICABLE AND PREVENTABLE DISEASES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2745) to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and empowered to promulgate and enforce all such reasonable rules and regulations as they may deem necessary to prevent and control the spread of communicable and preventable diseases in the District of Columbia.

SEC. 2. The said Commissioners are authorized to prescribe a

SEC. 2. The said Commissioners are authorized to prescribe a reasonable penalty of fine, not to exceed \$100, or of imprisonment, not to exceed 30 days, or both, for the violation of any rule or regulation promulgated under the authority of this act, and all prosecutions for violations of such rules and regulations shall be in the police court of the District of Columbia in the name of the District of Columbia upon information filed by the corporation counsel of the District of Columbia or any of his assistants.

SEC. 3. This act shall take effect from and after 90 days after the passage and approval and from and after the expiration of said

passage and approval, and from and after the expiration of said

period the following acts are hereby repealed:
An act entitled "An act to prevent the spread of contagious diseases in the District of Columbia," approved March 3, 1897 (29

diseases in the District of Columbia, approved as Stat. 635);

An act entitled "An act for the prevention of scarlet fever, diphtheria, measles, whooping cough, chicken pox, epidemic cerebrospinal meningitis, and typhoid fever in the District of Columbia," approved February 1, 1907 (34 Stat. 889);

An act entitled "An act to provide for registration of all cases of tuberculosis in the District of Columbia, for free examination

of sputum in suspected cases, and for preventing the spread of tuberculosis in said District," approved May 13, 1908 (35 Stat. 126);

An act entitled "An act for the prevention of venereal diseases in the District of Columbia, and for other purposes," approved February 26, 1925 (43 Stat. 1001).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADEQUACY AND USE OF PHOSPHATE RESOURCES

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 182), to amend Public Resolution No. 112, Seventy-fifth Congress.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. RICH. Reserving the right to object, Mr. Speaker, will they complete their report by the 15th of January?

Mr. PETERSON of Florida. Yes. This will complete the report. We are still less than the funds originally authorized.

Mr. RICH. And we can expect that report back to the House by that time?

Mr. PETERSON of Florida. Yes. The report will be back to the House by that time.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc. That the study required to be made by the Joint Committee to Investigate the Adequacy and Use of the Phosphate Resources of the United States pursuant to Public Resolution No. 112, Seventy-fifth Congress, shall include potash and related minerals, and the life of the committee and the time for making its final report is extended to January 15, 1940.

The further expenses of the committee, which shall not exceed \$5,000, shall be paid one-half from the contingent funds of the Senate and one-half from the contingent funds of the House of Representatives upon vouchers approved by the chairman of the committee.

committee.

The Senate joint resolution was ordered to be read a third time was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that my colleague, Mr. Maloney, be permitted to extend his remarks in the RECORD and include a small table dealing with cotton statistics.

The SPEAKER. Is there objection? There was no objection.

ABRAHAM LINCOLN NATIONAL PARK, KY., AND FORT M'HENRY NATIONAL PARK, MD.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2046) to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There being no objection, the Clerk read the Senate bill, as

Be it enacted, etc., That the Abraham Lincoln National Park, in the State of Kentucky, authorized by the act of July 17, 1916 (39 Stat. 385), and the Fort McHenry National Park, in the State of Maryland, authorized by the act of March 3, 1925 (43 Stat. 1109), shall hereafter be called and known as the "Abraham Lincoln National Historical Park", and the "Fort McHenry National Monument and Historic Shrine", respectively, and all moneys heretofore or hereafter appropriated for these areas under previous designations may be used in these areas as redesignated. tions may be used in these areas as redesignated.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ATTORNEYS' FEES FROM OSAGE TRIBAL FUNDS

Mr. ROGERS of Oklahoma submitted the following conference report and statement on the bill (H. R. 4117) to provide for the payment of attorneys' fees from Osage tribal funds:

Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4117) to provide for the payment of attorneys' fees from Osage tribal funds, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

WILL ROGERS JAS. F. O'CONNOR, USHER L. BURDICK, Managers on the part of the House. ELMER THOMAS, B. K. WHEELER, HENRIK SHIPSTEAD,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4117) to provide for the payment of attorneys' fees from Osage tribal funds, submit the following statement in explanation of the effect of the action agreed upon

statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely: On page 2, line 2, delete the figures "10" and insert in lieu thereof the figures "12½."

In agreeing to the amendment of the Senate the managers on the part of the House are of the opinion that inasmuch as the Osage Indians have entered into a contract with attorneys to pay a fee not to exceed 12½ percent, contingent upon the amount recovered and which is recommended by the Secretary of the Interior, the said contingent fee should be allowed, further it is believed that without the allowance of the said 12½ percent contingent fee, the suits now pending for the recovery of large sums tingent fee, the suits now pending for the recovery of large sums

of money for the Indians may be prejudiced.

WILL ROGERS JAS. F. O'CONNOR, USHER L. BURDICK, Managers on part of the House.

The SPEAKER. The gentleman from Oklahoma is recognized.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Oklahoma. I yield.

Mr. RICH. As I understand it, you are going to increase the attorneys' fees which the Indians will have to pay from

10 to 121/2 percent?

Mr. ROGERS of Oklahoma. I will say to the gentleman that the contract originally called for 121/2 percent. When the bill came before our committee, in line with the regular attorney's fees, we thought it wise to make it 10 percent. So we amended the bill and made it 10 percent. When the bill went to the Senate, the Senate amended our bill and made it 121/2 percent, to conform with the contract. The contract was made some time ago and was approved by the Secretary, and they have been working under the contract.

Mr. RICH. Are the Indians going to be compelled to pay

this fee?

Mr. ROGERS of Oklahoma. It will come out of any moneys recovered for the Indians.

Mr. RICH. Provided they can get the money from the

Federal Government?

Mr. ROGERS of Oklahoma. Oh, no. It is out of the money recovered for the Indians out of suits that they have with the oil companies that have not paid them all we think is due the Indians. The money does not come from the Government.

Mr. RICH. Do you not think you are going to take pretty big attorneys' fees from the Indians when 10 percent ought to be enough for the attorneys for handling their claims?

Mr. ROGERS of Oklahoma. That is what I thought, but the Indians themselves have urged us to agree to this and let them go ahead.

Mr. RICH. Is it as much the Indians who are urging it as it is the lawyers back in Oklahoma?

Mr. ROGERS of Oklahoma. The Indians themselves. Members of the tribal council have been after us to get this bill through for them.

Mr. Speaker, I move the adoption of the conference report. The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks by placing a statement in the RECORD by my colleague, Mr. Sam Massingale.

The SPEAKER. Is there objection?

There was no objection.

RELIEF OF UNDER-AGE WORLD WAR SAILORS AND MARINES

Mr. SUTPHIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5734) for the relief of World War sailors and marines who were discharged from the United States Navy or United States Marine Corps because of minority or misrepresentation of age.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. SUTPHIN. Gladly. During the World War many patriotic young men who had not reached the prescribed age of 17 years enlisted in our armed forces. Many of them were killed and others were maimed. When it was discovered that at the time of their enlistment they were under 17 years, according to the regulations they were declared to have fraudulently enlisted.

This bill is unanimously approved by the Secretary of the Navy. It does not cost the Government anything. About 2 years ago we passed a similar bill taking care of those who had served in the Army. This makes similar provision for those who served in the Marine Corps and the Navy.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of law conferring rights, privileges, or benefits upon honorably discharged sailors of the United States Navy and upon honorably discharged marines of the United States Marine Corps, their widows and dependent children, a sailor or marine who served as an enlisted man between April 6, 1917, and November 11, 1918, both dates inclusive, and who was discharged for fraudulent enlistment on account of minority or misrepresentation of age, shall hereafter be held and considered to have been honorably discharged from the naval service on the date of his actual separation therefrom if his service otherwise was such as would have entitled him to an honorable discharge: Provided, That no back pay or allowance shall accrue by reason of the passage of this act: Provided further, That in all such cases the Navy Department shall, upon request, grant to such men, or their widows, a discharge certificate showing that the sailor or marine is held and considered to have been honorably discharged under the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the question of Puerto Rico.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. Allen of Pennsylvania and Mr. Murdock of Utah asked and were given permission to revise and extend their

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of relief.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, and to include a letter in each one, one on the subject of the Chinese-Japanese situation, and the other on the subject of the poll tax.

The SPEAKER. Without objection, it is so ordered. There was no objection.

TRANSPORTATION AND DISTRIBUTION OF MAILS ON MOTOR-VEHICLE ROUTES

Mr. BURCH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6424) to provide for the transportation and distribution of mails on motor-vehicle routes.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, does this bill have the approval of the Post Office Committee?

Mr. BURCH. Yes; it has been considered by the Committee on the Post Office and Post Roads, and there is no chiection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized to contract for carrying the mails and railway postal clerks on routes between points where, in his judgment, the conditions justify the operation of such service in motor vehicles especially designed and equipped for the distribution of mail en route: Provided, That such vehicles shall be constructed, fitted up, maintained, and operated in accordance with such specifications, rules, and regulations as he may prescribe: Provided further, That the Postmaster General is authorized, within his discretion, to transport and provide for the distribution of mails in Government-owned motor vehicles on such routes between points to transport and provide for the distribution of mails in Government-owned motor vehicles on such routes between points where in his judgment the conditions justify the operation of such service: Provided further, That all laws and regulations governing Star Route Service, not in conflict with this act, shall be applicable to contracts made under the authority of this act: And provided further, That no contract shall be awarded for a period of less than 2 years nor in excess of 4 years, and that payment for such service shall be from the appropriations for inland transportation by star routes.

Sec 2. The Postmaster General may in his discretion, and in

SEC. 2. The Postmaster General may, in his discretion, and in the interest of the Postal Service, and under such rules and regulations as he may prescribe, provide for the distribution of mail on motor-vehicle routes in motor vehicles specially designed and equipped for that purpose and provided for in section 1 of this act: Provided, That the supervision and distribution of mails in motor vehicle service as herein provided shall be under the in motor-vehicle service, as herein provided, shall be under the jurisdiction of the Second Assistant Postmaster General, and the Jurisdiction of the Second Assistant Postmaster General, and the personnel therein shall be a part of the Railway Mail Service under the same working conditions, rates of pay, travel allowance, and other benefits applicable to railway postal clerks: And provided further, That payment for such service shall be from the appropriations for Railway Mail Service salaries and railway postal clerks' travel allowance.

Sec. 3. Every individual or company courses the service of the personnel of the service salaries.

SEC. 3. Every individual or company carrying the mails shall carry on any vehicle it operates and without extra charge therefor the persons in charge of the mails and when on duty and traveling to and from duty, and all duly accredited agents and officers of the Post Office Department and post-office inspectors while traveling on official business, upon the exhibition of their credentials.

SEC. 4. The Postmaster General is authorized to promulgate such specifications, rules, and regulations as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING UNLAWFUL USE OF VETERAN ORGANIZATION INSIGNIA

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out all after "the" down to and including sold," in line 6, and insert "manufacture or sale in interstate commerce

Page 1, line 7, after "thereof" insert "or the reproduction thereof for commercial purposes.'

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain the Senate amendments? Mr. CHANDLER. Mr. Speaker, the amendments placed in the bill by the Senate simply limit the application of this bill to transactions in interstate commerce. The bill relates entirely to the insignia of the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans. and makes it unlawful to manufacture and sell them without the permission of the organizations. I ask merely that the House concur in the Senate amendments which limit the bill, and I think perhaps it is advisable to interstate transactions.

Mr. MICHENER. Otherwise the bill is the same as when it passed the House.

Mr. CHANDLER. Yes. It was reported out by the Judiciary Committee and passed unanimously by the House. Mr. WADSWORTH. Mr. Speaker, will the gentleman

vield?

Mr. CHANDLER. With pleasure.

Mr. WADSWORTH. According to the terms of this bill does it become a Federal offense if any person should wear one of these badges without authority?

Mr. CHANDLER. The bill provides simply against the manufacture or sale in interstate commerce of these insignia on caps, pennants, advertisements, and so forth, which are used at the conventions and hawked about, simply commercializing patriotic emblems.

Mr. WADSWORTH. Does such manufacture beecome a

Federal offense?

Mr. CHANDLER. Yes.

Mr. WADSWORTH. This is the result of creating Federal corporations.

Mr. CHANDLER. I hope not.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield.

Mr. VAN ZANDT. This bill has the endorsement of all the major veteran organizations.

Mr. CHANDLER. The gentleman is correct.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield.

Mr. CELLER. What the gentleman from New York [Mr. WADSWORTH] just said is very worth while taking into consideration; namely, it may be the outgrowth of these incorporations. I hope the Members of the House will refrain from offering bills providing for incorporation by Congress. We have a statute in the District of Columbia which can answer all purposes if anyone wants to form a national corporation. Twenty or thirty such bills are now pending before the Committee on the Judiciary. Most of the members of the Judiciary Committee have indicated their opposition to these bills, because once we open the door we would have to open it wide, and we will have a plethora of these applications. That would be most disastrous.

Mr. MICHENER. Mr. Speaker, reserving the right to object, I hope the acting chairman of the Committee on the Judiciary means what he says, and I hope that his courage will stay with him in the next Congress, because our committee has been reporting these bills favorably. I for one believe that the committee should adopt the policy which the Judiciary Committee did years ago, and which policy was adopted by the Senate committee, and was that we would report out no more Federal corporations unless the corporation was necessary for the functioning of the Government. Until we do that we are going to have a lot of trouble. These corporations want Federal charters for the prestige it gives. And then there is no agency of visitation. After a charter is granted the corporation can do about anything it desires, with no supervision or check-up.

Mr. CHANDLER. These veteran organizations, of course, were incorporated years ago. I agree with the gentleman from Michigan and have taken the same position he has taken on the Federal incorporation of institutions of one kind and another which could and should be incorporated under the laws of the various States or the District of Columbia. That is beside the question before us at the moment. I ask for concurrence in the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. CHANDLER]?

Mr. SHANNON. Mr. Speaker, I object.

The SPEAKER. Does the Chair understand that the gentleman from Missouri [Mr. Shannon] objects to the request of the gentleman from Tennessee [Mr. Chandler]?

Mr. SHANNON. Mr. Speaker, I object because the longer we stay here the more we have to come back to Washington for law enforcement. Let these people incorporate in their respective States. It is a movement in a direction we have been fighting for centuries. Yesterday we went after the gambling problem on the ocean. This is a bad bill, and I object.

The SPEAKER. The gentleman from Missouri [Mr. Shannon] objects to the request of the gentleman from Tennessee [Mr. Changler].

REFUND OR CREDIT OF INTERNAL REVENUE TAX PAID ON SPIRITS

LOST BY FLOODS OF 1936 AND 1937

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1648) to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations, with a Senate amendment thereto and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 3, after line 2, insert:

"Sec. 2. No tax shall be collected under title VIII or IX of the Social Security Act or under the Federal Insurance Contributions Act or the Federal Unemployment Tax Act, with respect to services rendered prior to January 1, 1940, in the employ of the owner or tenant of land, in salvaging timber on such land or clearing such land of brush and other debris left by a hurricane; and any such tax heretofore collected (including penalty and interest with respect thereto, if any), shall be refunded in accordance with the provisions of law applicable in the case of erroneous or illegal collection of the tax. No interest shall be allowed or paid on the amount of any such refund. No payment shall be made under title II of the Social Security Act with respect to such services rendered prior to January 1, 1940."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. Doughton]?

Mr. RICH. Mr. Speaker, reserving the right to object, is this the same bill we passed the other day having to do with spirits damaged in the recent floods?

Mr. DOUGHTON. That is right.

Mr. RICH. What is the idea of bringing it back today?

Mr. DOUGHTON. There is a Senate amendment and I have asked to take the bill from the Speaker's desk, with the Senate amendment, and concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. Doughton]?

There was no objection.

The Senate amendment was concurred in and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial on Argentine beef that appeared in a California newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming [Mr. Horron]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Treadway] may be permitted to extend his own remarks in the Record and to include quotations from the views of the minority members of the Ways and Means Committee relative to tax and trade treaty legislation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Martin]?

There was no objection.

ECONOMY IN GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Rich]?

There was no objection.

Mr. RICH. Mr. Speaker, I call attention during the last minutes of this session of the Congress to the fact the Government is going in the red. We have gone in the red to the extent of \$9,000 a minute since the 1st of July. I realize that the House has become economy minded during the last few days, and I want to congratulate the Members for their first real efforts to save the country from financial ruin of this New Deal administration.

Mr. Speaker, to you and to the majority leader and to the minority leader, may I say that you are all fine fellows, and I make the same statement with reference to every other Member of the House. [Applause.] I appreciate the things you will try to do from now on in being more economical in Government spending, and I hope you will take the advice that I have given you in being economical so that in the future we may save this country. I believe you will do it. I wish for each and every one of you a very, very happy vacation, and I hope that you will all come back here next January ready for whatever duties may be assigned to you, with a determination to do those things that are best for America and for our people, that we maintain our form of government, our liberty, and our happiness.

Mr. GEYER of California. Will the gentleman yield? Mr. RICH. I yield to the gentleman from California.

Mr. GEYER of California. The gentleman forgot the "Merry Christmas" part of it.

Mr. RICH. Yes; I wish you all a merry Christmas, for it will be here and gone before we open again for business the first of the new year, 1940.

[Here the gavel fell.]

TRIBUTE TO THE LATE ROYAL C. JOHNSON

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. Dirksen]?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, during the debate on the neutrality bill in the Seventy-sixth Congress I heard the sentiment uttered on this floor that in the event of war those Members who voted for a declaration of war should be compelled to accept active service in the Military Establishment of the Nation. The proposal may appear most unusual. It might be even more unusual if Members of Congress resigned or voluntarily absented themselves from their legislative duties to serve in war. There have been such Members. Yesterday one of them was committed to the dust from whence he came. He was Royal C. Johnson, of South Dakota.

He was a man. On the broad prairies of South Dakota he was nurtured to ruggedness of mind, body, and spirit and retained that ruggedness throughout life.

In 1915, when he was but 33 years of age, the people of South Dakota elected him to Congress. Came the war. To Speaker Champ Clark he tendered his resignation that he might serve his country in uniform and that tender was refused. Unselfishly and with that kind of rugged fealty which Nature had builded into his spirit, he absented himself from these Halls and enlisted as a private. Here, then, we see a display of loyalty and unselfishness which marked him as one of Nature's noblemen. He served as a private, as a sergeant, and as a first lieutenant of infantry. He asked no more for himself than he would ask for the men in his command, sharing their joys and triumphs, their sorrows and dangers alike. At Mont Faucon he was wounded. There, under fire, he displayed that heroism and courage that marked his character in peace and in war. A grateful nation awarded him the Distinguished Service Cross and the French Republic bestowed upon him the Croix de Guerre with gold star.

When his bit for democracy had been done, he returned and was reelected to the Seventieth Congress. An unusual man, with unusual attributes. Yes; Royal Johnson was unusual. He was an unusual man, an unusual soldier, an unusual Congressman. He has joined his comrades in the bivouac of the dead.

Mr. SABATH. Mr. Speaker, I was very much pleased to hear my colleague the gentleman from Illinois [Mr. Dirksen] pay a merited tribute to the worth and work of a deceased former Member with whom I had the pleasure of serving for many years and with whom I came in contact frequently after he returned from combatant military service abroad, he having resigned his seat in this honorable body to serve his country after voting against a declaration of war against Germany—Royal C. Johnson.

Mr. Johnson, a Republican, was courageous; he was honest; he was able and diligent, and he served his country and his people well upon battlefields and in legislative halls. His important achievements, most of which were nonpartisan, are his greatest assurance of perpetuity of grateful remembrance.

He rests from his labors. We grudge him not his rest. His beneficial works do follow him.

[Here the gavel fell.]

HOME OWNERS' LOAN CORPORATION

Mr. STEAGALL. Mr. Speaker, due to an inadvertence on yesterday, for which I cannot account, the bill (H. R. 6971) to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years was laid on the table. I ask unanimous consent that the proceedings by which this was done be vacated and that the bill be restored to the calendar in its proper place.

Mr. WOLCOTT. Reserving the right to object, Mr.

Speaker, may I ask what this request is?

The SPEAKER. It appears that, by some inadvertence, upon the suggestion of the Chair the wrong bill was laid upon the table. The gentleman from Alabama is asking unanimous consent that the proceedings by which that was done be vacated and the bill be restored to the calendar. Is there objection?

There was no objection.

AMENDMENTS TO S. 1802

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks briefly at this point in the Record on legislation passed yesterday.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I should like to have the RECORD show that the amendments which I offered yesterday to S. 1802 were offered only because that was necessary in order to obtain passage of the bill at this time. The bill as it came to us from the other body was the same as my bill (H. R. 6613), which had been favorably reported by the House committee, and naturally I would like to have had it approved without dropping any part of it. The gentleman from New York [Mr. TABER], however, advised me during the session yesterday that he could not consent to the section and clause in the bill that suggested agreements for the transfer of funds from one department to another. He pointed out that he has consistently taken that position on other legislation as is well known in the House. His position was supported by the gentleman from Pennsylvania [Mr. RICH]. We discussed the matter at considerable length. I pointed out the relative minor importance of this item in this particular bill, and the importance of securing action at this session. They felt, however, that their often-stated position on this matter prevented their permitting the legislation to go through by unanimous consent, which, of course, was the only method by which it could pass before Congress adjourns. Passage at this session is the only method by which estimates for Great Plains projects could be considered by the supply committees next winter. Otherwise they would go out on a point of order. In view of the great importance, then, of having the bill passed at this session I consulted with the gentleman from Montana [Mr. O'Connor], who was calling up the bill, and with others interested, and the amendments were agreed upon in order to secure the main objectives of the bill. The measure is of great importance to the people in our region, and the consideration of the Congress in approving it at this time is appreciated.

ILLINOIS' SHARE OF THE NATION'S DEET

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the Record and include therein certain figures I have prepared myself.

Mr. SABATH. Reserving the right to object, Mr. Speaker, what is the request of the gentleman from Illinois?

Mr. CHURCH. I will be glad to show this data to the gentleman. It is tabulations relating to certain counties of Illinois.

Mr. SABATH. I will not object, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, if the farmers of the State of Illinois sold their farms and the improvements on them for the 1938 tax value, the total sale price would pay less than half of Illinois' share of the national debt.

Indeed, if all of the farm lands and improvements in the State of Illinois were sold for double the 1938 tax value, the money received would still not quite pay Illinois' share of the national debt. An additional \$61,739,000 would have to be raised. The total 1938 tax value of Illinois' farm lands is \$1,225,823,351. The Illinois share of the national debt is \$2,513,384,814. These are the facts which my study reveals from tax figures published by the Illinois Tax Commission, and population figures from the United States Census Bureau.

The per capita share of the national debt for each individual in the Nation is \$329.38. The population of Illinois under the latest census is 7,630,654. To realize the extent of the debt that the citizens of Illinois carry I have allocated that debt by counties. It reveals some astonishing facts.

Cook County itself offers a fair example. Cook County's share of the national debt is \$1,311,631,673. All of the property—farm and urban—in Cook County is valued for tax purposes at but \$1,699,245,030.

Other counties are not so well off when viewed in the light of these figures. They owe their shirts, so to speak, in

an invisible mortgage—the Federal debt.

An outstanding example is Franklin County. This county is well populated, having 59,442 souls within its borders. Its share of the national debt, therefore, is \$19,579,005. But, we find that, for tax purposes in 1938, the value of every bit of property—improvements and all—in the county was but \$8,514,305. This means that the property owners of Franklin County would have to sell their holdings at three times the tax valuation to be able to pay their share of the national debt and still make a profit.

Other counties with a towering share of the debt to consider are Hamilton, Jackson, Jefferson, Johnson, Massac, Pope, White, and Williamson. All would fare badly unless the sale price they got were two or three times the tax evaluation.

The 1938 tax value of all of the urban property and improvements in Illinois was just approximately equal to the State's share of the national debt. The property, on tax records, is worth \$2,496,777,481—just short of the previously quoted national-debt figure.

Why, if every single piece of property in our State, farm and urban, improvements and all, were sold for twice the 1938 tax value—and that is surely a reasonable assumption for a reasonable deal—nearly 35 percent of that enormous total would have to be paid over to the Federal Government to settle Illinois' share of the national debt.

That is Federal Government spending of State funds with a vengeance. Is it any wonder then that the House of Representatives revolted at the thought of still another spending spree by the Federal Government?

What it amounts to for the State is that the New Deal has placed a 35-percent mortgage on all of the property in Illinois. We and our children will have to lift that mortgage. We can only pray that the loose spenders have at last been ousted from our temples and that we can keep them out.

Illinois' share of the national debt

Counties	Popula- tion (latest census)'	1938 tax value of all real es- tate 2	County share of national debt ³	Percentage of real-es- tate value
Adams	62, 784	\$43, 430, 040	\$20, 679, 793. 92	4
Alexander	22, 542 14, 406	8, 306, 765	7, 424, 883, 96	8
BondBoone	15, 078	7, 895, 605 13, 983, 488	4, 745, 048, 28 4, 966, 391, 64	6 3
Brown.	7,892	5, 825, 780	2, 599, 466. 96	4
Bureau	38, 845 8, 034	20, 482, 135 4, 750, 720	12, 794, 766. 10 2, 646, 238. 92	6 5
Carroll	18, 433	13, 478, 775	6, 071, 461, 54	4
Cass	16, 537 64, 273	10, 998, 890 43, 673, 760	5, 446, 957. 06 21, 170, 240. 74	5
Christian	37, 538	25, 072, 005	12, 364, 266. 44	4
Clark	17, 872 16, 155	6, 684, 715 5, 817, 500	5, 886, 679, 36	8
Clinton	21, 369	10, 979, 695	5, 321, 133, 90 7, 038, 521, 22	6
Coles	37, 315 3, 982, 123	16, 277, 040 1, 699, 245, 030	12, 290, 814. 70	other TE 3
Cook Crawford Cumberland	21, 085	7, 846, 905	1, 311, 631, 673. 74 6, 944, 977. 30	2 2 8
Cumberland	10, 419 32, 644		3, 431, 810. 22 10, 752, 280. 72 6, 125, 809. 24	10
De Kalb De Witt	18, 598	13, 253, 770	6, 125, 809, 24	
Douglas	18, 598 17, 914 91, 998 24, 966	14, 334, 990	5, 900, 513. 32	mt none
Du Page Edgar	91, 998	52, 382, 745 16, 572, 809	8 223 301 08	PORT I
Edwards	8, 303	3, 548, 650	2, 734, 842, 14	m Alaba
Effingham	19,013	12, 024, 535	6, 262, 501, 94	
FayetteFord	15, 489	14, 620, 185	5, 101, 766, 82	- CHILD
Franklin	59, 442	3, 244, 377 28, 334, 150 13, 253, 770 14, 334, 990 52, 382, 745 16, 572, 809 3, 548, 650 12, 024, 535 8, 246, 270 14, 620, 185 8, 514, 305 26, 630, 570	5, 600, 513, 32 30, 302, 301, 24 8, 223, 301, 08 2, 734, 842, 14 6, 262, 501, 94 7, 738, 148, 06 5, 101, 766, 82 19, 579, 005, 96 14, 487, 120, 54 3, 323, 773, 58 6, 724, 951, 46 6, 152, 159, 64 4, 280, 293, 10 8, 702, 219, 60 2, 290, 837, 90 2, 831, 297, 64 14, 443, 642, 38 10, 840, 883, 94 11, 762, 278, 40 11, 762, 278, 50 11, 221, 978, 92 11, 355, 695, 28	2
FultonGallatin		26, 630, 570 3, 472, 522	3, 323, 773, 58	
Greene	20, 417	26, 630, 570 3, 472, 522 12, 215, 900 13, 011, 280 2, 768, 340 21, 742, 599 2, 281, 128 8, 818, 208 35, 965, 610 32, 835, 716 8, 448, 241 4, 672, 035 8, 023, 655 7, 885, 965	6, 724, 951. 46	S EYE
Grundy	18, 678	13, 011, 280	6, 152, 159. 64	
Hamilton	26, 420	21, 742, 599	8, 702, 219, 60	1
Hardin	6, 955	2, 281, 128	2, 290, 837. 90	10
Henderson	8, 778 43, 851	8, 818, 208 35, 965, 610	2, 891, 297. 64 14, 443, 642, 38	E HITTO
Henry Iroquois Iroquois	32, 913	32, 835, 716	10, 840, 883, 94	VALUE OF
Jackson Jasper	35, 680 12, 809	8, 448, 241	11, 752, 278. 40	I
Jefferson	31,034	8, 023, 655	10, 221, 978, 92	1
Jersey	12, 556 20, 235	7, 885, 965 13, 925, 870	4, 135, 695, 28	3 4 4 9
Jo Daviess	10, 203	2, 482, 629	6, 665, 004. 30 3, 360, 664. 14	1
Kane	125, 237	2, 482, 629 63, 539, 604	41, 250, 563. 06	10000
Kankakee Kendall	50, 095 10, 555	23, 104, 285 10, 211, 780	16, 500, 291. 10 3, 476, 605. 90	
Knox.	51, 336	41, 564, 095	16, 909, 051, 68	
Lake	104, 387	66, 744, 175 61, 979, 455	34, 382, 990. 06	
La Salle Lawrence	97, 695 21, 885	6, 380, 945	32, 178, 779. 10 7, 208, 481. 30	1
		26, 381, 335	10, 648, 526, 02	1
Livingston Logan Macon	39, 092 28, 863	33, 310, 350 26, 729, 480	12, 876, 122, 96 9, 506, 894, 94	
Macon	81, 731 48, 703	45, 352, 060	26, 920, 556. 78	101111
Macoupin Madison	143, 830	15, 436, 258 54, 430, 155	16, 041, 794. 14 47, 374, 725, 40	1
Marion	35, 635	54, 430, 155 12, 354, 805	11, 737, 456, 30	THE STREET
Marshall Mason	13,023	11, 539, 475	4, 289, 515, 74	HALL RA
Maccan	14 081	3, 886, 275	4, 637, 999, 78	i
McDonough McHenry McLean	27, 329 35, 079	20, 181, 329	9,001,626.02	The state of
McLean	73, 117	51, 804, 210	24, 083, 277, 46	DE USCA
Menar	10,575	10, 867, 165	3, 483, 193. 50	
Mercer Monroe	16, 641 12, 369	12, 304, 805 11, 539, 475 13, 284, 580 3, 886, 275 20, 181, 329 27, 676, 205 51, 804, 210 10, 867, 165 14, 547, 475 10, 251, 180 15, 951, 224	16, 041, 794, 14 47, 374, 725, 40 11, 737, 456, 30 4, 289, 515, 74 4, 978, 578, 70 4, 637, 999, 78 9, 001, 626, 02 11, 554, 321, 02 24, 083, 277, 46 3, 483, 193, 50 5, 481, 212, 58 4, 074, 101, 22 11, 619, 887, 64	SISTER S
Montgomery	35, 278		11, 619, 867. 64	1 100
Morgan	35, 278 34, 240	25, 625, 045	11, 619, 867, 64 11, 277, 971, 20 4, 363, 296, 86	THE REAL PROPERTY.
Moultrie	13, 247 28, 118	10, 691, 860 24, 362, 870	9, 261, 506, 84	
Perry	28, 118 141, 344 22, 767 15, 588 24, 357 7, 996	24, 362, 870 79, 875, 450 10, 493, 135- 15, 357, 390 9, 327, 175 1, 874, 595	9, 261, 506, 84 46, 555, 886, 72 7, 498, 994, 46 5, 134, 375, 44 8, 022, 708, 66 2, 633, 722, 48	THE RESERVE
Perry	22, 767 15, 588	10, 493, 135	7, 498, 994. 46 5 134 375 44	
Piatt Pike Pope Pulaski	24, 357	9, 327, 175	8, 022, 708. 66	
Pope	7, 996	1, 874, 595 4, 420, 080	2, 633, 722. 48 4, 886, 022. 92	1
I Heliam	0, 200	3, 516, 390	1 724 304 30	1
Randolph	29, 313	3, 516, 390 11, 547, 090 6, 233, 965	9, 655, 115, 94	0 1018
Richland Rock Island	14,053 98,191 37,100 111,733	40, 000, 000	9, 655, 115, 94 4, 628, 777, 14 32, 342, 151, 58 12, 219, 998, 00	WILL III
Saline	37, 100	6, 452, 570 65, 169, 255	12, 219, 998. 00	i
Sangamon	111, 733	65, 169, 255 7, 027, 844	36, 802, 615. 54 3, 845, 840. 88	William .
Scott	8, 539	6, 761, 415 15, 567, 334	2, 812, 575. 82	102 DT 2
Shelby	25, 471	15, 567, 334 10, 002, 630	8, 389, 637, 98 3, 025, 025, 92	
StarkSt. Clair	9, 184 157, 775			
Stephenson	40,064	27, 714, 380	13, 196, 280, 32	
Tazewell Union	46, 082 19, 883	6, 044, 971	15, 178, 489, 16 6, 549, 062, 54	1
Vermillion	19, 883 89, 339 13, 197 21, 745 16, 286	65, 299, 045 27, 714, 380 30, 881, 880 6, 044, 971 43, 451, 951 5, 309, 505 17, 265, 870 9, 895, 875	29, 426, 479, 82	
Wabash	21, 745	17, 265, 870	4, 346, 827. 86 7, 162, 368. 10 5, 364, 282. 68	A LONG
Washington	16, 286	9, 895, 875	5, 364, 282, 68	

Illinois' share of the national debt-Continued

Countles	Popula- tion (latest census)	1938 tax value of all real es- tate	County share of national debt	Percentage of real-es- tate value	
Wayne White Whiteside Will Williamson Winnebago Woodford	19, 130 18, 149 39, 019 110, 732 53, 880 117, 373 18, 792	\$6, 470, 984 4, 186, 135 26, 384, 519 47, 365, 127 10, 294, 310 53, 518, 825 17, 029, 430	\$6, 301, 039, 40 5, 977, 917, 62 12, 852, 078, 22 36, 472, 906, 16 17, 746, 994, 40 38, 660, 318, 74 6, 189, 708, 96	97 143 49 77 172 72 36	
Total for State	7, 630, 654	3, 722, 600, 832	2, 513, 384, 814. 52		

Computed by multiplying the per capita gross national debt (\$329.38) by population of each county.

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects, and to include therein an editorial from the Wheeling Intelligencer and an article from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CLOSED SHOP APPLIED TO CONGRESSIONAL COMMITTEES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, for more than 2 years, and until the Supreme Court declared the sit-down strikes illegal, on this floor, and wherever opportunity offered, it has been my privilege to condemn the sit-down strikes. During the same period duty and conscience forced a like condemnation of the coercion, intimidation, and violence through which John L. Lewis and his C. I. O., aided by the Communists, have endeavored to establish the power of Lewis to compel every employer to hire only members of the C. I. O.; to force every worker to join that organization and pay tribute to it or to lose his job, or to be denied a job if opportunity offered.

Either because of campaign contributions, which, from the United Mine Workers amounted to more than \$470,000 and from similar organizations to more than \$1,700,000, or for political or other reasons the administration, through the activities of the Senate Civil Liberties Committee, has backed Lewis in his war against employers in his attempt to establish a dictatorship over all labor.

At the last session of Congress when legislation in which he was interested was pending, Lewis invaded the Speaker's private office and from it conducted his lobbying activities.

Yesterday the administration made two payments on the political debt which it owed Lewis for his campaign contributions. In the Senate it gave the La Follette so-called Civil Liberties Committee, whose reports show a vicious persecution of employers, are of invaluable aid to Lewis in his organizing campaign against employers and workers, another \$50,000it has already had more than \$100,000-to smear farmers organizing in California.

In the House Lewis and the C. I. O. decreed that I should be barred from membership on the committee charged with investigating the activities of the N. L. R. B., although Republicans are entitled to two members on that committee. It has been my duty and privilege on many occasions to bring to the attention of the House facts showing the prejudice and the bias of the N. L. R. B. and the need for amendment of the Wagner law.

Such action in the interest of the C. I. O. on the part of the New Dealers, is recognition at least of whatever small part I may have played in voicing on the floor of Congress those self-evident truths which have been recognized by 80 percent of our people as being vitally necessary to be observed if our liberty is to be preserved.

If my days be prolonged to the next session of Congress, attention will again be directed to the necessity of amending the N. L. R. A.; of curbing the activities of the Senate Civil Liberties Committee; of deflating John L. Lewis; of exposing

Census of 1930: U. S. Bureau of the Census.
Illinois State Tax Commission.
Gross national debt as of June 30, 1939: Daily Treasury Statement.

the true force behind the C. I. O., and of compelling it to give an accounting of the millions which it has collected from the men who toil.

Permit me to thank you for your kindly consideration, for the good will which so many have shown, and to wish you all, health, happiness, and prosperity, until we meet again in January of 1940.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. Hall, Mr. Bolles, Mr. Mundt, and Mr. Miller asked and were given permission to extend their own remarks in the RECORD

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD by inserting therein a letter and an article regarding the bill I have introduced known as H. R. 6827.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

WORKS PROGRESS ADMINISTRATION

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and include therein a resolution of the Village Council of the village of Gilbert, Minn.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, during this session of Congress one of the big problems has been the relief problem. On February 4, Public Resolution No. 1 became a law. That was a relief measure. It was a measure appropriating money to be expended for the benefit of the unemployed of this country, and for the W. P. A.

Under date of June 30, 1939, the relief program was adopted for the year ending July 1, 1940. That is a measure by which the Congress appropriates money for additional work and relief for the unemployed. It has many features. provides for the National Youth Administration, and lays down for W. P. A. new rules and regulations which were adopted under the direction of the administration leadership of this House. I believe some changes ought to be made in this law. I believe that greater latitude ought to be given to the Work Projects Administrator in the administration of the law. I believe it is going to be one of the mistakes of the administration leaders in this Congress if some of the necessary changes are not brought about.

It is a significant fact, Mr. Speaker, that after 6 years of experiment we have more unemployment in this country than ever before, and during all this time the Congress of the United States at the request of the administration has been appropriating money for relief and for unemployment purposes. I have supported these unemployment relief measures, and have supported efforts to increase the amount of the appropriations. I think adequate funds should be provided for work projects until private industry can furnish additional jobs. Now, what is the history of the present law under which W. P. A. operates? Briefly, it is correct to say that the present administration has sufficient votes to write the laws it wants.

So, Mr. Speaker, on June 30, 1939, President Roosevelt approved this work-relief bill for the fiscal year ending June 30, 1940. This new law is known as Public Resolution No. 24.

Col. F. C. Harrington, the Works Progress Administrator and the representative of President Roosevelt, appeared before the House Appropriations Committee and recommended certain changes in the W. P. A. law. One of those changes had to do with the number of hours per month which W. P. A. employees are required to work. With the recommendation of Colonel Harrington, Congressman Woodrum of Virginia LXXXIV-706

and administration leaders had the proviso written into the new legislation so that W. P. A. employees work 130 hours per month without additional compensation. In other words, the prevailing wage scale was abandoned and a new wage scale adopted.

This new legislation also contained the requirement that W. P. A. employees who have worked 18 continuous months are to be given a 30-day furlough and other people to take their places. There are also other changes in this legislation, all of which met with the approval of the administration.

Since the passage of this act I have received a great amount of correspondence protesting against these features which I have just described and suggesting that the prevailing wage standard be restored and also that the 30-day furlough proviso be eliminated from the law.

Numerous municipalities and organizations have expressed their views to me. I set forth the following resolution adopted by the village of Gilbert, from my district, and transmitted by the village clerk, Frank J. Indihar.

The resolution reads:

Whereas the hours of labor under W. P. A. have been lengthened by Congress, resulting in a smaller compensation per hour for W. P. A. employees, which force W. P. A. labor compensation per hour to a smaller rate than private industry pays; and Whereas Congress has provided that all relief workers, excepting veterans, who have been continuously employed for more than 18 months, shall be removed from employment for at least 30 days and until recertified for restoration to employment; and Whereas the above provisions of the Federal law are deemed inexpedient and unfair, and will result in much suffering in many cases: Now, therefore, be it

Resolved by the village council of the village of Gilbert, Minn., That a protest be sent to the Minnesota Senators, Congressman PITTENGER, and Governor Stassen, requesting them to exert their influence to repeal such legislation.

> MIKE KOHLER, President of the Village of Gilbert.

Attest:

Frank J. Indihar, Clerk of the Village of Gilbert.

Upon motion made by Clerk Indihar, supported by Trustee Schweiger, the foregoing village resolution was passed and declared adopted this 12th day of July 1939, upon the following vote: Ayes, President Kohler, Trustees Schweiger, Kraker, and Potocnik, and Clerk Indihar; nays, none.

I could call the attention of the House of Representatives to many other resolutions of similar character from other sections of the district. All of them indicate that a change in the law is desired and that there should be more authority given to the Administrator in handling relief-work programs so as to avoid hardships. I believe in the prevailing wage standard, and it is my opinion that before Congress adjourns we should give attention to the section of the act which abolishes the prevailing wage standard. That prevailing wage standard should be restored.

It is my opinion that the administration did not fully realize the hardships that would result from the 30-day furloughs, and I believe the law regarding those furloughs should be changed so that the W. P. A. administrators would have authority to waive that requirement in connection with cases entitled to such consideration. I do not believe Congress should adjourn until these matters are taken care of, and if the House leaders give an opportunity it is my purpose to support such legislation at this time.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to speak for 1 minute and to revise and extend my

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, action by the Commissioners for the District of Columbia in refusing to sustain rulings and regulations laid down by the Alcoholic Beverage Control Board is creating a distasteful and unfortunate situation, and unless this is remedied I can foresee a general break-down in the enforcement of the liquor-control act and many changes in the law before the end of the next session of Congress.

I have no desire to impose upon the time of the House today but I believe the situation, for which I feel the District

Commissioners are responsible, is of sufficient importance to justify the brief period I have requested.

Refusal by the Commissioners to uphold rulings of the A. B. C. Board is creating a feeling of contempt on the part of the dealers for any regulations the Board may make and as a result little care is being taken to ascertain the ages of purchasers, and sales are being made to intoxicated persons.

Two cases in which the District Commissioners refused to sustain the suspension of licenses of violators of the Alcoholic Beverage Control Act have been called to my attention and I have in my possession transcripts of the hearings in both of these cases. The first case is one in which the permit of a holder of a class C license was revoked for selling alcoholic beverages to an intoxicated 15-year-old girl. The decision in this case was changed by the District Commissioners to a suspension of 4 months, despite the fact that the report of the Commissioners stated that the A. B. C. Board was fully justified in the decision it had rendered.

The second case was that of a class A license holder whose permit was suspended for 60 days for selling liquor to an intoxicated minor. This decision was changed to a 5-day suspension, despite the fact that the report of the Commissioners stated that the action of the Board had been "fully justified."

Mr. Speaker, I have a high regard for the members of the Alcoholic Beverage Control Board in the District of Columbia. The three members of that Board are conscientious and are cooperating with each other in an effort to do a good job, so far as the enforcement of the Liquor Control Act is concerned. It is my belief that this Board should have the support and cooperation of the District Commissioners, but it is apparent that their efforts to do a good job are now being hamstrung.

My purpose in making this statement today is to serve notice on the Commissioners of the District of Columbia that unless the efforts and decisions of the Alcoholic Beverage Control Board are sustained, steps will be taken by Congress during the next session to take from the Commissioners the power to review the Board's decisions. In my opinion, these decisions should be reviewed by the courts.

I might add that efforts must be made to abolish the use of glaring electric signs, cut-rate advertising, and other methods of inducing citizens to purchase liquor. Glaring electric signs to advertise liquor in front of stores and restaurants and the advertising of cut-rate prices in newspapers is against public policy and should be stopped, and unless license holders themselves correct this situation, I predict that the District of Columbia will see Government-operated stores before many months. The licensees of the District will have only themselves to blame if Government-controlled stores materialize. I trust when the Congress returns next January we will see the present situation remedied.

THE NATIONAL DEBT AND THE PRODUCTION OF WEALTH

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, a nation or a person can only overcome debt by increasing the production of wealth, and in the case of a nation by bringing about an increase in values of property or commodities.

The main and underlying purpose of the lending and housing bills, which the House recently turned down, was to increase the demand for goods and services in the country by increasing the volume of money in circulation so people would go back to work and recovery be stimulated; but this Congress turned down both of those measures and, in addition, provided for the laying off of 1,000,000 W. P. A. workers. This, I fear, may lead to another recession, and certainly it is going to cause severe hardship on many, many people. But this Congress also defeated an attempt to deprive the President of his power to issue \$3,000,000,000

currency, if he deemed it necessary. These powers were given the President to be used in just such an emergency as the recent action of Congress may lead to. I hope that the President will utilize this power in order to issue this debt-free money, to put it in circulation, to stimulate employment and recovery. I hope this may be the first step toward an honest, constitutional monetary system.

Mr. STEAGALL. Mr. Speaker, will the gentleman yield? Mr. VOORHIS of California. I am happy to yield to the distinguished chairman of the Banking and Currency Committee.

Mr. STEAGALL. I want to ask the gentleman if he is not slightly in error in using the word "defeated"? Those measures were postponed.

Mr. VOORHIS of California. I thank the gentleman. I should have said that the House had refused consideration for the time being of these meritorious measures, and I am convinced that had the gentleman from Alabama had 5 more minutes to address the House when we were considering the rule for the housing bill it would not only have been considered, but the bill would have been passed on that occasion. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may address the House for 1 minute, and I ask unanimous consent that my remarks may follow the remarks of my colleague, the gentleman from Illinois [Mr. DIRKSEN].

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record in connection with the National Resources Committee report having to do with the rehabilitation problem in Minnesota, Wisconsin, and Michigan, and to include in my extension a communication or resolution from Eveleth, Minn.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to include in the Appendix a letter from Hon. E. E. Browne and a report of the Wisconsin W. P. A. on conservation work in Wisconsin as submitted by the Honorable E. E. Browne, who, for 18 years, was a Member of this body.

I may say, Mr. Speaker, that this is a little over the $2\frac{1}{2}$ -page limitation, and I ask unanimous consent that it may be included notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WORK PROJECTS ADMINISTRATION EMPLOYMENT

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I shall take a very short time to call attention to an error which we made when we passed the relief bill, especially one that I am sure is going to plague every one of us when we get home. I refer to the provision that compels a 30-day compulsory lay-off, regardless of the need of the people. I am just commencing to find that out. I opposed that provision, and I also opposed the emasculation of the prevailing wage-rate provision. I hope that we can restore both of these, but the former provision could be restored very easily by a simple joint resolution.

We are about to adjourn the first session of the Seventy-sixth Congress. In looking back over the past 7 months of the session I do not feel very proud of our accomplishments. We have authorized expenditures of more money than any previous Congress, but that increase is not for those unfortunates unable to find a private job.

There is altogether too much stress laid on the fact that war is imminent and that we must be prepared. I agree that other parts of the world are in a turmoil and that actual war has been and is now in progress across the sea, but I cannot see why we must get hysterical about that in this country if we remain neutral and treat them all alike and show no special favors to any of them. I really cannot see how any nation, or combination of them, can possibly even think of attacking us in the near future. They have their hands full at home and are bankrupting themselves to prepare to either attack or be attacked by one of their neighbors.

I honestly feel that we should devote much more of our time to solving our own internal problem, because I feel that to be decidedly much more important. We have passed several bills aimed at suppressing subversive influence and aimed at preventing the spread of communism and other isms. I do not believe that any country has ever successfully legislated loyalty into their people. I know that it would be difficult to convert very many Americans to communism if there were plenty of jobs available which would provide an American standard of living. But under present conditions it is very easy to gain such converts to un-American organizations when thousands are being dispossessed of their homes and when they see their families in need and want through no fault of their own.

I believe that it would be a better policy for Congress to turn its attention away from the war-crazy nations and divert part of the huge sums of extra war preparation appropriations that we made this year toward saving cherished homes and assisting in providing a means of livelihood for the millions of destitute American citizens. Most of these foreign isms will become insignificant and starve for lack of support when we can assure gainful jobs to the millions now on W. P. A., and security for the farmer and homeowner.

I am afraid that we made a terrible mistake by writing into law the compulsory 30-day lay-off after being on W. P. A. for 18 months or more. There are thousands in my district who absolutely have had no possible chance of finding private employment during the last several years. A great many of those who must be laid off now are heads of families with several children. The pay in my rural district is around

\$40 per month.

Does any one of us believe that a man with a family to support could have laid up money so that he could take at least a 60-day payless vacation? I say at least 60 days because if and when they are again certified as being in need after the 30-day period they will have to wait until there is an opening, and in many cases it may be even longer than 60 days. Why, for the sake of humanity, we did not retain the amendment that the House adopted which would have exempt the heads of families and those over 45 years of age is hard to understand. That should absolutely be corrected by a simple resolution before we adjourn. The Administrator has no alternative; he must enforce it; but we can remedy that unfair provision in a few minutes if the majority want to do it. I was opposed to this, as well as the prevailing-wage elimination, and voted to change them both. I voted for a much larger appropriation, which I feel certain will have to be made in January. But, for the sake of humanity, let us at least allow the heads of families to continue on W. P. A. and let us reinstate the prevailing-wage provision before we adjourn.

I wish to read only one letter, which is similar to dozens I have thus far received, which shows how unfair we have been. I have a number of letters from widows who support from two to six children by being employed on sewing projects and earning less than \$40 per month. They have received their 403's because they were on there 18 months. They will have to depend on local charity, and it will be difficult to put them on later, because the places will be filled, perhaps with single persons. The following is a sample of what we are doing to some of these unfortunate

people:

Dear Mr. Gehemann: I was given a 403 on the W. P. A. on the account of being on the job 18 months. Now it is going to be impossible for me to live and try and send my four children to

school without a job. I am a railroad laborer but didn't work any since July 31, 1937. There are six children in my family, besides myself and wife, and there isn't any work in this community to be had at all. I understand there was a clause to the bill that anybody with a large family would be put on again if it would cause any hardship. We will have to go on direct relief, as I have no way to make a living. With winter soon on us, it will be awful in these northern counties unless something is done about it.

Yours very truly.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 1 minute. The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I would like to point out to the gentleman that that provision was put in the bill by amendment at the time it passed the House, and that it was taken out in conference, even though the Senate bill contained a similar provision. That has always been hard for me to understand.

Mr. GEHRMANN. Yes; I have never been able to find out who really was responsible for that.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. GEHRMANN. Yes.

Mr. HEALEY. I call attention to the fact that many persons over 45 years of age are compelled to take this enforced vacation, and that these people are unable to find employment in private industry.

Mr. GEHRMANN. That is correct.

Mr. GEYER of California. Mr. Speaker, I agree 100 percent with what the gentleman has said. I have many letters in my files of a similar nature to the one that he quoted, and I believe this body will be called back in special session to right this injustice on these people, and I hope that does happen.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. GEHRMANN. Yes.

Mr. AUGUST H. ANDRESEN. Is it not true that Colonel Harrington recommended this change to the conferees?

Mr. GEHRMANN. Yes; that was stated by the committee.
Mr. AUGUST H. ANDRESEN. So that the responsibility
lies with the administration?

Mr. GEHRMANN. Yes. I had already stated that the bill had the provision in it as it passed the House and that it was taken out in conference, and I do not see why we do not rectify that terrible mistake before we adjourn.

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLER. Mr. Speaker, I call the attention of this House to a letter that has just been read by the gentleman from Wisconsin [Mr. GEHRMANN], and I say to you that there are 2,000,000 such letters in the making at the present time. This House did not do itself proud when it passed the W. P. A. appropriation. With the small appropriation asked for, the President expected that a very much larger appropriation would be made for lending and spending that would encourage business to provide direct employment for half a million men, at full pay and many more indirectly also at full pay. If that had been done, the present bill would have been largely sufficient to meet the demands. But when we turned down every other provision for work which the President had in mind when he permitted the small appropriation to be put forward for the W. P. A., it absolutely threw back into our laps the difficulty of the whole subject.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. KELLER. Yes.
Mr. HEALEY. I call the gentleman's attention to the fact that when the bill was before the House attempts were made to eliminate the provision; that is, the enforced vacation provision from the bill, and I ask the gentleman how many of the Republicans joined with the group that attempted to remove that?

Mr. KELLER. I think about 12 on that side.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KELLER. Yes; if the gentleman will get me another minute.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have an extra minute when his time expires.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLER. All right; shoot away with your question. Mr. RICH. If you had changed the Wagner Act and had brought in from the Committee on Labor changes that ought to have been brought here in the National Labor Relations Act, you would be putting people back to work in private industry, and you would not have to put them back on the W. P. A. or on the Government pay roll. That is where the Democrats fell down.

Mr. KELLER. I suggest that I do not know of a single employer of labor who has come forward and said that he would put anybody to work for the reason given by the gentleman from Pennsylvania [Mr. Rich]; that is, of a sufficient number to cut any figure in the large number of people unemployed in the United States today. In fact, the whole campaign of propaganda against the labor relations law and Board was not for the purpose of providing jobs, but for the purpose of destroying the National Labor Relations Act and taking away from the men who labor the right to organize and bargain collectively. And if my Republican friends or reactionary Democratic colleagues think the laboring men of America are not aware of that, they are heading for the surprise of their young lives. Because there can only be one result of the combined attack upon the National Labor Relations Act and the wage and hour law, and that is to completely consolidate the men and women who do the work in America against the men who have sought to nullify those laws. And take notice that in that consolidation of human interests previous party lines will be swept away and the workers will kick out of political life the men or women officials who have aided or abetted this conspiracy against these vital laws-vital to the economic, political, and spiritual rights of all the producers of wealth.

We are going to be compelled to come back here and put about a million more men to work, and do not forget it. You people who think you have been saving something will find you have been wasting something; that you have been wronging people of this country who are not in a position to help themselves. But they will find a way.

Mr. VOORHIS of California. Mr. Speaker, will the gen-

Mr. KELLER. I yield.

Mr. VOORHIS of California. In other words, the gentleman believes that the important matter from the standpoint of employment of labor is whether they have orders for their goods or not?

Mr. KELLER. Exactly. Unless you have ability to buy you cannot put men to work. The question of employment is the one great question before America today. Solve that and we solve all. Fail to solve that and we have solved nothing.

EXTENSION OF REMARKS

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection it is so ordered. There was no objection.

WORK PROJECTS ADMINISTRATION

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HEALEY. Mr. Speaker, I am not surprised that gentlemen rise on the floor at this time to read an appeal of the character just read by the gentleman from Wisconsin [Mr. Gehrmann]. I have received many similar letters. Most of the Members must have received these frantic appeals

from people who are receiving notices of dismissal from the W. P. A. To all who have received such notices it amounts to a tragedy, regardless of age, because they have satisfied all of the eligibility requirements that made it possible for them to be certified and placed on the W. P. A. and thus proved their need. There are many heads of families, young men and young widows, who sorely need this employment on W. P. A., but I think the saddest blow will fall on those persons over 45 years of age, who are receiving dismissal notices and who do not know where to turn for private employment. It must be a known fact to every Member that men and women over 45 years of age cannot find employment in private industry today.

When the bill passed the House an amendment was added which would eliminate these men and women of 45 years, heads of families, from this cruel, harsh, and inexorable rule of dismissal.

[Here the gavel fell.]

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HEALEY. That passed the House by a goodly number, as I recall, and it was kept in by the Senate, but the conferees took out that provision affecting people over 45 years of age. I do not know what those people are going to do. Certainly we know their difficulties. We must appreciate the fact that private industry has established the rule making it impossible for persons having reached the age of 45 years to successfully obtain employment. Now, I am told by the Administrator of W. P. A. that when those persons have been off the rolls for a month it does not necessarily mean that they can go back at the end of 30 days. They must be certified all over again, and their case will then be considered as a new case. So that it may be many months before they will be able to be restored to the W. P. A. rolls.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. KEEFE. Does the gentleman recall whether there was a separate record vote in the House on the question of striking out this 30-day provision?

Mr. HEALEY. Not a record vote, because we were in Committee, but the amendment was offered to strike out the provision and we had a viva voce vote and a standing vote on the amendment.

Mr. KEEFE. My recollection is that there was not, and I am asking the gentleman whether or not he voted to strike out that 30-day provision?

Mr. HEALEY. Oh, I will say that I voted for all amendments that would remove these oppressive restrictions from the bill, including an enthusiastic affirmative vote for the amendment offered to strike out the 30-day suspension.

Mr. KEEFE. I suggest that the gentleman read the RECORD.
Mr. HEALEY. I state to my colleague that I have read it,
and respectfully refer him to it.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. EBERHARTER. I agree 100 percent with everything the gentleman has said so far. I want to say that in my State almost every person who will be dismissed on account of this unjust and harsh provision will be the head of a family, and the children will be the ones to suffer.

Mr. HEALEY. I presume that perhaps it is too late to remedy this situation now, as I understand the Congress will adjourn this afternoon; but I know we can all expect to be sorely troubled by the predicament of these persons, and we will have presented on our front doorsteps when we arrive home the pitiful cases of thousands of persons who have received these dismissal notices.

[Here the gavel fell.]

MAINTENANCE AND OPERATION OF ADMINISTRATIVE OFFICE OF UNITED STATES COURTS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 381, to provide funds for the maintenance and operation of the administrative office of the United States courts for the fiscal year 1940.

The Clerk read the House joint resolution, as follows:

Resolved, etc., That the appropriations "Miscellaneous salaries, United States courts, 1940," and "Miscellaneous expenses, United States courts, 1940," are hereby made available to the Supreme Court of the United States in such amounts as may be determined necessary by said Court, not to exceed in the aggregate \$150,000, for the purpose of carrying out the provisions of the act entitled "An act to provide for the administration of the United States courts, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. MICHENER. As I understand, this appropriates no new money; it just transfers money from one fund to another in order that the new law may be complied with.

Mr. RAYBURN. That is all it does. No additional money is involved.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain excerpts from three issues of the Congressional Record.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on the question of Territorial jurisdiction of marginal areas and to include therein certain excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

30-DAY DISMISSALS FROM W. P. A.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I rise solely for the purpose of keeping the Record straight on the question of the 30-day dismissals. Two amendments were offered to strike out this provision—one by the gentleman from Illinois [Mr. McKeough] and the other by myself. Both these amendments were voted down by the reactionary coalition that has ruled this House since its very inception. I distinctly recall that the gentleman from Massachusetts [Mr. Healey] supported both amendments.

Before Congress closes, I cannot help but mention that on that black Friday, when Congress wrote these vicious provisions against the unemployed of our country, it wrote one of the blackest pages in the history of our country.

EXTENSION OF REMARKS

Mr. Murdock of Utah and Mr. Crawford asked and were given permission to extend their own remarks in the Record.

THE SPENDING-LENDING BILL

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HINSHAW. Mr. Speaker, in the nature of posthumous remarks upon the late spend-lend bill I want to take this oportunity to read a brief poem submitted by a constituent of Mrs. Mildred R. Meadows, of Glendale, Calif.:

The liberty I take—I hope will not offend.
I seek your aid in squelching that bill of "Spend and lend!"
I'm just a poor old taxpayer who feels she cannot meet
Another added burden—so please help us to defeat
The wild and crazy spending that has gone on so long,
For everyone I talk to thinks its time it got the gong!
I thank you, Mr. Hinshaw, I'm not as light-hearted as I sound.
Let's push that "spending orgy" from the dog house to the pound.

EXTENSION OF REMARKS

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Cincinnati Inquirer.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RECESSES MADE IN ORDER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that it may be in order during the remainder of this session of Congress for the Speaker to declare recesses subject to the call of the Chair.

The SPEAKER. The gentleman from Texas asks unanimous consent that for the remainder of the session of this Congress the Speaker be authorized to declare recesses subject to the call of the Chair.

Mr. MAPES. Mr. Speaker, reserving the right to object, for the information of the House will the majority leader state when he expects the conference report on the deficiency bill?

Mr. RAYBURN. I talked to the gentleman from Virginia [Mr. Woodrum] some 30 minutes ago, and he said he thought the conferees would finish their work within 30 minutes. He stated that in all probability it would take the clerks perhaps 20 minutes to prepare the conference report. Since then I have heard they have completed their work, so it ought not to be many minutes before the report is brought in. I was asking this permission for the remainder of the day.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object for the information of the Members, I presume bells will be rung following any recess.

Mr. RAYBURN. The Speaker, I think, always does that.
The SPEAKER. Ten minutes' notice will be given by the ringing of the bells, under the usual practice.

Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WORKS PROGRESS ADMINISTRATION LAY-OFFS

Mr. GROSS. Mr. Speaker, a few moments ago the gentleman from Illinois [Mr. Keller] stated that there were 2,000,000 letters in the mails today protesting against the 30-day lay-off on W. P. A. If this be true, this is not a wave of public resentment but a wave of propaganda that has its beginning in the Department of Labor here in the Capital.

I hold in my hand a paper, one of the great dailies of the country, which asks a question to the effect, Should a young woman who is a high-school graduate take a job at household work? Of all the answers that appear in the paper only one says yes. Now, to me this is tragic. It seems to me that the whole country is getting into the state of mind where the people think that as soon as somebody gets a little education he or she should not work.

I believe it is the job of the leaders of this country to dignify labor and to make people more work-minded. It is their duty to teach people as a whole that labor is honorable and regardless of what kind of labor it may be, it is the common responsibility of every man and woman to work whatever their hands find to do. I believe when we have accomplished that, and when we have adopted a few amendments to the Wagner Act, and amended the Wage and Hour Act, with the right kind of a chairman at the head of the National Labor Relations Board and a willingness on the part of the Administrator to cooperate, and further with the stopping of governmental interference with people who are creating jobs, we will get to the place in this country where we can go to town, so to speak. We will be getting back to the days when men want to work and we will be getting back to the days when we permit them to work. The present law has thrown many people out of employment.

In my district the wage and hour law has thrown about 5,000 people out of employment, principally cigar makers. Mr. KELLER. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. KELLER. I would like the gentleman to correct his statement. I did not say there were 2,000,000 letters coming in the mail at all. I said there was the possibility of 2,000,000 in the making all over the country.

Mr. GROSS. It still smells to me of propaganda—having its inception in the Labor Committee here in the Capitol.

[Here the gavel fell.]

ECONOMIC CONDITIONS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I am not surprised at the gentlemen on the Republican side trying to justify their actions in condemning a starvation policy for the people of the United States. When they go home they will find that these letters, of which the gentleman from Illinois [Mr. Keller] spoke, will not come because of propaganda issuing out of any department. They will come because people are actually starving to death.

The first thing we do to the people is to pauperize them. We make them sell their jewelry; we make them give up their life insurance before they can get on to the W. P. A. Then, after keeping them there for a certain length of time, we tell them that they will have to stand aside. We will have paid them a very, very small sum in the meantime. However, I must say, out of justice, that there were a few men—three or four—on the Republican side of the House who joined with those on the other side of the House, other than the Tories, and went along as they should, when we tried to keep that vicious section out of the bill. But here again, as usual, we had the joining of the hands across the aisle to defeat something for the good of the people—this merely for the purpose of revenge or for political purposes.

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, at the suggestion of many Members of Congress who are interested in the veterans, I am compiling a condensed analysis of all laws enacted by this Congress, and I ask unanimous consent at this time to insert in the last Congressional Record of this session this compilation. I also ask to include in the Record this compilation notwithstanding the fact it may exceed the allotted two and a half pages permitted. This may run to three and a half pages.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Van Zandt]?

There was no objection.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include an editorial from the Cincinnati Enquirer on the subject of streampollution legislation.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. Elston]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain editorial comment from the Washington Post on the tax bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. Johnson of Oklahoma asked and was given permission to extend his own remarks in the Record.

ECONOMIC CONDITIONS

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. Dworshak]?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, we have been hearing a lot of demagogy emanating from the majority party about the welfare of American citizens. During the present session and for the past 7 years Congress has been submitting to the demands of pressure groups.

The gentleman from California [Mr. Geyer] said we were pauperizing American citizens. That is exactly what the New Deal has been doing constantly for the past 7 years. We have been attempting to legislate security, contentment and prosperity for the American people, but the time has come when we must take into consideration the security and the welfare of millions of conscientious American citizens who are attempting to solve their own problems. This is the major problem confronting the Congress of the United States and the country today. [Applause.]

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Casey]?

There was no objection.

Mr. CASEY of Massachusetts. Mr. Speaker, that was a remarkable statement we heard from the gentleman from Idaho awhile ago. He says we are pauperizing America. Now, let us analyze the situation that confronts us in this, the closing day of the Congress.

At the present time the Federal Government is spending for relief and for extra curriculum activities, such as the P. W. A., about \$300,000,000 a month. This means the difference between fair times and miserable depression times. In the closing day of this session we witness the fact that the amount in W. P. A. bill which was asked by the President was a comparatively small sum, because it contemplated that other things such as the housing bill which would cushion a decrease from the \$300,000,000 a month would be passed by the Congress. But these acts were not passed by the Congress.

The housing bill and the spend-lend bill, which was selfliquidating, were not passed because 99 percent of the Republican Party voted against them. Oh, I know there was a small block of Democrats who voted against them, but they amounted to less than 20 percent of the Democratic Party. So the responsibility rests with the Republican Party for failure to pass the housing bill and for failure to pass the spend-lend bill, which would have acted as a cushion to take care of the decrease in the \$300,000,000 per month expenditure. What the Republicans are doing is betting that private industry will take up the slack. I do not believe so, and I think we are bound for a depression. When it comes, I say to the gentleman from Idaho and the rest of the Republican Party, in view of the fact that 99 percent of the Republican Party voted against the consideration of the housing bill and against the consideration of the spending-lending bill, theirs will be the responsibility, and they cannot escape it. [Applause.]

[Here the gavel fell.]

DAUMIT TANNAUS SALEAH (DAVE THOMAS)

Mr. SCHULTE submitted a conference report and statement on the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas).

Mr. Speaker, I ask unanimous consent for the present consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas) having

met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its amendment.

> WM. T. SCHULTE, N. M. MASON, Managers on the part of the House. RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate.

SAMUEL DICKSTEIN,

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas) submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Committee on Immigration and Naturalization reported the bill S. 1911 with an amendment. The conferees of the House and Senate, after due consideration, agreed that the amendment made by the House should be receded from. Your conferees, therefore, recommend the agreement.

SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

MATO, MILJENKO, BOZO, AND AUGUSTIN CIBILIC, OR ZIBILICH Mr. SCHULTE submitted a conference report and statement

on the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich. Mr. Speaker, I ask unanimous consent for the present

consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic or Zibilich having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1 and 2.

SAMUEL DICKSTEIN,

WM. T. SCHULTE, N. M. MASON, Managers on the part of the House. RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 796) for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, submit the following statement in explanation of the effect of the action agreed upon and recom-

mended in the accompanying conference report as to each of such amendments, namely:

The Committee on Immigration and Naturalization reported the bill (S. 796) with two amendments. The conferees, after due consideration, decided that the amendments of the House should be receded from. Your conferees, therefore, agreed to such be receded from. rescission.

SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

EMIL FRIEDRICH DISCHLEIT

Mr. SCHULTE submitted a conference report and statement on the bill (S. 1269) for the relief of Emil Friedrich Dischleit. Mr. Speaker, I ask unanimous consent for the present con-

sideration of the conference report. The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection. The Clerk read the conference report. The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1269) for the relief of Emil Friedrich Dischleit, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
That the House recede from its amendments numbered 1 and 2.

SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House. RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1269) for the relief of Emil Friedrich Dischlett, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The Committee on Immigration and Naturalization reported the bill, S. 1269, with two amendments. The conferees of the House and Senate, after due consideration, agreed that the amendments from the House should be receded from. Your conferees, therefore, recommend the agreement.

SAMUEL DICKSTEIN, WM. T. SCHULTE, N. M. MASON, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

MRS. PACTOS PLITTAN

Mr. SCHULTE submitted a conference report and statement on the bill (S. 1654) for the relief of Mrs. Pacios Pijuan.

Mr. Speaker, I ask unanimous consent for the present consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1654) for the relief of Mrs. Pacios Pijuan, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

SAMUEL DICKSTEIN, Wm. T. SCHULTE, NOAH M. MASON Managers on the part of the House. RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1654) for the relief of Mrs. Pacios Pijuan submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Committee on Immigration and Naturalization reported the bill S. 1654 with an amendment. The conferees of the House and Senate, after due consideration, agreed that the amendment made by the House should be receded from. Your conferees, therefore, recommend the agreement.

SAMUEL DICKSTEIN, WM. T. SCHULTE, NOAH M. MASON, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table. KONSTANTINOS DIONYSIOU ANTIOHOS (OR GUS PAPPAS)

Mr. SCHULTE submitted a conference report and statement on the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas).

Mr. Speaker, I ask unanimous consent for the present consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (Gus Pappas) having met, after full and free conference, have agreed to recom-mend and do recommend to their respective Houses as follows: That the House recede from its amendment.

SAMUEL DICKSTEIN, WILLIAM T. SCHULTE, N. M. MASON. Managers on the part of the House. RICHARD B. RUSSELL, FRANCIS T. MALONEY, HIRAM W. JOHNSON, WILLIAM H. KING, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1538) for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas), submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such

amendments, namely:

The Committee on Immigration and Naturalization reported the bill S. 1538 with two amendments. The conferees of the House and Senate, after due consideration, agreed that the amendment from the House should be receded from. Your conferees, therefore,

recommend the agreement.

SAMUEL DICKSTEIN. WILLIAM T. SCHULTE, N. M. Mason, Managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

PUYALLUP INDIAN TRIBAL SCHOOL, TACOMA, WASH.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to take from the Speaker's table for immediate complete title to the Puyallup Indian tribal school property at complete title to the Puyallup Indian tribal-school property at Tacoma, Wash., for Indian sanatorium purposes.

Mr. MAPES. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. COFFEE of Washington. Mr. Speaker, this is a bill-H. R. 2653-which was passed by the Senate as S. 2141 on August 1 by unanimous consent. This bill, identical with the Senate bill, was on the House Consent Calendar this week, but we did not quite reach it. The bill was reported by the House Committee on Indian Affairs and was agreed to by the members of the committee on both sides. I have already consulted the ranking Member on the gentleman's side of the House, as well as the chairman of the committee on our side. This is a bill the Department of the Interior has long wanted, and the Bureau of the Budget has indicated its consent to the authorization.

Mr. MAPES. The minority members approve the bill?

Mr. COFFEE of Washington. Yes.

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Speaker, I do not believe this bill was considered by the Committee on Indian Affairs, of which I am a member. Is this the bill upon which the clerk of the committee polled members of the committee?

Mr. COFFEE of Washington. It may possibly be. The bill was reported on July 28 by the gentleman from Washington [Mr. Hill]. The bill was before that committee, I may say to the gentleman from Wisconsin, during the last session of Congress, and was then favorably reported by the committee. This is an identical bill.

Mr. SCHAFER of Wisconsin. What does this bill do? Mr. COFFEE of Washington. It authorizes the acquisition of a site upon which an Indian hospital is now located in the city of Tacoma, Wash. The site contains a great many firetrap buildings, which are in danger of being burned at any

Mr. SCHAFER of Wisconsin. This is not the bill to which I had reference. The bill the gentleman is asking to have considered is a good bill and I shall not object.

Mr. COFFEE of Washington. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire, from the Puyallup Tribe of Indians of Washington, for Indian sanatorium purposes, tracts Nos. 6 and 7, containing 38.50 acres, including all tribal-owned improvements thereon, of the Indian addition to the city of Tacoma, Wash., established under the act of March 3, 1893 (27 Stat. 633); title to be conveyed to the United States by such tribal officials as the Puyallup Tribal Council shall authorize by resolution and by such form of relinquishment or deed as the Secretary of the Interior may designate

lution and by such form of relinquishment or deed as the Secretary of the Interior may designate.

SEC. 2. In order to carry out the provisions of section 1 hereof there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of \$228,525, which sum shall be distributed by the Secretary of the Interior in equal shares to the members of the Puyallup Indian Tribe, determined in accordance with the constitution and bylaws of the tribe approved May 13, 1936, as of the date of the passage of this act, under such rules and regulations as he may prescribe: Provided, That acceptance by each individual, or by his or her natural or legal guardian or heirs, of the pro rata share of the amount hereby authorized to be appropriated shall be recognized as completely extinguishing any and all right or interest such member of the tribe might have had in said property. property. SEC. 3.

SEC. 3. The fulfillment of the provisions of section 2 hereof shall not bar the hospitalization of or medical attention to members of the Puyallup Tribe at the Indian sanatorium referred to in

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2653) was laid on the table.

EXTENSION OF REMARKS

Mr. Darden asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. TABER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with three separate extensions down to and including the last publication of the RECORD and to insert in these extensions certain tables prepared by myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly, at 1 o'clock and 25 minutes p. m., the House stood in recess to meet at the call of the Chair.

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 30 minutes p. m.

THIRD DEFICIENCY APPROPRIATION BILL, 1939

Mr. WOODRUM of Virginia. Mr. Speaker, I present a conference report and statement upon the bill H. R. 7462. making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 24,

26, 27, 56, 57, 58, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 16, 17, 18, 22, 23, 28, 29, 30, 31, 32, 33, 37, 41, 42, 43, 45, 46, 48, 49, 50, 51, 52, 53, 54, 55, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, and 71, and agree to

Amendment numbered 9: That the House recede from its dis-agreement to the amendment of the Senate numbered 9, and agree

agreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,000,000"; and the Senate agree to the same. Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$450,000"; and the Senate agree to the same. Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$50,000"; and the Senate agree to the same

sum proposed insert "\$550,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,500,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$40,000"; and the Senate agree to the same.

agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum "\$2,500,000" named in said amendment insert "\$1,750,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SECURITIES AND EXCHANGE COMMISSION

"For an additional amount for five Commissioners and other personal services in the District of Columbia, and for all other authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by or in pursuance of law, in-cluding the employment of experts when necessary, fiscal year 1940, \$100,000, including the same objects specified under this head in the Independent Offices Appropriation Act, 1940: Provided, That no part of such sum shall be available for the conduct of a foreign

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree

agreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$200,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: follows:

"UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

"To complete the compilation and publication of a history of the formation, signing, ratification, and establishment of the Constitution, including such historical facts and data as the Constitution, including such historical facts and data as the Commission may deem pertinent relative to the commencement of the First Congress of the United States under the Constitution; the proceedings and ceremonies in connection with the inauguration of George Washington as the first President of the United States under the Constitution; the adoption and ratification of the Bill of Rights, and the first meeting of the Supreme Court of the United States; including therein also a final report of the activities of the Commission during the Nation-wide observance of the one hundred and fiftieth anniversary of the formation, ratification, and establishment of the Constitution, fiscal year 1940, \$15,000, of which not to exceed \$5,000 shall be available exclusively for personal services." available exclusively for personal services."

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"AGRICULTURAL MARKETING SERVICE

"United States Warehouse Act: For an additional amount to enable the Secretary of Agriculture to carry into effect the pro-visions of the United States Warehouse Act, fiscal year 1940,

\$17,500, of which not to exceed \$3,200 may be expended for personal services in the District of Columbia."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:
"Defraying deficits in treasuries of municipal governments, Vir-

For an additional amount for defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1940, municipality of Saint Thomas and Saint John, \$15,000, and municipality of Saint Croix, \$20,000, in all, \$35,000, to be paid to the said treasuries in monthly installments."

And the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and

agreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$18,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$272,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the

agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$7,500"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,000,000"; and the Senate agree Amendment numbered 40: That the House recede from its dis-

agreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$500,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree

agreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$915,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For expenditure, in the discretion of the Secretary of the Navy, for chartering and commissioning the steamship Bear as a vessel of the United States Navy for the purposes of the survey of the Antarctic regions to be made by the United States Antarctic Service as authorized by the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939, Public, Numbered 160, Seventy-sixth Congress: Provided, That such expenditure shall be made from the amounts appropriated for this Public, Numbered teo, Seventy-sixth Congress: Provided, That such expenditure shall be made from the amounts appropriated for this purpose for the Department of the Interior under the head of "Expenses, Division of Territories and Island Possessions" in the Second Deficiency Appropriation Act, fiscal year 1939, approved May 2, 1939, and the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, approved June 30, 1939."

And the Senate agree to the same.

EDWARD T. TAYLOR, C. A. WOODRUM, CLARENCE CANNON, Louis Lublow, J. BUELL SNYDER, GEO. W. JOHNSON, W. P. LAMBERTSON, Managers on the part of the House. ALVA B. ADAMS, KENNETH MCKELLAR, CARL HAYDEN, JAMES F. BYRNES, RICHARD B. RUSSELL, FREDERICK HALE, JOHN G. TOWNSEND, Jr., GERALD P. NYE.

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1 30, 1940, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendments Nos. 1 to 7, both inclusive, relating to the Senate: Appropriates, as proposed by the Senate, \$177,360 for additional clerks, including \$960 for additional compensation for two employees; \$2,604 for the pay of Senate pages, and \$30,000 additional

for contingent expenses.

On amendment No. 8: Provides for the payment of extra compensation to certain Government Printing Office messengers, payable

from the appropriation for printing and binding for Congress,

fiscal year 1940, as proposed by the Senate.

On amendment No. 9: Appropriates \$4,000,000 for civilian pilot training, instead of \$3,000,000, as proposed by the House, and

training, instead of \$3,000,000, as proposed by the House, and \$5,675,000, as proposed by the Senate.

On amendments Nos. 10 and 11, relating to the Federal Housing Administration: Provides for an additional amount of \$1,300,000 for administrative expenses, payable from available funds, instead of \$1,500,000, as proposed by the Senate, and \$1,000,000, as proposed by the House.

On amendments Nos. 12 and 13, relating to the Public Health Service: Appropriates an additional amount of \$1,500,000 for grants to States for public health work, instead of \$3,000,000, as proposed by the Senate, and an additional amount of \$40,000 for disease and sanitation investigations, instead of \$3,000 as proposed by the Senate, both pursuant to the provisions of the amended social security law.

On amendment No. 14: Appropriates \$1,750,000 additional for salaries and expenses, Social Security Board, pursuant to provisions of the amended social security law, instead of \$2,500,000, as proposed by the Senate.

sions of the amended social security law, instead of \$2,500,000, as proposed by the Senate.

On amendment No. 15: Strikes out the additional appropriation of \$1,000,000 proposed by the Senate on account of public building construction outside of the District of Columbia.

On amendment No. 16: Authorizes the expenditure of \$40,000 from administrative funds available to the Public Roads Administration for uses incident to the construction of the Inter-American Columbia. tration for uses incident to the construction of the inter-merican Highway and for performing engineering service in Pan-American countries, as proposed by the Senate.

On amendment No. 17: Appropriates \$5,000 for expenses of par-

ticipation by the United States in the celebration of the one hundred and fiftieth anniversary of the writing of The Star-Spangled Banner, as proposed by the Senate.

On amendment No. 18: Appropriates \$150,000 under the National Capital Park and Planning Commission for the acquisition of land within the area of the George Washington Memorial Parkway, as

on amendment No. 19: Appropriates an additional \$100,000 for salaries and expenses, Securities and Exchange Commission, fiscal year 1940, instead of \$110,000 as proposed by the Senate, and provides that no part of the sum shall be available for the conduct

of a foreign office.
On amendment No. 20: Appropriates \$200,000 on account of the United States Coronado Exposition Commission, instead of \$250,000,

United States Coronado Exposition Commission, instead of \$250,000, as proposed by the Senate, and \$175,000, as proposed by the House. On amendment No. 21: Appropriates \$15,000 for compiling and publishing data by the United States Constitution Sesquicentennial Commission, instead of \$40,000, as proposed by the House, and the elimination of the item, as proposed by the Senate, and limits expenditures for personal services to \$5,000.

On amendment No. 22: Appropriates \$600 for the payment of a claim, approved by the Commissioners of the District of Columbia in pursuance of law as proposed by the Senate.

in pursuance of law, as proposed by the Senate.
On amendments Nos. 23, 24, and 25, relating to the Department of Agriculture: Eliminates the provision of the Senate appropriating \$6,500 for Mormon cricket control research activities, and provides \$17,500 for expenses incident to effectuating the provisions of the United States Warehouse Act, instead of \$35,000, as proposed

the Senate.

On amendments Nos. 26 to 34, both inclusive, relating to the Interior Department: Restores the item proposed by the House apterior Department: Restores the item proposed by the House appropriating \$100,000 of tribal funds for the purchase of land for Colville Indians, Washington; restores the appropriation of \$795,000, as proposed by the House, for the purchase of nonnative-owned reindeer in Alaska, including \$75,000 for administrative expenses; appropriates \$6,416.42, as proposed by the Senate, for the relief of Western or Old Settler Cherokees; appropriates \$20,000 for operation and maintenance administration, Bureau of Reclamation, as proposed by the Senate; appropriates \$8,000 for extending the boundaries of the Hot Springs National Park, Ark., as proposed by the Senate; appropriates \$55,000 for the purchase of land for expanding the area of the Kennesaw Mountain National Memorial Military Park, as proposed by the Senate; appropriates \$40,000 for Military Park, as proposed by the Senate; appropriates \$40,000 for construction, and so forth, of an administration building in the Kings Mountain National Military Park, as proposed by the Senate; and appropriates \$35,000 for defraying anticipated deficits in the treasuries of the municipal governments, Virgin Island, fiscal year 1940, instead of \$70,000. as proposed by the Senate.

On amendments Nos. 35 to 44, both inclusive, relating to the Department of Labor: Appropriates \$1,205,000 for salaries, traveling and contingent expenses, Wage and Hour Division, instead of \$2,010,000, as proposed by the Senate, and \$1,005,000, as proposed by the House; extends until June 30, 1940, the availability of the appropriation "Transporting Filipinos to the Philippine Islands," as preposed by the Senate, and empropriates \$1,512,500 for additional contents of the proposed by the Senate and empropriates \$1,512,500 for additional contents. as proposed by the Senate; and appropriates \$1,512,500 for additional grants to States for maternal and child-health services, for services for crippled children, and for child-welfare services, and

tional grants to States for maternal and child-health services, for services for crippled children, and for child-welfare services, and for necessary administrative expenses in the Children's Bureau incident thereto, instead of \$2,290,000, as proposed by the Senate. On amendments Nos. 45 to 49, both inclusive, relating to the Navy Department: Appropriates an additional amount of \$3,841.11 to pay claims for damages arising from collisions with naval vessels, as proposed by the Senate; makes previous appropriations for the United States Antarctic Service available on account of chartering and commissioning the steamship Bear, instead of charging such expenditures to naval appropriations, as proposed by the Senate; strikes out the appropriation and contractual authority. Senate; strikes out the appropriation and contractual authority,

proposed by the House, for constructing a rigid airship, as proposed by the Senate; and appropriates \$2,500,000, as proposed by the Senate, for the purchase from the Maritime Commission of two motorships and their conversion for use as naval vessels.

two motorships and their conversion for use as naval vessels. On amendments Nos. 50 to 54, both inclusive, relating to the Department of State: Appropriates \$750 for payment of a death claim of a foreign national; appropriates \$2,010,000, which, in conjunction with \$1,000,000 of funds heretofore made available, will enable payment to be made to the Government of Panama for the years 1934 to 1940, inclusive, for the use, occupation, and control of the Panama Canal Zone in compliance with the provisions of the treaty ratified by the Senate on July 25, 1939; makes the appropriation proposed by the House for expenses of the Agrarian Claims Commission, United States and Mexico, fiscal year 1940, available also for the fiscal year 1939; appropriates \$16,000 on account of the second Inter-American Radio Conference, Santiago, Chile; and appropriates \$2,750 on account of the meeting of Treasury representatives, Guatemala, Guatemala, all as proposed by the Senate. posed by the Senate.

On amendments Nos. 55 to 58, both inclusive, relating to the Treasury Department: Appropriates, as proposed by the Senate, the sum of \$119.599,918.05 for restoration of the capital impairment of the Commodity Credit Corporation; and strikes out the proposals of the Senate authorizing the merger, with the approval of the Director of the Bureau of the Budget, of certain appropriations for 1940 for the Coast Guard and the Lighthouse Service.

On amendment No. 59: Strikes out the proposal of the Senate making not exceeding \$60,000 of an unexpended balance available for the construction and installation of a sewage-treatment plant

for the construction and installation of a sewage-treatment plant at the Fort Niagara Military Reservation, N. Y.

On amendments Nos. 60 to 71, inclusive, relating to appropriations for judgments and authorized claims: Appropriates the additional sum of \$432,770.52 for such purposes, as proposed by the

EDWARD T. TAYLOR, C. A. WOODRUM, CLARENCE CANNON, Louis Ludlow. J. BUELL SNYDER, GEO. W. JOHNSON, W. P. LAMBERTSON Managers on the part of the House.

Mr. WOODRUM of Virginia (interrupting the reading). Mr. Speaker, it is my purpose to explain the report in detail and I ask unanimous consent that the further reading be dispensed with.

The SPEAKER. Is there objection?

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I reserve the right to object. We have had no opportunity to understand just what is in the report. I do not want to object, but I trust the gentleman from Virginia will explain all of the Senate amendments on which there has been disagreement, and what has been done in the conference report.

Mr. RICH. Mr. Speaker, I reserve the right to object, to ask the gentleman from Virginia with reference to amendment numbered 8. This has to do with the provision inserted in the House bill which went out on a point of order. It has been reinserted in the conference report. It was taken out because it was legislation on an appropriation bill. How can that get back into the bill through the conference report?

Mr. WOODRUM of Virginia. I would be very glad to explain that to the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The gentleman from Virginia is recognized for 1 hour.

Mr. WOODRUM of Virginia. Mr. Speaker, this is a complete report on the third deficiency appropriation bill. I shall go through the items hurriedly and take as little time as possible, with the indulgence of the House, to explain the action taken on the amendments as they were considered, and then I shall be very glad to yield briefly, and I hope it will not mean yielding more than briefly for questions.

Many of the amendments, an examination of the report will show, involve section numbers—purely clerical. I shall go hurriedly through such of the others as I think might be of particular interest to the membership and if I do not happen to mention the one that any particular Member may be interested in, he will have an opportunity to ask me about it.

Amendment No. 9 is an amendment increasing the amount for the Civil Aeronautics Authority for civilian pilot training. The House allowed \$3,000,000 for that purpose and the Senate

raised it to \$5,675,000. The Senate conferees agreed to fixing the amount at \$4,000,000.

Amendment No. 10 and amendment No. 11 refer to administrative expenses of the Federal Housing Authority. The Senate added an additional \$500,000 to the \$1,000,000 the House had allowed. The conference committee agreed upon an additional \$300,000. Those are the funds available to the Federal Housing Authority. They are not funds out of the Treasury, but they are their own funds, accruing from the action of the Congress in amending the Federal Housing Authority Act.

The Senate added \$3,000,000 for the Public Health Service because of changes made in the Social Security Act, which is now in the process of being agreed to. The conferees agreed to split that amount, \$1,540,000, until experience demonstrates a more accurate estimate of the

amount required.

The same is true of two million and a half dollars for the administrative expenses of the Social Security Board. We cut that to \$1,750,000.

Public Building Administration, \$1,000,000. This was added in the Senate for public buildings outside of the District of Columbia. Of course, the amendment carried no authority to erect buildings. Under such circumstances there was no point to keep the money in, so the amendment was not included in the bill.

Public Roads Administration, Inter-American Highway, amendment numbered 16, provided \$40,000 for expenses incidental to the survey and construction of the Pan-Ameri-

can Highway.

Amendment numbered 18: The Senate reinserted \$150,000 for the further purchase of land for the George Washington Memorial Parkway and the conferees agreed to it.

Amendment numbered 19 reinserted a part of the Budget estimate of \$110,000 for the Securities and Exchange Commission. That has been reduced to \$100,000.

Amendment numbered 20 increased the amount for the Coronado Exposition Commission, for which there was a Budget estimate of \$250,000. The House had reduced the amount of the estimate to \$175,000, and the conferees agreed upon \$200,000.

Amendment numbered 24: The Senate inserted an additional amount of \$6,500 for experimental and research work upon Mormon crickets. We have already appropriated liberally for insect-pest control, as every Member will realize, and that item was eliminated.

Amendment No. 25, Marketing service, under the United States Warehouse Act, we split the amount of the estimate in half and allowed \$35,000.

Several amendments respecting expenditure of funds for Indians out of tribal funds were stricken out by the House. The Senate reinserted some of the items and the conference committee agreed to the reinsertion of them.

The famous Alaska reindeer item, which was stricken out in the House and reinserted by the Senate, was agreed to by the conference committee.

Perhaps one of the two or three amendments of particular interest to the House, of course, were the amendments respecting the enforcement of the Fair Labor Standards Act.

Many of you will recall what happened in the House. The committee did not report any amount for such purpose because of the fact that in the regular 1940 appropriation act quite a liberal increase in the appropriation for such purpose had been granted, which the committee felt should be tried out before additional funds were appropriated. There was a great display of interest in the House and we thought we compromised with the advocates of this by suggesting an amendment of \$1,000,000. I feel confident that if we had brought the item back to the House perhaps the Members of the House would have respected a compromise agreement, but in the Senate conference we could not do better. So we had to allow an additional \$200,000 in addition to the \$1,000,000 the House had approved for the enforcement of the Fair Labor Standards Act.

The other amendment, perhaps the only one which was of particular interest to the House generally, was that respecting the Commodity Credit Corporation. The conferees agreed to the inclusion of the full amount of the estimate.

I wish to be perfectly frank with the House and yet frank with myself. I did not approve the reinsertion of the full amount of the estimate for the Commodity Credit Corporation, though I signed the report and, of course, I shall vote for the report. And may I say this: I have voted, I believe, for as many farm acts and farm appropriations as any Member of the House away back in the days when we were voting for farm appropriations. The more we have appropriated, the more debts we have piled upon agriculture. We come back the next session of Congress and those of our colleagues who are supposed to know about it demonstrate to us that agriculture is in worse condition than it has ever been before.

To my way of thinking, sometime, somewhere, somehow, there must be an end to this thing. I do not believe the end to it is in a continuous and increasing subsidy. I just cannot feel that that is the end to it. I cannot feel that the brain, ingenuity, and resourcefulness of the American legislative body is bankrupt for an answer to the agricultural problem. [Applause.]

Now, I must be frank to say that I do not know what the answer is, and I do not pretend to know. It has been demonstrated that some of my friends who pretend to know do not

know what it is.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. WHITE of Idaho. Does the gentleman differentiate between loans and subsidies? All of our legislation has been to loan to agriculture.

Mr. WOODRUM of Virginia. No. It is all the same. It all goes out and nothing comes in. [Laughter.] When you take it out of the Federal Treasury—good-bye! [Laughter.]

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. SIROVICH. As one who has always voted to help the farmers of our Nation, I asked the Vice President of the United States, Mr. Garner, if he could give me a solution for this problem, and he stated to me that if you took four Members of the House of Representatives on both sides of the aisle, who knew most about farming, and put them with four Members of the Senate, and locked them up in a room for a week, they would never come out with a solution of the farm problem.

Mr. WOODRUM of Virginia. I think, perhaps, that is as enlightening information as we will get on agriculture. [Laughter.] In other words, I do not particularly disagree with my friend. In other words, I might say, we do not know anything about it. Now, if that is true, then should we continue spending money for something that we do not know anything about?

I realize perfectly well that eventually—and I think our committee realizes it—there was nothing we could do but put up this \$119,000,000. It was a program that Congress

had authorized, and we had embarked upon it.

Personally, I was anxious to center the spotlight on this question with the hope it would stimulate thinking upon the subject, and that we should come to a point some time where we would try to do something for the farmer except to have as our objective each session of Congress as piling up additional gifts and subsidies because that is not helping him. We are not helping the farmer when we increase his indebtedness and make it easier for him to borrow. I hope that some place, somewhere, there will be a solution and that we shall be able to find it. One billion two hundred million dollars and more this Congress has appropriated this year for agriculture, and I voted for most of it. Some of it I did not vote for because it was above Budget estimates.

Mr. CRAWFORD. I highly respect what the gentleman has said, and I am very much in agreement with him. I wish to ask with reference to this particular item, insofar as the

conference went, was there a presentation made by the Department of Agriculture spokesmen to the effect that if this \$119,000,000 were reinstated in the way of rebuilding the capital of the Commodity Credit Corporation—did they seem to think that with this additional resource in their hands they would be able to take care of the price situation on cottonseed oil, lard, and some of the other surplus commodities for some time to come?

Mr. WOODRUM of Virginia. I may say to my friend that as he, of course, knows, no hearings were held by the conferees. The only information we had was such information as was given in the House hearings and in the Senate

hearings.

Mr. CRAWFORD. The reason I put the question that way was as a result of some press releases which have been made, and which I understand came from the Secretary of Agriculture, to the effect that farm prices would probably drop down to or below 1932 farm prices unless this \$119,000,000 were granted at this time. I thought perhaps some representation had been made to the conferees by the Department of Agriculture in a direct manner.

Mr. WOODRUM of Virginia. The most direct representation the conferees had came from our distinguished colleagues at the other end of the Capitol, and they were of such tenor that, if the Congress were to adjourn in peace and

harmony, then we must accept the inevitable.

Mr. CRAWFORD. If the gentleman will permit, I certainly was one who questioned the procedure here about wanting to hold back \$119,000,000 and wreck the farm-price structure of this country, and I am sure the gentleman does not want to.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gen-

tleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. AUGUST H. ANDRESEN. What the gentleman has said about the \$119,000,000 for the Commodity Credit Corporation plainly shows that the success of the entire agricultural program is dependent upon the amount of money that Congress will appropriate to provide parity prices. Farm prices will go down and the program in itself, without appropriations from Congress, will break all of the farmers of this country. Something should be done to straighten it out and get a sound program that will restore the price level without the aid of Congress.

Mr. STEAGALL rose.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Alabama.

Mr. STEAGALL. I wish to state to the distinguished gentleman from Pennsylvania and to the membership of the House that I have the direct assurance of the officials of the Commodity Credit Corporation that the item carried in the bill now before the House does afford sufficient funds to enable the Corporation to finance the holding of farm products and the orderly marketing thereof during the next season, as they have done heretofore. It is true, however, that the capital structure of the Commodity Credit Corporation has been whittled down to the point where there is only a few millions left of margin between obligations incurred and the capital left on hand and available for commodity loans.

In this connection let me say that it should be thoroughly understood that the funds that have been supplied to the Commodity Credit Corporation do not represent gifts or grants, but they are loans; and all our advices are that these loans that have been furnished up to now are solvent down to the amount indicated by this appropriation, but it does take that amount to restore the capital, treating loans outstanding as solvent.

Mr. HOBBS rose.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Alabama.

Mr. HOBBS. I simply rise to express to our conferees, what I feel sure is the sentiment of the vast majority of the Members of this House, our thanks for having agreed to this item, and to assure the distinguished chairman of the House conferees that whether or not he may have his

doubts as to the wisdom of this item, it certainly represents the best wisdom of this House upon this subject. [Applause.] In addition to that I would say that it is in accordance with the solemn pledged word of Congress enacted into law. Without the approval of this item Congress would have broken its word to 85 percent of the commercial corn farmers of America; and I know that this Congress will not stand for any kind of repudiation. [Applause.]

Mr. HEALEY. Mr. Speaker, will the gentleman yield? Mr. WOODRUM of Virginia. I yield to the gentleman

from Massachusetts.

Mr. HEALEY. I understand that the conferees of the House receded and met the full amount of the Commodity Credit item, that is, \$119,000,000; but on the item for proper enforcement of the Fair Labor Standards Act the House conferees would go only one-quarter of the way to meet the difference between the two Houses.

Mr. WOODRUM of Virginia. The gentleman should bear in mind, of course, that I had an understanding with my friend from Massachusetts on the \$1,000,000, and that he

would not ask for more.

Mr. HEALEY. That was at that particular time [laughter], but when the Senate in its wisdom granted the full increase of \$2,000,000 then, of course, a different picture was presented. The House conferees having gone all the distance with the farmers should have been more liberal with regard to the item for the enforcement of the Wage-Hour Act.

Mr. WOODRUM of Virginia. But as the matter now stands the gentleman has \$200,000 over what I promised to do for him.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. BRADLEY of Pennsylvania. Does not the gentleman think that the conferees expended a lot of energy in considering \$200,000 but that they were very generous with the \$119,000,000?

Mr. WOODRUM of Virginia. Most of the energy was spent on the \$119,000,000, I may say to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. But very little accomplished.

Mr. WOODRUM of Virginia. Very little accomplished.

Mr. BRADLEY of Pennsylvania. From the angle of the gentleman's viewpoint.

Mr. WOODRUM of Virginia. That is right.

Mr. BRADLEY of Pennsylvania. But quite a good deal was accomplished with respect to the \$1,200,000.

Mr. WOODRUM of Virginia. It is hardly fair to make that sort of comparison.

Mr. BRADLEY of Pennsylvania. I am not making that sort of comparison. I am not particularly opposed to the Commodity Credit Corporation, but I think a little bit more leeway should have been given to the consideration of the \$1,000,000, a relatively insignificant sum, which had to do with the proper enforcement of an act that affects millions of underpaid people in this country.

Mr. WOODRUM of Virginia. I do not have the slightest doubt about the fact that adequate funds have been provided for the Fair Labor Standards Act Section of the Department of Labor. As one who voted for the bill and who wishes to see that act enforced, I make the statement that they are adequately provided for.

Mr. RANDOLPH. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. There was an agreement on the amount of not to exceed \$10,000,000 for the establishment of a research laboratory for aeronautics. I want to congratulate the gentleman from Virginia, and especially the gentleman from Indiana, a member of the committee, on seeing to it that in that connection a 30-day period from passage was allowed whereby Members of Congress and others might bring to the attention of the National Advisory Committee for Aeronautics the reason why they feel that the

aeronautical research laboratory, tentatively agreed upon at Sunnyvale, Calif., should be placed in another part of the United States. A majority of the National Advisory Committee for Aeronautics would then select the site for this needed research facility. We realize that any aeronautical research laboratory will not be constructed as a temporary center. It will be established to aid American aviation in the years ahead.

With the rapid advance in aviation America is becoming conscious of the fact that in future years we might be vulnerable to attack from the skies by countries many thousands of miles from us, which may send aircraft to invade this country. That is not beyond the realm of the possible. The coast is not, in my opinion, the location for such a research laboratory. I believe this provision allowing a further study of possible sites is a mighty splendid one. The interior of our country, in many sections, offers the proper location.

Mr. SCHAFER of Wisconsin. Will the gentleman yield? Mr. WOODRUM of Virginia. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. May I ask the gentleman from West Virginia [Mr. RANDOLPH], would he have any objection to this research laboratory being located in the State of West Virginia?

Mr. RANDOLPH. None whatsoever. In fact, I appeared before the committee in behalf of a location in my fine district, and in a great State.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Montana.

Mr. O'CONNOR. On behalf of a great wheat-growing section of the United States, I want to extend to the distinguished gentleman from Virginia and to all Members who served as conferees our thanks and congratulations for their splendid work in connection with the conference report and the insertion of this \$119,000,000. I want to thank the gentleman again for promising to vote for that item, as I think he is deserving of the thanks of the Members of the House

Mr. MURDOCK of Arizona. Will the gentleman yield?
Mr. WOODRUM of Virginia. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Although there is little corn produced in the State of Arizona—none commercially—I want to thank the gentleman for favoring the \$119,000,000 item. I rise particularly to congratulate the conferees for concurring in the Senate amendment with regard to the vocational rehabilitation of disabled persons and also in the amendments concerning the care of dependent and crippled children.

Mr. RICH. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Pennsylvania.

Mr. RICH. May I ask the gentleman how there is put back into the bill an item that was stricken out by the House on a point of order, to which the gentleman from Virginia agreed, when the legislation passed the House of Representatives? We have passed bills here requiring the manufacturers of this country to permit their employees to work only a certain number of hours. How can the gentleman except the Government to request certain employees to work overtime when they are paid their full salary, plus 15 percent additional for working at night, then give them a bonus of \$900 a year? How can the gentleman put that back into the bill?

Mr. WOODRUM of Virginia. That might have been subject to a point of order on the conference report, if any one had made it. The gentleman knows this is a very small item, which has been carried for at least 8 or 10 years by the Congress, year after year, with respect to the salaries of two or three employees.

Mr. RICH. It is not a question of salary. I am considering a question of principle. I think the conferees should have adopted the principle that if you require the manufac-

turers of this country to do something, then the Government should show the way by doing the same thing.

Mr. WOODRUM of Virginia. I thank the gentleman.

Mr. MAPES. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Michigan.

Mr. MAPES. The gentleman in his explanation of the conference report referred briefly to an item relating to the appropriation for new post-office buildings. His statement on that was so brief I did not understand the situation.

Mr. WOODRUM of Virginia. The Senate put in a million dollars for additional post-office buildings, but did not put in the authority to build them, that being subject to a point of order in the Senate, by reason of which they could not secure the necessary two-thirds vote to get it through. They simply left it with the money in there, with no authority to use it, so the conference committee deleted the money.

Mr. MAPES. Does that mean that this bill carries no

appropriation for additional post offices?

Mr. WOODRUM of Virginia. That is correct. But we have the regular yearly program provided for in a preceding bill. This is an additional program.

Mr. MAPES. There has been the hope, at least on the part of some communities, that the deficiency appropriation bill would carry an appropriation allowing the Department to build additional post offices. That has been eliminated?

Mr. WOODRUM of Virginia. Temporarily. That is something for us to work upon next winter when we come back.

Mr. MAPES. I just wanted to get the information straight.

Mr. COLMER. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Mississippi.

Mr. COLMER. Did I understand the gentleman to say that the reindeer item was kept in there?

Mr. WOODRUM of Virginia. The gentleman is correct. Mr. COLMER. Then that means Uncle Sam, as Santa Claus, will not have his own reindeer?

Mr. WOODRUM of Virginia. The gentleman can put his own construction upon that. I refer him to the distinguished gentleman from Colorado, who, I am sure, can convince him upon the subject.

Mr. CARTER. Mr. Speaker, will the gentleman yield?
Mr. WOODRUM of Virginia. I yield to the gentleman from California.

Mr. CARTER. In connection with the post-office item a provision was included increasing the limit of cost of certain buildings. Was that item retained in the bill?

Mr. WOODRUM of Virginia. That item is in the bill.

Mr. Speaker, in a few moments, after further yielding very briefly to several gentlemen who wish to say something upon this conference report, I shall move the previous question, and I have no doubt it will be overwhelmingly adopted, which will complete action on appropriation items at this session of Congress.

The Appropriations Committee has had a problem to deal with. Some of our subcommittees convened here the 1st of December to begin hearings on appropriations. I believe I presented the first bill to the House, and I am presenting the last one. It has been an onerous task. This bill, after all of its trials and tribulations, comes to you more than \$56,000,000 under the Budget estimates. I regret very much that I cannot say that all of our appropriation items have been under the budgetary estimates; but it is not my purpose now to talk about that. I am sure every Member has acted in accordance with what he has believed to be the best interests of his constituents and his country. I hope as we leave here very shortly to wend our ways homeward that we shall remember the truism that these perplexing problems do not have two sides, they have three sides: My side, your side, and the right side. [Applause.] It is the right side that we try to get.

I still believe that the ultimate judgment of the legislative body of the United States, even with all of our trials and tribulations and with all of our seeming inconsistencies, is the expression of the safest and sanest system of democratic representative government that now exists on the face of the earth. [Applause.]

I wish to express to my colleagues my sincere personal appreciation for your indulgence and your forbearance. I wish to express to my colleagues on the Appropriations Committee my appreciation of their fine and splendid help and of the privilege it is to work with them. I wish to express to the minority my appreciation. Many times we have disagreed and many times we shall disagree in the future, but it has all seemed to me to be in a spirit of fine sportsmanship. We make our records here, we go back and give an account to our constituents, and they keep us at home or send us back according to whether or not that account is pleasing to them. That is the American way and as long as it continues to be that way our institutions of government are safe. [Applause.]

I wish to express my appreciation to the leadership for its consideration of the Appropriations Committee and its problems which we have had to present to the House.

Last, but not least, I wish to express my appreciation to the fine clerical assistance we have had on this committee. Few Members of the House, I fancy, realize what the clerical assistants of these busy committees of Congress have to go through. I do not know about others, but I do know about the Appropriations Committee. We shall pack up tonight and go home. The clerical force of our Appropriations Committee will be here for weeks and for months getting up the reports and making the necessary forms and returns that have to be made. They will be back then ahead of us to get ready for the next session, and we shall be obligated to them for that.

To the distinguished, venerable, and beloved chairman of our committee, as he leaves here again, having headed up this committee in his fine way with his splendid leadership, I express our hope that he shall have a pleasant summer and a pleasant vacation. [Applause.]

To each and every one of you, may I say that I hope you will have health and prosperity, that the fish will bite [laughter], that the golf ball will go straight, that whatever your amusement or recreation may call for, it will be to your heart's content, and that you will go back home and talk with your constituents, and I feel confident that when you do I shall have a large recruitment to that element of the House which believes that the time has come when we should put on the brakes a little bit. [Prolonged applause.]

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, as the deficiency bill came from the Senate it carried increases of approximately \$135,-000,000 above the figure that was adopted by the House. As it comes back to you in conference it carries increases of \$128,447,534.54 above what it was as it passed the House. For my own part, I could not sign the conference report because it carried the full amount of the estimate for the Commodity Credit Corporation, one-hundred-and-nineteen-million-five-hundred-thousand-odd dollars. The Commodity Credit Corporation, I believe, is one of the most difficult agencies there is in the whole Government structure about which to find out anything. I believe it is managed very poorly and is very extravagant in its operations. In my opinion, upward of \$40,000,000 is wasted on storage charges. The result of its operations is continuous agricultural distress, and the longer it continues to operate the greater will be the distress.

According to the way I figure it, and according to the information I have obtained from figures I received from that agency, they now have a borrowing capacity, uncommitted, of \$118,000,000, with which they could buy agricultural products and with which they could make loans upon agricultural products. In my opinion, that would meet the situation we are facing. We have also to consider that since their appraisal on the 31st day of March the price of cotton has gone up so that their value on that is \$25,-

000,000 more than it was before and their prospective loss is much less. The more we pile up in warehouses tremendous surpluses as a threat to glut the market the more we cut the price of agricultural products.

The Congress should now be ready to deal with facts rather than be led astray by the vaporings of bureaucrats.

Unless we get to a situation where our storage is normal and our carry-over is only normal on agriculture, we are going to have continually greater and greater distress in agriculture. I felt that should not be done.

I felt that an additional \$200,000 should not have been allocated to the Wage and Hour Division. What kind of a proposition do they present? They had appropriations already granted by the Congress which would permit them to add 371 inspectors beyond those now on the rolls. They had no program for putting on the number they would have under the Budget estimate prior to the 1st of January. Those who want to hand these people funds to run riot and waste money were in favor of increasing the amount. It was not a question of enforcing the law. It was a question of whether they should abuse their administrative authority and operate inefficiently. Those who wanted to give them more money wanted them to operate inefficiently and not get their money's worth for Uncle Sam out of those who were working.

There were many other propositions upon which an agreement was reached that ran the conference report up. We kept in the notorious reindeer item. About the only thing that we really threw out that the House put in that was not justifiable was the rigid airship for \$300,000. Nevertheless, the position of the House has been commendable, and for a change in respect to recent bills this bill is a little bit below the Budget. Our total appropriations in this Congress, nevertheless, have been upwards of \$300,000,000 above the Budget. The House on many occasions has shown commendable readiness to cut down the expenses of Government. The trouble has been that we have not gone far enough and have not stuck close enough to it. I commend at this time the attitude of the chairman of the committee and of the gentleman from Virginia [Mr. Woodrum] and many of the Members upon the majority side and the Members on the minority side for the way they have stuck out in trying to reduce the expenses of Government. I would really like to join with the gentleman from Virginia in asking that this House awaken to a renewed sense of its responsibility when it returns here next January, and that we start out on a program that will cut down expenses to a point where we can say to our people back home that we have tried and we have accomplished something toward the solvency of the Government of the United States. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, my regard for the gentleman from New York [Mr. TABER] for his courage, for his consistency, is such that when I do disagree with him I always like to go back and reexamine the premises. I do not believe there is a Member of this House who has so courageously and consistently fought for economy as my appropriations leader JOHN TABER, and I take off my hat to him. But once in a while I find it necessary to disagree with him and that happens to be the case in connection with the item for the Commodity Credit Corporation. I found it necessary to disagree with my committee the other day. The reasons for that I can state briefly. The first reason is legislative. It is only 6 weeks or 2 months ago that we enacted a bill which extended the borrowing power of the Commodity Credit Corporation from \$500,000,000 to \$900,-000,000, and certainly Congress must have had in contemplation the use of that borrowing power for the benefit of agriculture. The second reason is fiscal. I have a statement from the Commodity Credit Corporation as of yesterday, and when they make the commitments which they feel must be made to wheat, to the shipment of cotton to Great Britain, to rye and all the rest of the commodities there will remain only \$9,000,000 with which to move the magnificent, astronomical corn crop, and it must be moved and put under loan before the first of January and before we come back. The third reason is economic. If we do not keep this corn off the market, there will be such a glut that we will certainly reach the prophecy made by some more expert than I in the Department of Agriculture that lard will go to 3 cents a pound and corn to 20 cents a bushel, and I for one do not want the onus of that kind of responsibility. I am sure the responsible members from the corn section and the wheat section and from other sections express that same opinion and will concur in the action of the conference committee in restoring the \$119,000,000.

Finally—and I do not care to inject a political note—but I will say that I believe I share the opinion, and I concur in the opinion of a great group on this side of the aisle that it would be very difficult for us to go back home, if the farm price structure does collapse, and confess to the farmers in the Central West that by our vote in refusing to provide loan money that will keep the great surge of grain off the market, we have made it possible, as Republicans, for the devastation of the grain price and for the complete collapse of agriculture in that great Mississippi Valley area. I was most happy to observe that my own colleagues quite generally favored a restoration of this item in the belief that it is absolutely to meet the emergency now at hand.

I am sorry I have to depart from the sentiments of the Appropriations Committee on this occasion, but I did feel it was mandatory and imperative that I say for those with whom I have talked in the last few days on this side, Members from Iowa, from Wisconsin, from Minnesota, from Illinois, and that other great section of the empire in the Middle West that we have an abiding interest in the \$119,000,000, and we are appreciative to the conference committee that it was restored. [Applause.]

In addition to the fiscal reason, the legislative reason, and the economic reason which impels me to support the appropriation for the Commodity Credit Corporation, there is a moral reason

When the Farm Act of 1938 was enacted, we wrote in a provision which directed the Corporation to make loans to those farmers who cooperated in the farm program. Now, there may be disagreement as to whether that program is sound or not. There is a settled body of opinion to the effect that the program has failed. That, however, is quite beside the point. The program is in force and effect. The farmers have cooperated. They have kept their share of the bargain that was made by solemn law and there devolves upon the Congress now the moral duty of providing the loan funds with which to carry out the Federal Government's agreement. By approving the funds contained in the bill before us for that purpose, we do nothing more than discharge the moral and legal obligation which is reposed in us by law.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Indiana [Mr. Ludlow] such time as he may require.

Mr. LUDLOW. Mr. Speaker, in a rather long experience as a member of the Appropriations Committee I confess that I have come to look upon deficiency estimates with more than a modicum of suspicion. If I were asked whether in my opinion most of the deficiency estimates that come to the Appropriations Committee should be passed or thrown out of the window, I would have to say, without intending any reflection whatsoever on the good faith of the proponents of such estimates, that it is my humble judgment that for the best interests of America many, if not most of them, should be thrown out of the window.

I make this statement because as chairman of one of the appropriations subcommittees and as a member of the important deficiencies subcommittee I have observed a growing practice which fills me with a good deal of concern, and which, I fear, threatens the integrity of our appropriating system. That is an increasing tendency of administrative officials to go to the deficiency subcommittee to obtain appropriations which have been turned down by the regular subcommittees or which through laches of their own the pro-

ponents have failed or neglected to submit to the regular subcommittees that should have jurisdiction.

The range of ingenuity in giving what really are regular items a coloration to make them appear as deficiency or supplemental items is remarkable, and in itself is a glowing tribute to the inventive genius of the official mind. In cleverness of legerdemain, some of the schemes devised to present to the deficiencies subcommittee a hook of jurisdiction are almost equal to the loaded cigar and the wooden nutmeg.

In the interest of good practice and to preserve our appropriating system in its pristine vigor, our deficiency subcommittee, under the capable leadership of its chairman, Mr. TAYLOR of Colorado, and its acting chairman, Mr. Wood-RUM of Virginia, has sent many of the estimates that were presented for the third deficiency bill back to the subcommittee where they belong. A list of them will be found in the report. This, I believe, is a step in the direction of committee reform that is highly commendable and which I think the House in its sober judgment, jealous of the preservation of the integrity of its appropriating instrumentalities, will appreciate and approve. There is a sound reason for this step, as the regular subcommittee is always familiar with the subject matter and all the factors involved in an estimate, while the deficiency subcommittee is composed of a different personnel, unfamiliar with the background of the particular item. There are of course some items that are real deficiences, arising as a result of new legislation or for some other unpredictable cause, and these must always be treated as deficiencies, but I hope that the salutary precedent established in this bill will be continued and that in future the deficiency subcommittee will be governed by a strict rule of sending back to regular subcommittees items that are not actual deficiencies or emergent in their character.

The extent of the efforts to overplay the deficiency subcommittee is vividly illustrated by the fact that estimates totaling the enormous sum of over \$216,000,000 came up from the Budget Bureau for inclusion in the measure now presently before us. This is an astounding fact, showing how appropriations are running away with our reason. The time was, a deficiency bill, especially one coming as late as a third deficiency, was a mop-up bill to take care of a few ragged ends of appropriations and seldom carrying more than a few hundred thousand dollars; but here in the year 1938 we find estimates submitted for a third deficiency bill approaching a quarter of a billion dollars or almost one-fourth of the amount that was required to run the entire Government a few decades ago. These estimates in printed form occupied 100 printed pages, making a bill larger in size than many of the regular supply measures. By careful supervision of the estimates, reducing those that would stand a reduction, and by giving a regular reference to those that were incorrectly routed to our subcommitee, we cut the appropriations from \$215,891,168, as estimated, to \$53,190,-056, the amount carried in this bill.

The tendency to swell deficiency items is but a segment of the larger picture of the mounting appropriations of our Government. On the Democratic side of the aisle we reward the gentleman from Pennsylvania, Brother Rich with the raspberry when he arises to give us his daily curtain lecture on spending, but he at least affords us plenty of food for thought. I am beginning to join company with him in wondering, "Where are we going to get the money?" How can it be said that there is any excuse for appropriations totaling over \$13,000,000,000 a year in a time of peace? And how, may I ask with special emphasis, can it be said that there is any excuse for going ahead and appropriating \$3,500,000,000 a year in excess of our receipts? I wonder how many of us realize the appalling extent of our deficit spend-The sum of \$3,500,000,000, the estimated amount of our annual deficit, is equivalent to \$1,800,000 for every year since the birth of Christ. Think of that before you close your minds too tightly against the stentorian pleas of Brother RICH.

It is all right to speak jocularly about protecting the deficit, but deficit financing cannot go on forever. If it

does go on, the solvency of the Government will be at stake. Far better it would be to tackle the problem of a balanced Budget on at least one, and possibly two fronts. With our present broad tax base a reduction of Government expenditures of 25 percent, as promised in our 1932 Democratic national platform, would almost take care of our national deficit. The other point of possible attack is mentioned by me with some reservation, because taxes are always a pain in the neck; but a moderate increase in taxes, equitably distributed, might go hand in hand with a reduction in spending as an approach to sound Federal financing. We are now within \$1,000,000,000 of the statutory debt limit of \$45,000,000,000, and if we keep on at the rate we have been spending, we will soon reach the limit. Our primary responsibility, as I see it, is to put a check on spending and to avoid contingent liabilities that might have the indirect effect of increasing our debt above the statutory limit.

According to my way of thinking it would not be safe to raise the present statutory debt limitation. The appropriations already made at this session are an increase of \$300,-000,000 above the Budget estimates and that, I think, is a danger signal, as there is a tradition in the appropriating branch of the Congress that it is not good practice for

appropriations to exceed the Budget.

It is not my purpose to discuss the provisions of the pending bill at length, as that has been ably done by others, and I shall advert to only one additional phase of the problem before us, because I regard it as an untoward tendency which should be curbed. I refer to the appropriations we are making under the general guise of cultivating good will among the Latin American nations. While this sort of activity is prompted by benevolent motives, the conclusion is inescapable that Uncle Sam's leg is being pulled beyond all reason. The taxpayers of the United States have paid \$2,000,000 up to date toward construction the Inter-American Highway through Central and South America. In some cases bridges have been built by our people even before the connecting sections of highway were constructed.

We have performed this service and paid the bills without any guaranty whatever of the use of the highway in case of emergency. If we should become involved in war with any European power over the Monroe Doctrine, any Latin American country through which passes the road that we have helped to build could shut us out of the use of the road. This is made clear on page 120 of the hearings which records the following colloquy:

Mr. Ludlow. Have we reserved any right to use the highway in case of war?

Mr. MacDonald (Public Roads Administrator). The road has not been built under any treaty agreement of any kind. There has simply been a convention that was adopted by those countries and congressional agreement to assist in building the road between the countries involved.

Mr. Ludlow. We are putting money down there without knowing whether we could make use of the road in the event of an emer-

gency.

Mr. MacDonald. That, of course, is a matter of policy for the State Department to determine.

It was testified that we have an engineering personnel of 11 on this work-5 engineers and their assistants. A request that \$100,000 more be made available for this purpose was put over by our subcommittee for consideration in connection with the regular bill.

It developed at the hearings that under the generous cloak of good will we are sending many experts into South America to instruct the people how to do this, that, and the other thing, and that very rarely, if ever, is there any reimbursement for these services by the country that benefits. The Department of Agriculture sent us an estimate of \$130,000 to pay for an expedition of 31 persons into Latin America to conduct "biological and economic investigations of rubber, forestry, medicinal, and insecticidal, and other agricultural plants and products."

One of the details on the program of this expert service to be given free of charge to South America is to furnish instruction in raising rubber. To some of us it seemed rather incongruous that civil-service employees from the bureaus in Washington should be sent down to South America to instruct the natives on raising products indigenous to their own countries; and the following colloquy occurred between Mr. Leslie A. Wheeler, Chief of the Foreign Agricultural Service, and myself:

Mr. Ludlow. Would it not be sending coals to Newcastle to send

people down there to teach them how to raise rubber?

Mr. Wheeler. No, sir; I do not think so. They have done very little of it since 1910. They did produce it up until 1910.

Mr. Ludlow. What do we know about raising rubber that they do not know?

not know?

Mr. Wheeler. They do not have technical people down there at all.

Without discounting the earnestness and good faith of those promoting this activity, it seemed to some of us that there was no justification for burdening the taxpayers of the United States with the expense of paying these good-will emissaries to perform services for South American countries which those countries ought to pay for themselves, or for which they should at the very least reimburse the United States. This sort of thing has gone so far that a jokesmith remarked that it may not be long until Uncle Sam will be sending an expert to Mexico to teach the Mexicans how to make hot tamales. The estimate of \$130,000 provided for some high-paid personnel, including a principal agriculturist at \$5,600 a year, three senior horticulturists at \$4,600 a year each, two senior pathologists at \$4,600 a year each, one senior engineer at \$4,600, one senior forester at \$4,600, one senior wood technologist at \$4,600, and numerous others above \$2,000 a year.

Our deficiencies subcommittee put this estimate over for consideration by the regular agricultural subcommittee, as we could not see in it any of the characteristics of a defi-

ciency item.

We believe the bill we have brought to you is a good one; that it will inflict no undue hardships; and that in a small degree it will point the way to a sensible and reasonable retrenchment in governmental expenditures.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, this is neither the time nor the place for an extended statement. I believe everybody wants to go home. [Applause.] But I cannot help but make an observation with regard to the statement made by my distinguished colleague from Alabama [Mr. Hobbs] for whom I have the highest regard, when he made reference to the solemn pledge that had been made to the farmers of America. Out of this Commodity Credit Corporation debate there comes to me one very gratifying thing, and that is that there has been a revival on the part of the Congress for the solemn pledges of the Government. I remember the day when the solemn pledge of the United States Government was lightly looked upon by the majority now in power. Well do I remember the day of repudiation and disregard for the solemn obligation and pledge of the United States Government. So I say it is most gratifying. It points to a better day when, within the heart and spirit and soul of this group, there is a revived regard for the pledges not only of the Congress but of the United States. I commend the majority for the new outlook and the new viewpoint that it lately expresses.

Mr. Speaker, the Secretary of Agriculture has sent out an S. O. S. He and his farm program are in dire distress. His planned economy seems headed for the rocks unless his selfliquidating program for farm prosperity can be further subsidized by a gift from the taxpayers of \$119,000,000. At least that is the prospect that he holds out in his letter of August 3, which is stamped for immediate release by the propaganda producers of the Department of Agriculture.

The purpose of the letter was to arouse public sympathy for the Commodity Credit Corporation, the concern that was created by the New Deal to give the farmers a fake prosperity, and which now wants \$119,000,000 more to save it from bankruptcy. One sentence in that letter intrigued me. I refer to the closing sentence. Mr. Speaker, I do not want to be charged with any possible misinterpretation, so I shall read that sentence, word for word as the propaganda machine at the Department of Agriculture ground it out—ground it out to arouse sympathy, to create fear, to suggest calamity, and incidentally to influence public opinion and the action of the Congress. The letter is a fine specimen of letter lobbying by a department. That sentence, Mr. Speaker, reads as follows:

I do not think it would be an exaggeration to say that inability to continue and make loans on agricultural commodities for the remainder of 1939 would be a national calamity.

I submit, Mr. Speaker, that is a startling statement—a national calamity faces us unless we continue year in and year out to bail out the defunct Commodity Credit Corporation. The Secretary and his program of collectivism must certainly be in hot water to require a calamity howl of that kind. This voluntary confession is in marked contrast to the boastfulness of an earlier day when the alluring prospects of farm prosperity by a planned economy was held out as such a certainty that it was not even debatable. As Moses led the Children of Israel out of Egypt so Wallace was to lead the farmers to a new Canaan.

By his recent press release of a national calamity, it would seem the "New Caanan" has turned out to be a pawnbroker's paradise. All in all this latest product of the propaganda machine operated by the Department of Agriculture at the expense of the taxpayer is a complete confession of failure on the part of the New Deal to solve the farm problem. I have read that letter carefully, Mr. Speaker, and from the first word down to "sincerely yours," there is nothing to suggest the slightest solution other than lending the farmers money-putting them deeper into debt-by pledging and pawning their crops. That is the New Deal's panacea for the farmers; that is the net result of 6 years of spending and lending and borrowing, 6 years of promising, pretending, and procrastinating; a "national calamity" faces us unless the Department be permitted to continue its creation of an artificial prosperity. That is the whole thing in a nutshell. That is the nub of the whole matter. This confession, unadorned by fancy phrases or funny figures-and this press release is unique in this respect-is an acknowledgment that the New Deal's farm program, the much publicized and loudly proclaimed A. A. A., is just a flat failure. My, how the New Deal ghosts come back to haunt these loudly articulate apostles of a more abundant life when a confession of this kind is forced from them. My, how their pious professions and exaggerated promises must plague them at such a time as this. It seems to me, Mr. Speaker, that we should be considerate of the feelings of the Secretary as he assumes an abject and suppliant attitude, seeking and pleading for another chance to fool the farmer. These ghosts must be hard things to live with. But the thing I am afraid of is that if we grant the prayer of his present plea, there will only be more ghosts to plague him next year. Try as I will to find some evidence that Wallace's wonders will work, I simply cannot find the most fragmentary bit of evidence pointing in that direction.

So in consideration of Mr. Wallace, not to mention the best interests of the farmers, I cannot bring myself to the place of advocating more money to make more ghosts to plague and frighten him. The sooner these ghosts are destroyed, the sooner his peace of mind will be restored.

But I am interested primarily, Mr. Speaker, in the best interests of the farmer. Pennsylvania boasts of a strong, sturdy, self-reliant agricultural population. Our farmers know more about farming than they do about borrowing and pawning. Taken as a whole they are practical and substantial. I have serious doubts as to their approval of pouring more money every year down a rat hole just to create a sense of artificial security in their minds. Security to them must be just as real as the reaper and binder is which they use at harvest time. And, what is true, Mr. Speaker, of the Pennsylvania farmer, is true in a large measure to most of the farmers of the country. Certainly they want good prices for farm products—prices in line with the energy and industry that they put into their work—and they are entitled

to such prices. But, I contend, Mr. Speaker, that artificial price-pegging—perpetual pawning and borrowing—cannot establish such prices for them so long as a Secretary of Agriculture voluntarily admits that a "national calamity" faces us unless this defunct lending agency is put on its feet; that he has nothing to offer the farmer but a future of pawnbroker's paradise, which is certainly a future of futility and failure. Are we doing the farmer a real service by helping the Secretary carry on this masquerade of pretended prosperity? In the long run will it help or hinder the farmer by fooling him with a false sense of security? I cannot believe it.

It seems to me, Mr. Speaker, that every false hope that we raise will make the final disclosures of reality all the more difficult and disappointing. False hopes never did a thing for anyone but cause heartache and aggravate disappointment. And that is just what the operations of the Commodity Credit Corporation thus far have done-raised false hopes and nothing more. All the utopian dreams of the "brain trusters," all their economic theories-all their extravagant experiments, all their socialistic and communistic controls over crops—all these, the Secretary says point to a "national calamity," unless Uncle Sam continues to maintain a pawnbroker's establishment for the economic safety and security of the American farmer. At best that is a rather doleful outlook, especially when we look back on the dreams and theories and experiments and controls of the last 6 years.

Instead of this cry of wolf, Mr. Speaker, instead of this effort to arouse a hysteria of fear, I believe some assurance of a change of policy which would hold out some hope for the future would be vastly more encouraging. Has the administration any plan in mind which will restore a market for farm commodities rather than an enlarged lending agency? Should not the Congress have some specific and reasonable assurance that the capital impairment of the Commodity Credit Corporation is not likely to occur next year? Should not the Congress expect some suggestion that the disastrous results of the past operations of the administration's farm policy will be corrected? Should we not have some word that the administration intends a change in policy which will prevent the widespread importation of agricultural products from abroad? Should not the farmer have the assurance that something more hopeful, more encouraging is in store for him in the future than the prospect of borrowing money and pledging crops? Should not the taxpayer, who after all pays the bill, have some assurance that his pockets will not be picked in the future to pay the price of foolishness and failure?

On these points, Mr. Speaker, we find a strange silence, a silence that cannot help but be discouraging to the American farmer and to the American taxpayer. Many of us remember—how could we possibly forget—those halcyon days of the New Deal when the propaganda machines of every department ground out ream after ream of paper promises that utopian days were at hand. The farmer came in for his share and a very generous share at that, of these paper promises, and he has the right to expect some material result, other than borrowing and pledging, to come from those promises.

I submit, Mr. Speaker, if the conditions are as grave as the Secretary seeks to show, then he or the officers of the Commodity Credit Corporation should have brought home notice of the impending collapse of the corporation at an earlier date.

It is hardly in order at this late date to come with a plea that a "national calamity" faces us unless funds are provided for the lending agency. It would be much more to the point had the administration developed an agricultural program which would have been self-sustaining—an agricultural program which would not have depended on the pledging of crops by the farmers, and by the lending of money by Uncle Sam—an agricultural program that would not have required the pegging of prices or the creation of pretended prosperity—an agricultural program that would have provided markets for our crops and a coordinated domestic

economy that would have meant prosperity for all of our people. [Applause.]

I ask for the privilege of extending and revising my remarks.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Colorado [Mr. Taylor] such time as he may desire. [Applause, the Members rising.]

Mr. TAYLOR of Colorado. Mr. Speaker, I appreciate from the bottom of my heart this most cordial and kindly greeting of the House. The position of chairman of the great Appropriations Committee is a great honor and a great responsibility. The work of our committee has never been as hard and constant as it has been during every day of the last 7 months. But we have had such splendid teamwork and earnest cooperation among all of the 40 Members, regardless of politics, that it has been a pleasure for me to act as a general manager and supervise the many billions of dollars we have appropriated. I want to acknowledge publicly the wonderful support and help that has been given me by all. I have put practically all the detail hard work onto the younger members of the committee. I want to especially thank the gentleman from Virginia IMr. Wood-RUMI for carrying most of the burdens that ordinarily would fall upon the chairman of the committee.

I am not going to make a speech. But I want you to know that I profoundly feel that this body is the real safeguard of our Republic. [Applause.] I feel that our Government needs defense from within as well as from without. In view of the harassing circumstances with which we are constantly surrounded I believe history will accord this session of the House of Representatives a very high degree of courage, good judgment, and genuine patriotism.

There are very dangerous, insidious tendencies at work in the world and in our Republic today that require the highest order of patriotic statesmanship. Regardless of the hazard to our political lives, I am confident the membership of this House will fully measure up to our duty and responsibility to our beloved democratic form of government. But I am not going to attempt to make a speech. I just want to thank you all for your uniform courtesy and kindness to the oldest man in the House; and as the father of this body I extend the hope that all of you young people will have a pleasant vacation and that we will all return here next January. [Applause.]

I thank you all.

Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include therein the statement that is usually made by the chairman of the Committee on Appropriations as to all the appropriations made by Congress during the present session, and to be permitted also to include therein the customary tabulations that go along with the statement of our appropriations for the fiscal year 1940.

May you all have a pleasant vacation. [Applause.]
The SPEAKER pro tempore. Without objection, the request of the gentleman from Colorado is granted.

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in connection with House Resolution 295 asking for an investigation of the reciprocal-trade policy of the administration.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, on yesterday I introduced House Resolution 295, which directs the House Committee on Agriculture to investigate the damage done to American producers of beef on account of the President's advocacy of Argentine canned beef. It will be remembered that on May 12, 1939, President Roosevelt said that Argentine canned beef is superior and cheaper than the product produced by the farmers of the United States. Since this statement was uttered the prices on meat products have

fallen in this country, to the damage of American producers. My resolution also directs the committee to investigate the matter of excessive competitive imports of farm products and the effect of the reciprocal-trade program upon American producers. In view of the distressed condition of agriculture, I urge the Rules Committee to take action on this resolution today in order that the committee may immediately begin its investigation.

COMMODITY CREDIT CORPORATION APPROPRIATION

Mr. Speaker, as the gentleman from Pennsylvania has said, we are glad that Congress is going to adjourn. It should be noted, however, that the first session of the Seventy-sixth Congress has done nothing by way of constructive action to solve the agricultural problem, as it exists today, other than to appropriate money.

Farm prices are falling to new lows, and agricultural income is disappearing like a snowball on a hot day, despite the all-weather regimented program of the New Deal. Secretary Wallace said a few days ago that if he did not receive the \$119,000,000 Commodity Credit appropriation, prices would go lower than they were in 1932.

I am pleased that the Appropriations Committee has included this \$119,000,000 so as to save agricultural prices, although I feel that it will take many times this sum to maintain parity prices for the farmers of this country.

Secretary Wallace said to the press that if he did not get this appropriation, he would blame the Republicans in Congress for the low prices on farm products. The Secretary would like to get rid of the farm problem, because of falling prices and the complete failure of his program. He would like to put the blame on the Republicans for the failure of his program to work. He wants to "pass the buck", which has become quite customary for other New Deal leaders to do, when their fantastic schemes fail, after a great deal of damage has been done.

Nothing would please the Secretary better than the failure of this appropriation so that he could "pass the buck" to Congress, for the failure of his program and falling farm prices. We do not assume the responsibility, Mr. Secretary, and I am therefore urging all of my Republican colleagues, 168 in number, to vote unanimously for the \$119,000,000 appropriation. [Applause.]

No program for American agriculture can long survive when it is wholly dependent upon Federal appropriations for its success. The present A. A. A. program will collapse when Federal funds are exhausted. That point has been, or soon will be reached, and then the farmers of this country will face a situation far worse than in 1932, or any other time.

Our job, as Representatives, should be to provide a sound and permanent program for the farmers of this country. I therefore urge upon the leadership of this House, that as soon as we return in January, immediate steps be taken to work out a sound program that will bring parity income to the farmers without the need for governmental appropriations. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Speaker, the only reason I address the House at this time is because I realize that at this particular moment there are something like 1,062 ears open and listening to the voice of agriculture because this item is up for consideration. You will soon pack your baggage and automobiles and buy your tickets and be on your way home. I hope as you ride home you will commit yourselves to a program of assisting the Agriculture Department, the State Department, the Treasury Department, and the Bureau of Customs to put our house in order so that agricultural commodities may move out of this country to other countries and there be consumed before we meet again in January 1940. That is one way to solve your agricultural programget the goods out of storage, get the goods out of the loan, and get them in use and into the stomachs of the people and animals who can eat them, because that is why they are produced in the first place. This proposition is now open for negotiation. The Department of Agriculture is working on it. I hope that the Members of Congress and the people in the cotton States, the corn States, the peanut States, and all the other States will work to this end. Get these goods out of storage. Use this money, if you please, to help finance the movement of goods into consumption. This will do as much to solve your agricultural problem as anything else, and certainly more than lending more money on more goods to be stored. [Applause.]

Mr. Speaker, reversals of policy such as the House did in denying the \$119,000,000 the other day serves to emphasize the difficulty of operating a planned economy within the framework of our form of government. We should bear in mind that the authoritarian state gave birth to planned economy. We should not expect, and I personally do not expect, it to operate with much of a degree of efficiency or efficacy. I hope my farmer friends will not expect too much from the Commodity Credit Corporation or the various legislative acts of Congress. The revolt of Congress, the response of Congress to pressure groups, the power of these groups to operate under democratic government, will undoubtedly prevent the smooth functioning and the necessary regimentation which planned economy must have if it is to show results. When you begin to unlock these goods from the warehouses, when they are repossessed by the original borrower-the farmer-and as they try to get back into the channels of trade. Government red tape will be encountered. Title papers must go along with the goods. Where government is involved for the protection of the taxpayer and in order to prevent scandals from developing, there must be much red tape. This all takes on the appearance of faulty and inefficient administration. If grouped with appearance, there is more or less actual fallacy and fault, then in the end we must expect serious trouble. The more we pattern after Europe in this economic planning, it seems to me, the greater will be the conflict with democracy, with civil, political, and other rights of our people. Necessarily, in my opinion, will all this interfere with free trade in our own country and contribute to less production, a lower standard of living for all our people, and greater opposition to the plans of the planners.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Idaho [Mr. White] such time as he may

desire

Mr. WHITE of Idaho. Mr. Speaker, now that the Congress has adopted a policy of economy and has failed to sanction the President's lending program by refusing to make appropriations to finance business by Government lending and there is an apparent shortage of money-liquid capital-it is time that the President exercise his authority to issue new money in the form of interest-free Treasury notes to meet the need of the country for liquid capital and supply the money function for all lines of business activity. The creation and circulation of this kind of money by our Government would relieve business and the people of this country of the interest load it now must pay for the use of the bulk of the national currency. If the President will exercise the authority given him by Congress to create and issue this form of currency it will stimulate business, raise prices, create profits that will increase the Government income from taxes and provide a much better way to supply the needed money to finance industry than the proposed "lending and spending" and Federal housing-lending program. Industry must have capital to employ labor. Business cannot function without money. Every day that our Government delays in providing the American people with an adequate, workable money system we are increasing the certainty of uncontrolled and disastrous inflation in the future. The President has the means to provide the money business needs-let him use it.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. Cannon].

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this bill may be permitted to extend their remarks in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, it is customary at the close of a session for the minority, whether they happen to be on the Democratic side or the Republican side, to call attention to the total expenditures for the session and deplore the reckless prodigality of the particular party which happens to be in power at the time, in the expenditure of public funds. That time-honored custom has just been duly observed with all the traditional fervor by the gentleman from New York and the gentleman from Pennsylvania, who have viewed with appropriate alarm the profligate dissipation of public funds by a heedless and dissolute majority.

And, as a member of the Committee on Appropriations who, like my colleagues on the committee, has been bitterly excoriated because I was too parsimonious and roundly abused because I was too extravagant, I desire to enter a plea of confession and avoidance. As has been said by my distinguished friends from New York and Pennsylvania, the appropriations for this session have been large. But the need has been correspondingly large and the occasion for expenditure correspondingly imperative. Never before has a peacetime Congress been confronted with world conditions of the nature confronting us today. And seldom before, if ever, has any Committee on Appropriations been subjected to such exacting demands as those made on the Committee during the session closing this afternoon. We have devoted more time, more continuous attention, to consideration of the Budget estimates; have held longer hearings, dispatched more business, and have made a more earnest and consistent effort to enforce economy of administration and expenditure than in any comparable session of the Congress within my recol-

But we are face to face with world conditions under which the elemental instinct of self-preservation requires expenditures in support of the Army and the Navy beyond anything heretofore undertaken in time of peace. It is this cost of preparedness which in the main has skyrocketed the 1940 appropriations to the totals criticized by the gentlemen of the minority, and I do not think there is a Member of Congress or any substantial group of American citizens who do not approve those expenditures.

Likewise, we are confronted with unprecedented economic conditions of such extent and duration as to constitute a more serious menace to the American people and American institutions than the constantly recurring alarms of war against which it has been necessary to wage as vigorously and expensive an offensive as if we had been invaded and were fighting in defense of our own soil. Under such conditions there have been times when we could not stop to count the cost.

However, even on matters of national expenditure there is much in the personal point of view. The poet writes of the "receding echo of the watchdog's deep-mouthed bay as he draws near home" and it may have been observed that the homilies of these two eminent watchdogs of the public funds frequently abated into receding echoes as the objects of expenditure drew near New York and Fittsburgh. [Laughter.]

But I heartily concur with the gentleman and others who have expressed gratification that the limelight is being focused on the agricultural question. It is the most important question before the American people today. National recovery and prosperity are inextricably dependent on its solution. And I agree with them that the mere expenditure of money will not permanently remedy the situation. Regardless of how much you lend the farmer, or how many subsidies you give him, as long as you leave the market price of his products below the cost of production you have merely deferred the inevitable day of reckoning. Unfortunately, gentlemen seem to have no solution. They offer no suggestion. They propose no alternative. They have no legislative program to increase farm prices. And until you increase farm prices, until you pass legislation which will give the farmer

as honest a wage for his labor as he must pay for the labor of those who serve him, you are not subsidizing the farmer. You are subsidizing labor and industry who eat his bread without paying for it.

The proposal in this bill to repeal indirectly the law under which the farmer may borrow money on his warehoused products by refusing to appropriate capital for the Commodity Credit Corporation is characteristic. The Secretary of Agriculture notified Congress and announced through the press that failure to make the appropriation would insure a return to 1932 prices for farm products.

In commenting on the proposal, Secretary Wallace said:

Department of Agriculture,

Washington, August 4, 1939.

Dear Mr. Cannon: * * The appropriation of \$119,000,000 requested to restore the capital of the Commodity Credit Corporation is vitally necessary to the success of the farm program. At present only \$9,000,000 is available for new loans on agricultural commodities. This appropriation is neither for the purpose of embarking upon any new undertaking nor for financing any transactions other than those already authorized and directed by the Congress. Moreover, these funds would not be expended but would be used for making loans with farm commodities as collateral. In other words, the appropriation is merely to restore the capital of the Corporation in order that it may continue to carry out the program specifically assigned to it by existing legislation. specifically assigned to it by existing legislation.

Corporation in order that it may continue to carry out the program specifically assigned to it by existing legislation.

The Agricultural Adjustment Act of 1938 makes it mandatory under certain circumstances for the Corporation to offer loans to producers of corn, wheat, and cotton. In accordance with this requirement, a loan program has already been announced with respect to the 1939 wheat crop. Wheat is now being marketed, and, largely as a result of the loan, the price of American wheat is very substantially above world prices. Unless the \$119,000,000 appropriation is made, the wheat loan probably could not be continued through this season. If the loan on wheat should be discontinued, a precipitate drop in American wheat prices is almost certain to follow.

In the case of corn, arrangements for a loan normally would be made in September, and it is virtually certain that a loan on the 1939 crop will be mandatory. Moreover, if lack of funds should make it impossible to provide a loan on the 1939 corn crop, the effect would have widespread and disastrous results on the whole of agriculture. The extremely low corn prices which would follow such action would in turn bring about sharp reductions in prices of hogs, beef cattle, pork and dairy products, cottonseed, other feed grains, and fats and oils. Under conditions as they are at present, a loan through lack of funds could easily contribute to a price decline which would under ordinary circumstances make the loans mandatory.

During the past 6 years the Commodity Credit Corporation has

During the past 6 years the Commodity Credit Corporation has made loans on these commodities: cotton, corn, wheat, butter, wool, mohair, tobacco, rosin, turpentine, figs, peanuts, rye, prunes, raisins, pecans, and hops.

The existing loans, and estimated commitments now outstanding, leave only \$9,000,000 available to the Corporation for additional programs, including loans on the 1939 crops of corn, cotton,

tional programs, including loans on the 1939 crops of corn, cotton, and several other commodities whose producers will undoubtedly be in serious need of loans this year.

In planting their crops this year the farmers naturally had reason to believe that at least all the loans which Congress made mandatory under the Agricultural Adjustment Act of 1938 would be made available. To fail to provide for these loans would be regarded by the producers, and rightly so, as a breach of faith.

It would appear difficult, if not impossible, for the Secretary of Agriculture to take responsibility for incurring additional commitments on loans, even though such loans are mandatory under

mitments on loans, even though such loans are mandatory under the Agricultural Adjustment Act, if the Congress should fail to make the appropriations contemplated under the Commodity Credit Corporation Act to make such commitments secure. The Commodity Corporation Act of 1938 makes it clear that Congress must modity Corporation Act of 1938 makes it clear that Congress must replenish the capital stock of commodity credit as of March 31 each year if it expects commodity credit to remain active. This view is substantiated by the hearings in the Senate Committee on Banking and Currency on February 14 and February 21, at which time the Commodity Credit Corporation was severely criticized for making an emergency arrangement last year with Reconstruction Finance Corporation so that in case of need, it could make loans beyond its capital and authorized borrowing power. I do not believe that the Members of Congress expect or desire a Cabinet officer to take a responsibility that properly belongs to the Congress. Abandonment of the farm loan programs would remove an im-

officer to take a responsibility that properly belongs to the Congress. Abandonment of the farm loan programs would remove an important part of the entire farm program, cause a sharp decline in farm prices, seriously impair the credit resources of farmers, and greatly reduce their ability to pay outstanding debts to banks and Government agencies. The impact of such a blow to American agriculture could be expected to have repercussions on the economy of the entire Nation. I do not think it would be an exaggeration to say that inability to continue and make loans on agricultural commodities for the remainder of 1939 would be a national calamity. Sincerely yours,

H. A. WALLACE, Secretary.

The position of the Department of Agriculture on the appropriation is warmly supported by the farm organizations. One of the most significant statements from that source is the following letter from the Farm Bureau:

American Farm Bureau Federation, Washington, D. C., August 4, 1939.

Hon. CLARENCE CANNON,

Hon. Clarence Cannon,

House of Representatives, Washington, D. C.

My Dear Congressman: The provision of the deficiency appropriation bill restoring \$119,000,000 of the capital stock of the Commodity Credit Corporation is imperative if the Government of the United States is to discharge its commitments and obligations to millions of farmers throughout the country. Unless this full amount is approved by the House of Representatives, the Government will be unable to carry out its part of agreements entered into with the farmers, who have already discharged their part of the obligations by adjusting their production of basic crops as authorized by the Agricultural Adjustment Act of 1938, Under the provisions of the Commodity Credit Act of 1938, the Corporation's capital is fixed at \$100,000,000 and its maximum borrowing power on the credit of the United States is limited by the extent of its unimpaired capital. Consequently, the Commodity Credit Corporation lacks definite congressional authorization to make loans or guarantee loans made by banks to farmers.

modity Credit Corporation lacks definite congressional authorization to make loans or guarantee loans made by banks to farmers.

Therefore it is respectfully urged that this provision, as adopted by the Senate, be approved by the House of Representatives without change, and thus enable the continuance of the commodity-loan programs to the extent of understandings and commitments made by the representatives of the Federal Government with the cooperating farmers throughout America. To do otherwise would be breaking faith with farmers and would weaken the confidence of farm people in the Government.

Sincerely yours,

EDW. A. O'NEAL. President.

I congratulate the committee and the House on the addition to the bill of the full Budget estimate of \$119,000,000 for the Commodity Credit Corporation. Until legislation is enacted assuring agriculture of its fair share of the national income it provides the farmer with facilities for orderly marketing and protects him from the market gluts which formerly operated in favor of the speculator at the farmer's expense.

The incident has served to focus attention on the steadily decreasing price of farm products.

It is well that Congress is leaving Washington with this problem ringing in its ears. And I trust after you have been back home, and rubbed shoulders with the people who are more interested in prosperity than in politics, you will come back next January with constructive suggestions and in frame of mind to cooperate in a just and practical solution of the problem you have discussed so interestingly this afternoon. The farmer is not asking primarily for loans or subsidies. If you will give him a decent wage for the 14 hours a day he works in rain and sun, through the heat of summer and the frost of winter-if you will give him a fair price for the food his patrons have been mooching at his expense ever since the war, you may keep your loans and subsidies so far as he is concerned. And until you do we can have no permanent economic progress in the Nation.

I join with the gentleman from New York in the laudable hope that we will all come back resolved to affect even greater economies in the administration of government. May I also express the hope that we will all come back after a pleasant and profitable sojourn among the home folk more than ever resolved to cooperate in support of measures recommended by the administration with a view to accelerating recovery and increasing the national income to a point where the amounts appropriated at this session of Congress will appear small in comparison. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. RAYBURN). The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. Dirksen asked and was given permission to revise and extend his own remarks in the RECORD.

ELECTION TO STANDING COMMITTEES

Mr. COOPER. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 296

Resolved, That ALBERT SIDNEY CAMP, of Georgia, be, and he is hereby, elected a member of the standing committees of the House of Representatives on Election of President, Vice President, and Representatives in Congress, Patents, Public Buildings and Grounds, and Revision of the Laws.

The resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I have requested the privilege of addressing the House for a few moments at this time because we cannot present a sine die resolution immediately. Senator Barkley has made the request that this resolution not be presented at this time, and in view of the fact there are two important conference reports to be disposed of, that it be withheld until those two conference reports are disposed of by the Senate. Knowing that the last important business in the House was the adoption of the conference report on the deficiency bill, I make this statement, because I know that when we return after recess many of you will have gone.

Mr. Speaker, may I say to you that in the arduous and onerous position I have occupied, I thank you from the bottom of my heart for your manifold courtesies and kind-

nesses. [Applause.]

To my distinguished friend, the gentleman from Massachusetts [Mr. Martin], the minority leader, I say the same. In matters of procedure he has been as fine as one occupying his position could be, and I tender to him my grateful thanks. [Applause.]

To each chairman of a committee in the House with whom I have had to deal, and I have been compelled to deal with all of them, may I say that you have been as helpful

to me as it has been possible for you to be.

To each and every Member of the House on both sides of the aisle I can say without a moment's hesitation that you have all been fine and kind to me. You could have made this difficult position I occupy much more difficult if you had so desired.

We are leaving now. It has been a long, it has been a trying session. We go to our respective homes. I trust that whether you go to your homes or for the next few weeks to some place that may be quieter than a politician's home, the rest may refresh you, and that you will enjoy association with your people when you do get home. It is a fine thing for us to go back home and spend a few months each year refreshing ourselves by rubbing elbows with our own people.

As for myself, I shall at the earliest possible moment go to my country home on the broad prairies of Texas. If any of you drive the broad highway that passes the door, I hope you will stop and at least take salt with me. If you can remain overnight, there is room enough in that house to shelter and to bed more than two score of you, and I should like to have the rooms full of my colleagues very often. [Applause.]

I am going back under the roof where my father and mother lived. My father and mother were great folk. They did things in a big way. They raised eight boys and three girls to be grown. Eight of us are still living. Almost any Sunday you can look around that farm and see the five brothers and three sisters there, because we not only have a Scotch name but we are just a little clannish.

I want to go back with my own blood for a while and with my friends of a lifetime. I know I will have a good time. I know I will come back with enough vim and vigor next winter to carry me through 7 more long months. I have had my disappointments, but I have had no heartaches. Men on that side of the aisle on controversial questions I expected to vote against the position I took when party matters were involved. My heart has not ached, but I have been disappointed many times when some Members on my side of the aisle did not see things exactly as I saw them; but I know that when they did not see things as I saw them, when in good conscience and believing that they represented the views of their constituents they cast a vote differently than I cast mine, they had no pleasure out of it, and that it really hurt them more than it hurt me.

To those who have stood by at all times—and a few of us have, of course, on everything—let me express my appreciation. To those who are advertised to be the recalcitrants, may I say that I have nothing in my heart against them; on the contrary, I have the finest feeling for them, because some of the best friends of my lifetime have been men on my side of the aisle who have not agreed with me on all things. I know they voted in conscience; I know they voted without hate, without spleen, and without venom, following the dictates of their judgment and voting as they thought their constituents would have them vote.

We live in a great country; the greatest on the face of the earth; the greatest that ever existed on the face of the earth. [Applause.]

I was here at a time when politics divided these two aisles; when there was division on the majority side in the days when the Republicans were in power as well as when the Democrats were in power. I have seen the Republican Party divided when they were in power. But I have never seen a time when the supreme test of patriotism and love of country above all other loyalties was presented to this House that Members of both parties did not rise unanimously to sustain the historic principles of this great Republic of yours and mine. [Applause.]

We live in an unhappy world. It has been unhappy for months past. I trust that when we go home to drink in inspiration from our own people we may rededicate ourselves to their service and will come back as determined as were the fathers who brought this mighty Republic into existence to maintain, perpetuate, and defend against all enemies, foreign and domestic, the great institutions that underlie this giant state.

For you and each of you throughout the days you are away from here it is my fervent prayer and my highest hope that you and yours may enjoy to the fullest measure the rich blessings of health, of prosperity, and of peace. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for a few moments.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I cannot refrain, on behalf of the membership I am privileged to lead in this House, from expressing our appreciation of the fairness and the fine integrity with which you have upheld the great office of Speaker. [Applause.] It was, of course, to be expected from your notable past experience.

I am also delighted to pay tribute to the majority leader, Mr. Rayburn, of Texas, one for whom I have the highest respect. His word is as good as his bond, and it has been a pleasure to cooperate with him. While we might differ on great fundamental principles, we are both interested in the welfare of the country and are anxious at all times to see that this House has an opportunity to express itself in a fair way. [Applause.]

Of course I thank my colleagues on the Republican side who have been so good and kind to me, as well as those on the majority side, who have paid to me every personal respect one could ask. While in this session of Congress we have had great battles which have divided us, I believe there has been less partisan spirit exhibited than in any Congress in recent years. We all come here with one purpose in mind. We, of course, do not always see the same way, but our common purpose has been in a constructive way to build up

our common country. That has been the motive which has actuated practically every Member. I thank you Mr. Speaker, and Members of the House for the courtesies that you have all extended to me. I hope each one will have a pleasant vacation and come back with renewed health, to continue the great work that is ahead of us. Everyone in this House, regardless of party, knows that constitutional government and democracy are both on trial. The welfare of the American people is at stake. We are called upon to intelligently grope with many tasks. We need this rest so we can come back and solve these problems intelligently and constructively. I repeat I wish for every Member of the House a happy vacation and a safe return in renewed health. [Applause, the Members rising.]

GENERAL LEAVE TO PRINT

Mr. RAYBURN. Mr. Speaker, I send to the Clerk's desk a unanimous-consent request and ask that it be presented to the House.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

Mr. RAYBURN asks unanimous consent that all Members of the House shall have the privilege until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the Congressional Record on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extension of remarks; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress: *Provided*, That quotations from reports of committees of Congress shall be from such reports only as have been submitted officially and printed as documents by order of the House, by law, or pursuant to the rules of the House.

The SPEAKER. Is there objection?

Mr. SABATH. Mr. Speaker, I reserve the right to object. May I inquire of the gentleman from Texas why it was necessary for him to embody in that resolution the last proviso?

Mr. RAYBURN. In the first place, I do not think it is an unreasonable proviso, and, in the next place, I desire to get the unanimous-consent request through the House. I say to the gentleman from Illinois that nothing in the resolution has any reflection upon him, following the colloquy that happened here vesterday.

Mr. SABATH. Mr. Speaker, I did not intend to ask for unanimous consent to embody in any remarks that I made any extracts from any committee report. I have enough evidence in the hearings of the Committee to Investigate Real Estate Bondholders' Reorganizations that are ready and shall be ready for those who desire to know the facts and truth as to the investigation of that committee. I shall comply with the many requests that have come to me, due to the advertising that has been given to the final report, and I shall supply the various institutions that have sought to obtain the final report, which has been temporarily suppressed by the parliamentary tactics of a few gentlemen in this House, with the hearings on which the report has been based. I want the gentlemen who have been trying to stop this report to know I appreciate the advertising they are giving the fine work of our committee. Their tactics are focusing public attention on our report and people will get the truth in spite of their activities, I am certain. At least, they will get it if I can help

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE TO INVESTIGATE N. L. R. B.

The SPEAKER. Pursuant to the provisions of House resolution 258, Seventy-sixth Congress, the Chair appoints as members of the Select Committee to Investigate the National Labor Relations Board, the following Members of the House: Mr. Smith of Virginia, Mr. Healey, Mr. Murbock of Utah, Mr. HALLECK, and Mr. ROUTZOHN.

RESIGNATION FROM A COMMITTEE

The Speaker laid before the House the following resignation which was read:

AUGUST 5, 1939.

Hon. W. B. BANKHEAD, Speaker of the House of Representatives,

Washington, D. C.

MY DEAR Mr. SPEAKER: I hereby tender my resignation as a member of the special committee to investigate un-American activities, of the House of Representatives.

With expressions of my high regard and esteem, I am,

Sincerely yours,

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had agreed without amendment to concurrent resolutions of the House of the following titles.

H. Con. Res. 33. Concurrent resolution to commemorate the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States:

H. Con. Res. 35. Concurrent resolution providing for the signing of enrolled bills notwithstanding the adjournment of the first session of the Seventy-sixth Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6635) entitled "An act to amend the Social Security Act, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 3 and 4 to the bill (H. R. 5681) entitled "An act to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government"; and

S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States.

AMENDING ACT OF AUGUST 26, 1937

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 878) to amend the act of August 26, 1937.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. HORTON. Mr. Speaker, I reserve the right to object. Mr. DEROUEN. Mr. Speaker, I desire to make a brief statement.

The SPEAKER. The Chair recognizes the gentleman from Louisiana to make an explanation of the bill.

Mr. DEROUEN. Mr. Speaker, this bill was referred to the committee and was amended by striking out "January 1, 1939", and inserting "February 1, 1940." Since we are about to adjourn, that would require this bill to go to conference. I have been requested by a majority of the Members on both sides of the aisle to make this request, and ask that the committee amendment be voted down, so that the bill can become law.

Mr. ENGLEBRIGHT. Reserving the right to object, to what subject matter does this bill refer?

Mr. DEROUEN. This has to do with the extension of certain prospecting permits on the public domain. This would extend those that have gone down to 2,000 feet up to January 1, 1939. That is, all those who have drilled one well or more would be exempted, and would be embodied in that. Therefore, it only does one thing: Instead of 1,000 feet we are taking those who have drilled to 2,000 feet. It was our understanding in the committee that we were not to take up any oil bills, and I had promised many of the Members. The gentleman from Wyoming [Mr. Horton] and I have tried to carry that out. It is with his consent right now that I am acting in asking the committee to recede from that amendment. I have also spoken to all the Members on the minority side.

In order that the House may understand the entire matter in this bill I wish to read the departmental report which is

as follows:

DEPARTMENT OF THE INTERIOR Washington, March 14, 1939.

Hon. ALVA B. ADAMS,

Chairman, Committee on Public Lands and Surveys, United States Senate.

My Dear Senator Adams: By letter of January 25 you transmitted a copy of S. 878, entitled "A bill to amend the act of August 26, 1937," with request for a report on the bill for your committee.

The act of August 26, 1937 (50 Stat. 842), extended to December The act of August 26, 1937 (50 Stat. 842), extended to December 31, 1939, the oil and gas prospecting permits outstanding on December 31, 1937, which on that date were within one or more of the classes designated in clauses (a) to (e), inclusive. The class of permits extended by clause (d) were those "under which at least one well shall have been drilled to a depth of not less than 2,000 feet subsequent to August 21, 1935." The bill would amend that clause to provide that at least one well shall have been drilled to a depth of not less than 1,000 feet subsequent to August 21, 1935, and prior to January 1, 1939.

Under the act of August 26, 1937, all permits not extended thereby to December 31, 1939, have ceased and terminated. The purpose of the bill seems to be to restore to life any of the terminated permits under which drilling of a well to a depth of not

minated permits under which drilling of a well to a depth of not less than 1,000 feet had been done subsequent to the approval of

less than 1,000 feet had been done subsequent to the approval of the act of August 21, 1935 (49 Stat. 674). As you know, that act changed the system of development of oil and gas resources in the public domain chiefly by providing for the issuance of leases instead of prospecting permits for unproven oil and gas lands.

The act of August 21, 1935, authorizes any permittee to exchange his permit, prior to its termination, for a lease under that act. All permits outstanding on December 31, 1937, which were not extended to December 31, 1939, by the act of August 26, 1937, were extended by departmental order to December 31, 1938. Between 4,000 and 5,000 permits terminated on December 31, 1938, and applications have been filed to exchange approximately 3,000 of these permits for leases. Any permittee whose permit terminated and who filed a timely application for exchange may begin or continue drilling on the land even before the lease is issued to or continue drilling on the land even before the lease is issued to him, so that his right to prospect the land is not denied or retarded by reason of the exchange of the permit for the lease.

The bill would favor a comparatively small number of permittees, whose permits were outstanding December 31, 1937, by lowering the standard requirement of 2,000 feet of drilling which was in effect throughout the existence of the permit system. The number of permits which would benefit if S. 878 is enacted is was in effect throughout the existence of the permit system. The number of permits which would benefit if S. 878 is enacted is probably not more than 1 percent of all permits outstanding on December 31, 1937, or less than 100. Clause (d) of the act of August 26, 1937 (50 Stat. 842), is consistent with the original obligation assumed by the permittees who qualified thereunder, i. e., a requirement to drill on the permit lands to a depth of 2,000 feet during the initial 2-year term of the permit or during any extensions thereof theretofore granted. The procedure contemplated under S. 878 is not consistent with the standard requirement which obtained before the permit system was displaced. Moreover, 1,000 feet of drilling is wholly inconclusive as a bona fide test in the great majority of the structures found in the public-land States. Furthermore, the special privileges which would be extended to the small number of permittees who would be affected by S. 878 would be inequitable to the vast number of permittees whose permits were canceled for failure timely to meet the 2,000-foot-minimum drilling requirement during the 15-year period following 1920 when a special inducement of a 5-percent royalty was offered for the discovery of new oil and gas fields. Likewise, the extension of such privileges to this small group of permittees would be discriminatory against new applicants for oil and gas leases on the public lands who, since 1935, have not received any special reward for discovery of new oil or gas fields.

I therefore find no reason for the proposed amendment and recomment that the bill not be extended.

I therefore find no reason for the proposed amendment and recommend that the bill not be enacted.

The Bureau of the Budget, in response to a request from this

Department, states that it has no objection to the presentation of this report.

Sincerely yours,

E. K. Burlew, Acting Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That clause (d) of the act of August 26, 1937, entitled "To provide for the extension of certain prospecting permits, and for other purposes", is amended to read as follows: "(d) Under which at least one well shall have been drilled to a depth of not less than 2,000 feet subsequent to August 21, 1935, and prior to January 1, 1939."

With the following committee amendment:

Page 1, line 8, strike out "January 1, 1939" and insert "February 1, 1940."

The SPEAKER. Without objection, the committee amendment will be rejected.

There was no objection, and the committee amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROCUREMENT OF AIRCRAFT FOR THE NATIONAL DEFENSE

Mr. HARTER of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2868) to facilitate the procurement of aircraft for the national

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. CLASON. Mr. Speaker, I object.

VIRGIE B. WEAVER

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5515) for the relief of Virgie B. Weaver, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 5, after "act", insert "Provided further, That no benefits shall accrue prior to the approval of this act.'

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

HOME OWNERS' LOAN CORPORATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, a few days ago the distinguished gentleman from Illinois [Mr. Church] made a speech on the floor of the House. My purpose is not to discuss the general remarks of the gentleman, or the objective of his remarks, a resolution to investigate the Home Owners' Loan Corporation. But during the gentleman's remarks he made some reference to Mr. Le Hand, who is State manager of the Home Owners' Loan Corporation; also to Mr. Fahey, who is Chairman of the Home Owners' Loan Corporation. I know the gentleman from Illinois is a very fair gentleman. I know that the gentleman from Illinois would not intentionally make any misstatements. During his remarks the gentleman said that Mr. Le Hand conducted his office, in substance, from a political angle. I want to assure the gentleman from Illinois-and I think I am somewhat acquainted with Massachusetts' politics-that there is absolutely no foundation for that statement. As a matter of fact, some of our Democrats from Massachusetts have been rather critical of Mr. Le Hand for the fact that we felt proper consideration had not been given to our recommendations on personnel matters. But I do want to say that, as far as the conduct of his office is concerned, Mr. Le Hand has conducted himself in a very fair and in a very efficient manner. There has been no criticism of Mr. Le Hand in the conduct of his office. His associates have also been fair in the performance of their duties.

I know the gentleman relied upon others for his information. Also, during his remarks the gentleman said that Mr. Le Hand had no experience in loan and real-estate lines. As a matter of fact, Mr. Le Hand has had many years of experience in the real-estate and mortgage business. He was qualified to fill the position to which he was appointed, and his present responsible position, which he was promoted to because of his ability, which he so clearly evidenced.

The gentleman from Illinois [Mr. Church] also made another statement, unintentionally, I am sure, but which is not a correct one, one that is inconsistent with the true facts. He said that John H. Fahey, Chairman of the Board, was inferior politically to Mr. Le Hand, or words to that effect. I assume he meant by that that Mr. Le Hand dictated to him politically. As a matter of fact, Mr. Fahey—as every Member from Massachusetts, whether Republican or Democrat, knows-has had a very honorable career. Years ago he was a militant fighter without regard to politics, for decency in government. I remember him years ago as editor of a great newspaper in Worcester, Mass., fighting practically lonehanded against the nefarious practices of the power interests that then dominated the Commonwealth of Massachusetts.

I have not always agreed with Mr. Fahey in his policies, but I have profound respect for him, and I know the gentleman from Illinois, who is fair, upon further study and investigation, will realize that the source from which he received his information in regard to Mr. Fahey and Mr.

Le Hand is absolutely erroneous.

Mr. CHURCH. Mr. Speaker, will the gentleman yield? Mr. McCORMACK. I yield to my friend from Illinois.

Mr. CHURCH. The gentleman would not object to an investigation by this body of the matters I spoke of with reference to his friends and these other agents, would he?

Mr. McCORMACK. Not if there was any justification for it; but the gentleman has not given one case in support of his statements. I do not believe in investigations unless they are necessary. As a matter of fact, we have too many investigations. The United States Senate has a number of investigations each year. They are now going to investigate the bankers, I understand. We would be better off if we let business alone. We would be better off not to have investigations unless the evidence is convincing, warranting the same, and that the investigation is necessary for the best interests of the people.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HEALEY. I join enthusiastically in what the gentleman has said with regard to both Mr. Le Hand and Mr. Fahey. I have had a great deal of contact with both these gentlemen, and I can subscribe to everything the gentleman from Massachusetts has said. [Applause.]

[Here the gavel fell.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for one-half minute additional.

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes. I would like to ask him some questions.

Mr. McCORMACK. Mr. Speaker, 30 seconds will be suffi-

The SPEAKER pro tempore (Mr. WALTER). The gentleman from Massachusetts asks unanimous consent to proceed for one-half minute. Is there objection?

There was no objection.

Mr. McCORMACK. My purpose was not to enter into any controversy with my friend from Illinois. I have profound respect for him and feel that he has been advised by misinformed people. I do know in his statements about Mr. Fahey and Mr. Le Hand, and which I have referred to, that he has been misinformed. I regard the gentleman from Illinois as a strong character, and I say that not flatteringly. He is a strong character, but strong characters frequently make more mistakes than those who are more inclined to investi-

In this respect with reference to Mr. Fahey and with reference to Mr. Le Hand I assure my friend from Illinois that neither one of them is a politician. If any feelings of uneasiness have existed, none do now. It has been because they have not been politicians. While I have been somewhat critical of them in the past from personnel angles, I have profound respect for both of them as men who are performing their jobs in a very fine, excellent manner, and, after all, that is what counts.

Reference has been made to the fact that Mr. Le Hand is the brother of Miss Le Hand, a secretary of the President. If Miss Le Hand had anything to do with the appointment of her brother, what is wrong with that? He was qualified, and he is her brother. But the truth is that Miss Le Hand

had absolutely nothing to do with Mr. Le Hand's appointment. Mr. Le Hand was first employed by the Home Owners' Loan Corporation at Boston as assistant State manager when men of his experience, ability, and honesty were greatly needed and without a suggestion from any source that he be employed. I am reliably informed that neither the President nor Mr. Le Hand's sister even knew of his connection with the organization until sometime after he had entered the employ of the Corporation. He was promoted to the position of State manager solely on his merits, a position which he has filled with great credit to himself and to the advantage of the Corporation.

Reference has been made to the fact that Mr. Fahey is executor and trustee of the Edward A. Filene estate in Boston. The late Edward Filene was one of the outstanding businessmen of the country and a great citizen. His progressive and humane viewpoint of life will always be remembered. The fact that a man like the late Edward A. Filene named Mr. Fahey to be an executor and trustee of his will and estate is the best evidence of the type of a man that John Fahey is. The performance of his duties in this connection will not interfere in any way with his duties as Chairman of the Home Owners' Loan Corporation. John Fahey would not permit such a condition to exist. He is too honorable a man to do so. We, of Massachusetts, know John Fahey and what he has always stood for-honesty and decency in every walk of human endeavor, and in public life. He has always fought the fight of the weak and the oppressed. That was what he did, at great financial loss to himself, when he was editor of a large newspaper in Worcester, Mass., and that is what he will always do.

Reference has been made to the large number of loans made in Massachusetts, New Jersey, Connecticut, and New York. Politics has never been connected with any loan. The only time that I have ever contacted the Boston office on any loan was to urge that foreclosure proceedings be withheld, or some action taken that would enable a home owner to obtain easier arrangements so that his or her home might be saved from foreclosure. Consistent with the interests of the Government, on all such requests, which I gladly made, as fair consideration as possible has been extended. That is not politics—that is humaneness.

The figures of the Corporation show that the above States have not made a larger number of loans or accepted a larger number of mortgages than the country as a whole. The figures of applications received and loans closed for the country as a whole and for the above States are as follows:

	Applica- tions re- ceived	Loans re- financed	Percent
United StatesNew York	1, 886, 491 157, 872	1, 018, 171 80, 145	53. 9 50. 7
New Jersey Connecticut Massachusetts	81, 920 22, 327 50, 419	36, 339 10, 281 24, 524	50. 7 44. 3 46 48. 6

The situation in Massachusetts is best stated in a letter that I received from Mr. Fahey under date of July 14, 1939, long before my friend from Illinois had made his remarks on the floor, and which I include herein:

> FEDERAL HOME LOAN BANK BOARD, Washington, July 14, 1939.

The Honorable JOHN W. McCORMACK,

House of Representatives.

MY DEAR MR. McCormack: We recently have received inquiries from a number of Members of the Congress regarding the operafrom a number of Members of the Congress regarding the operations of the Home Owners' Loan Corporation, both nationally and in their own States. Believing that you will be interested, I therefore am attaching a brief, informal report as of December 31, 1938, which not only gives a picture of our current activities, but outlines the permanent contributions the Corporation has made to a broader and more secure home ownership. To supplement this report I am taking the liberty of presenting you with some interesting figures on your own State of Massachusetts.

The H. O. L. C. has refinanced 24,524 Massachusetts home owners to the extent of \$112,286,546 since the beginning of its lending period, June 12, 1933. These Massachusetts borrowers, like all

period, June 12, 1933. These Massachusetts borrowers, like all H. O. L. C. borrowers, were without private credit at the time; the average was 2 years delinquent in both principal and interest

and between 2 and 3 years on taxes.

As of February 28, 1939, Massachusetts borrowers had repaid \$11,808,000, or 10.5 percent, of their total principal indebtedness. Collections in March were 87.11 percent of billings. Five hundred and twenty-three Massachusetts borrowers have paid in \$1,833,000 to settle their accounts in full; 7,729 others today are current or less than 3 months in arrears, while 2,758 more are in a liquidating class, meaning that they not only are meeting all current bills but, in addition, are making regular monthly payments on their errearces. their arrearage

This means that we now have 10,487 accounts in Massachusetts in a satisfactory condition, representing borrowers who clearly are on their way to debt-free home ownership. There are 7,285 other borrowers who are making adjusted payments sufficient to keep their accounts active and who are being given every assistance in their effort to rehabilitate themselves.

their effort to rehabilitate themselves.

The H. O. L. C. now owns 4,901 homes in Massachusetts. It has sold 1,118 others. Of the homes it owns, and which are available to yield income, 87.4 percent are rented. Rental collections in February were 99.3 percent of billings.

These figures tell a story that we believe is a credit to both

home owners and the manner in which they were assisted by the Government. They show that more than 74 percent of these almost hopeless home owners H. O. L. C. refinanced either have saved their homes, are almost certain to have them, or at least have a good chance—and only 29 percent are in the last category.

Included in the original loans made in Massachusetts were

Included in the original loans made in Massachusetts were \$2,868,000 for reconditioning and repair of homes to make them sound security, and about \$7,400,398 for payment of delinquent taxes. Since the close of our lending period the Corporation has advanced an additional \$3,179,000 for taxes, maintenance, insurance, and similar purposes to aid and protect borrowers. Further, \$3,834,000 more has been spent on properties which the Corporation has acquired. Every dollar spent on reconditioning, of course, stimulated the construction industry and enhanced neighborhood values; the taxes we advanced provided needed revenue to Massachusetts communities and to the State.

chusetts communities and to the State.

The story of how the H. O. L. C. tried to serve the purpose for which it was established by the Congress is told in the attached national statement. Its constructive social purposes have been carried out in the State of Massachusetts to the best of our

Sincerely yours,

JOHN H. FAHEY. Chairman.

I arose, to address the House in the closing minutes of this session, to advise the gentleman from Illinois of the misinformation he received, and in justice to two men, whom I respect; two men who are performing their duties in an efficient and honorable manner. [Applause.]

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNUAL CONVENTION OF YOUNG DEMOCRAT CLUBS OF AMERICA

Mr. EBERHARTER. Mr. Speaker, I ask your indulgence and the indulgence of the Members of the House to announce to the membership, both Republican and Democratic, that on next Wednesday there will commence in the city of Pittsburgh, in my congressional district, the annual convention of the Young Democrat Clubs of America.

I extend to all of you an invitation to be present on that occasion. If you visit my congressional district you will visit one of the busiest commercial districts in the entire country, and a district recognized as one of the art centers of America. You will visit a district that is known as the steel center of the world.

If you attend this convention you will be able to see some of the leading political figures of America. There will be in attendance some who aspire to be the next President of the United States.

I hope I may have the pleasure of greeting many Members of Congress personally at Pittsburgh at the convention of the Young Democrat Clubs of America commencing next Wednesday. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from a former colleague, Mr. John O'Connor, of New York, written by him to Mr. Arthur Krock under date of August 5.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include therein a telegram I have just received from the Taylor County Agricultural Association relating to the restoration of the \$119,000,000 for the Commodity Credit Corporation, to be used by them in connection with making loans on agricultural products.

The SPEAKER pro tempore. Is there objection to the

request of the gentleman from Texas?

There was no objection.

The telegram referred to follows:

ABILENE, TEX., August 4, 1939.

CLYDE L. GARRETT.

Member of Congress, Washington, D. C .: Taylor County farmers vitally interested in loan features of Triple A and regret Congress struck out appropriation which would provide loans on cotton and wheat if same became necessary, Please express to your colleagues our disappointment in their actions.

TAYLOR COUNTY AGRICULTURAL ASSOCIATION, J. WALTER HAMMOND, President. E. D. THOMAS, Secretary.

Mr. GARRETT. Mr. Speaker, on June 19 of this year I introduced H. R. 6911, while at the same time Senator SHEPPARD, of Texas, introduced a companion bill (S. 2638), seeking to "extend eligibility for disabled emergency officers' retirement benefits to those disabled officers of the World War, otherwise entitled thereto, who failed to file application therefor within the time provided for in Public Law No. 506, approved May 24, 1928, Seventieth Congress."

This request is very similar to the one made in behalf of merchants who failed to file claims for refunds under the processing tax of the A. A. A. It was brought to the attention of this Congress that many people did not get their claims filed within the limits of the measure. Then Congress justly extended the time for these merchants to file their claims. For this action the Ways and Means Committee was congratulated from the floor of the House for their efforts to make equal the rights of all.

Under the same principle of equality I ask that the Members of the House consider the merits of this bill. Congress has seen the justness of helping these merchants who were unaware of the law or learned of their rights under the law only too late to file; and, in line with the foregoing, justice also demands that disabled emergency officers of the World War who did not know of their rights under the Tyson-Fitzgerald Act be given an opportunity to receive their retirement pay under bills H. R. 6911 and S. 2638.

No such bills as these would have been necessary had the original act been written like other similar bills. This act for the relief of emergency officers-unlike the one written for enlisted men—was the only one containing the clause limiting the filing period. Too, since the bill was enacted years after the war, these officers affected were scattered throughout the United States and the rest of the world. They knew nothing, or very little, about this law.

I know of one officer who has positive proof that he knew nothing of this law until after the benefits had expired. He was confined in a private hospital receiving treatment for disabilities he gained during the war in the service of his

The majority of the cases that will be affected by the passage of this legislation are of officers who lived in the country or in small towns and out of touch with veterans' organizations. However, I have seen affidavits made by service officers and post commanders of American Legion posts in Texas stating that "their posts knew nothing of this retirement act, nor did they receive application blanks or any other information regarding this act."

These veterans I speak for-disabled in the service of their country—are desperately in need of aid from their country. For to them that war is not over. In towns and villages of our Nation these men live their broken lives. These men who were the officers entrusted with the lives of our boys overseas are now denied their rights under the principles established by George Washington so many years ago, solely because they were not aware at the specified time that they might file for retirement benefits.

These men, equally justified to receive these benefits, are denied the same benefits that others are receiving. The late Congressman J. J. McSwain, writing to an officer of the World War suffering a service-connected disability, comments on the fact that he knows of another officer "who is in the same fix as you are—disabled for life—and drawing 100 percent total permanent disability." The officer neglected to file his application in time and so he is out. In like manner I have a number of very close, dear, personal friends who are in the same fix, and I have been compelled to advise them all that there was no chance.

From my district I can recite you the case history of an officer who was in France as a major of Artillery. His record is of the highest caliber. He fought through the war with honor and distinction. He and his fellow officers who would receive aid from my bill led their men in the most desperate fighting that the world has ever seen. Poison gas and the terrors of fields strung with barbed-wire entanglements and pocked from bursting shells and the rain of machine-gun fire was their arena of duty to their country. This particular officer was wounded, receiving now a small compensation for permanent disability. Today he is not physically able to work. Both his and his wife's savings are now gone. He is 58 years of age. Despite his attempts to remain in contact with the agencies of Government and the service organizations, he failed to file application for benefits because the law was unknown to him.

Clearly, under the laws of equality and justice, this officer and those like him should be allowed the right to place their applications. For every other service branch has received their rights to benefits.

Root of this discrimination goes far back in the history of our country's defense system. A similar complaint to the one that my bill seeks to remedy was made by the emergency officers of the War between the States. T. W. Harrison, one-time Congressman from Virginia, wrote:

For years the Civil War officers have been clamoring at the doors of the Military Affairs Committee to be placed in the class of the Regular Army officers, and to remove any possible distinction against the new emergency officers. The language was inserted in the draft bill to remove the controversy. The language was very broad, and I have never understood how the War Department managed to evade it.

However, the War Department did manage to evade the language, and when the World War drew into its vortex the United States, emergency officers were not included in the Regular Army, despite the context of section 10 of the Selective Service Act of May 18, 1917, which states:

That all officers and enlisted men of the forces herein provided for, other than the Regular Army, shall be in all respects upon the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army.

The intent of Congress in this law which provided our World War forces is plain. It was construed not only as a promise but a contract with men entering the Army for the period of the war.

Later, under the Retirement Act of 1920, these emergency officers were excluded. It was not until 8 years later that the emergency officers were given the same justice that other branches of our defensive forces received. And in that bill they were subject to a limitation clause that was never inserted into the retirement acts of other branches. So the enactment of this bill—H. R. 6911—will not be a radical departure from custom but merely a correction of the original act to conform to the general wordage and force of retirement measures.

I would like also to answer an objection that has been made to extending the time. It has been said that such an action would increase the cost of Government since a recent report of the Veterans' Administration estimates the cost to be \$344,500 for the fiscal year of 1940 and the addition of 380 officers to the rolls.

These figures are quite misleading standing alone. But certain deductions must be made from this sum when we consider the fact that practically all of this class of officers, now suffering disabilities, are now receiving compensation.

When this deduction is made the figure is changed to only \$59,975 for the fiscal year of 1940.

The difference in these two figures can be easily seen by the consideration of the following figures obtained from the Veterans' Administration. In a letter received by my office, dated July 12, 1939, the Administrator of Veterans' Affairs stated:

Number of emergency officers receiving World War service-connected disability compensation rated 30 percent or more (June 30, 1938) on permanent basis is 5,882. Approximate annual compensation, \$4,404,156.

These figures render the average annual compensation per officer to be \$748.75.

The Administrator, in a letter to the Honorable John E. Rankin, chairman of the Committee on World War Veterans' Legislation, dated June 6, 1939, estimated the costs that this bill would produce. Acting on the premise that the bill became law, he stated:

It is estimated that the cost for the fiscal year 1940 would be \$344,500 and would bring on the rolls approximately 380 emergency officers.

From this it can be seen that the annual average pay to each officer would be \$906.58.

Therefore, from the foregoing statistical data and estimates as furnished by the Veterans' Administration, I find that the difference between the retirement pay of \$906.58 per annum and compensation of \$748.75 per annum is an increase of \$157.83 per annum for each officer, and for the estimated 380 officers would mean an increased expenditure of \$59,975.50 per annum to place these worthy officers on the retirement rolls.

Surely, ladies and gentlemen of the House, in view of the above facts, you can do nothing less than grant equal rights to these emergency officers and give them the consideration that they so richly deserve.

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a decision of the Supreme Court relative to Indian Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. Cartwright]?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial from the New York Sun.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. Hill]?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a chart relative to the distribution of veterans throughout the United States.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Van Zandt]?

There was no objection.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 4 o'clock and 11 minutes p. m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6:22 p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 381. Joint resolution providing funds for the maintenance and operation of the administrative office of the United States courts for the fiscal year 1940.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is

requested, a joint resolution of the House of the following

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2973. An act for the relief of Inez Gillespie.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7462) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4117) entitled "An act to provide for the payment of attorneys' fees from Osage tribal funds."

The message also announced that the Senate had passed the following resolution:

Senate Resolution 181

Resolved, That a committee of two Senators be appointed by the President of the Senate, to join a similar committee appointed by the House of Representatives, to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn, unless the President has some further communication to make to

The message also announced that pursuant to the foregoing resolution the President pro tempore appointed Mr. BARKLEY and Mr. Austin as members of said committee on the part of the Senate.

The message also announced that the Senate had passed the following concurrent resolution in which the concurrence of the House is requested.

Senate Concurrent Resolution 29

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Saturday, the 5th day of August 1939, and that when they adjourn on said day they stand adjourned sine die.

SINE DIE ADJOURNMENT RESOLUTION

Mr. RAYBURN. Mr. Speaker, I call up Senate concurrent Resolution 29.

The Clerk read as follows:

Senate Concurrent Resolution 29

Resolved by the Senate (the House of Representatives concurring, That the two Houses of Congress shall adjourn on Saturday the 5th day of August 1939, and that when they adjourn on said day they stand adjourned sine die.

The Senate concurrent resolution was agreed to. A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 297

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other com-munication to make to them.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the committee the gentleman from Texas [Mr. RAYBURN] and the gentleman from Massachusetts [Mr. MARTIN].

SURPLUS AGRICULTURAL COMMODITIES

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 375) to authorize the sale of surplus agricultural commodities, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, after "Corporation", strike out all down to and including "by" in line 6, and insert "with the approval of."

Page 2, line 19, after "selected", insert: "Provided further, That in case of a sale, settlement must be made within 60 days after delivery and not more than 500,000 bales of cotton shall be sold upon the terms and conditions provided in this joint resolution."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendments were concurred in. A motion to reconsider was laid on the table.

UMATILLA INDIAN RESERVATION, OREG.

Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4540) authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 15, insert:

"Sec. 4. For the purpose of carrying into effect the land-purchase provision of this act, the Secretary of the Interior is hereby authorized to use so much as may be necessary of any funds heretofore or hereafter appropriated pursuant to section 5 of the act of June 18, 1934 (48 Stat. 984)."

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Speaker, does the gentleman believe that this amendment will be satisfactory to the Indian tribe involved?

Mr. PIERCE of Oregon. The amendment is satisfactory. It does not hurt the bill. The amendment was inserted in the bill at the request of the Indian Office by Senator Mc-Nary before he went away. I did not learn of this action until late tonight.

Mr. SCHAFER of Wisconsin. I wish to congratulate the gentleman. I think the gentleman should get first prize for getting Indian bills through this Congress. As a member of the Committee on Indian Affairs I wish to congratulate the gentleman and assure him I will not object to his request.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule. referred as follows:

S. 29. An act to authorize the use of certain facilities of national parks and national monuments for elementaryschool purposes; to the Committee on the Public Lands.

S. 161. An act granting an increase of pension to Grizelda Hull Hobson; to the Committee on Invalid Pensions.

S. 166. An act for the relief of Nathan Kaplan; to the Committee on Immigration and Naturalization.

S. 310. An act to amend the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

S. 419. An act for the relief of Luke A. Westenberger; to the Committee on Claims.

S. 538. An act for the relief of certain purchasers of lots in Harding town site, Florida; to the Committee on the Public

S. 844. An act to simplify the accounts of the Treasurer of the United States, and for other purposes; to the Committee on Banking and Currency.

S. 1024. An act for the relief of Harriett Boswell, guardian of Betty Fisher; to the Committee on Claims.

S. 1214. An act to provide for a more permanent tenure for persons carrying the mail on star routes; to the Committee on the Post Office and Post Roads.

S. 1326. An act for the relief of Janet Hendel, nee Judith Shapiro; to the Committee on Immigration and Naturalization.

S. 1510. An act for the relief of George Louis Artick; to the Committee on Immigration and Naturalization.

S. 1638. An act for the relief of Thermal Syndicate, Ltd.; to the Committee on War Claims.

S. 1643. An act to provide pensions at wartime rates for disability or death incurred in line of duty as a direct result of the conflict in the Far East; to the Committee on Invalid Pensions.

S. 1780. An act to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes; to the Committee on the Public Lands.

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.; to the Committee on Claims.

S. 1870. An act for the relief of Dionis Moldowan; to the Committee on Immigration and Naturalization.

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds; to the Committee on Claims.

S. 2030. An act for the relief of Mira Friedberg (Mira Dworecka); to the Committee on Immigration and Naturalization.

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems; to the Committee on Interstate and Foreign Commerce.

S. 2144. An act providing for the conveyance by the Secretary of the Navy of Lockwoods Basin, East Boston, Mass., to the Commonwealth of Massachusetts; to the Committee on Naval Affairs.

S. 2201. An act for the relief of Alabama Lewis Poole; to the Committee on Military Affairs.

S. 2209. An act for the relief of Earle Embrey; to the Committee on Claims.

S. 2210. An act for the relief of the Merchants Distilling Corporation; to the Committee on Claims,

S. 2212. An act to provide for the development of marketing and marketing services for farm commodities; to the Committee on Agriculture.

S. 2225. An act to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer; to the Committee on Military Affairs.

S. 2270. An act to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pure-blood brood stock for restocking within its native range, and for other purposes; to the Committee on Agriculture.

S. 2284. An act to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service; to the Committee on Naval Affairs.

S. 2295. An act authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919; to the Committee on Military Affairs.

S. 2299. An act for the relief of Hubert Richardson; to the Committee on the Public Lands.

S. 2419. An act for the relief of Walter J. Hogan and W. R. Larkin, in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; to the Committee on Claims.

S. 2433. An act for the relief of Frank Casey; to the Committee on Military Affairs.

S. 2448. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406); to the Committee on Irrigation and Reclamation.

S. 2464. An act to amend the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496; sec. 14 of Public, No. 18, 76th Cong.), to adjust the limitations on the profits of certain contractors with the United States; to the Committee on Naval Affairs.

S. 2492. An act for the relief of Dane Goich; to the Committee on Immigration and Naturalization.

S. 2496. An act for the relief of James E. Barry; to the Committee on Military Affairs.

S. 2527. An act for the relief of Mary Nouhan; to the Committee on Immigration and Naturalization.

S. 2529. An act for the relief of the Bell Grocery Co.; to the Committee on Claims.

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter; to the Committee on Claims.

S. 2560. An act for the relief of Marjorie Buchek; to the Committee on Claims.

S. 2561. An act for the relief of Ina Jones; to the Committee on Claims.

S. 2572. An act for the relief of Anna M. Shea; to the Committee on Claims.

S. 2578. An act to designate the lock and dam at Alton, Ill., as the Henry T. Rainey Dam; to the Committee on Rivers and Harbors.

S. 2598. An act for the relief of Kurt Wessely; to the Committee on Immigration and Naturalization.

S. 2608. An act authorizing the President of the United States to appoint Sgt. Samuel Woodfill a captain in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

S. 2609. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana; to the Committee on Indian Affairs.

S. 2625. An act to authorize the Secretary of the Interior to sell or otherwise dispose of surplus animals inhabiting the national parks and national monuments, and for other purposes; to the Committee on the Public Lands.

S. 2627. An act to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties; to the Committee on the Public Lands.

S. 2682. An act to amend the Fair Labor Standards Act of 1938 to provide a special procedure for fixing minimumwage rates for Puerto Rico and the Virgin Islands; to the Committee on Labor.

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes; to the Committee on Patents.

S. 2712. An act to amend section 2803 (c) of the Internal Revenue Code; to the Committee on Ways and Means.

S. 2735. An act authorizing the issuance to Orville Wright of honorary aircraft pilot's certificate No. 1; to the Committee on Interstate and Foreign Commerce.

S. 2756. An act relating to the funeral costs and transportation of bodies of certain deceased veterans; to the Committee on World War Veterans' Legislation.

S. 2798. An act for the relief of Charles H. Parr; to the Committee on Claims.

S. 2843. An act granting easements on Indian lands of the Wind River or Shoshone Indian Reservation, Wyo., for dam site and reservoir purposes in connection with the Riverton reclamation project; to the Committee on Indian Affairs.

S. 2866. An act to provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treatment; to the Committee on World War Veterans' Legislation.

S. 2867. An act to authorize the Administrator of Veterans' Affairs to transfer by quitclaim deed to the Pennsylvania Railroad Co., for right-of-way purposes, a small strip of land at Veterans' Administration facility, Coatesville, Pa.; to the Committee on World War Veterans' Legislation.

S. 2903. An act to amend the Interstate Commerce Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 37. Joint resolution for the relief of Kam N. Kathju; to the Committee on Immigration and Naturalization

S. J. Res. 58. Joint resolution providing for an investigation of the feasibility and desirability of fixing railroad rates on the basis of zones; Committee on Interstate and Foreign

S. J. Res. 66. Joint resolution making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax; to the Committee on Agriculture.

S. J. Res. 159. Joint resolution authorizing the appointment of Harley B. Ferguson as a major general, United States Army; to the Committee on Military Affairs.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities;

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others":

H.R. 1428. An act for the relief of First Lt. Samuel E. Williams:

H.R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations;

H. R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider, Jr.;

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H. R. 2344. An act for the relief of James McConnachie;

H. R. 2363. An act for the relief of the estate of Harvey T. Combs:

H. R. 2440. An act for the relief of Thomas J. Smith;

H. R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H. R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren:

H.R. 3676. An act for the relief of C. E. Hendrickson and Stephenville Hospital, Stephenville, Tex.;

H.R. 3689. An act for the relief of the Columbus Iron Works Co.;

H. R. 3853. An act for the relief of Floyd Elton;

H.R. 3927. An act for the relief of Marijo McMillan

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3959. An act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes;

H. R. 3962. An act for the relief of Grace Campbell;

H. R. 4033. An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H. R. 4072. An act for the relief of Emmitt Courtney;

H.R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds;

H. R. 4141. An act for the relief of Celia Press and Bernard Press:

H. R. 4252. An act for the relief of J. George Bensel Co.;

H.R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas;

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H. R. 4482. An act for the relief of Byron MacDonald;

H.R. 4540. An act authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes;

H. R. 4549. An act for the relief of William H. Radcliffe:

H.R. 4554. An act for the relief of Francis A. Leete and Sarah Leete:

H. R. 4601. An act for the relief of Paul W. McCov:

H.R. 4606. An act for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio;

H.R. 4616. An act for the relief of M. F. Gubrud:

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4726. An act for the relief of James W. Gilson;

H. R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee general council, members of the Menominee advisory council, and official delegates of the Menominee Tribe;

H. R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twentythird President of the United States;

H. R. 4875. An act for the relief of Mamie Hoffman:

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 4965. An act for the relief of J. Harry Walker; H.R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the

Panama Canal and for increasing its capacity for the future needs of interoceanic shipping:

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H. R. 5266. An act for the relief of Mina Keil;

H.R. 5333. An act to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff and Mr. and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters;

H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Assoication of Philadelphia;

H. R. 5383. An act for the relief of H. A. Dixon;

H.R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes;

H.R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5506. An act to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver; H. R. 5557. An act for the relief of V. H. Scheuring, Elmer

Eggers, and Thomas Fahey; H. R. 5607. An act for the relief of George A. Meffan, United States marshall, district of Idaho:

H. R. 5681. An act to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry;

H.R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions, and for other purposes," approved August 25, 1937;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H. R. 5704. An act to amend Private Law No. 310, Seventyfifth Congress, first session, an act for the relief of D. E.

H. R. 5803. An act for the relief of Clyde Equipment Co.; H. R. 5835. An act to authorize the President to render closer and more effective the relationship between the American republics;

H.R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or

near Wrightsville Beach, New Hanover County;

H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation";

H. R. 5894. An act for the relief of John E. Garrett;

H.R. 5895. An act for the relief of James D. Larry, Sr.; H.R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor:

H.R. 5931. An act for the relief of Elizabeth Hessman; H.R. 5951. An act for the relief of the heirs of Emma J. Hall:

H. R. 5953. An act for the relief of Marie Heinen;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935;

H. R. 6021. An act to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site;

H.R. 6037. An act to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088);

H.R. 6099. An act for the relief of Mrs. S. F. Sewell; H.R. 6259. An act for the relief of Jack D. Collins;

H. R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or near Kettle Falls, Wash.;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H. R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.:

H. R. 6490. An act for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H.R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H.R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H.R. 6635. An act to amend the Social Security Act, and for other purposes;

H. R. 6662. An act granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H.R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation;

H.R. 6805. An act for the relief of Sam E. Woods;

H.R. 6808. An act for the relief of Matilda Larned Bouck; H.R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War;

H. R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes;

H.R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes;

H.R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934;

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.;

H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor

in saving the lives of two of his fellow citizens; H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30,

1939, and June 30, 1940, and for other purposes; H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth ses-

sion in the United States in 1939":

H. J. Res. 341. Joint resolution to dissolve the United States Supreme Court Building Commission:

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; and

H.J.Res. 381. Joint resolution to provide for the maintenance and operation of the Administrative Office of the United States Courts for the fiscal year 1940.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 628. An act to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years;

S. 796. An act for relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilch;

S. 878. An act to amend the act of August 26, 1937;

S. 1042. An act for the relief of the Epes Transportation Corporation;

S. 1269. An act for the relief of Emil Friedrich Dischleit:

S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas);

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government;

S. 1617. An act for the relief of John Nicholas Chicouras;

S. 1654. An act for the relief of Mrs. Pacios Pijuan;

S. 1708. An act to amend the Employers' Liability Act:

S. 1802. An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States;

S. 1815. An act for the relief of Evelyn Mary Locke;

S.1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas);

S. 2046. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2141. An act to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes;

S. 2240. An act to provide for a national census of housing; S. 2271. An act for the relief of Barnet Warren;

S. 2654. An act to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims;

S. 2745. An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases;

S. 2778. An act to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924;

S. 2779. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27, 1929;

S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship;

S. J. Res. 160. Joint resolution to provide for the maintenance for public use of certain highways in the Shenandoah National Park:

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States;

S. J. Res. 182. Joint resolution to amend Public Resolution

No. 112, Seventy-fifth Congress; and

S. J. Res. 185. Joint resolution to authorize The Assistant Secretary of the Navy to continue to serve as Acting Secretary of the Navy until the appointment of a Secretary, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of comput-

ing annuities;

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others"; H.R. 1428. An act for the relief of First Lt. Samuel E. Williams:

H. R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulation;

H. R. 2049. An act for the relief of Olin C. Risinger;

H. R. 2096. An act for the relief of Lucile Snider and Cliff Snider, Jr.;

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H. R. 2344. An act for the relief of James McConnachie;

H. R. 2363. An act for the relief of the estate of Harvey T. Combs;

H. R. 2440. An act for the relief of Thomas J. Smith;

H.R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H. R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren;

H. R. 3676. An act for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.;

H.R. 3689. An act for the relief of the Columbus Iron Works Co.;

H. R. 3853. An act for the relief of Floyd Elton;

H. R. 3927. An act for the relief of Marijo McMillan Williams:

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3959. An act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes;

H. R. 3962. An act for the relief of Grace Campbell;

H.R. 4033. An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H. R. 4072. An act for the relief of Emmitt Courtney;

H. R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 4141. An act for the relief of Celia Press and Bernard

H.R. 4252. An act for the relief of J. George Bensel Co.; H.R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas;

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael Siderowicz;

H. R. 4482. An act for the relief of Byron MacDonald;

H. R. 4549. An act for the relief of William H. Radcliffe:

H. R. 4554. An act for the relief of Francis A. Leete and Sarah Leete;

H. R. 4601. An act for the relief of Paul W. McCoy:

H. R. 4606. An act for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio;

H. R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4726. An act for the relief of James W. Gilson:

H.R. 4831. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe;

H.R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison,

twenty-third President of the United States;

H. R. 4875. An act for the relief of Mamie Hoffman; H. R. 4885. An act for the relief of James M. Harwood;

H.R. 4965. An act for the relief of J. Harry Walker;

H. R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping;

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H. R. 5266. An act for the relief of Mina Keil;

H. R. 5333. An act to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924;

H. R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff and Mr. and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters;

H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia;

H. R. 5383. An act for the relief of H. A. Dixon;

H. R. 5405. An act authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes;

H. R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5506. An act to authorize the Secretary of the Interior to constract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver; H. R. 5557. An act for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey;

H. R. 5607. An act for the relief of George A. Meffan, United States marshal, District of Idaho;

H.R. 5681. An act to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry:

H. R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H. R. 5704. An act to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart;

H. R. 5803. An act for the relief of Clyde Equipment Company:

H.R. 5835. An act to authorize the President to render closer and more effective the relationship between the American republics:

H. R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County;

H.R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation":

H. R. 5894. An act for the relief of John E. Garrett;

H. R. 5895. An act for the relief of James D. Larry, Sr.;

H. R. 5923. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor:

H. R. 5931. An act for the relief of Elizabeth Hessman;

H.R. 5951. An act for the relief of the heirs of Emma J. Hall;

H. R. 5953. An act for the relief of Marie Heinen;

H. R. 5998. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over navigable waters of the United States, and for other purposes," approved August 30, 1935;

H.R. 6021. An act to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site;

H. R. 6037. An act to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088);

H. R. 6099. An act for the relief of Mrs. S. F. Sewell;

H. R. 6259. An act for the relief of Jack D. Collins;

H. R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Company to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or near Kettle Falls, Wash.;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H.R. 6441. An act authorizing the county of Saint Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.:

H. R. 6490. An act for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H.R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H.R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H. R. 6635. An act to amend the Social Security Act, and for other purposes;

H. R. 6662. An act granting the consent of Congress to the Dauphin County, Pa., authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation;

H. R. 6805. An act for the relief of Sam E. Woods;

H.R. 6808. An act for the relief of Matilda Larned Bouck; H.R. 6898. An act granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War;

H. R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes;

H.R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes;

H. R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co," approved May 21, 1934;

H. R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.;

H.R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens;

H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939"; and

H. J. Res. 341. Joint resolution to dissolve the United States Supreme Court Building Commission.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, your committee appointed to join with a committee of the Senate to inform the President that the Congress had completed its labors and was ready to adjourn, and to ask him if he had any other communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communications to make to the Congress.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The Chair lays before the House the

The SPEAKER. The Chair lays before the House the following communication from the President of the United States:

The Clerk read as follows:

THE WHITE HOUSE, Washington, August 5, 1939.

MY DEAR MR. SPEAKER: At this time of the adjournment of the first session of the Seventy-sixth Congress, will you be good enough to express to the Members of the House of Representatives my good wishes for a pleasant vacation?

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

The Honorable the Speaker of the

HOUSE OF REPRESENTATIVES,

Washington, D. C.

ADJOURNMENT SINE DIE

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 29, the Chair declares the first session of the Seventy-sixth Congress adjourned sine die.

Thereupon (at 6 o'clock and 32 minutes p. m.) the House adjourned sine die.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Monday, August 7, 1939, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds;

H. R. 4540. An act authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes;

H.R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes;

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes; and

H. J. Res. 381. Joint resolution to provide for the maintenance and operation of the Administrative Office of the United States Courts for the fiscal year 1940.

APPROVAL OF HOUSE BILLS AND JOINT RESOLUTIONS SUBSEQUENT TO SINE DIE ADJOURNMENT

The President of the United States, subsequent to the final adjournment of the first session of the Seventy-sixth Congress, notified the Clerk of the House of Representatives that he had approved acts and joint resolutions of the House, as follows:

On August 3, 1939:

H. R. 1996. An act to amend the National Stolen Property Act; and

H. R. 5144. An act to authorize the board of directors of the Columbia Institution for the Deaf to dedicate a portion of Mount Olivet Road NE. and to exchange certain lands with the Secretary of the Interior, to dispose of other lands, and for other purposes.

On August 4, 1939:

H. R. 5375. An act to promote nautical education, and for other purposes;

H.R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions;

H. R. 6746. An act to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes;

H. R. 6984. An act to provide a feasible and comprehensive plan for the variable payment of construction charges on United States reclamation projects, to protect the investment of the United States in such projects, and for other purposes; and

H. J. Res. 315. Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics.

On August 5, 1939:

H. R. 543. An act for the relief of Imogene Enley;

H. R. 1436. An act for the relief of William H. Keesey;

H. R. 2102. An act for the relief of Ada Fuller;

H. R. 2514. An act for the relief of G. E. Williams;

H.R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of

Alice C. Lopez, deceased;

H. R. 3337. An act for the relief of the estate of Arthur

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3569. An act for the relief of J. Aristide Lafevre;

H. R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor:

H.R. 4261. An act for the relief of the estate of Frank M. Smith:

H. R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publi-

H. R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia:

H. R. 4609. An act for the relief of Charles Enslow;

H. R. 4732. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to George M. Corriveau;

H.R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 4783. An act to provide a right-of-way;

H. R. 4847. An act for the relief of Leland J. Belding:

H. R. 5056. An act for the relief of Nicholas Contopoulos: H. R. 5611. An act to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes";

H. R. 5912. An act authorizing the Secretary of War to permit Salt Lake City Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H.R. 6114. An act to authorize postmasters within the Territory of Alaska to administer oaths and affirmations. and for other purposes;

H.R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry:

H.R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H. R. 6585. An act to provide for the disposition of certain records of the United States Government;

H. R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U.S. C., title 35, secs. 31, 32, 69, and 73):

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U.S.C., title 35, secs. 52, 57, 59a, and 63);

H.R. 6875. An act to amend section 4903 of the Revised Statutes (U.S.C., title 35, sec. 51);

H. R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps:

H. R. 7093. An act to provide for the rank and title of lieu-

tenant general of the Regular Army;

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939;

H. R. 7288. An act to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard of certain officers and employees of the Lighthouse Service, and for other purposes;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of

the record of the proceedings of said lodge;

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects; and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia

shall not be used for other purposes.

On August 6, 1939:

H.R. 2883. An act to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act.

On August 7, 1939:

H. R. 777. An act for the relief of Banks Business College; H. R. 1428. An act for the relief of First Lt. Samuel E. Williams:

H. R. 1875. An act for the relief of the Women's Board of Domestic Missions:

H. R. 2096. An act for the relief of Lucile Snider and Cliff

H. R. 2178. An act to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 2250. An act for the relief of Frank Malles, Jr.;

H. R. 2344. An act for the relief of James McConnachie;

H. R. 2363. An act for the relief of the estate of Harvey T. Combs:

H. R. 2642. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of

Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

H. R. 2738. An act providing for the disposition of certain Klamath Indian tribal funds;

H.R. 2990. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

H. R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214-15):

H. R. 3084. An act for the relief of Violet Dewey;

H. R. 3104. An act for the relief of Kyle Blair;

H. R. 3122. An act to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.;

H. R. 3156. An act for the relief of Anna E. Hurley;

H. R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536);

H. R. 3375. An act to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio;

H. R. 3676. An act for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.;

H. R. 3933. An act for the relief of Otho L. Curtner;

H. R. 3962. An act for the relief of Grace Campbell;

H. R. 4033. An act for the relief of Albert R. Rinke;

H. R. 4062. An act for the relief of Clarendon Davis;

H. R. 4085. An act for the relief of certain disbursing agents and employees of the Indian Service;

H. R. 4115. An act for the relief of W. C. and James Latane and Willie Johnson;

H. R. 4141. An act for the relief of Celia Press and Bernard

H. R. 4275. An act for the relief of Harry Vrountas and Theodore Vrountas;

H. R. 4300. An act for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz;

H.R. 4606. An act for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio;

H. R. 4616. An act for the relief of M. F. Gubrud;

H. R. 4725. An act for the relief of William L. Rull;

H. R. 4875. An act for the relief of Mamie Hoffman;

H. R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H. R. 5115. An act for the relief of Harry W. Lyle;

H. R. 5259. An act for the relief of Mrs. Layer Taylor;

H. R. 5266. An act for the relief of Mina Keil;

H. R. 5383. An act for the relief of H. A. Dixon;

H. R. 5557. An act for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey;

H.R. 5684. An act amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath general council, members of the Klamath business committee, and other committees appointed by said Klamath general council; and official delegates of the Klamath Tribe;

H. R. 5698. An act for the relief of H. H. Rhyne, Jr.;

H.R. 5764. An act to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill.;

H. R. 5775. An act for the relief of Michael M. Cohen;

H. R. 5803. An act for the relief of Clyde Equipment Co.;

H.R. 5845. An act to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County;

H. R. 5894. An act for the relief of John E. Garrett;

H.R. 5895. An act for the relief of James D. Larry, Sr.;

H.R. 5951. An act for the relief of the heirs of Emma J. Hall:

H.R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H. R. 6037. An act to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088);

H. R. 6049. An act authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa;

H. R. 6271. An act granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River, at or near Kettle Falls, Wash.;

H. R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9. 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on

board copies of the pilot rules;

H. R. 6353. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.;

H. R. 6362. An act for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner;

H. R. 6441. An act authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.;

H.R. 6475. An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes;

H. R. 6479. An act amending section 2857 of the Internal

Revenue Code;

H.R. 6491. An act for the relief of Roscoe B. Huston and Simeon F. Felarca;

H.R. 6538. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6539. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6540. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6541. An act to amend the Agricultural Adjustment Act of 1938:

H. R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws;

H. R. 6662. An act granting the consent of Congress to the Dauphin County (Pa.) Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H.R. 6878. An act to amend section 4894 of the Revised

Statutes (U.S.C., title 35, sec. 37);

H. R. 6907. An act granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania;

H. R. 6963. An act for the relief of Buford Lee Pratt;

H.R. 7089. An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation;

H. R. 7096. An act to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes":

H.R. 7262. An act granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.;

H. R. 7320. An act to amend the District of Columbia Reve-

nue Act of 1939, and for other purposes;

H. J. Res. 320. Joint resolution to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939"; and

H. J. Res. 341. Joint resolution to dissolve the United States

Supreme Court Building Commission.

On August 9, 1939:

H.R. 2346. An act for the relief of Virgil Kuehl, a minor; H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency;

H. R. 3224. An act creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.;

H. R. 3795. An act to provide a right-of-way through the

Chilkoot Barracks Military Reservation, Alaska;

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States:

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H.R. 4549. An act for the relief of William H. Radcliffe;

H. R. 4554. An act for the relief of Francis A. Leete and Sarah Leete;

H. R. 4601. An act for the relief of Paul W. McCoy;

H. R. 4638. An act authorizing the Secretary of Agriculture to prepare plans for the eradication and control of the pink bollworm, and for other purposes;

H. R. 4726. An act for the relief of James W. Gilson;

H. R. 4784. An act to provide a right-of-way (to the Atlantic Refining Co. for oil pipe lines across the Fort Mifflin Military Reservation, Pa.);

H.R. 4872. An act to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States;

H. R. 4885. An act for the relief of James M. Harwood;

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes";

H. R. 5625. An act to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes:

H.R. 5835. An act to authorize the President to render closer and more effective the relationship between the Ameri-

can republics:

H. R. 6021. An act to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site;

H. R. 6259. An act for the relief of Jack D. Collins;

H. R. 6556. An act to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes;

H. R. 6641. An act for the relief of the Arkansas State Peni-

H.R. 6874. An act to repeal section 4897 of the Revised Statutes (U. S. C., title 35, sec. 38), and amend sections 4885 and 4934 of the Revised Statutes (U.S.C., title 35, secs. 41 and

H. R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; and

H. J. Res. 159. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in

Washington, D. C.

On August 10, 1939:

H.R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities:

H.R. 377. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others":

H.R. 875. An act for the relief of Okie May Fegley;

H. R. 2452. An act for the relief of George Slade;

H. R. 2610. An act for the relief of G. W. Netterville;

H. R. 2752. An act to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States:

H.R. 3172. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren:

H.R. 3409. An act to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes;

H. R. 3853. An act for the relief of Floyd Elton;

H.R. 4072. An act for the relief of Emmitt Courtney;

H.R. 4260. An act for the relief of J. Milton Sweney;

H.R. 4540. An act authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes;

H. R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Loui-

siana, and for other purposes;

H. R. 4965. An act for the relief of J. Harry Walker;

H. R. 4998. An act to amend the Packers and Stockyards Act. 1921:

H.R. 5333. An act to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924;

H.R. 5338. An act for the relief of Mr. and Mrs. John Eckendorff and Mrs. Alexander G. Dorr;

H. R. 5348. An act for the relief of certain postmasters;

H.R. 5607. An act for the relief of George A. Meffan, United States marshal, district of Idaho;

H.R. 5685. An act to amend the act of Congress entitled "An act to define, regulate, and license real-estate brokers, business-chance brokers, and real-estate salesmen; to create a real-estate commission in the District of Columbia; to protect the public against fraud in real-estate transactions;

and for other purposes," approved August 25, 1937; H. R. 6099. An act for the relief of Mrs. S. F. Sewell;

H.R. 6435. An act to authorize cancelation of deportation in the case of Louise Wohl;

H.R. 6490. An act for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 6546. An act for the relief of Benno von Mayrhauser

and Oskar von Mayrhauser;

H. R. 6614. An act to amend the Government Losses in Shipment Act;

H.R. 6635. An act to amend the Social Security Act, and for other purposes;

H. R. 6664. An act to admit the American-owned barges Prari and Palpa to American registry and to permit their use in coastwise trade;

H.R. 6728. An act for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation;

H. R. 6747. An act relating to the retirement of employees to whom the provisions of section 6 of the act approved June 20, 1918 (40 Stat. 608; U. S. C., 1934 ed., title 33, sec. 763), as amended, apply;

H. R. 6805. An act for the relief of Sam E. Woods;

H.R. 6803. An act for the relief of Matilda Larned Bouck; H.R. 7049. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes:

H.R. 7090. An act to amend section 4488 of the Revised Statutes of the United States, as amended (U.S. C., 1934 ed., title 46, sec. 481);

H.R. 7091. An act to amend section 4471 of the Revised Statutes of the United States, as amended (U.S. C., 1934 ed., title 46, sec. 464);

H.R. 7132. An act to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934;

H. R. 7389. An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens;

H. J. Res. 272. An act to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio; and

H. J. Res. 381. Joint resolution to provide for the maintenance and operation of the administrative office of the United States courts for the fiscal year. 1940.

On August 11, 1939:

H. R. 1648. An act to provide for the refund or credit of the internal-revenue tax paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in possession of the original taxpayer or rectifier for bottling or use in rectification, under Government supervision, as provided by law and regulations;

H. R. 1693. An act to confer jurisdiction on the District Court of the United States for the Western District of Missouri to hear, determine, and render judgment upon the claims of certain claimants who suffered loss by flood at or near Bean Lake in Platte County, and Sugar Lake in Buchanan County, in the State of Missouri, during the month of March 1934:

H. R. 2440. An act for the relief of Thomas J. Smith;

H.R.3689. An act for the relief of the Columbus Iron Works Co.;

H.R. 4108. An act to provide for the transfer of United States Employment Service records, files, and property in local offices to the States;

H. R. 5129. An act authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping;

H. R. 5350. An act for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia;

H. R. 5491. An act to pay salary of Ruth Dornsife;

H. R. 5506. An act to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.;

H. R. 5515. An act for the relief of Mrs. Virgie B. Weaver; H. R. 5681. An act to authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry;

H. R. 5704. An act to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart;

H. R. 5747. An act to authorize the addition of certain lands to the Wenatchee National Forest;

H. R. 5857. An act to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation";

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 6492. An act for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.;

H. R. 6634. An act amending previous flood-control acts, and authorizing certain preliminary examinations and surveys for flood control, and for other purposes;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture; and

H. J. Res. 375. Joint resolution to authorize the sale of surplus agricultural commodities, and for other purposes.

DISAPPROVAL OF HOUSE BILLS AND A JOINT RESOLUTION SUBSEQUENT TO SINE DIE ADJOURNMENT

The President of the United States, subsequent to the final adjournment of the first session of the Seventy-sixth Congress, transmitted to the Clerk of the House of Representatives a list of House bills and a joint resolution disapproved by him, with his reasons for such action, as follows:

On August 7, 1939:

H.R. 1881. I have withheld my approval of H. R. 1881, Seventy-sixth Congress, An act for the relief of Anne Boice. Section 2 (a) of the World War Adjusted Compensation Act, as amended (38 U. S. C. 592), provides, in part, as follows:

The term "veterans" includes any individual, a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918; but does not include (1) any individual at any time during such period or thereafter separated from such forces under other than honorable conditions. * * * *

The records of the War Department indicate that Leonard Theodore Boice was separated from the military service August 10, 1913, under other than honorable conditions. Approval of the bill, therefore, would have the effect of making eligible for adjusted-compensation benefits the widow of this veteran notwithstanding the requirements of the aforesaid section 2, thus discriminating against other cases similarly situated where claims for benefits have been or would be denied on account of the character of the veteran's discharge.

This case has received sympathetic consideration but no facts or circumstances have been found which would warrant singling it out for preferential treatment.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 7, 1939.

H.R. 2049. I have withheld my approval of H.R. 2049, an act for the relief of Olin C. Risinger.

This bill is based upon the act of December 17, 1919, which provides, in the event of death, not the result of his own misconduct, of an enlisted man in the Regular Army, for payment to his widow, child, or children, or, if there be none of these, to any other dependent relative previously designated by the decedent, a gratuity in a sum equal to 6 months' pay at the rate received at time of death.

It appears that Fred Risinger, Army serial number 6266309, at his enlistment August 22, 1935, designated as his beneficiary under the act above cited, Quilla Oswald, mother, General Delivery, Batesburg, S. C. He died December 26, 1935, in line of duty and not as a result of any misconduct. Upon his death a voucher to cover payment of the gratuity, in the sum of \$126, was sent to "Quilla Oswald, General Delivery, Batesburg, S. C.," and was returned unclaimed. Subsequently it was learned that Quilla Oswald was the maiden name of Fred Risinger's mother, and that she had died in 1916.

I accept the assumption set forth in the report of the House Committee on Claims that the designation by Fred Risinger of his long-deceased mother as beneficiary was simply an error by a confused or excited country boy. Nevertheless, during his short period of Army service, Fred Risinger made no contribution through the Army allotment system to any one person, and there is no evidence that Olin C. Risinger, his father, was in any degree dependent upon him for support.

In view of these circumstances, Olin C. Risinger appears in no way to qualify as a proper recipient of this gratuity, and I do not feel that I should be justified in approving this bill. Franklin D. Roosevelt.

THE WHITE HOUSE, August 7, 1939.

H. R. 5516. I have withheld approval of H. R. 5516, an act for the relief of Charlotte E. Hunter.

The purpose of the bill is to place Miss Hunter, a former teacher in the public schools of the District of Columbia, on the list of retired teachers, and to pay her, from the teachers' retirement fund, an annuity computed as provided by existing law relating to retirement of teachers in the District of Columbia public schools.

This teacher entered the service on February 5, 1895, and her service was terminated by voluntary resignation on April 12, 1919, prior to the establishment of a retirement system for District teachers by the Teachers' Retirement Act of January 15, 1920, which became effective on March 1, 1920.

The report on this bill, made by the District Commissioners to the chairman of the House District Committee, states that there are a number of former teachers now living in the District of Columbia who are in the same position as Miss Hunter, in that they retired from the service prior to the passage of the Teachers' Retirement Act, have not contributed to the teachers' retirement fund, and are not, therefore, entitled to retirement benefits. There are likewise other former employees of the District, as well as the Federal Government, who resigned prior to the establishment of a retirement system for such employees, and are, therefore, excluded from retirement benefits.

In spite of the apparently excellent service record of the employee in this case, I do not feel that I would be justified in approving a bill which would single her out for preferred consideration to the exclusion of other cases of a similar character.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 7, 1939.

H. R. 5923. I have withheld my approval from H. R. 5923, a bill for the relief of Simon A. Brieger as legal representative of the estate of Thomas Gerald Brieger, a deceased minor.

The bill provides for the payment of \$5,000 in full settlement of a claim against the United States on account of the death of a 4-year-old child. While I do not think that the record in the case establishes any high degree of negligence on the part of the employee who was driving the truck, my main objection to the bill is what I consider the excessive amount of the proposed settlement.

I have before me H. R. 5259, for the relief of Mrs. Layer Taylor, in settlement of her claim against the United States for the death of an 18-year-old son. The amount involved in that claim is \$1,360. The Congress estimated the probable loss of income for a period of 3 years, and made an allowance for medical and funeral expenses and for mental suffering and loss of companionship. It seems to me that the Congress adjudicated this claim on an equitable basis.

In another bill now before me, H. R. 5698, for the relief of H. H. Rhyne, Jr., the sum of \$3,000 is provided in settlement for the death of his 9-year-old daughter.

In these circumstances, I consider the proposed settlement of \$5,000 for the death of the 4-year-old son of Mr. Brieger as excessive, and therefore feel constrained to withhold approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 7, 1939.

H. R. 6899. I have withheld my approval of H. R. 6899, Seventy-sixth Congress, an act granting pensions to certain veterans of the Civil War.

This bill provides:

That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension rolls, subject to the provisions and limitations of the pension laws—

The name of Alfred Daugherty, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion, Kentucky State Troops, and pay him a pension at the rate of \$50 per month.

and pay him a pension at the rate of \$50 per month.

The name of William H. Jones, late of Capt. John R. Curry's Company D, South Cumberland Battalion, Kentucky State Troops, and pay him a pension at the rate of \$50 per month.

The above-described persons are ineligible for military pension from the Federal Government because of the fact that they were never mustered into the Federal service, their entire period of duty having been performed for the State of Kentucky.

A number of semimilitary companies were organized in Kentucky during the last year of the Civil War to take the place of the regular State militia, which had been mustered into the Federal service. These companies were organized under the authority of the State for the sole purpose of affording police protection to life and property in certain parts of the State during the absence of the regular State military forces. They were not mustered into the Federal service and rendered no military service in connection with the Civil War.

Approval of the enrolled bill would have the effect of granting benefits which are denied in other cases where facts are similar. Since there are no circumstances which would warrant granting preferential treatment to the persons named in the bill, I find myself unable to give my approval to this enactment.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 7, 1939.

On August 9, 1939:

H. R. 4831. I have withheld approval from H. R. 4831, a bill authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee advisory council, and official delegates of the Menominee Tribe.

This measure authorizes an annual expenditure from the tribal funds of the Menominee Indians in Wisconsin without further Budget or congressional review. It seems to me that the bill is contrary to one of the principal purposes of the Permanent Appropriation Repeal Act of 1934, that is, to bring before the Congress the estimated expenditures for a given agency. Moreover, a provision is contained in the Interior Department Appropriation Act, 1940, for defraying the expenses of tribal councils or committees thereof. It seems to me that annual expenditures from Indian tribal funds should be scrutinized by the Congress with the same care that proposed expenditures from the Federal Treasury are examined.

For the foregoing reasons, I have withheld approval of this bill.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 9, 1939.

H.R. 5743. I have withheld my approval of H. R. 5743 entitled, "An act for the relief of Walter C. Holmes."

The indebtedness to the United States represented in this bill resulted from the payment to Mr. Holmes of the compensation of two positions, covering the same period of time, in contravention of the act of May 10, 1916, as amended. In view of the correspondence between the Lighthouse Service and Mr. Holmes regarding the position of lamplighter. I am of the opinion that Mr. Holmes could not have been completely ignorant of the existence of a limitation on the compensation which a Government employee occupying more than one position could receive, even if he were not aware of the actual amount of such limitation. This being so, he was under a duty to inquire into the matter when his compensation from the Coast Guard was increased. A disregard of the law in this case, if condoned by the relief here sought, would result in the establishment of a precedent tending to induce disregard of this and other laws enacted for the purpose of limiting and restricting the expenditure of public funds.

For these reasons I am unable to approve this measure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

H. R. 1177. I am withholding approval from H. R. 1177, a bill for the relief of Bessie Bear Robe. The bill provides the payment of \$3,000 to the claimant by reason of the death of her son.

On page 5 of House Report 750, Seventy-sixth Congress, on this bill is a reproduction of a claim for damages signed by Bessie Bear Robe. The amount stated in the claim is \$2,000. Hospitalization and burial expenses in connection with the son of Mrs. Bear Robe were borne by the Government. No reason is given for the enactment of legislation authorizing an amount in excess of the sum stated by the claimant as being satisfactory to her.

The bill provides that the amount is to be subject to expenditure for the benefit of Bessie Bear Robe. I have been advised, however, that she died on June 16, 1939.

In the circumstances, I have withheld my approval from this bill

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

H.R. 5953. I am withholding my approval from H.R. 5953, a bill for the relief of Marie Heinen.

Approval of the bill would authorize payment in the sum of \$100 to Marie Heinen, Kaukauna, Wis., on account of burial expenses of Robert B. Heinen, a World War veteran.

The records of the Veterans' Administration show that Robert B. Heinen died January 1, 1937, and was buried January 4, 1937, at Kaukauna, Wis.; that claim for reimbursement on account of burial expenses was executed by Marie Heinen under date of January 23, 1939, and received in the Veterans' Administration January 27, 1939.

Veterans Regulation No. 9 (a), as amended, provides for the payment of burial allowance in an amount not to exceed \$100 in the case of honorably discharged war veterans where the requirements of the regulation are met. Paragraph IV of Veterans Regulation No. 9 (a), as amended, provides, in part, "Claims for reimbursement must be filed within 1 year subsequent to the date of burial of the veteran."

Claim for reimbursement on account of burial expenses not having been filed within 1 year after the veteran's burial, such allowance cannot be paid under existing laws and regulations.

There are no circumstances in this case which would distinguish it from many other cases where reimbursement on account of burial expenses has been denied because claim therefor was not seasonably filed. This enactment would grant Mrs. Heinen a benefit which must be denied to many others similarly situated.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

H.R. 6528. I have withheld approval of H.R. 6528, a bill "to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes."

Public Resolution No. 51, approved May 23, 1928 (45 Stat. 723), provided as one of the requirements for Federal participation in the construction of a permanent memorial commemorating the achievements of George Rogers Clark, the cost of which participation has amounted to approximately \$2,000,000, "that the State of Indiana shall assume, without expense to the Federal Government, the perpetual care and maintenance of said site and the memorial constructed thereon after such memorial shall have been constructed."

I have not been advised of any changed conditions that would justify a repeal of this provision of existing law.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

H. R. 6898. I am withholding my approval from H. R. 6898. a bill granting pensions and increase of pensions to certain helpless and dependent children of veterans of the Civil War.

The purpose of this bill is to grant pension at the rate of \$20 per month to 160 helpless children of Civil War veterans; increased pension from \$12 to \$20 per month to 7 such children, and increased pension from \$18 to \$20 per month to 1 such child; a total of 168 cases. The ages of the beneficiaries vary from 33 to 81 years, and come within the following age groups:

Age	30–39	5
Age	40-49	17
	50-59	67
	60-64	40
Age	65-69	29
Age	70 and over	10
	Total	168

According to the committee reports, in the great majority of cases in which the bill proposes to grant an original pension, there is no entitlement under general laws because the children were over 16 years of age at the time of the veteran's death, there being 156 cases in this category. In 5 cases the child's name had not been placed on the pension rolls prior to reaching the age of 16.

Under the act of June 27, 1890 (26 Stat. 182-183; 38 U. S. C. 281), pension is denied a helpless child of a veteran of the Civil War, Indian war, or Spanish-American War who attained the age of 16 prior to the death of the veteran.

This provision reads in part as follows:

* * in case of the death or remarriage of the widow, leaving a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16: Provided, That in case a minor child is insane, idiotic, or otherwise permanently helpless, the pension shall continue during the life of such child, or during the period of such disability, and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any

In addition to the fact that each of the beneficiaries named in the bill is ineligible for pension on account of the above-quoted limitation, certain of the beneficiaries are ineligible on other grounds. Enactment of the bill, therefore, would establish special eligibility not only by waiving the above-quoted requirement but other general statutory requirements. While generally the cases covered by the bill invoke sympathy, there appears to be no compelling reason why they should be singled out for preferential treatment, excluding others who may be similarly situated. Moreover, it would seem that many of the persons named in the bill are eligible or will shortly be eligible for old-age assistance or other forms of assistance under the Social Security Act of August 14, 1935.

In view of the discriminations which the bill represents I find myself unable to approve it.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 9, 1939.

On August 10, 1939:

H.R. 4252. I have withheld approval of H.R. 4252, an act for the relief of J. George Bensel Co.

In the work of moving safes under contract, Tlpb-1266, dated December 1, 1936, with the Procurement Division, Treasury Department, the contractor caused his employees to work more than 8 hours per day in violation of the 8-hour law of June 19, 1912 (ch. 174, 37 Stat. 237; U. S. C., title 40, secs. 324, 325). For 28 apparent violations, at the stipulated rate of \$5 each, the sum of \$140 was deducted from the amount due the contractor.

The contractor claims that he worked overtime to accommodate the Chief of the Mechanical Engineers of the building, who requested on December 31, 1936, to have the safes moved to their new positions prior to the opening of the Department Monday morning, January 4, 1937, so that there would be no delay in the Government business.

Nevertheless, further inquiry reveals that the contractor not only violated the 8-hour law but also failed to obtain all of his employees from the United States Employment Service and failed to pay the prevailing rate of wages. The Procurement Division of the Treasury Department required the contractor to pay the sum of \$163.70 as a wage adjustment before receiving the balance due on the contract.

In view of the fact that the contractor regularly engaged in business must be deemed to have had knowledge of the requirements of the 8-hour law and of the absence of authority in the Chief of the Mechanical Engineers to permit work in excess of 8 hours, and in view of his other violations of law and Government regulations, I feel obliged to veto this enactment.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

H.R. 5450. I am withholding my approval of H.R. 5450, Seventy-sixth Congress, an act to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed.

This act would have provided an additional 5 years for filing claim for adjusted-compensation benefits; that is, from

January 2, 1940, to January 2, 1945.

The World War Adjusted Compensation Act, which became law May 19, 1924, provided that application for benefits should be made on or before January 1, 1928. The amendatory act of May 29, 1928, extended the final date for filing application for benefits to January 2, 1930. The act of June 5, 1930, further extended the final date for filing application for benefits to January 2, 1935, and the act of August 23, 1935, extended the final date for filing application for benefits to January 2, 1940.

Under the original act the veterans and their dependents were granted approximately $3\frac{1}{2}$ years and by subsequent liberalization have been given a period of over 15 years from the date of enactment of the original act in which to claim these benefits. During this period much publicity was given the original act and amendments, including the Adjusted Compensation Payment Act, as amended, with every reasonable opportunity to file claim. This opportunity still exists and will continue to January 2, 1940.

Further extension of the period for filing claim in my opinion is not justified.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 10, 1939.

On August 11, 1939:

H. R. 3927. I have withheld my approval of H. R. 3927, a bill for the relief of Marijo McMillan Williams. The indebtedness to the United States represented in this bill resulted from the payment to Mrs. Williams the compensation of two positions, covering the same periods of time, in contravention of the act of May 10, 1916, as amended, notice of which act had been repeatedly given throughout the Postal Service by published bulletins of that Service. Such disregard of the law in this case, if condoned by the relief here sought, would result in the establishment of a precedent tending to induce disregard of this law and other laws enacted for the purpose of limiting and restricting the expenditure of public funds.

For these reasons I do not feel justified in approving this

bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 3959. I have withheld my approval of H. R. 3959, an act to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes.

While the objective of this legislation is good, I am inclined to think that certain safeguards should at least be

studied at the next session of the Congress.

It should probably be made more clear that equitable arrangements with local communities taking over such recreational projects should involve the Federal Government in no legal or moral commitments.

There should probably be a provision allowing departments of the Government to take over for their purposes such projects as it seems desirable for the Interior Department to

part with.

Probably the approval of the President should be given to any transfers of these properties to local communities or other departments, as this is the general rule in similar cases.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 4117. I have withheld my approval of H. R. 4117, a bill to provide for the payment of attorney's fees from Osage tribal funds.

Briefly stated, this bill would authorize the payment of attorneys' fees in an amount not to exceed 12½ percent of the funds collected as a result of any suit or suits brought under a contract between the Osage Tribe of Indians and certain attorneys named in said contract.

The customary percentage allowed by the Government to attorneys is not to exceed 10 percent. This bill, however, calls for $12\frac{1}{2}$ percent, despite the fact that the Committee on Indian Affairs of the House of Representatives amended the bill to reduce the fees to 10 percent.

I agree with the recommendation of the committee and, therefore, cannot approve the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 4482. I am withholding my approval of H. R. 4482, for the relief of Byron MacDonald.

The bill proposes to pay to Byron MacDonald the sum of \$2,500 in full settlement of his claim against the United States for the death of his minor son, Richard MacDonald, who was killed on July 21, 1937, by a truck in the service of the Civilian Conservation Corps. An examination of the record in this case fails to disclose negligence on the part of any employee of the United States. The report of the inquest on the death of Richard MacDonald indicates that the boy met an accidental death. The report of the associate medical examiner states that the boy lost his balance and fell between the front and rear wheels of the truck. It is apparent from the record that the driver of the vehicle was proceeding at a reasonable rate of speed and that he used caution in attempting to pass the boy.

While the accident is regrettable, I find no justification for any claim against the United States as a result thereof.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 5405. I am withholding my approval of H. R. 5405, authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes.

This bill would authorize the Commissioners of the District in their discretion to secure and install, at no expense to the District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces under the jurisdiction and control of the Commissioners; to make and enforce rules and regulations for the control of parking of vehicles on such public ways and other public spaces; and to prescribe fees for the privilege of parking vehicles where said meters or devices are installed. The bill also would provide that, in purchasing meters, the Commissioners may purchase 50 percent of the manually operated type meter, subject to specifications to be approved by the National Bureau of Standards, Department of Commerce.

While I have no objections to the general purpose sought to be accomplished by the bill, I believe its provisions as to the manner in which meters may be secured and funds made available for their payment are sufficiently vague and ambiguous to render the measure inoperative, if approved. Therefore, I am withholding my approval.

I would not object to future legislation to accomplish this same general purpose with all fees collected from such parking meters to be deposited in the Treasury of the United States to the credit of the gasoline tax and motor-vehicle fees, highway fund, District of Columbia, and with authorization for the submission of estimates of appropriations, payable from such fund, for the purchase and installation of meters.

Franklin D. Roosevelt.

THE WHITE HOUSE, August 11, 1939.

H. R. 5931, I have withheld my approval of H. R. 5931, a bill for the relief of Elizabeth Hessman.

The purpose of the bill is to pay the sum of \$1,665 to Mrs. Elizabeth Hessman in settlement of her claim against the United States for personal injuries sustained when the car in which she was a passenger was struck, on April 27, 1936, by a Government car driven by an employee of the Soil Conservation Service of the Department of Agriculture.

The record in this case indicates that there appears to be no serious disability or permanent injury which can be attributed to the accident. Mrs. Hessman's actual medical expense was \$165.45, and while it is felt that the pain and suffering as well as personal inconvenience caused by the unfortunate accident clearly warrant a reasonable gratuity, I feel that the approval of H. R. 5931 would result in the payment of an excessive amount to the claimant. Therefore I do not feel justified in giving my approval to this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 5998. I have withheld my approval of H. R. 5998, a bill entitled "An act to amend section 32 of the act entitled 'An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes,' approved August 30, 1935."

The bill would amend the act approved August 30, 1935 (49 Stat. 1074), to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr., for 1 and 3 years, re-

spectively, from August 30, 1939.

The bill also would amend said act of August 30, 1935, by granting to Knox County, Nebr., its legal representatives and assigns, the right to sell, assign, transfer, and mortgage all rights, powers, and privileges conferred by the act. Any corporation to which, or any person to whom, such rights, powers, and privileges may be sold, assigned, or transferred would be authorized to exercise the same rights granted to Knox County as fully as though conferred directly by law upon such corporation or person.

The bill further provides that any mortgage, assignment, or transfer of the franchise granted to Knox County, heretofore made by the governing body of said county, would be

validated and of full legal force and effect.

Neither the original act of August 30, 1935, nor the bill H. R. 5998 gives assurance that the proposed bridge would be made free after the tolls shall have provided sufficient funds to amortize its cost of construction in addition to meeting the annual maintenance, repair, and operation costs during the toll period. I do not recall the enactment into law of any bridge bills in recent years that have not contained such an assurance; and it seems to me that this is a wise policy to follow. The bill H. R. 5998 is objectionable also because of its authorization to Knox County, Nebr., to alienate to private corporations or persons the rights granted to it by Congress for the construction of a public bridge.

I am, therefore, disapproving this bill in its present form and suggest that it be revised to limit appropriately the right of the county to dispose of its powers and privileges with respect to this bridge, and also to require definitely that the bridge shall be maintained and operated free of tolls after the recovery through the toll system of its cost of construction and the annual costs of maintenance, repair, and opera-

tion during the toll period.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. R. 7411. I withhold my approval of H. R. 7411, an act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

I have already signed one bill for the examination of a large number of additional river and harbor and flood-control projects. These projects, together with many other projects which have been examined and approved by the Army engineers, will take a long time to complete after future appropriations are made by the Congress, and I think it is time to go more slowly in the examination and authorization of these river and harbor projects.

It has always seemed to me that projects should be examined and authorized primarily on the basis of the greatest good to the greatest number of people. I understand the urge to get Federal money for expenditure in every congressional district in the United States—but I believe, as I have often recommended to the Congress, that instead of taking a bite

here and a bite there, there should be a well-considered and well-rounded plan for projects to be undertaken in a definite order of human and national preference and desirability instead of putting them only on a local geographical basis.

Furthermore, this bill, unlike the other which I have signed today, contains no express provision recognizing the authority of the Federal Power Commission under existing law relative to making investigations and reports regarding potential power development and similar matters.

I find it therefore necessary to give it my disapproval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

H. J. Res. 283. I have withheld my approval of House Joint Resolution 283, to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

On May 2, 1847, Congress recognized his distinguished

service by presentation of a sword.

I feel that the action now proposed raises definitely the broad question of how far the Federal Government should be expected to go in sponsoring and sharing the costs of permanent memorials to be erected throughout the country in honor of men and women whose services to the Nation are comparable in value to those of General Worth. Our national history is rich in similar examples of worthy service, and action such as contemplated in House Joint Resolution 283 might easily pave the way to numberless similar memorials, heavy expenditures, and to such relaxation of the standards which should govern national memorials as would defeat the high purpose they should serve.

In the light of these considerations I feel that I should not be justified in approving this resolution.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, August 11, 1939.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows: 1062. A letter from the Secretary of War, transmitting a

letter from the Chief of Engineers, United States Army, dated July 24, 1939, submitting an interim report, together with accompanying papers and an illustration, on reexamination of Caloosahatchee River and Lake Okeechobee Drainage Areas, Fla., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 24, 1939 (H. Doc. No. 469); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1063. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 29, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of, and review of reports on, Miami Harbor, Fla., authorized by the River and Harbor Act approved August 30, 1935, and requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted March 24, 1937, and the Committee on Commerce, United States Senate, adopted April 19, 1934 (H. Doc. No. 470); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1064. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Columbia River at The Dalles, Oreg., with particular reference to the improvement of Hungry Harbor, Oreg., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

1065. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 24, 1939, submitting a report, together with accompanying papers on a preliminary examination of channel from the Intracoastal Waterway to, and turning basin

at, Holly Hill, Fla., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. ROGERS of Oklahoma: Committee of conference. H. R. 4117. A bill to provide for the payment of attorney's fees from Osage tribal funds (Rept. No. 1464). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TAYLOR of Colorado: Committee of conference. H. R. 7462. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes (Rept. No. 1470). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6535. A bill authorizing an appropriation for payment to the Delaware Tribe of Indians on account of permanent annuities under treaty provision; with amendments (Rept. No. 1471). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DICKSTEIN: Committee of conference. S. 1911. An act for the relief of Daumit Tannaus Saleah (Dave Thomas) (Rept. No. 1465). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. DICKSTEIN: Committee of conference. S. 796. An act for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich (Rept. No. 1466). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. DICKSTEIN: Committee of conference. S. 1269. An act for the relief of Emil Friedrich Dischleit (Rept. No. 1467). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. DICKSTEIN: Committee of conference. S. 1538. An act for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas) (Rept. No. 1468). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. DICKSTEIN: Committee of conference. S. 1654. An act for the relief of Mrs. Pacios Pijuan (Rept. No. 1469). Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7476) for the relief of Hugh M. Whidden; Committee on Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

A bill (H. R. 7497) granting an increase of pension to Abigail Daughrity; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H.R. 7527. A bill to make effective the provisions of the Minimum Age (Sea) Convention (Revised), 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LEMKE:

H.R. 7528. A bill to amend an act entitled "An act to

United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary

By Mr. LEWIS of Colorado:

H. R. 7529. A bill to authorize the construction of works for flood control and other purposes on Cherry Creek and tributaries in Colorado; to the Committee on Flood Control.

By Mr. SCHAFER of Wisconsin:

H.R. 7530. A bill to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin; to the Committee on Indian Affairs.

By Mr. SOMERS of New York:

H. R. 7531. A bill limiting charges made by certain banks on account of delinquency in payment of loans; to the Committee on Banking and Currency.

By Mr. BARDEN:

H.R. 7532. A bill to authorize the Secretary of the Interior to acquire property for the Moores Creek National Military Park, and for other purposes; to the Committee on the Public Lands.

By Mr. CARTWRIGHT:

H. R. 7533. A bill to assist the States in the improvement of highways; to the Committee on Roads.

By Mr. GEYER of California:

H. R. 7534. (by request). A bill to amend an act to prevent pernicious political activity; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 16, with reference to Admiralty Island on the coast of Alaska; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their resolution with reference to a statue of Commodore John Barry; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUGUST H. ANDRESEN:

H. R. 7535. A bill for the relief of George W. Gerlach; to the Committee on Claims.

By Mr. BRYSON:

H. R. 7536. A bill for the relief of J. Furman Richardson: to the Committee on Claims.

By Mr. HARTLEY:

H. R. 7537. A bill granting an increase of pension to Mary H. Goldberger; to the Committee on Invalid Pensions.

By Mr. O'BRIEN:

H. R. 7538. A bill granting an increase of pension to Emma J. Deo; to the Committee on Invalid Pensions.

By Mr. OSMERS:

H.R. 7539. A bill for the relief of Regis Moxly and Frances Moxly; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 7540. A bill authorizing and directing the Railroad Retirement Board to pay an annuity to Mrs. S. N. Alford, the widow of Samuel Naaman Alford, deceased; to the Committee on Claims.

By Mr. PLUMLEY:

H.R. 7541. A bill for the relief of Harry M. Fife: to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5279. By Mr. ANDERSON of California: Petition signed by establish a uniform system of bankruptcy throughout the Anna S. Johnson, of San Jose, Calif., and others, urging the Seventy-sixth Congress to enact House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5280. Also, petition signed by D. M. Risley, of San Jose, Calif., and others, urging the Seventy-sixth Congress to enact House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5281. Also, petition signed by Catherine H. Smith, of Burlingame, Calif., and others, urging the Seventy-sixth Congress to enact House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5282. By Mr. CONNERY: Resolution of the General Court of Massachusetts, memorializing Congress in favor of the presentation to Eire of a statue of Commodore John Barry, "The Father of the United States Navy"; to the Committee on the Library.

5283. By Mr. CULKIN: Petition of Mary Galda Armstrong, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5284. Also, petition of Fred C. Hartigan, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5285. Also, petition of H. W. Wagoner, of Oswego, N. Y., and 119 others, asking for enactment of House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5286. Also, petition of Christina Rebber, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5287. Also, petition of James P. Cahill, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5288. Also, petition of Peter Schneider, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5289. Also, petition of William Burns, of Oswego, N. Y., and 29 others, asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5290. Also, petition of George F. Brady, of Oswego, N. Y., asking for enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5291. By Mr. GWYNNE: Petition of M. H. Hill and numerous other citizens of Waterloo, Iowa, urging the enactment of the General Welfare Act, House bill 11 as perfected by House bill 5620; to the Committee on Ways and Means.

5292. Also, petition of Gertie Clemens and numerous other citizens of Waterloo, Iowa, urging the enactment of the General Welfare Act, House bill 11 as perfected by House bill 5620; to the Committee on Ways and Means.

5293. By Mr. HANCOCK: Petition of William S. Welch and 589 other residents of the Thirty-fifth Congressional District of New York, favoring the enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

5294. By Mr. HARTER of New York: Petition of 30 citizens of Eric County, N. Y., favoring House bill 5620; to the Committee on Ways and Means.

5295. By Mr. HINSHAW: Petition of Nona Tubbs, of Pasadena, Calif., and containing the signatures of 179 other residents of the Eleventh Congressional District of California, urging Congress to consider changes in House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5296. Also, petition containing 1020 signatures of residents of the Eleventh Congressional District of California, urging Congress to consider changes in House bill 5620, the proposed General Welfare Act; to the Committee on Ways and Means.

5297. By Mr. McCORMACK: Memorial of the Senate of the Commonwealth of Massachusetts, memorializing Congress in favor of the presentation to Eire of a statute of Commodore John Barry, "The Father of the United States Navy"; to the Committee on the Library.

5298. By Mr. PIERCE of New York: Petition circulated by Samuel Loree and 30 other citizens of Ogdensburgh, N. Y., petitioning the Seventy-sixth Congress to enact the im-

proved General Welfare Act thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

5299. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, memorializing Congress in favor of the presentation to Eire of a statue of Commodore John Barry, "The Father of the United States Navy": to the Committee on the Library.

5300. By Mr. VAN ZANDT: Petition of E. U. Wells, E. W. Breon, and others, residents of DuBois, Pa., and vicinity, urging enactment of the improved General Welfare Act, House bill 11 as perfected by House bill 5620, as an aid to the relief of the suffering of needy citizens over 60 years of age, and providing prosperity for all and security for all at 60; to the Committee on Ways and Means.

5301. By Mr. VOORHIS of California: Petition of John R. Gordon, of Los Angeles, and 311 others, protesting against the discrimination shown single men in being refused Works Progress Administration jobs, and requesting Congress to recognize their right to work and earn a livelihood; to the Committee on Appropriations.

5302. Also, petition of John B. Stinson, of Orange, Calif., and 64 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5303. Also, petition of Henry Shield, of Long Beach, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5304. Also, petition of Charles W. Home, of North Hollywood, Calif., and 16 others endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5305. Also, petition of Maggie T. Park, of San Bernardino, Calif., and 24 others endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5306. Also, petition of Myrtle E. Beryman, of San Pedro, Calif., and 24 others endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5307. Also, petition of Gladys White, of Los Angeles, Calif., and 21 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5308. Also, petition of Oren K. Barker, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5309. Also, petition of Edward H. Reeves, of San Francisco, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and

Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5310. Also, petition of John E. Francis, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5311. Also, petition of Roy Reynolds, of Walnut Creek, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5312. Also, petition of Vivian Pavich, of Long Beach, Calif., and 23 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5313. Also, petition of Guy M. Maxon, of Los Angeles, Calif., and 25 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5314. Also, petition of Thomas B. Redden, of Long Beach, Calif., and 25 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5315. Also, petition of Fred Watt, of Los Angeles, Calif., and 25 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5316. Also, petition of Earl J. Eller, of Azusa, Calif., and 15 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5317. Also, petition of James A. Rower, of San Francisco, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5318. Also, petition of John W. Martin, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5319. Also, petition of A. Eldred, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5320. Also, petition of A. J. Linnartz, of Olive, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency

Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5321. Also, petition of Marvin J. Noble, of Oakland, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5322. Also, petition of Celia Wilby, of Alhambra, Calif., and 20 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5323. Also, petition of Mary F. Malloy, of Los Angeles, Calif., and 19 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5324. Also, petition of George Stein, of Los Angeles, Calif., and 17 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5325. Also, petition of Mary C. Sruber, of Los Angeles, Calif., and 14 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5326. Also, petition of Louis A. Glenn, of Porterville, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5327. Also, petition of O. T. Thompson, of Los Angeles, Calif., and 10 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers, and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5328. Also, petition of W. J. H. Barnes, of Fairfield, Calif., and 19 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5329. Also, petition of H. B. Whitaker, of Long Beach, Calif., and six others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5330. Also, petition of R. B. Ballantyne, of Salt Lake City, Utah, and 25 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5331. Also, petition of George Craig, of Los Angeles, Calif., and 69 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency

Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5332. Also, petition of William H. Cochrane, of Berkeley, Calif., and eight others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5333. Also, petition of Michael Gilleran, of Fontana, Calif., and seven others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5334. Also, petition of William E. Phillips, of Alhambra, Calif., and 15 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5335. Also, petition of Oliver G. Cromwell, of Wilmar, Calif., and 10 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5336. Also, petition of Douglass D. Gordon, of Los Angeles, Calif., and 12 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5337. Also, petition of A. H. E. Chitty, of Sheridan, Mo., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5338. Also, petition of George F. Heim, of Sonora, Calif., and 67 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5339. Also, petition of E. Miner, of Jonestown, Calif., and 19 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5340. Also, petition of Charles A. McGrath, of Venice, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5341. Also, petition of Edna O. Beum, of San Pedro, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5342. Also, petition of Charles H. Maroon, of Vallejo, Calif., and 17 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Cur-

rency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5343. Also, petition of Albert H. Lafayette, of Daly City, Calif., and 14 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5344. Also, petition of Esther M. Dixon, of San Jose, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5345. Also, petition of H. R. Calkins, of Montebello, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5346. Also, petition of Helen R. Dorwart, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5347. Also, petition of Herbert N. Carpenter, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5348. Also, petition of James M. Jones, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5349. Also, petition of George A. Moss, of Riverside, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5350. Also, petition of John S. Gragy, of Riverside, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5351. Also, petition of Nevin Campbell, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5352. Also, petition of Joe Stoney, of Van Nuys, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5353. Also, petition of A. T. Warner, of Redlands, Calif., and 79 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency

Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5354. Also, petition of John Keller, of San Luis Obispo, Calif., and 26 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5355. Also, petition of R. Perrs, of Berkeley, Calif., and 54 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Bank-

ing and Currency.

5356. Also, petition of J. W. Ray, of Galesburg, Ill., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5357. Also, petition of Karl Johnson, of Los Angeles, Calif., and 13 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Commit-

tee on Banking and Currency.

5358. Also, petition of C. R. Combs, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5359. Also, petition of Christian Johnson, of Colfax, Calif., and 23 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Commit-

tee on Banking and Currency.

5360. Also, petition of Leslie H. Lowe, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5361. Also, petition of John Matekovich, of Los Angeles, Calif., and 49 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5362. Also, petition of Harry Huse, of Escadon, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on

Banking and Currency.

5363. Also, petition of W. E. Lovett, of Altadena, Calif., and five others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5364. Also, petition of Earl G. Gilbert, of Los Angeles, Calif, and 15 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks, and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5365. Also, petition of Frank S. Spires, of Fullerton, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional montary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5366. Also, petition of Ernest Rust, of Nowalk, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Commit-

tee on Banking and Currency.

5367. Also, petition of C. H. Cushman, of Decatur, Ill., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5368. Also, petition of W. H. Quant, of Riverside, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee

of Banking and Currency.

5369. Also, petition of Benjamin W. Rollins, of Los Angeles, Calif., and 37 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5370. Also, petition of Marie A. Reardon, of Tulare, Calif., and 25 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5371. Also, petition of Frederick F. Fridgerson, of Los Angeles, Calif., and 49 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5372. Also, petition of John W. McKinley, of Los Angeles, Calif., and 19 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5373. Also, petition of L. S. Kegarise, of North Hollywood, Calif., and 20 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5374. Also, petition of Arthur B. Clough, of Los Angeles, Calif., and 24 others, endersing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill: to the Committee on Banking and Currency.

5375. Also, petition of George E. Carson, of El Cajon, Calif., and seven others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5376. Also, petition of C. F. Hamlin, of Santa Cruz, Calif., and 18 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5377. Also, petition of Don Ewers, of Hollywood, Calif., and 15 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency

mittee on Banking and Currency.
5378. Also, petition of Walter Anderson, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5379. Also, petition of L. W. Curtis, of Long Beach, Calif., and 14 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5380. Also, petition of Reynolds Cota, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5381. Also, petition of Harry P. McCoal, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5382. Also, petition of Eugene Wehn, of North Hollywood, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5383. Also, petition of C. Catanzariti, of Vallejo, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5384. Also, petition of Stanley Garvey, of Corona, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5385. Also, petition of N. A. Manning, of San Francisco, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5386. Also, petition of C. S. Egbert, of Santa Paula, Calif., and 13 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency

Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5387. Also, petition of Margaret McCarn, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5388. Also, petition of C. Clifford, of Wilmar, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5389. Also, petition of Jacob Hullen, of Santa Rosa, Calif., and 12 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5390. Also, petition of Mrs. R. E. Stearns, of Pasadena, Calif., and seven others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5391. Also, petition of W. Sutton, of Pasadena, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5392. Also, petition of Earl E. Bobier, of Culver City, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5393. Also, petition of Grant E. Kellogg, of San Francisco, Calif., and 43 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5394. Also, petition of Irene Baker, of Los Angeles, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5395. Also, petition of Ferdinand Kaufmann, of South Pasadena, Calif., and 21 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5396. Also, petition of Ruby R. Crane, Bakersfield, Calif., and 24 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional monetary powers; and requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

5397. By the SPEAKER: Petition of Wilkerson & Wilkerson, Chattanooga, Tenn., petitioning consideration of their resolution with reference to the memory of the late Judge McReynolds; to the Committee on Memorials.